

(Translation)

No. TPAC 013/2562

September 4, 2019

Subject: Increase of registered capital, issuance and offering of newly issued ordinary shares to the existing shareholders on a pro rata basis (Rights Offering), and convening the Extraordinary General Meeting of Shareholders No. 2/2019

Attention: President
Stock Exchange of Thailand

Enclosure: Capital Increase Report Form (F53-4)

Thai Plaspac Public Company Limited (the “**Company**”) would like to inform you that the Board of Directors’ Meeting No. 6/2019, held on September 4, 2019, resolved to approve the following material matters:

1. Approved to propose the following material matters to the Extraordinary General Meeting of Shareholders No. 2/2019 for consideration and approval:
 - 1.1 Approve the reduction of the Company’s registered capital by THB 1,182,324, from the existing registered capital of THB 255,000,000 to THB 253,817,676, by canceling 1,182,324 authorized but unissued shares with a par value of THB 1 per share, and approve the amendment to Clause 4 of the Memorandum of Association of the Company to be in line with the reduction of the Company’s registered capital;
 - 1.2 Approve the increase of the Company’s registered capital by THB 72,732,324, from the existing registered capital of THB 253,817,676 to THB 326,550,000, by issuing 72,732,324 newly issued ordinary shares with a par value of THB 1 per share to accommodate the allocation of newly issued ordinary shares of the Company to the existing shareholders on a pro rata basis whereby the existing shareholders shall be able to oversubscribe for the newly issued ordinary shares in excess of their rights, and approve the amendment to Clause 4 of the Memorandum of Association of the Company to be in line with the increase of the Company’s registered capital;
 - 1.3 Approve the allocation of 72,732,324 newly issued ordinary shares of the Company with a par value of 1 THB per share to the existing shareholders on a pro rata basis, at an allocation ratio of every 3.4898 existing shares for 1 newly issued ordinary share, and at an offering price of THB 11.00 per share whereby the existing shareholders shall be able to oversubscribe for the newly issued ordinary shares in excess of their rights and any fractions of shares shall be rounded down.

Thai Plaspac Public Company Limited

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[In determining the offering price of the newly issued ordinary shares to be offered to the existing shareholders on a pro rata basis, the Company has considered and taken into account the market price of its shares and fixed a discount of approximately 10.7 percent of the weighted average price of the shares of the Company for 60 consecutive business days prior to the date on which the Board of Directors resolved to propose the increase of the Company's registered capital to the Extraordinary General Meeting of Shareholders No. 2/2019 for consideration and approval on September 4, 2019 (i.e. the period from June 7 to September 3, 2019, which is equivalent to approximately THB 12.32 (based on information from SETSMART of the the Stock Exchange of Thailand).]

In this regard, the Company has determined the date for determining the names of shareholders entitled to subscribe for the newly issued ordinary shares on a pro rata basis (Record Date) on October 24, 2019, and fixed the subscription period between November 14-15 and November 18-20, 2019 (totaling five business days).

Details of the increase of the Company's registered capital including the allocation of newly issued ordinary shares are as shown in the Capital Increase Report form (F 53-4) (**Enclosure**);

2. Approved the convening of the Extraordinary General Meeting of Shareholders No. 2/2019 on October 15, 2019 at 3.00 p.m. at Rembrandt 3 Meeting Room, Rembrandt Hotel, located at No.19 Soi Sukhumvit 18, Sukhumvit Road, Klong Toei, Bangkok, 10110, to consider the following agenda items:

- | | |
|---------------|--|
| Agenda Item 1 | Message from the Chairman to the Meeting; |
| Agenda Item 2 | To consider and adopt the Minutes of the Extraordinary General Meeting of Shareholders No. 1/2019; |
| Agenda Item 3 | To consider and approve the reduction of the Company's registered capital by THB 1,182,324, from the existing registered capital of THB 255,000,000 to THB 253,817,676, by canceling 1,182,324 authorized but unissued shares with a par value of THB 1 per share, and the amendment to Clause 4 of the Memorandum of Association of the Company to be in line with the reduction of the Company's registered capital; |
| Agenda Item 4 | To consider and approve the increase of the Company's registered capital by THB 72,732,324, from the existing registered capital of THB 253,817,676 to THB 326,550,000, by issuing 72,732,324 newly issued ordinary shares with a par value of THB 1 per share, and the amendment to Clause 4 of the Memorandum of Association of the Company to be in line with the increase of the Company's registered capital; |
| Agenda Item 5 | To consider and approve the allocation of 72,732,324 newly issued ordinary shares of the Company with a par value of THB 1 per share to the existing shareholders on a pro rata basis and |
| Agenda Item 6 | To consider other business (if any). |

3. Approved the determination of the date for determining the names of shareholders entitled to attend the Extraordinary General Meeting of Shareholders No. 2/2019 (Record Date) on September 19, 2019.

Please be informed accordingly.

Sincerely yours,

(Mr. Kevin Kumar Sharma)
Chairman of the Board of Directors and Group Chief Executive Officer

(Translation)

(F 53-4)

Capital Increase Report Form
Thai Plaspac Public Company Limited
September 4, 2019

We, Thai Plaspac Public Company Limited (the “**Company**”), hereby report that the Board of Directors’ Meeting No. 6/2019, held on September 4, 2019 between 10.00 a.m. and 12.00 p.m., passed resolutions in relation to the Company’s capital increase and the allocation of newly issued shares as follows:

1. Capital increase

The meeting of Board of Directors resolved to propose that the Extraordinary General Meeting of Shareholders No. 2/2019 consider and approve the increase of the Company’s registered capital from THB 253,817,676 to THB 326,550,000 by issuing 72,732,324 newly issued ordinary shares with a par value of THB 1.00 per share, totaling THB 72,732,324. The capital increase is as detailed as follows:

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	72,732,324	1.00	72,732,324
<input type="checkbox"/> General Mandate	-	-	-	-

2. Allotment of newly issued shares**2.1 Specific Use of Proceeds**

Allocated to	Number of shares (Shares)	Ratio (Existing: New)	Sale price (THB/share)	Date and time of subscription and share payment	Remark
Existing shareholders of the Company on a pro rata basis (Rights Offering) whereby the existing shareholders shall be able to oversubscribe for the newly issued ordinary shares in excess of their rights	72,732,324	3.4898 existing ordinary shares: 1 newly issued ordinary share	11.00	November 14-15 and 18-20, 2019 (totaling five business days)	Please see the remarks below.

Remarks

- The Board of Directors’ Meeting No. 6/2019, held on September 4, 2019, resolved to propose that the Extraordinary General Meeting of Shareholders No. 2/2019 consider and approve the allocation of 72,732,324 newly issued ordinary shares with a par value of THB 1 per share to the existing shareholders of the Company on a pro rata basis, at an allocation ratio of every 3.4898 existing shares for 1 newly

issued ordinary share, and at an offering price of THB 11.00 per share whereby the existing shareholders shall be able to oversubscribe for the newly issued ordinary shares in excess of their rights and any fractions of shares shall be rounded down.

In determining the offering price of the newly issued ordinary shares to be offered to the existing shareholders on a pro rata basis, the Company has considered and taken into account the market price of its shares and fixed a discount of approximately 10.7 percent of the weighted average price of the shares of the Company for 60 consecutive business days prior to the date on which the Board of Directors resolved to propose the increase of the Company's registered capital to the Extraordinary General Meeting of Shareholders No. 2/2019 for consideration and approval on September 4, 2019 (i.e. the period from June 7 to September 3, 2019, which is equivalent to approximately THB 12.32 (based on information from SETSMART of the Stock Exchange of Thailand (the "SET")) (the "**Market Price**").

In this regard, the Company has determined the date for determining the names of shareholders entitled to subscribe for the newly issued ordinary shares on a pro rata basis (Record Date) on October 24, 2019, and fixed the subscription period between November 14-15 and 18-20, 2019 (totaling five business days).

2. Each existing shareholder may subscribe for the newly issued ordinary shares in excess of their rights according to the allocation ratio as prescribed above, but the oversubscribed shares will be allocated to the oversubscribing shareholders only if there are shares remaining from the first round of allocation to the existing shareholders who subscribe for the shares on a pro rata basis.

In allocating the newly issued ordinary shares to the existing shareholders on a pro rata basis, in the case that there are newly issued ordinary shares remaining from the first round of allocation to the existing shareholders on a pro rata basis, the Company shall allocate such remaining shares to the existing shareholders who wish to oversubscribe for such shares, which includes the existing shareholders who are the connected persons of the Company and wish to oversubscribe for such shares, at the same offering price as the rights issue shares, and the oversubscribers shall make payment for the shares that are oversubscribed in full together with the payment for the rights issue shares from the first round of allocation, the details of which are as follows:

- 2.1 In the case where the number of shares remaining from the first round of allocation to the existing shareholders on a pro rata basis is more than or equivalent to the number of shares oversubscribed by the existing shareholders, the Company shall allocate the remaining shares to all oversubscribing shareholders who have fully paid for the oversubscribed shares in accordance with the number of shares for which they have expressed their intention to oversubscribe.
- 2.2 In the case where the number of shares remaining from the first round of allocation to the existing shareholders on a pro rata basis is less than the number of shares oversubscribed by the existing shareholders, the Company shall allocate the remaining shares to the oversubscribing shareholders in accordance with the following procedures:
 - 2.2.1 The Company shall allocate the shares on a pro rata basis by multiplying the shareholding ratio of each existing oversubscribing shareholder with the number of the remaining shares, giving the number of shares that each oversubscribing shareholder shall be entitled to be allocated. In the case of any fractions of shares, the fractions shall be rounded down. In this regard, the number of shares to be allocated shall not exceed the number of shares for which each shareholder has subscribed and paid.
 - 2.2.2 In the case where there are shares remaining from the allocation pursuant to 2.2.1, the Company shall allocate the remaining shares to each oversubscribing shareholder who has not been fully allocated with shares on a pro rata basis by multiplying the shareholding ratio of each existing oversubscribing shareholder with the number of the remaining shares, giving the number of shares that each

oversubscribing shareholder shall be entitled to be allocated. In the case of a fraction of a share, the fraction shall be rounded down. In this regard, the number of shares to be allocated shall not exceed the number of shares for which each shareholder has subscribed and paid for.

In this regard, the Company shall allocate the shares to the oversubscribing shareholders until the oversubscribed shares have been fully allocated or there are no shares remaining from the allocation.

3. Any allocation of shares to the existing oversubscribing shareholders of the Company shall not cause any shareholder of the Company (including the person under Section 258 of the Securities and Exchange Act B.E. 2535 (1992) (as amended) (the “**Securities Act**”) of such shareholder) to hold shares in violation of the foreign limit as specified under the Company’s Articles of Association. In addition, in the case that the oversubscription by an existing shareholder of the Company results in his/her shareholding ratio triggering a tender offer, such shareholder must also comply with the relevant rules.
4. In allocating the newly issued ordinary shares of the Company, the Group Chief Executive Officer, or any person(s) authorized by the Group Chief Executive Officer shall be authorized to consider and determine any details necessary for and relevant to the allocation of the newly issued ordinary shares, including, but not limited, to:
 - (1) determining and amending details with respect to the allocation of the newly issued ordinary shares, e.g. allocation of the newly issued ordinary shares whether in single or sequential allocations, period of the offering, payment of the offering price, and any other conditions and details in connection with the said allocation;
 - (2) entering into negotiations, making agreements and executing documents and agreements relevant to the allocation of the newly issued ordinary shares, and executing applications, waivers, and any other document and evidence necessary for and relevant to the said allocation, including contacting and submitting such applications, waivers, and documents and evidence to the relevant authorities or agencies, and listing the newly issued ordinary shares on the Market for Alternative Investment (MAI); and
 - (3) undertaking any other actions necessary for and relevant to the allocation of the newly issued ordinary shares.

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

In case of any fraction of shares as a result of the allocation of the newly issued ordinary shares to the existing shareholders on a pro rata basis, such fraction shall be rounded down.

3. Schedule for the shareholders’ meeting to approve the capital increase/the share allotment

The Extraordinary General Meeting of Shareholders No. 2/2019 is scheduled to be held on October 15, 2019 at 3.00 p.m. at Rembrandt 3 Meeting Room, Rembrandt Hotel, located at No.19 Soi Sukhumvit 18, Sukhumvit Road, Klong Toei, Bangkok, 10110.

The Record Date for determining the names of shareholders entitled to attend the Extraordinary General Meeting of Shareholders No. 2/2019 (Record Date) is scheduled on September 19, 2019.

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

- 4.1 The Company will register the increase of the registered capital and the amendment of the Memorandum of Association with the Department of Business Development under the Ministry of Commerce, within 14 days after the date on which the shareholders' meeting has approved the increase of the registered capital, and will register the increase of the paid-up capital within 14 days after the newly issued shares are fully paid-up.
- 4.2 The Company will apply for approval from the SET to list such newly issued ordinary shares on the Market for Alternative Investment (MAI).

5. Objectives of the capital increase and use of proceeds

- 5.1 To strengthen the Company's balance sheet by using a major portion of the proceeds derived from the capital increase to repay loans from financial institutions and/or other debts in the amount of approximately THB 800,000,000, which will allow the Company to be ready for business expansion and acquisitions in the future.
- 5.2 To increase the liquidity of the Company's shares traded on the MAI given the increase in the number of shares of the Company.
- 5.3 To satisfy one of the listing criteria for the Company's shares to be listed on the main board of the SET, i.e. by having paid-up capital of not less than THB 300,00,000 as it is the intention of the Company to list its shares on the main board of the SET.

6. Benefits from the capital increase/share allotment to the Company

The capital increase will help strengthen the Company's balance sheet to be ready for business expansion and further acquisitions, which may be in markets where the company already has a presence (India, United Arab Emirates, Thailand). In addition, if the Company has more liquidity in terms of shares and is able to have its shares traded on the main board of the SET, the investor base will be expanded, thereby unleashing the Company's full valuation potential.

7. Benefits from the capital increase/share allotment to the shareholders

7.1 Dividend policy

The Company has a policy to pay dividends at the rate of not less than 30 percent of the net profit after corporate income tax and statutory reserve. However, payment of dividends is subject to change depending on the operating results, business expansion plan, liquidity, necessity, and other appropriateness in the future, and the Board of Directors of the Company has the authority to consider the implementation of this policy on the condition that it must be in the best interest of the shareholders.

The subscribers of the newly issued shares shall be entitled to receive dividends from the Company's business operations from the date on which the subscribers are registered as the Company's shareholders, provided that the shareholders must have their names listed in the shareholder register book of the Company, and the Company must announce the dividend payment in accordance with the relevant laws, rules, and regulations.

7.2 Others

-None-

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

8.1 Effects on the shareholders from the allocation of newly issued shares

8.1.1 Price Dilution

After the allocation of the newly issued ordinary shares to the existing shareholders on a pro rata basis, price dilution will be subject to the exercise of the rights to purchase newly issued shares of each existing shareholder. In the case that all existing shareholders do not exercise their rights to purchase any newly issued shares, there will be no price dilution effect on the shares of the Company. However, in the case that all existing shareholders fully exercise their rights to purchase all newly issued shares, the price of the shares of the Company will be affected and it will be reduced at the rate of 2.4 percent as per the following calculation:

$$\begin{aligned} &= \frac{\text{Market Price before offering} - \text{Market Price after offering}}{\text{Market Price before offering}} \\ &= \frac{12.32 - 12.03}{12.32} \\ &= 2.4 \text{ percent} \end{aligned}$$

The Market Price after the rights offering is:

$$\begin{aligned} &= \frac{(\text{Market Price} \times \text{Number of paid-up shares}) + (\text{Rights offering price} \times \text{Number of shares to be issued as rights offering})}{\text{Number of paid-up shares} + \text{Number of shares to be issued as rights offering}} \\ &= \frac{(12.32 \times 253,817,676) + (11.00 \times 72,732,324)}{253,817,676 + 72,732,324} \\ &= \text{THB 12.03 per share} \end{aligned}$$

8.1.2 Control Dilution

After the allocation of the newly issued ordinary shares to the existing shareholders on a pro rata basis, in the case that all existing shareholders fully exercise their rights to purchase the newly issued shares, there will be no control dilution.

However, in the case that any shareholder does not wish to exercise his/her rights to subscribe for any newly issued ordinary shares and other shareholders exercise their rights to subscribe for all of the newly issued ordinary shares in accordance with their rights and/or subscribe for all newly issued ordinary shares in excess of their rights, there will be a control dilution effect on such shareholder, where his/her voting rights will be decreased by approximately 22.3 percent as per the following calculation:

$$\begin{aligned}
&= \frac{\text{Number of shares offered}}{\text{Number of paid-up shares} + \text{Number of shares offered}} \\
&= \frac{72,732,324}{253,817,676 + 72,732,324} \\
&= 22.3 \text{ percent}
\end{aligned}$$

8.1.3 Earnings (EPS) per Share Dilution

$$\begin{aligned}
&= \frac{\text{EPS before offering} - \text{EPS after offering}}{\text{EPS before offering}} \\
&= \frac{0.15 - 0.12}{0.15} \\
&= 22.3 \text{ percent}
\end{aligned}$$

$$\begin{aligned}
\text{Whereby EPS before offering} &= \frac{\text{Net profit}}{\text{Number of paid-up shares}} \\
&= \frac{38,418,040}{253,817,676} \\
&= \text{THB 0.15 per share}
\end{aligned}$$

$$\begin{aligned}
\text{Whereby EPS after offering} &= \frac{\text{Net profit}}{\text{Number of paid-up shares} + \text{Number of shares offered}} \\
&= \frac{38,418,040}{253,817,676 + 72,732,324} \\
&= \text{THB 0.12 per share}
\end{aligned}$$

Net profit is calculated from the net profit of the past 12 months from July 1, 2018 to June 30, 2019.

In this regard, after taking into consideration a comparison between the benefits that the shareholders will gain from the capital increase, and the allocation of the newly issued ordinary shares of the Company and the effects on the profit sharing, the voting rights of the shareholders or the earnings per share as described above, the Board of Directors has viewed that the capital increase and the allocation of the newly issued ordinary shares of the Company to be more beneficial to the shareholders than the effects on the profit sharing, the voting rights of the shareholders or the earnings per share as the capital increase and the allocation of newly issued ordinary shares of the Company would allow to repay loans with financial institutions and/or other debts and would reduce the interest expenses to the financial institutions and as well as strengthening the financial position of the Company as the Company would have a continuous stream of working capital and flexibility for its business operations in the future.

8.2 Opinions of the Board of Directors on the capital increase or the offering of the newly issued shares to the existing shareholders on a pro rata basis

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 newly issued ordinary shares to the existing shareholders on a pro rata basis where the proceeds from the allocation of the newly issued shares would be used for the purposes as described under Clause 5 above.

8.2.2 Feasibility of the plan for the use of proceeds

The Company plans to allocate the newly issued ordinary shares to the existing shareholders of the Company on a pro rata basis and receive the proceeds from such share allocation by November 2019. The Company will use such proceeds for the purposes as described under Clause 5 above.

8.2.3 Reasonableness of the capital increase, plan for the use of proceeds from the sharing offering, and projects to be implemented, including sufficiency of the sources of funds in the case that proceeds from the allocation of the newly issued ordinary shares on a pro rata basis are insufficient

The Board of Directors has viewed that the allocation of the newly issued ordinary shares to the existing shareholders on a pro rata basis was appropriate and reasonable and was in the best interest of the Company and all shareholders because it was in line with the Company's financing plan to repay loans from the financial institutions and/or other debts, which would help strengthen the Company's balance sheet, which will allow the Company to be ready for business expansion and acquisitions in the future, and to use such proceeds as working capital for its business operations. In the case that the proceeds from the allocation of the newly issued ordinary shares are insufficient, the Company has a plan to repay the loans as much as possible to reduce its interest burden.

In this regard, in the case that newly issued ordinary shares are fully subscribed, the Company will be able to raise funds of approximately THB 800,055,564.

8.2.4 Potential impact on the business operations of the Company, as well as its financial position and operating results 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 newly issued ordinary shares to the existing shareholders of the Company on a pro rata basis 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 Clause 5 above. The implementation of the foregoing will 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 operating results.

9. Schedule of actions after the Board of Directors resolved to proposed that the Extraordinary General Meeting of Shareholders No. 2/2019 consider and approve the capital increase/the share allotment

No.	Procedure	Date
1	The Board of Directors' Meeting No. 6/2019	September 4, 2019
2	The date for determining the names of shareholders entitled to attend the Extraordinary General Meeting of Shareholders No. 2/2019 (Record Date)	September 19, 2019
3	The Extraordinary General Meeting of Shareholders No. 2/2019	October 15, 2019
4	Registration of the increase of the registered capital with the Ministry of Commerce	Within 14 days after the shareholder's meeting's resolution was passed to approve the increase of the registered capital
5	The date for determining the names of shareholders entitled to subscribe for the newly issued ordinary shares (Record Date)	October 24, 2019
6	The subscription period of the newly issued ordinary shares	November 14-15, and 18-20, 2019 (totaling five business days)
7	Registration of the paid-up capital with the Ministry of Commerce	Within 14 days since after the end of the offering period

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

The Board of Directors affirms that it has performed its duty honestly and diligently to preserve the benefits of the Company in relation to the capital increase. However, if the performance of such duty by any director causes damage to the Company, the shareholders may file a legal action against such director on behalf of the Company for damages pursuant to Section 85 of the Public Limited Companies Act B.E. 2535 (1992) (as amended). In addition, if the performance of such duty results in any director or his/her related persons obtaining undue benefits, the shareholders may file a legal action to claim for restitution of such benefits from such director on behalf of the Company pursuant to Section 89/18 of the Securities Act.

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

Sincerely yours,

Thai Plaspac Public Company Limited

(Mr. Kevin Kumar Sharma)

Chairman of the Board of Directors and
Group Chief Executive Office