

(F 53-4)

**Capital Increase Report Form**  
**Principal Capital Public Company Limited**  
**24 February 2022**

We, Principal Capital Public Company Limited (the “**Company**”), hereby report the resolutions of its Board of Directors’ Meeting No.1/2022 held on 24 February 2022 relating to the capital increase and allocation of newly issued ordinary shares as follows:

**1. Capital Reduction and Capital Increase**

**1.1 Capital Increase**

The Board of Directors’ Meeting resolved to approve to propose to the AGM to consider and approve the increase of the Company’s registered capital from the existing registered capital of Baht 3,808,570,502 to Baht 4,189,427,552, by issuing 380,857,050 newly ordinary shares with a par value of one Baht per share, totaling Baht 380,857,050, with details of the capital increase as follows:

<b>Type of Capital Increase</b>	<b>Type of Shares</b>	<b>Number of Shares</b>	<b>Par Value (Baht/Share)</b>	<b>Total (Baht)</b>
<input type="checkbox"/> Specific purpose of utilizing the proceeds	-	-	-	-
<input checked="" type="checkbox"/> General Mandate	Ordinary shares	380,857,050	1.00	380,857,050

**2. Allocation of newly issued shares**

**2.1 Specific Purpose of Utilizing the Proceeds**

-None-

**2.2 General Mandate**

<b>Allocated to</b>	<b>Type of Shares</b>	<b>Number of Shares</b>	<b>Percentage of Paid-Up Capital<sup>1/</sup></b>	<b>Note</b>
Specific persons (Private Placement)	Ordinary Shares	Not exceeding 380,857,050 shares	Not exceeding 10.00	Please see the remarks below for further information.

<sup>1/</sup> The Company’s paid-up capital as of 24 February 2022 which is the date on which the Board of Directors has approved the capital increase under the General Mandate scheme equals Baht 3,808,570,502

**Remarks:**

- The Board of Directors’ Meeting No. 1/2022 held on 24 February 2022 has resolved to propose to the AGM to consider and approve of the allocation of not exceeding 380,857,050 newly issued ordinary shares with a par value of

one Baht per share under the General Mandate Scheme by way of private placement and the authorization of the Board of Directors with power and authority to be authorized to undertake actions in relation to the allocation of the Company's newly issued ordinary shares, including, without limitation, the following:

- (1) considering the offering for sale and allocation of the newly issued ordinary shares whether in whole or in part and whether in a single offering or multiple offerings;
  - (2) determining the objectives, offering period, offering price, investors to whom the shares will be offered, subscription and settlement methods as well as other terms and conditions in relation to the allocation of such newly issued ordinary shares;
  - (3) negotiating, agreeing, entering into and signing any agreements and/or documents necessary and relevant to the allocation of such newly issued ordinary shares, including amending such agreements and documents and information memorandum or related disclosure, as well as considering and appointing any financial advisors, legal advisors, underwriters, and/or other service providers (if any or as necessary);
  - (4) signing applications, waivers, notices and any documents relating to the allocation of such newly issued ordinary shares, including effecting relevant registrations with the Ministry of Commerce and listing such newly issued ordinary shares on the Stock Exchange of Thailand (the "SET") as well as contacting, coordinating and filing documents with relevant government authorities or other agencies (whether in Thailand or overseas); and
  - (5) undertaking any acts necessary and relevant to complete the allocation of the newly issued ordinary shares, including authorizing any person(s) the Board of Directors deems appropriate to undertake any actions specified in paragraphs (3) and (4) above.
2. The Company will allocate the newly issued ordinary shares by way of private placement, whereby such shares shall be offered to not exceeding 50 institutional investors and/or specific investors during any 12-month period, such investors not being considered the connected persons pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 entitled Rules on Connected Transactions and the Notification of the Board of Governors of the SET entitled Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (A.D. 2003)
  3. The offering price of the newly issued ordinary shares of the Company under the General Mandate scheme by way of private placement shall be the best price in accordance with the market condition during the offering period, and shall be for the best interest of the Company and its shareholders. Such offering

price may be discounted at not exceeding 10 per cent of the market price pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 72/2558 entitled Approval for Listed Companies to Offer Newly Issued Ordinary Shares by way of Private Placement, calculated based on the weighted average price of the Company's shares traded on the SET during the period from between seven consecutive business days to not exceeding 15 consecutive business days prior to the date of determination of the offering price by the Board of Directors.

4. The number of the newly issued ordinary shares to be allocated by way of private placement shall not exceed 10 per cent of the Company's paid-up capital as of the date on which the Board of Directors approves the capital increase under the General Mandate scheme.

**3. Schedule for a shareholders' meeting to approve the capital increase and allocation shares**

The 2022 Annual General Meeting of the Shareholders is scheduled to be held on Monday 25 April 2022 at 10.00 a.m. via electronic means, in accordance with the Emergency Decree on Electronic Meetings B.E. 2563 (2020). The date for determining the names of the shareholders who are entitled to attend the 2022 Annual General Meeting of Shareholders (Record Date) shall be 14 March 2022

**4. Approval of the capital increase/shares allotment by relevant government agencies and approval conditions thereto (if any)**

- 4.1 The Company will register the increase of its registered capital and the amendment to its memorandum of association with the Department of Business Development, the Ministry of Commerce within 14 days from the date on which the shareholders' meeting resolves to approve the capital increase, and the Company will register the amendment to its paid-up capital with the Department of Business Development, the Ministry of Commerce within 14 days from the date on which the newly issued ordinary shares are allocated by way of private placement.
- 4.2 The Company will obtain an approval from the Stock Exchange of Thailand (the "SET") for the listing of its newly issued ordinary shares which will be allocated by way of private placement on the SET.

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

As the Company has an investment plan to continuously expand its business in the future, it deems appropriate to propose to raise fund through the increase of its capital under the General Mandate scheme in order to increase its agility in conducting mergers and acquisitions as well as to support synergies for the Company in the future.

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

This capital increase under the General Mandate scheme will be beneficial to the Company as it will enable the Company to have prosper funding and be ready for the implementation of its investment plan and business expansion in a timely manner. This will also accommodate the finding of strategic partners to co-invest in the Company which will help creating an

opportunity to generate income and profits to the Company, which, in turn, provide good long-term returns for the shareholders. Moreover, it will also keep the Company’s debt-to-equity ratio and debt-to-EBITDA ratio at a low level.

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

The benefits as described in paragraph 6 above would likely be beneficial to the Company’s operating results and help creating an opportunity to generate income and profits to the Company, which will enhance the Company’s ability to further declare dividends to its shareholders.

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

The impacts on the shareholders from such issuing and offering of newly issued ordinary shares, on the assumption that all of the 380,857,050 newly issued ordinary shares are fully subscribed at the price of Baht 4.11 per share, which is the offering price with a discount of 10 percent of the weighted average price of the Company’s shares traded on the SET for 15 consecutive business days before the date of the Board of Director’s resolution to propose the increase of the Company’s registered capital by means of General Mandate for approval at the shareholders’ meeting, i.e. from 2 February 2022 to 23 February 2022, which was equivalent to Baht 4.56 per share (information from SETSMART at [www.setsmart.com](http://www.setsmart.com)), are as follows (the final offering price will be determined upon consideration by the Board of Directors in respect of each allocation of newly issued ordinary shares):

A. Price dilution, which can be calculated as per the following formula:

$$\begin{aligned}
 \text{Price Dilution} &= \frac{\text{Pre-offering market price} - \text{Post-offering market price}}{\text{Post-offering market price}} \\
 &= \frac{4.56 - 4.52}{4.56} \\
 &= 0.91 \text{ percent}
 \end{aligned}$$

Whereas

$$\begin{aligned}
 \text{Pre-offering market price} &= 4.56 \text{ per share} \\
 \text{Number of paid-up shares} &= 3,808,570,502 \text{ shares} \\
 \text{Offering price} &= 4.11 \text{ per share} \\
 \text{Number of shares offered} &= 380,857,050 \text{ shares} \\
 \text{Post-offering market price} &=
 \end{aligned}$$

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

$$\text{Number of paid-up shares} + \text{Number of shares offered}$$

$$= (4.56 * 3,808,570,502) + (4.11 * 380,857,050)$$

$$3,808,570,502 + 380,857,050$$

$$= 4.52 \text{ per share}$$

B. Control dilution, which can be calculated as per the following formula:

$$\text{Control Dilution} = \frac{\text{Number of shares offered}}{$$

Number of paid-up shares + Number of shares offered

= 380,857,050

3,808,570,502 + 380,857,050

= 9.09 percent

**9. Schedule of actions if the Board of Directors passes resolutions to approve the capital increase/shares allotment**

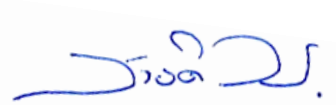
No.	Procedure	Date/Month/Year
1.	Board of Directors' Meeting No. 1/2022	24 February 2022
2.	Date for determining the names of shareholders who are entitled to attend the 2022 Annual General Meeting of Shareholders (Record Date)	14 March 2022
3.	The 2022 Annual General Meeting of Shareholders	25 April 2022
4.	Registration of capital increase, including the amendment to the memorandum of association with the Ministry of Commerce	Within 14 days from the date of the shareholders' approval
5.	Registration of paid-up capital with the Ministry of Commerce	Within 14 days from the date of the shares allocation by way of private placement

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

Please be informed accordingly.

Yours faithfully,

Principal Capital Public Company Limited



(Dr. Satit Viddayakorn)  
Authorized Director



(Mr. Veera Srichanachaichok)  
Authorized Director