

No. ECF2 035/2562

23 September 2562

Subject Notification on the resolutions of the Board of Directors' Meeting approving the purchase of the ordinary shares in KPN Academy Company Limited, the increase of registered capital, the issuance and the allocation of the newly-issued shares to specific persons (Private Placement) and the convening of the Extraordinary General Meeting of Shareholders No. 1/2019 (additional)

To Director and Manager
The Stock Exchange of Thailand

- Enclosure
1. Information Memorandum on the Acquisition of Assets (Schedule 1) Regarding the Purchase of the Ordinary Shares of KPN Academy Company Limited
 2. Capital Increase Report Form (F 53-4)
 3. Information Memorandum on the Offering of the newly issued Shares of East Coast Furnitech Public Company Limited to Specific Persons (Private Placement)
 4. Information Memorandum on the Issuance and the Allocation of the newly issued Shares to Accommodate the Right Adjustment of the Warrant to Purchase the newly issued Shares of the Company No. 3 (ECF-W3)

East Coast Furnitech Public Company Limited (the “**Company**”) would like to inform the resolutions of the Board of Directors' Meeting No. 9/2019, held on 20 September 2019 to the Stock Exchange of Thailand (“**SET**”) as follows:

1. Approving to propose to the Extraordinary General Meeting of Shareholders No. 1/2019 to consider and approve the Company to purchase the ordinary shares of KPN Academy Company Limited (“**KPN Academy**”) in the proportion of not less than 57.52 percent of total number of sold shares of KPN Academy from the existing shareholders, i.e. (1) Mr. Nop Narongdej (2) Golden Tiger Associates Ltd. (3) Mr. Nuttawut Phowborom and (4) Mrs. Sangduan Ewbamrung (collectively called “**Existing Shareholders**”) in the number of not less than 14,947,300 shares, at a par value of Baht 10 per share, equivalent to not less than 57.52 percent of total number of sold shares of KPN Academy, at a price of Baht 30.787 per share, equal to the total number of not less than Baht 460,182,417.60 (“**Transaction on the Investment in the Ordinary Shares of KPN Academy**”).

However, the Company would like to inform that apart from the entering into the purchase of shares from the Existing Shareholders, the company is in the process of negotiating to additionally purchase the total number of shares in KPN Academy from other shareholders under the same conditions applying with the Existing Shareholders. Therefore, in case that there is an adjustment in the allocation of the newly-issued shares for a consideration of the additional purchase of shares, the Company will convene the Board of Directors' Meeting in order to amend the details of the allocation of the newly-issued shares (if any) and further inform the Stock Exchange of Thailand (“**SET**”) pursuant to the relevant laws and regulations.

In addition, the Company will make a payment for the ordinary shares of KPN Academy by issuing the newly-issued shares of the Company in terms of the offering to specific

persons (Private Placement) in the number of not more than 191,742,674 shares, at a par value of Baht 0.25 per share with the offering price of not less than 90 percent of the market price on the date which the Board of Directors determines the offering price of shares based on the market price which is the best price under the market situation in the period of the offering shares to investors, after authorized by the Extraordinary General Meeting of Shareholders No. 1/2019, by which the offering price will not be less than the minimum price of Baht 2.4 per share in any respect. The market price will be in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 72/2558 (2015) Re: Permission for Listed Companies to Offer Newly Issued Shares to Specific Persons (“**Notification of Capital Market Supervisory Board No. TorChor. 72/2558**”), calculated from the weighted average market price per share of the Company’s ordinary shares traded in the SET for retroactively 7 business days but not more than 15 consecutive business days prior to the date to determine the offering price of shares. Such price for an average must be the average price of sale and purchase of shares in each day. In this regard, the date to determine the offering price of shares must be retroactively not more than 3 business days prior to the first day of the offering of the ordinary shares to specific persons (Private Placement), i.e. the Existing Shareholders. In case that the Board of Directors views that it is reasonable, under the consideration of the utmost interest of the Company, the Board of Directors may determine the offering price with a reduction of not more than 10 percent of the abovementioned weighted average market price per share, whereby the Board of Directors had considered such determination of the reduction, based on the market situation at that time. The offering price will not be less than Baht 2.4 per share (“**Minimum Price**”) (“**Transaction on the Allocation of the Ordinary Shares for Payment of Shares of KPN Academy**”).

Consequently, calculated from the Minimum Price as specified above, the offering price of the newly issued shares to specific persons (Private Placement) for the Existing Shareholders in the number of not more than 191,742,674 shares will be equivalent to Baht 460,182,417.60.

The Transaction on the Allocation of the Ordinary Shares for Payment of Shares of KPN Academy is a condition to enter into the Transaction on the Investment in the Ordinary Shares of KPN Academy. In case that the Transaction on the Allocation of the Ordinary Shares for Payment of Shares of KPN Academy is not approved by the Extraordinary General Meeting of Shareholders No. 1/2019, the Company will not enter into the Transaction on the Investment in the Ordinary Shares of KPN Academy. In addition, the Existing Shareholders is not connected persons of the Company according to the Notification of the Capital Market Supervisory Board No. Tor Chor. 21/2551 (2008) Re: Rules on Connected Transactions dated 31 August 2008 (including the amendments thereof) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) dated 19 September 2003 (including the amendments thereof) (“**Notifications on Connected Transactions**”).

The Company speculates that the payment of shares and the transfer of the ordinary shares of KPN Academy will be complete by the first quarter of 2020 under the relevant conditions as follows:

- 1) The Extraordinary General Meeting of Shareholders No. 1/2019 resolves to approve the Company to enter into the Transaction on the Investment in the Ordinary Shares of KPN Academy and the issuance and the offering of the newly-issued shares to allocate to the sellers who are specific persons (Private Placement), i.e. the Existing Shareholders in the number of not more than 191,742,674 shares, at a par value of Baht 0.25 per share with the offering price of not less than 90 percent of the market price on the date which the Board of Directors determines the offering price of shares based on the market price which is the best price under the market situation in the period of the offering shares to investors, after authorized by the Extraordinary General Meeting of Shareholders No. 1/2019, by which the offering price will not be less than the minimum price of Baht 2.4 per share for a consideration of the ordinary shares of KPN Academy and

2) The Company and the Existing Shareholders has proceeded in accordance with the Conditions Precedent as preliminarily agreed. Details of which can be found in the Information Memorandum on the Acquisition of Assets (Schedule 1) Regarding the Purchase of the Ordinary Shares of KPN Academy Company Limited.

This Transaction on the Investment in the Ordinary Shares of KPN Academy with total value of not less than Baht 460,182,417.60 is considered the acquisition of assets according to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 (2008) Re: Rule on Entering into Material Transactions Deemed as Acquisition or Disposal of Asset (including the amendments thereof) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposal of Asset B.E. 2547 (2004) (including the amendments thereof) (collectively called “**Notifications on Acquisition or Disposal of Assets**”). In consideration of the size of such transaction by means of calculation methods pursuant to rules under the Notifications on Acquisition or Disposal of Assets by calculating from the interim audited financial statements ended 30 June 2019 of the Company, the highest transaction size is 19.98 percent based on the value of securities issued by the Company criterion. The combination of such transaction size and other transactions on the acquisition of assets occurring during 6-month period prior to the date on which the Board of Directors resolved to approve the entering into this transaction on the acquisition of assets, the total highest size of transactions is 21.47 percent based on the total value of consideration criterion, considered the Class 2 transaction according to the Notifications on Acquisition or Disposal of Assets. The transaction value is equal or more than 15 percent but less than 50 percent. Consequently, the Company is required to immediately disclose the information memorandum on the entering into the transaction to the Stock Exchange of Thailand (“**SET**”) and deliver circular notice to the shareholders of the Company within 21 days from the date on which the information memorandum on the entering into the transaction is disclosed to the SET.

However, if the Company is able to successfully negotiate for the purchase all of the shares in KPN Academy from other shareholders on the same condition with those applied on the Existing Shareholders, and the Board of Directors resolved to approve an investment in all of the ordinary shares in KPN Academy which is equivalent to 100 percent, the transaction on the investment in the ordinary shares of KPN Academy is valued at Baht 800,000,011.20. In consideration of the size of such transaction by means of calculation methods pursuant to rules under the Notifications on Acquisition or Disposal of Assets by calculating from the interim audited financial statements ended 30 June 2019 of the Company, the highest transaction size is 34.74 percent based on the value of securities issued by the Company criterion. The combination of such transaction size and other transactions on the acquisition of assets occurring during 6-month period prior to the date on which the Board of Directors resolved to approve the entering into this transaction on the acquisition of assets, the total highest size of transactions is 34.74 percent based on the total value of consideration criterion, considered the Class 2 transaction according to the Notifications on Acquisition or Disposal of Assets. The transaction value is equal or more than 15 percent but less than 50 percent.

Details of such transaction can be found in the Information Memorandum on the Acquisition of Assets (Schedule 1) Regarding the Purchase of the Ordinary Shares of KPN Academy Company Limited (Enclosure 1).

In addition, the acquisition of the ordinary shares of KPN Academy shall not be less than 57.52 percent of the total number of sold shares of KPN Academy, considered as the Company obtains the transfer of private company into its ownership, pursuant to Section 107 (2) (b) of the Limited Public Company Act B.E. 2535 (1992) (including the amendments thereof) which stipulates that the transfer of business of the other company or private company into the limited public company’s ownership shall be approved by the shareholders’ meeting with the votes of not less than third-fourth (3/4) of the total votes of shareholders attending the meeting and entitled to vote. In this regard, the Board of Directors’ meeting No. 9/2019, held on 20 September 2019 resolved to propose

the addenda for considering and approving the entering into the said transaction on the acquisition of assets to the Extraordinary General Meeting of Shareholders No. 1/2019 for further proceeding in accordance with the relevant laws.

The Board of Directors' meeting approved to propose to the Extraordinary General Meeting of Shareholders No. 1/2019 in order to consider and approve the authorization to the Board of Directors or persons authorized by the Board of Directors to conduct any actions in relation to the Transaction on the Investment in the Ordinary Shares of KPN Academy, including the actions as follows:

1. Determination, amendment and addition of details in relation to the Transaction on the Investment in the Ordinary Shares of KPN Academy under the rules of the relevant laws;

2. Negotiation, amendment and execution on contracts, together with any other documents in relation to the Transaction on the Investment in the Ordinary Shares of KPN Academy, including but not limited to, the Share Purchase Agreement;

3. Execution, amendment, modification and connection on any applications and evidences essential and relevant to the Transaction on the Investment in the Ordinary Shares of KPN Academy with the Securities and Exchange Commission (“SEC”), the SET, governmental sectors and other relevant sectors and the authority to conduct any other necessary actions, including sub-authorization;

4. Any other necessary and appropriate actions in order to achieve in all abovementioned actions.

2. Approving to propose to the Extraordinary General Meeting of Shareholders No. 1/2019 to consider and approve the decrease of registered capital of the Company in the number of Baht 13,350,543.75 from Baht 312,462,090.75 to Baht 299,111,547, by cancelled unissued ordinary shares of the Company in the number of 53,402,175 shares, at a par value of Baht 0.25 per share and consider and approve the amendment of Clause 4 of the Memorandum of Association of the Company for the purpose of the correspondence with the decrease of registered capital of the Company.

3. Approving to propose to the Extraordinary General Meeting of Shareholders No. 1/2019 to consider and approve the increase of registered capital of the Company in the number of Baht 51,060,668.50 , divided into 204,242,674 ordinary shares, at a par value of Baht 0.25 per share, from Baht 299,111,547 to Baht 350,172,215.50, as per details in Enclosure 2 and consider and approve the amendment of Clause 4 of the Memorandum of Association of the Company for the purpose of the correspondence with the increase of registered capital of the Company.

4. Approving to propose to the Extraordinary General Meeting of Shareholders No. 1/2019 to consider and approve the allocation of the newly-issued shares in the number of not more than 191,742,674 shares, at a par value of Baht 0.25 per share with the offering price of not less than 90 percent of the market price on the date which the Board of Directors determines the offering price of shares based on the market price which is the best price under the market situation in the period of the offering shares to investors, after authorized by the Extraordinary General Meeting of Shareholders No. 1/2019 according to the Notification of Capital Market Supervisory Board No. Tor Chor. 72/2558, calculated from the weighted average market price per share of the Company's ordinary shares traded in the SET for retroactively 7 business days but not more than 15 consecutive business days prior to the date to determine the offering price of shares. Such price for an average must be the average price of sale and purchase of shares in each day. In this regard, the date to determine the offering price of shares must be retroactively not more than 3 business days prior to the first day of the offering of the ordinary shares to specific persons (Private Placement), i.e. the Existing Shareholders. In case that the

Board of Directors views that it is reasonable, under the consideration of the utmost interest of the Company, the Board of Directors may determine the offering price with a reduction of not more than 10 percent of the abovementioned weighted average market price per share, whereby the Board of Directors had considered such determination of the reduction, based on the market situation at that time. The offering price will not be less than the Minimum price of Baht 2.4 per share. Details of which are as follows:

4.1 Allocating the newly issued shares to Mr. Nop Norongdej up to 156,666,667 shares, at a par value of Baht 0.25 per share

Calculated from the Minimum Price as specified above, the offering price of the newly issued shares to Mr. Nop Narongdej is Baht 376,000,000.80. For a consideration of the purchase of shares of KPN Academy, Mr. Nop Narongdej will make a payment for the newly issued shares of the Company with the shares of KPN Academy in the number of 12,212,950 shares, **at a price of Baht 30.787 per share**, with the total price of Baht 376,000,000.80.

After the allocation of the newly-issued shares of the Company for this Transaction on the Allocation of the Ordinary Shares for Payment of Shares of KPN Academy, Mr. Nop Narongdej will become a major shareholder of the Company, holding shares in the proportion of approximately 13.61 percent of the total number of sold shares of the Company (after the registration of the increase of paid-up capital of the Company).

4.2 Allocating the newly issued shares to Golden Tiger Associates Ltd. up to 166,666,667 shares, at a par value of Baht 0.25 per share

Calculated from the Minimum Price as specified above, the offering price of the newly issued shares to Golden Tiger Associates Ltd. is Baht 40,000,000.80. For a consideration of the purchase of shares of KPN Academy, Golden Tiger Associates Ltd. will make a payment for the newly issued shares of the Company with the shares of KPN Academy in the number of 1,299,250 shares, **at a price of Baht 30.787 per share**, with the total value of Baht 40,000,000.80.

After the allocation of the newly-issued shares of the Company for this Transaction on the Allocation of the Ordinary Shares for Payment of Shares of KPN Academy, Golden Tiger Associates Ltd. will become a shareholder of the Company, holding shares in the proportion of approximately 1.45 percent of the total number of sold shares of the Company (after the registration of the increase of paid-up capital of the Company).

In this regard, since Mr. Nop Narongdej is the beneficial owner of Golden Tiger Associates LTD., Golden Tiger Associates LTD. **has a relationship considered acting in concert (“Person Acting in Concert”) of Mr. Nop Narongdej**, causing Mr. Nop Narongdej and **Person Acting in Concert** together holding shares in Company in the number of 173,333,334 shares, equivalent to 15.06 percent of the total sold shares in the Company (after the register of paid-up capital).

4.3 Allocating the newly issued shares to Mr. Nuttawut Phowborom up to 13,333,334 shares, at a par value of Baht 0.25 per share

Calculated from the Minimum Price as specified above, the offering price of the newly issued shares to Mr. Nuttawut Phowborom is Baht 32,000,001.60. For a consideration of the purchase of shares of KPN Academy, Mr. Nuttawut Phowborom will make a payment for the newly issued shares of the Company with the shares of KPN Academy in the number of 1,039,400 shares **at a price of Baht 30.787 per share**, with the total value of Baht 32,000,001.60.

After the allocation of the newly-issued shares of the Company for this Transaction on the Allocation of the Ordinary Shares for Payment of Shares of KPN Academy, Mr.

Nuttawut Phowborom will become a shareholder of the Company, holding shares in the proportion of approximately 1.16 percent of the total number of sold shares of the Company (after the registration of the increase of paid-up capital of the Company).

4.4 Allocating the newly issued shares to Mrs. Sangduan Ewbamrung up to 5,076,006 shares, at a par value of Baht 0.25 per share

Calculated from the Minimum Price as specified above, the offering price of the newly issued shares to Mrs. Sangduan Ewbamrung is Baht 12,182,414.40. For a consideration of the purchase of shares of KPN Academy, Mrs. Sangduan Ewbamrung will make a payment for the newly issued shares of the Company with the shares of KPN Academy 395,700 shares, **at a price of Baht 30.787 per share**, with the total value of Baht 12,182,414.40.

After the allocation of the newly-issued shares of the Company for this Transaction on the Allocation of the Ordinary Shares for Payment of Shares of KPN Academy, Mrs. Sangduan Ewbamrung will become a shareholder of the Company, holding shares in the proportion of approximately 0.44 percent of the total number of sold shares of the Company (after the registration of the increase of paid-up capital of the Company).

However, the newly-issued shares which the Company will allocate to accommodate the investment in the ordinary shares of KPN Academy to the Existing Shareholders may change, depending upon the market price of the ordinary shares of the Company on the date which the Board of Directors determines the offering price of shares based on the market price which is the best price under the market situation in the period of the offering shares to investors, after authorized by the Extraordinary General Meeting of Shareholders No. 1/2019, by which the offering price will not be less than the minimum price of Baht 2.4 per share in any respect. Additionally, the number of the newly-issued shares of the Company to be received by Mr. Nop Narongdej, Golden Tiger Associates Ltd., Mr. Nuttawut Phowborom and Mrs. Sangduan Ewbamrung will not exceed the number of shares which the Extraordinary General Meeting of Shareholders No. 1/2019 approves the allocation.

The details of nomination of the Company's directors by the Existing Shareholders will be further discussed with the Company. If there is any progress, the Company will notify shareholders and investors via the SET, and will comply with rules and regulations with respect to the composition of Board of Directors of a listed company. In this regard, Mr. Nop Narongdej, Golden Tiger Associates Ltd., Mr. Nuttawut Phowborom and Mrs. Sangduan Ewbamrung are not the persons to be nominated for directors, executives, controlling persons of the Company.

The said issuance of the newly-issued shares is the offering of the newly-issued shares to specific persons (Private Placement) who are not connected persons of the Company and persons to be proposed as executives or persons having controlling power over the Company according to the Notifications on Connected Transactions. The abovementioned offering price of the ordinary shares is the price which is not lower than the par value of the Company and 90 percent of the market price as specified in Part 1, Chapter 2 of the Notification of the Capital Market Supervisory Board No. Tor Chor. 72/2558, mentioning the offering which the shareholders resolved to assign the Board of Directors to determine the offering price of shares based on the market price whereby the determination of the offering price must be based on the utmost interest of the Company and overall shareholders. The market price for the offering of the newly-issued shares to the Existing Shareholders is calculated from the weighted average market price per share of the Company's ordinary shares traded in the SET for retroactively 7 business days but not more than 15 consecutive business days prior to the date to determine the offering price of shares. In this regard, the date to determine the offering price of shares must be retroactively not more than 3 business days prior to the first day of the offering of the ordinary shares to specific persons (Private Placement), i.e. the Existing Shareholders. In case that the Board of Directors views that it is reasonable, under the consideration of the utmost interest of the Company, the Board of Directors may determine the offering price with a reduction

of not more than 10 percent of the abovementioned weighted average market price per share, whereby the Board of Directors had considered such determination of the reduction, based on the market situation at that time.

In addition, the Company will proceed with the allocation of the newly-issued shares according to the Transaction on the Allocation of the Ordinary Shares for Payment of Shares of KPN Academy on if (1) the Board of Directors determines the offering price of shares based on the market price which is the best price under the market situation in the period of the offering shares to investors by which the offering price will not be less than the minimum price of Baht 2.4 per share in any respect, after authorized by the Extraordinary General Meeting of Shareholders No. 1/2019; (2) the Extraordinary General Meeting of Shareholders No. 1/2019 resolves to approve the Transaction on the Investment in the Ordinary Shares of KPN Academy and the Transaction on the Allocation of the Ordinary Shares for Payment of Shares of KPN Academy, including any other relevant matters and (3) the Company has already conducted any other actions in accordance with the relevant rules and regulations.

Details of the opinion of the Board of Directors and details of the issuance and the allocation of the newly-issued shares of the Company can be found in the Capital Increase Report Form (F 53-4) (**Enclosure 2**) and the Information Memorandum on the Offering of the Newly-issued Shares of East Coast Furnitech Public Company Limited to Specific Persons (Private Placement) (**Enclosure 3**).

This allocation of the newly-issued shares of the Company to the Existing Shareholders will not cause any of the Existing Shareholders to be a shareholder of the Company who holds the ordinary shares of the Company increasingly in the way that reaches or crosses the trigger point to make a tender offer as specified in the Notification of Capital Market Supervisory Board TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (including the amendments thereof). **Apart from the relationship between Mr. Nop Narongdej and the Person Acting in Concert, i.e. Golden Tiger Associates Ltd., the relationship and behavior between the Existing Shareholders are not in the nature of Acting in Concert** according to the Notification of Capital Market Supervisory Board TorChor. 7/2552 Re: Acting in Concert as a Result of the Nature of a Relationship or Behavior and Requirements under Sections 246 and 247 (including the amendments thereof).

If the said offering price of shares is lower than 90 percent of the weighted average market price per share of the Company's ordinary shares traded in the SET for retroactively 7 to 15 consecutive business days prior to the first day of the offering of the newly-issued shares to Mr. Nop Narongdej, Golden Tiger Associates Ltd., Mr. Nuttawut Phowborom and Mrs. Sangduan Ewbamrung as abovementioned, the Company will prohibit Mr. Nop Narongdej, Golden Tiger Associates Ltd., Mr. Nuttawut Phowborom and Mrs. Sangduan Ewbamrung from selling all shares derived from the offering of shares to specific persons (Private Placement) for 1 years from the date on which such shares start to be traded in SET (Silent Period). However, after 6 months from the date on which such shares issued as a result of capital increase are traded in SET, Mr. Nop Narongdej, Golden Tiger Associates Ltd., Mr. Nuttawut Phowborom and Mrs. Sangduan Ewbamrung can be gradually selling the shares restricted from selling in the number of 25 percent of the total number of shares restricted from selling according to the Notification of the Stock Exchange of Thailand Re: Rules, Conditions and Procedures Governing the Listing of Ordinary or Preferred Shares Issued for Capital Increase B.E. 2558 (2015), together with the SET Circular Re: the Stipulation on Prohibiting the Sales of shares in Specified Period (Silent Period) for Shares or Convertible Securities Offered through Private Placement dated 29 April 2015.

In this regards, the Board of Directors' meeting approved to propose to the Extraordinary General Meeting of Shareholders No. 1/2019 in order to consider and approve the authorization to the Board of Directors or persons authorized by the Board of Directors to conduct any

actions in relation to the issuance, offering, allocation and subscription of the said newly-issued shares, including the actions as follows:

1. Determination, amendment and addition of details in relation to the issuance, offering, allocation and subscription of the newly-issued shares and payment method of the newly-issued shares (which may be considered determining the allocation and subscription period in one or many times), including conducting any other actions in relation to the offering, allocation and subscription of the said newly-issued shares and being responsible for delivering the information and disclosing the relevant details to the SEC, the SET and other relevant sectors;

2. Execution, amendment, modification and connection on any applications and evidences essential and relevant to the offering, allocation, subscription and delivery of the said newly-issued shares, including connecting and submitting such applications, documents and evidences to the Ministry of Commerce, SEC, SET, governmental sectors and other relevant sectors and listing the newly-issued shares of the Company in the SET and having the authority to conduct any other necessary and appropriate actions in order to achieve in the issuance and the Company's allocation of the newly-issued shares for the offering to specific persons (Private Placement).

3. Any other necessary and appropriate actions in order to achieve in all abovementioned actions

5. Approving to propose to the Extraordinary General Meeting of Shareholders No. 1/2019 to consider and approve the allocation of the newly-issued shares to accommodate the right adjustment of the warrants to purchase the Company's ordinary shares No. 3 ("**ECF-W3**") which is issued and allocated to the existing shareholders in the number of not more than 12,500,000 shares, at a par value of Baht 0.25 per share according to shareholding proportion pursuant to conditions for the right adjustment of warrants as specified in the Terms and Conditions Governing Rights and Obligations of Issuer and Holders of Warrants to Purchase the Ordinary Shares of East Coast Furnitech Public Company Limited No. 3 (ECF-W3) for the existing shareholders dated 20 October 2017 (the "**Terms and Conditions**").

1) Right adjustment as a result of the issuance and the offering of the newly-issued shares to specific persons (Private Placement)

Since the Company will issue and offer the newly-issued shares to specific persons (Private Placement) in the number of not more than 191,742,674 shares, as per details in the Information Memorandum on the Offering of the Newly-issued shares of East Coast Furnitech Public Company Limited to Specific Persons (Private Placement) (**Enclosure 3**), the Company shall have to allocate the newly-issued shares to accommodate the right adjustment of ECF-W3 in the number of not exceeding 12,396,000 shares. The adjustments in the exercise price to purchase the ordinary shares and the exercise ratio to purchase the ordinary shares, including the method to calculate the said adjustments, as described hereinafter shall not subordinate any returns, which the warrant holders or warrant substitute holders will receive once they exercise their rights under warrant or warrant substitute.

However, currently the Company is not able to calculate the right adjustment ratio of ECF-W3, since calculation on the new exercise price and the new exercise ratio requires "the market price of Company's ordinary shares" which is equivalent to "the weighted average market price per share of the Company's ordinary shares, which means the value of sale and purchase of the total number of ordinary shares of the Company divided by the total number of ordinary shares of the Company which are traded in the SET during 7 consecutive business days (the day on which the stock market is opened for the stock trading) prior to the first day of the offering of the newly-issued shares to specific persons (Private Placement), which the Company is currently not able to calculate. The Company shall be able to calculate the exercise price and the exercise ratio on the first day that the ordinary share purchaser shall not be entitled to subscribe the newly-issued securities of the Company,

i.e. the first day of the offering of the newly-issued shares to specific persons (Private Placement). The adjustments in the exercise price and the exercise ratio are immediately effective on the first day of the offering of the newly-issued shares to specific persons (Private Placement). The Company will further inform via the SET system.

2) Right adjustment as a result of dividend payment in the amount of money exceeding 80 percent of net profit after income tax subject by the Company

The Annual General Meeting of Shareholders for the year 2019, held on 22 April 2019 resolved to approve the dividend payment in the ratio of Baht 0.030227 per share which is equivalent to the dividend payment rate of 85.91 percent of net profit after income tax subject by the Company for the performance in the accounting period for the year 2018. The Company had already proceeded to notify the adjustments of the exercise price and the exercise ratio of ECF-W3 according to the Terms and Conditions as follows:

Exercise price: Baht 5.00 per new ordinary share is adjusted to Baht 4.9958 per new ordinary share.

Exercise ratio: 1 unit of warrant entitled to purchase 1 ordinary share is adjusted to 1 unit of warrant entitled to purchase 1.0008 ordinary share.

(“Right Adjustment in relation to Dividend Payment”)

Due to Right Adjustment in relation to Dividend Payment, the Company is required to allocate the newly issued shares to accommodate the right adjustment of ECF-W3 in the number of not higher than 104,000 shares.

Please see further details on Information Memorandum on the Issuance and the Allocation of the newly issued Shares to Accommodate the Right Adjustment of the Warrant to Purchase the Newly-issued Shares of the Company No. 3 (ECF-W3) (Enclosure 4)

6. Approving to determine the date to convene the Extraordinary General Meeting of Shareholders No. 1/2019 to be on 28 November 201 at Srinakarin Room 1 9th Floor, The Grand Fourwings Convention Hotel Srinakarin. The agendas of the meeting are as follows:

- Agenda 1 Matters to be informed by the Chairman
- Agenda 2 Consider and adopt the minutes of the Annual General Meeting of Shareholders for the year 2019, held on 22 April 2019
- Agenda 3 Consider and Approve the Company to invest in the ordinary shares of KPN Academy Company Limited in the number of not less than 14,947,300 shares, or equivalent to not less than 57.52 percent of the total number of shares by issuing the newly-issued shares (Share Swap)
- Agenda 4 Consider and approve the decrease of registered capital of the Company in the number of Baht 13,350,543.75 from Baht 312,462,090.75 to Baht 299,111,547, by cancelled unissued ordinary shares of the Company in the number of 53,402,157 shares, at a par value of Baht 0.25 per share
- Agenda 5 Consider and approve the amendment of Clause 4 of the Memorandum of Association of the Company for the purpose of the correspondence with the decrease of registered capital of the Company
- Agenda 6 Consider and approve the increase of registered capital of the Company in the number of Baht 51,060,668.50, divided into 204,242,674 ordinary shares, at a par value of Baht 0.25 per share, amounting to the total number of registered capital of Baht 350,172,215.50, divided into

1,400,688,862 ordinary shares, at a par value of Baht 0.25 per share

- Agenda 7 Consider and approve the amendment of Clause 4 of the Memorandum of Association of the Company for the purpose of the correspondence with the decrease of registered capital of the Company
- Agenda 8 Consider and approve the allocation of the newly-issued shares in the number of not more than 191,742,674 shares for the offering to specific persons (Private Placement) which are sellers and shareholders of KPN Academy Company Limited
- Agenda 9 Consider and approve the allocation of the newly-issued shares to accommodate the right adjustment of the warrants to purchase the Company's ordinary shares No. 3 (ECF-W3) up to 12,500,000 shares
- Agenda 10 Any other matter (if any)

Remark *As the matters to be considered in Agenda 3 to Agenda 9 are the relevant matters, if any agenda is not approved by the shareholders' meeting, it is deemed that other agendas which are formerly approved by the shareholders' meeting are cancelled and there is no further consideration on other following agendas, deemed as if the consideration and approval on the matters in Agenda 3 to Agenda 9 is not approved by the shareholders' meeting.*

In this regard, the date to determine list of shareholders who are entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2019 (Record Date) is set on 4 November 2019.

Additionally, the Board of Directors' meeting resolved to approve the authorization to either the Board of Directors or Managing Directors or appointee from the Board of Directors or appointee from Managing Directors to have the authority to consider and amend the date, time and venue of the Extraordinary General Meeting of Shareholders No. 1/2019, including amending and/or adding the agendas in Extraordinary General Meeting of Shareholders No. 1/2019 and/or amending the date to determine list of shareholders who are entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2019 (Record Date) as necessary and appropriate under the provisions of laws.

Please be informed accordingly.

Sincerely yours,
East Coast Furnitech Public Company Limited

(Mr. Arak Suksawad)
Managing Director

- Translation -

**Information Memorandum on the Asset Acquisition (Schedule 1)
on Acquisition of Shares in of KPN ACADEMY CO., LTD.**

Reference is made to the Board of Directors' Meeting of East Coast Furnitech Public Company Limited (the "**Company**" or "**ECF**") No. 9/2019, convened on 20 September 2019 has a resolution for the Company to enter into an asset acquisition transaction by purchasing ordinary shares in KPN Academy Co., Ltd. ("**KPN Academy**") in an amount of not less than 14,947,300 shares, having a par value of Baht 10 per share, equivalent to not less than 57.52 percent of the total KPN Academy shares, **with par value of Baht 30.787 per share** at a total price of Baht 460,182,417.60 (the "**Sale Shares**"), from the existing shareholders, i.e. (1) Mr. Nop Narongdej (2) Golden Tiger Associates Ltd. (3) Mr. Nuttawut Phowborom and (4) Mrs. Sangduan Ewbamrung (collectively called "**Existing Shareholders**" or the "**Sellers**"). In doing so, the Company and the Seller have to first comply with the conditions precedent prior to entering into the transaction as preliminary agreed between the parties, having details as appeared in Clause 3.1 of this information memorandum. In this regard, the Company and the Existing Shareholders shall further determine and prescribe details, conditions and/or terms in order to execute the relevant agreement(s) within December 2019, such as share sale and purchase agreement with respect to the Sale Shares. In addition, the Company's board meeting has resolved to propose the aforementioned asset acquisition to a shareholders' meeting for further consideration and approval.

However, the Company would like to inform that apart from the entering into the purchase of shares from the Existing Shareholders, the company is in the process of negotiating to additionally purchase the total number of shares in KPN Academy from other shareholders under the same conditions applying with the Existing Shareholders. Therefore, in case that there is an adjustment in the number of shares to be purchased, the Company will convene the Board of Directors' Meeting in order to amend the details of the allocation of the newly-issued shares (if any) and further inform the Stock Exchange of Thailand ("**SET**") pursuant to the relevant laws and regulations.

This Transaction on the Investment in the Ordinary Shares of KPN Academy with total value of not less than Baht 460,182,417.60 is considered the acquisition of assets according to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 (2008) Re: Rule on Entering into Material Transactions Deemed as Acquisition or Disposal of Asset (including the amendments thereof) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposal of Asset B.E. 2547 (2004) (including the amendments thereof) (collectively called "**Notifications on Acquisition or Disposal of Assets**"). In consideration of the size of such transaction by means of calculation methods pursuant to rules under the Notifications on Acquisition or Disposal of Assets by calculating from the interim audited financial statements ended 30 June 2019 of the Company, the highest transaction size is 19.98 percent based on the value of securities issued by the Company criterion. The combination of such transaction size and other transactions on the acquisition of assets occurring during 6-month period prior to the date on which the Board of Directors resolved to approve the entering into this transaction on the acquisition of assets, the total highest size of transactions is 21.47 percent based on the total value of consideration criterion, considered the Class 2 transaction according to the Notifications on

Acquisition or Disposal of Assets. The transaction value is equal or more than 15 percent but less than 50 percent. Consequently, the Company is required to immediately disclose the information memorandum on the entering into the transaction to the Stock Exchange of Thailand (“SET”) and deliver circular notice to the shareholders of the Company within 21 days from the date on which the information memorandum on the entering into the transaction is disclosed to the SET.

However, if the Company is able to successfully negotiate for the purchase all of the shares in KPN Academy from other shareholders on the same condition with those applied on the Existing Shareholders, and the Board of Directors resolved to approve an investment in all of the ordinary shares in KPN Academy which is equivalent to 100 percent, the transaction on the investment in the ordinary shares of KPN Academy is valued at Baht 800,000,011.20. In consideration of the size of such transaction by means of calculation methods pursuant to rules under the Notifications on Acquisition or Disposal of Assets by calculating from the interim audited financial statements ended 30 June 2019 of the Company, the highest transaction size is 34.74 percent based on the value of securities issued by the Company criterion. The combination of such transaction size and other transactions on the acquisition of assets occurring during 6-month period prior to the date on which the Board of Directors resolved to approve the entering into this transaction on the acquisition of assets, the total highest size of transactions is 34.74 percent based on the total value of consideration criterion, considered the Class 2 transaction according to the Notifications on Acquisition or Disposal of Assets. The transaction value is equal or more than 15 percent but less than 50 percent.

Furthermore, the acquisition of the ordinary shares in KPN Academy is equivalent to not less than 57.52 percent of the total shares sold of KPN Academy. It is hence deemed that the Company has acquired the business of the private company to itself pursuant to Section 107 (2) (b) of the Public Limited Companies Act B.E. 2535 (1991) (as amended), prescribing that the acquisition of the business of other companies or private companies to itself, such acquisition shall be approved by a shareholders’ meeting with a vote of not less than three-fourths of the total votes of the shareholders attending the meeting and entitled to vote. In this regard, the Board of Directors’ Meeting of the Company No. 9/2019, convened on 20 September 2019, has resolved to propose the entering into the asset acquisition transaction to the Extraordinary General Meeting of Shareholders No. 1/2019 which will be held on 28 November 2019 for further consideration and approval to comply with the law.

Therefore, the Company would like to disclose the details of the transaction as follows:

(1) Transaction Date

The Company will purchase the Sale Shares from the Existing Shareholders in the total amount of 14,947,300 shares, with a par value of Baht 10 per share, in the proportion of not less than 57.52 percent of the total ordinary shares of KPN Academy at a price of Baht 30.787 per share, for the total value of Baht 460,182,417.60.

The payment for and transfer of the Sale Shares will be done within the first quarter of 2020 subject to the relevant conditions stated in Clause 3.1 of this information memorandum.

(2) Relevant Parties and Relationships with the Listed Company

- Sellers : 1. Mr. Nop Narongdej
2. Golden Tiger Associates Ltd.
3. Mr. Nattawut Paoborom
4. Mrs. Saengduan Ewbamrung
- Purchaser : East Coast Furnitech Public Company Limited
- Relationships with the Listed Company : KPN Academy and the Sellers are not a connected person of the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/ 2551 Re: Rules on Connected Transactions dated 31 August 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, dated 19 November 2003 (as amended) (collectively, the “**Notifications on Connected Transactions**”).

Information of KPN Academy

KPN Academy was incorporated under Thai laws on 2 December 2013 with a registration, having its registered office at No. 77/1 Soi Ruam Sirimitr Chom Pon, Chatuchak, Bangkok. The main objective is to operate business in online teaching media and education guidance in relation to the preparation for university admission, human resource development and training, investment in other companies as a holding company, i.e. 1) KPN Music Co., Ltd. (“**KPN Music**”) operating musical instruments trading and music school under the name “KPN Music Institute” ON 11 March 2019, KPN Academy’s registered and paid-up capital is Baht 259,850,000, divided into 25,985,000 ordinary shares, having a par value of Baht 10 per share; and 2) KPN Chinese Academy Company Limited (“**KPN Chinese**”) operating Chinese language teaching school under the name “Chinese Language and Cultural School”. In addition, KPN Academy is a shareholder in other subsidiaries which are Innovative Learning and Design (Thailand) Co., Ltd., KPN Music Academy Company Limited, KPN Tutoring Company Limited, Penta Systems Co., Ltd., Siam Wilson Learning Co., Ltd. and Sport Society Co., Ltd (“**Other Subsidiaries**”). However, the Existing Shareholders and the Company agreed to have the Existing Shareholders restructure the group by disposing, transferring selling, or conducting any acts in order for KPN Academy to no longer be a shareholder in the Other Subsidiaries but merely a shareholder in KPN Music and KPN Chinese before entering the transaction. Therefore, please consider the additional details of conditions precedent in Clause 3.3 of this information memorandum.

On 11 March 2019, KPN Academy has a paid-up registered capital of Baht 259,850,000, divided into 25,985,000 ordinary shares at a par value of Baht 10.

Shareholders	Number of Shares	Percentage of Shareholding (%)
1. Mr. Nop Narongdej	12,212,950	47.00
2. Symphony SPV Limited	7,275,800	28.00
3. Mr. Kris Narongdej	2,598,500	10.00
4. Golden Tiger Associates Ltd.	1,299,250	5.00
5. Mr. Korn Narongdej	1,039,400	4.00
6. Mr. Nuttawut Phowborom	1,039,400	4.00
7. Mrs. Sangduan Ewbamrung	395,700	1.52
8. Mr. Thawiwisut Attachariyanon	124,000	0.48
Total	25,985,000	100.00

(3) General characteristics of the transaction and transaction value

3.1 General Characteristics

The Company will purchase the Sale Shares from the Existing Shareholders in the total number of 14,947,300 shares, with a par value of Baht 10 per share, in the proportion of not less than 57.25 percent of the total ordinary shares of KPN Academy, **at a price of Baht 30.787 per share**, with a total price of not less than Baht 460,182,417.60.

In addition, the Company will make a payment for the ordinary shares of KPN Academy by issuing the newly-issued shares of the Company in terms of the offering to specific persons (Private Placement) in the number of 191,742,674 shares, at a par value of Baht 0.25 per share with the offering price of not less than 90 percent of the market price on the date which the Board of Directors determines the offering price of shares based on the market price which is the best price under the market situation in the period of the offering shares to investors, after authorized by the Extraordinary General Meeting of Shareholders No. 1/2019, by which the offering price will not be less than the minimum price of Baht 2.4 per share in any respect. The market price will be in accordance with the Notification of the Capital Market Supervisory Board No. Tor Chor. 72/2558 (2015) Re: Permission for Listed Companies to Offer Newly Issued Shares to Specific Persons (“**Notification of Capital Market Supervisory Board No. Tor Chor. 72/2558**”), calculated from the weighted average market price per share of the Company’s ordinary shares traded in the SET for retroactively 7 business days but not more than 15 consecutive business days prior to the date to determine the offering price of shares. Such price for an average must be the average price of sale and purchase of shares in each day. In this regard, the date to determine the offering price of shares must be retroactively not more than 3 business days prior to the first day of the offering of the ordinary shares to specific persons (Private Placement), i.e. the Existing Shareholders. In case that the Board of Directors views that it is reasonable, under the consideration of the utmost interest of the Company, the Board of Directors may determine the offering price with a reduction of not more than 10 percent of the abovementioned weighted average market price per share, whereby the Board of Directors had considered such determination of the reduction, based on the market situation at that time. The offering price will not be less than Baht 2.40 per share (“**Minimum Price**”) (“**Transaction on the Allocation of the Ordinary Shares for Payment of Shares of KPN Academy**”).

The Transaction on the Allocation of the Ordinary Shares for Payment of Shares of KPN Academy is a condition to enter into the Transaction on the Investment in the Ordinary Shares of KPN Academy. In case that the Transaction on the Allocation of the Ordinary Shares for Payment of Shares

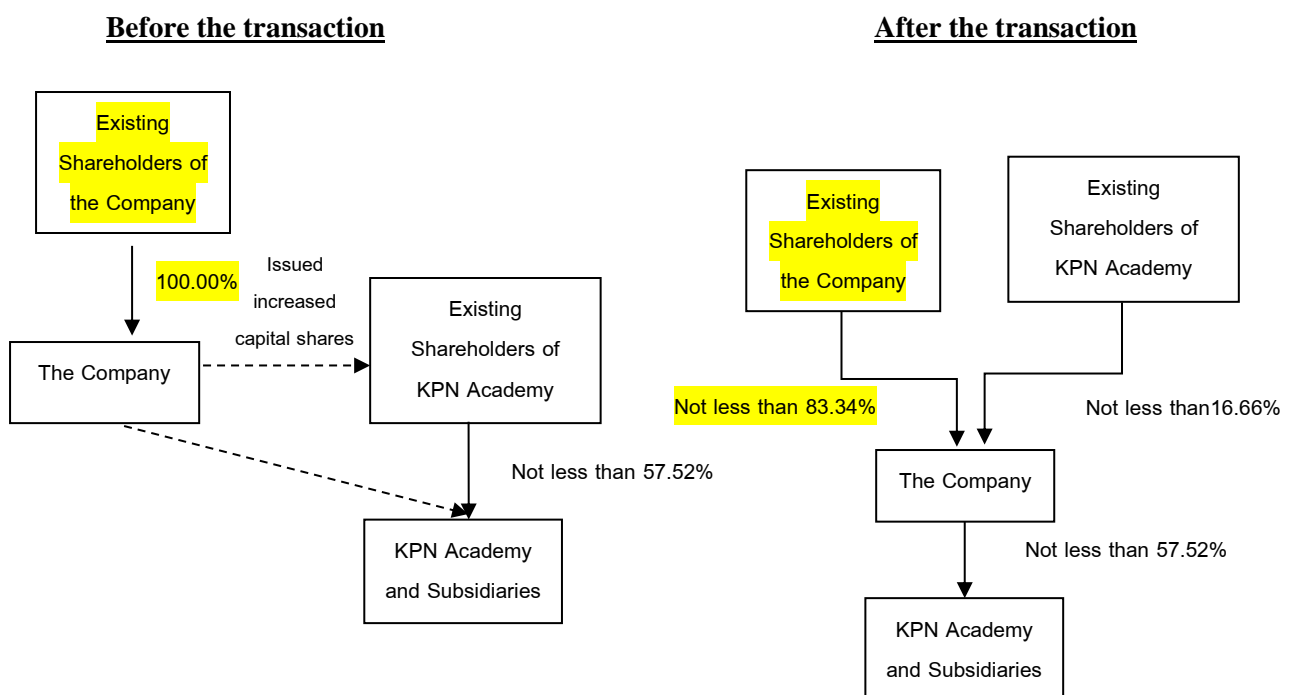
of KPN Academy is not approved by the Extraordinary General Meeting of Shareholders No. 1/2019, the Company will not enter in to the Transaction on the Investment in the Ordinary Shares of KPN Academy. In addition, the Existing Shareholders is not connected persons of the Company according to the Notification of the Capital Market Supervisory Board No. Tor Chor. 21/2551 (2008) Re: Rules on Connected Transactions dated 31 August 2008 (including the amendments thereof) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) dated 19 September 2003 (including the amendments thereof) (“**Notifications on Connected Transactions**”).

The Company speculates that the payment of shares and the transfer of the ordinary shares of KPN Academy will be complete by the first quarter of 2020 under the relevant conditions as follows:

1) The Extraordinary General Meeting of Shareholders No. 1/2019 resolves to approve the Company to enter into the Transaction on the Investment in the Ordinary Shares of KPN Academy and the issuance and the offering of the newly-issued shares to allocate to the sellers who are specific persons (Private Placement), i.e. the Existing Shareholders in the number of 191,742,674 shares, at a par value of Baht 0.25 per share with the offering price of not less than 90 percent of the market price on the date which the Board of Directors determines the offering price of shares based on the market price which is the best price under the market situation in the period of the offering shares to investors, after authorized by the Extraordinary General Meeting of Shareholders No. 1/2019, by which the offering price will not be less than the minimum price of Baht 2.40 per share for a consideration of the ordinary shares of KPN Academy and

2) The Company and the Existing Shareholders has proceeded in accordance with the Conditions Precedent as preliminarily agreed. Details of which can be found in Clause 3.3 of the Information Memorandum on the Acquisition of Assets (Schedule 1) Regarding the Purchase of the Ordinary Shares of KPN Academy Company Limited.

Diagram of the Company’s shareholding structure before and after the transaction



Remark: based on assumption that the newly-issued shares are issued and allocated at the price of not less than Baht 2.40 per share

3.2 Class and Size of Transaction

In consideration of the size of such transaction by means of calculation methods pursuant to rules under the Notifications on Acquisition or Disposal of Assets by calculating from the interim audited financial statements ended 30 June 2019 of the Company, the highest transaction size is 19.98 percent based on the value of securities issued by the Company criterion. The combination of such transaction size and other transactions on the acquisition of assets occurring during 6-month period prior to the date on which the Board of Directors resolved to approve the entering into this transaction on the acquisition of assets, the total highest size of transactions is 21.47 percent based on the total value of consideration criterion, considered the Class 2 transaction according to the Notifications on Acquisition or Disposal of Assets. The transaction value is equal or more than 15 percent but less than 50 percent as per details as follows:

Transaction Size Calculation Criteria	วิธีการคำนวณ
1. Net Tangible Asset Criteria	= Cannot be calculated under this criteria due to KPN Academy having negative net tangible assets.
2. Net Profits Criteria	= Cannot be calculated under this criteria due to KPN Academy having net losses.
3. Total Value of Consideration Criteria	= $\frac{\text{Value of consideration}}{\text{Total Assets of the Company}}$ = $\frac{\text{Baht 460.18 million}}{\text{Baht 3,493.43 million}}$ = 13.17 percent
4. Value of Securities Criteria	= $\frac{\text{Number of shares to be issued as consideration}}{\text{Number of sold shares}}$ = $\frac{191,742,674 \text{ shares}}{959,487,557 \text{ shares}}$ = 19.98 percent

Consequently, the Company is required to immediately disclose the information memorandum on the entering into the transaction to the Stock Exchange of Thailand (“SET”) and deliver circular notice to the shareholders of the Company within 21 days from the date on which the information memorandum on the entering into the transaction is disclosed to the SET.

However, if the Company is able to successfully negotiate for the purchase all of the shares in KPN Academy from other shareholders on the same condition with those applied on the Existing

Shareholders, and the Board of Directors resolved to approve an investment in all of the ordinary shares in KPN Academy which is equivalent to 100 percent, the transaction on the investment in the ordinary shares of KPN Academy is valued at Baht 800,000,011.20. In consideration of the size of such transaction by means of calculation methods pursuant to rules under the Notifications on Acquisition or Disposal of Assets by calculating from the interim audited financial statements ended 30 June 2019 of the Company, the highest transaction size is 34.74 percent based on the value of securities issued by the Company criterion. The combination of such transaction size and other transactions on the acquisition of assets occurring during 6-month period prior to the date on which the Board of Directors resolved to approve the entering into this transaction on the acquisition of assets, the total highest size of transactions is 34.74 percent based on the total value of consideration criterion, considered the Class 2 transaction according to the Notifications on Acquisition or Disposal of Assets. The transaction value is equal or more than 15 percent but less than 50 percent.

3.3 Key Summary of the issues and conditions to be included in the shares purchase agreement

Topic	Details
Purchaser	East Coast Furnitach Public Company Limited
Sellers	1) Mr. Nop Narongdej (2) Golden Tiger Associates Ltd. (3) Mr. Nuttawut Phowborom and (4) Mrs. Sangduan Ewbamrun
Sale Shares	Shares of KPN Academy, amounting 14,947,300 shares or 57.52 percent of the registered and paid-up capital of KPN Academy
Purchase Price	At Baht 30.787 per share with the total value of Baht 460,182,417.60
Payment of consideration	the Company will make a payment for the ordinary shares of KPN Academy by issuing the newly-issued shares of the Company in exchange for shares (Share swap) in terms of the offering to specific persons (Private Placement) in the number of 191,742,674 shares, at a par value of Baht 0.25 per share with the offering price of not less than 90 percent of the market price on the date which the Board of Directors determines the offering price of shares based on the market price which is the best price under the market situation in the period of the offering shares to investors, after authorized by the Extraordinary General Meeting of Shareholders No. 1/2019, by which the offering price will not be less than the minimum price of Baht 2.4 per share in any respect. The market price will be in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 72/2558 (2015) as per details shown in Information Memorandum on the Offering of the Newly-issued Shares of East Coast Furnitech Public Company Limited to Specific Persons (Private Placement) (Enclosure 3). Therefore, calculated based on the minimum price, the value of newly-issued shares to specific persons on a private placement basis to Existing Shareholders in the number of 194,742,674 shares, equivalent to Baht 460,182,417.60.
Conditions Precedent	1) KPN Academy shall dispose, sell, transfer or conduct any similar actions in relation to shares KPN Academy hold in limited companies

Topic	Details
	<p>except for KPN Music and KPN Chinese, which ultimately results in KPN Academy having no ownership in ordinary shares or preference shares in other companies except for ordinary shares in KPN Music in the number of 249,998 shares, and ordinary shares in KPN Chinese in the number of 6,999, shares (“Group Restructuring”)</p> <ol style="list-style-type: none"><li data-bbox="571 539 1481 801">2) KPN Academy, KPN Music, KPN Chinese and related persons and entities, including but not limited to subsidiaries, affiliates, related companies, directors and shareholders (“Related Persons”) shall enter into assignment, novation agreements or conduct any other acts which have similar legal effects, that ultimately KPN Academy, KPN Music, and KPN Chinese do not have any lending or borrowing items with Related Persons (“Lending/Borrowing Restructuring”)<li data-bbox="571 813 1481 1115">3) Provided that Symphony SPV Limited, a shareholder of KPN Academy will not sell shares in KPN Academy to the Company, the Existing Shareholders have obtained a waiver from Symphony SPV Limited with respect to the obligations under Shareholders’ Agreements relating to KPN Academy dated 16 May 2014 (the “Shareholders’ Agreement”), which shall make the transfer of Sale Shares be in compliance with the Shareholders’ Agreement without causing any negative impacts on the Company.<li data-bbox="571 1126 1481 1261">4) The entering into the transaction receives approval from a meeting of Board of Directors and/or shareholders of the Company pursuant to rules and regulations of the SEC Office, SEC and the SET and relevant laws.<li data-bbox="571 1272 1481 1686">5) KPN Academy has prepared the consolidated financial statements in accordance with Thai Financial Reporting Standards for Publicly Accountable Entities audited by a certified auditor for the 9-month period ending 30 September 2019. However, in the case that, on 30 September 2019, Group Restructuring and Lending/Borrowing Restructuring had not been completed, the Company has prepared additional consolidated financial statements in accordance with Thai Financial Reporting Standards for Publicly Accountable Entities audited by a certified auditor ending on the date after the Company has completed Group Restructuring and Lending/Borrowing Restructuring prior to the entering into this transaction.<li data-bbox="571 1697 1481 1765">6) The Company considers that entering into this transaction shall not cause its debt to equity ratio (D/E Ratio) to significantly increase.<li data-bbox="571 1776 1481 1843">7) KPN Academy’s, KPN Chinese’s, KPN Music’s shareholders equity shall not be less than zero.<li data-bbox="571 1854 1481 1921">8) Key contracts and licenses of KPN Academy, KPN Music and KPN Chinese are duly and continually in force.<li data-bbox="571 1933 1481 2000">9) There is no breach of loan agreement or any other agreements made with a third party resulting from a change of control in KPN Academy.<li data-bbox="571 2011 1481 2045">10) Other customary conditions precedent.

Topic	Details
Conditions subsequent and other conditions	<ol style="list-style-type: none">1) The Sellers agree to be responsible for expenses and/or taxes actually incurred from Group Restructuring and Lending/Borrowing Restructuring, including but not limited to income tax from taxable profits of KPN Academy, KPN Chinese and/or KPN Music.2) Each of the Sellers agree to compensate to the Company in form of cash or other assets as further agreed between the parties in the amount of not less than the total value of the sale of shares in KPN Academy for any damages arising from any events causing the Company to lose its ownership, in KPN Academy shares, deprivation of any legal ownership rights of KPN Academy shares or from causing any liabilities to third parties in relation to KPN Academy shares, including but not limited to the right to receive compensation for damages or losses under the Shareholders' Agreement.3) During the period of 5 years, the Sellers agree that, they will not, in any manner, directly or indirectly, compete with the KPN Academy in the same or similar businesses and will not, directly or indirectly, own, manage, operate, join, control or participate in the ownership, management, operation, control or have interest in any similar businesses with the business sold to the Company.4) Other conditions that the Company and the Existing Shareholders will additionally agree in the share purchase agreement.

(4) Description of Asset to be Acquired

The Company enters into the acquisition of assets which are the shares in KPN Academy amounting not less than 14,947,300 shares, having a par value of Baht 10 per share, equivalent to 57.52 percent of the total sold shares of KPN Academy, **at a price of Baht 30.787 per share**, the purchase price of which Baht 460,182,417.60. General details of KPN Academy are as follows.

4.1	Name of the Company	:	KPN ACADEMY CO., LTD.
4.2	Date of Incorporation	:	2 December 2013
4.3	Address	:	No. 77/1 Soi Ruam Sirimitr Chom Pon, Chatuchak, Bangkok
4.4	Registered and Paid-up Capital	:	Baht 259,850,000
4.5	Number of Shares Sold	:	25,985,000 shares
4.6	Par Value per Share	:	Baht 10
4.7	Connected Person to the Listed Company	:	The Company, KPN Academy and shareholders of KPN Academy have no relationship to each other. In addition, KPN Academy and its shareholders are not connected person under KPN Academy the Notifications on Connected Transactions
4.8	Number of Shares to be Acquired	:	14,947,300 shares
4.9	Shareholding Percentage after Acquisition	:	57.52 percent

4.10 Structure of Business Operation before and after the Acquisition

The details of current shareholders of KPN ACADEMY compared to that after the acquisition as follows:

List of shareholders	Before the acquisition		After the acquisition (Part 1 and Part 2 in full amount)	
	Amount of shares (shares)	Shareholdings compared to paid-up capital (percent)	Amount of shares(Shares)	Shareholdings compared to paid-up capital (percent)
1. East Coast Furnitech Public Co, Ltd.	-	-	14,947,300	57.52
2. Mr. Nop Narongdej	12,212,950	47.00	-	-
3. Symphony SPV Limited	7,275,800	28.00	7,275,800	28.00
4. Mr. Kris Narongdej	2,598,500	10.00	2,598,500	10.00
5. Golden Tiger Associates Ltd.	1,039,400	4.00	-	-
6. Mr. Korn Narongdej	1,039,400	4.00	1,039,400	4.00
7. Mr. Nuttawut Phowborom	1,299,250	5.00	-	-
8. Mrs. Sangduan Ewbamrung	395,700	1.52	-	-
9. Mr. Thawiwisut Attachariyanon	124,000	0.48	124,000	0.48
Total	25,985,000	100.00	25,985,000	100.00

4.11 The current list of directors of KPN Academy compared to that after the acquisition comprising:

List of Directors prior to the transaction	List of Directors after the transaction
1. Mr. Nop Narongdej	1. Mr. Nop Narongdej
2. Mr. Nuttawut Phowborom	2. Mr. Nuttawut Phowborom
3. Mr. Kraivin Srikraivin	3. Mr. Kraivin Srikraivin
4. Mr. Vichate Tantiwanich	4. Mr. Vichate Tantiwanich
5. Mr. Srisant Chitvaranund	5. Mr. Srisant Chitvaranund
6. Mr. Omar Kan Lodi	6. Mr. Omar Kan Lodi
7. Mr. Akarat Na Ranong	7. Mr. Akarat Na Ranong
8. Mr. Amarn Lakhani	8. Mr. Amarn Lakhani

Remark: the Company will nominate its representatives to be directors in KPN Academy for not less than half of the total directors of KPN Academy in proportionate to the shareholding percentage after the entering into the transaction. The number of directors acting as representatives of the Company shall be preliminarily in pursuant to the composition of the Board of Directors of KPN Academy. It is estimated that the existing directors shall vacate the position in total of 4 directors and the Company shall send its representatives to become directors of KPN Academy in total of 4 people.

4.12 Business Operation

KPN Academy operates online educational media business and business relating to educational guidance for preparation for higher education admission under the name “U-Sierra” for demand of high

school students wishing to enhance their potential, including seeking advice on admission to higher education institutes in Thailand. KPN Academy can also apply this platform to another target group to increase in growth in revenue. Besides, KPN Academy also operates human resources training business for several organizations. KPN Academy's subsidiaries consist of (i) operating musical instruments trading and music school under the name "KPN Music Institute" on 11 March 2019, KPN Academy's registered and paid-up capital is Baht 259,850,000, divided into 25,985,000 ordinary shares, having a par value of Baht 10 per share; and 2) KPN Chinese operating Chinese language teaching school under the name "Chinese Language and Cultural School", providing education services for individual customers and corporate customers.

4.13 Financial Information

Since KPN Academy does not have consolidated financial statements for KPN Academy and its subsidiaries, the financial statements of KPN Academy, KPN Music and KPN Chinese are demonstrated as follows:

4.13.1 KPN Academy's financial statements

Unit: Baht Million

Descriptions	Year 2016	Year 2017	Year 2018
Revenue from Sale of Goods	-	-	0.41
Revenue from Provision of Services	-	21.29	3.60
Interest Income	12.29	16.66	3.22
Other Income	0.91	2.18	1.04
Total Revenue	13.20	40.14	8.27
Cost of Sale	-	-	(0.12)
Cost of Services	-	-	(2.53)
Administrative Expenses	(18.70)	(26.16)	(74.16)
Losses from investment in Subsidiaries	-	(3.40)	(195.45)
Doubtful Debts	-	-	(319.54)
Total Expense	(18.70)	(29.56)	(591.79)
Profit (Loss) before financial cost and income tax	(5.50)	10.58	(583.52)
Financial Cost	(10.62)	(16.69)	(21.81)
Income Tax	-	-	-
Net Profit (Loss)	(16.13)	(6.11)	(605.34)

Unit: Baht Million

Descriptions	Year 2016	Year 2017	Year 2018
Assets			
Cash or cash equivalent	0.52	0.80	0.67
Account receivables and other receivables	13.72	54.75	25.71
Shor-term loans to related parties	220.96	294.74	37.70
Other current assets	1.20	1.54	1.93
Total Current Assets	236.39	351.84	66.02
Investment in Subsidiaries	198.85	195.45	-
Leasehold improvement and equipment	3.01	7.34	8.73
Intangible Assets	1.16	5.93	8.14
Other non-current assets	-	0.16	0.01
Total Non-Current Assets	203.02	208.89	16.87
Total Assets	439.42	560.72	82.88
Liabilities and Equity			
Bank Overdraft	1.99	1.86	1.78
Account payable and other payable	13.22	29.34	50.19

Descriptions	Year 2016	Year 2017	Year 2018
Current portion of long-term debts under finance lease	0.75	1.31	0.77
Short-term loans to related parties	232.93	339.70	438.73
Other Current Liabilities	0.18	1.83	2.10
Total Current Liabilities	249.06	374.04	493.58
Current portion of long-term debts under finance lease	1.00	2.07	1.29
Employee benefit obligations	1.26	2.63	11.25
Provision for the cost of demolition and transfer	0.03	0.03	0.15
Total Non-Current Liabilities	2.30	4.73	12.69
Total Liabilities	251.35	378.77	506.27
Paid-up capital	259.85	259.85	259.85
Retained Earnings (Deficits)	(71.79)	(77.90)	(683.23)
Total Equity	188.06	181.95	(423.38)
Total Liabilities and Equity	439.42	560.72	82.88

Remark: 1. Audited financial statement for the year 2016 – 2018 is audited by Ms. Thanawan Anuratbordee, a certified auditor number 3440 from Deloitte Touche Tohmatsu Jaiyos Co., Ltd, which is an auditor approved by the SEC.

2. The KPN Academy group's accumulated loss and/or shareholders equity which is less than zero, as appeared on financial statements for the year 2018, resulting from loan and debt restructuring between related parties shall not negatively affect the Company's financial statements after entering into the transaction because, according to accounting principles, the preparation of the Company's financial statements shall not recognize the past accumulated losses of KPN Academy but shall recognize KPN Academy's total assets and liabilities in which they shall be taken and included in the Company's financial statements. This may result in a higher goodwill due to the purchase of businesses and give rise to a risk relating to goodwill depreciation appraisal. As a protection from such occurrence, the management had set conditions in prior to entering into the transaction that 1) the accumulated shareholders' equity in audited or reviewed financial statements of KPN Academy, KPN Music and KPN Chinese shall not be less than zero or minus prior to entering into the transaction and 2) KPN Academy group shall proceed and complete the loan and debt restructuring with the business and/or related parties prior to entering into the transaction in which shall result in KPN Academy group's recognition of profit from the loan and debt restructuring and shall increase the shareholders' equity. Therefore, after the restructuring, it is foreseen that the KPN Academy group's shareholders equity shall not be less than zero.

4.13.2 KPN Music's financial statements

Unit: Baht Million

Descriptions	Year 2016	Year 2017	Year 2018
Revenue from Provision of Services	17.77	22.11	19.59
Interest Income	114.61	58.78	56.67
Other Income	11.29	16.61	1.76
Total Revenue	143.67	97.50	78.01
Cost of Sale	(14.18)	(16.19)	(15.59)
Cost of Services	(59.38)	(38.26)	(46.90)
Sales Expenses	(7.94)	(6.27)	(4.44)
Administrative Expenses	(64.23)	(71.40)	(22.08)
Doubtful Debts	-	(1.69)	(67.56)

Total Expense	(145.74)	(133.81)	(156.57)
Profit (Loss) before financial cost and income tax	(2.07)	(36.31)	(78.56)
Financial Cost	(0.63)	(1.05)	(4.10)
Income Tax	0.05	0.08	(0.77)
Net Profit (Loss)	(2.66)	(37.28)	(83.43)

Descriptions	Year 2016	Year 2017	Year 2018
Assets			
Cash or cash equivalent	10.33	9.38	14.80
Temporary Investment	1.33	1.35	1.36
Account receivables and other receivables	101.59	97.89	10.01
Shor-term loans to related parties	30.16	36.08	-
Inventories	10.78	8.71	10.64
Other current assets	2.89	4.28	3.50
Total Current Assets	157.09	157.69	40.31
Bank deposits used as collateral	33.60	33.60	33.60
Investment in associated companies	0.04	0.04	-
Leasehold improvement and equipment	8.83	15.91	15.36
Intangible Assets	1.23	1.22	1.84
Deferred income tax assets	0.69	0.77	-
Leasehold	8.62	18.91	14.04
Other non-current assets	27.44	6.01	5.42
Total Non-Current Assets	80.46	76.47	70.26
Total Assets	237.55	234.16	110.57
Liabilities and Equity			
Bank Overdraft	4.83	4.84	4.79
Account payable and other payable	17.74	32.29	35.50
Current portion of long-term debts under finance lease	1.39	1.14	0.14
Short-term loans	42.98	63.03	25.00
Other Current Liabilities	3.81	4.91	2.15
Total Current Liabilities	70.76	106.21	67.59
Current portion of long-term debts under finance lease	1.28	0.14	-
Employee benefit obligations	3.46	3.85	-
Provision for the cost of demolition and transfer	1.38	1.61	2.11
Unearned income from franchise agreements	15.57	14.54	16.50
Total Non-Current Liabilities	21.69	20.14	18.61
Total Liabilities	92.45	126.35	86.19
Paid-up capital	25.00	25.00	25.00
Retained Earnings (Deficits)	120.10	82.81	(0.62)
Total Equity	145.10	107.81	24.38
Total Liabilities and Equity	237.55	234.16	110.57

Remark: 1. Audited financial statement for the year 2016 – 2018 is audited by Ms. Thanawan Anuratbordee, a certified auditor number 3440 from Deloitte Touche Tohmatsu Jaiyos Co., Ltd, which is an auditor approved by the SEC.

2. The KPN Academy group's accumulated loss and/or shareholders equity which is less than zero, as appeared on financial statements for the year 2018, resulting from loan and debt restructuring between related parties shall not negatively affect the Company's financial statements after entering into the transaction because, according to accounting principles, the preparation of the Company's financial statements shall not recognize the past accumulated losses of KPN Academy but

shall recognize KPN Academy's total assets and liabilities in which they shall be taken and included in the Company's financial statements. This may result in a higher goodwill due to the purchase of businesses and give rise to a risk relating to goodwill depreciation appraisal. As a protection from such occurrence, the management had set conditions in prior to entering into the transaction that 1) the accumulated shareholders' equity in audited or reviewed financial statements of KPN Academy, KPN Music and KPN Chinese shall not be less than zero or minus prior to entering into the transaction and 2) KPN Academy group shall proceed and complete the loan and debt restructuring with the business and/or related parties prior to entering into the transaction in which shall result in KPN Academy group's recognition of profit from the loan and debt restructuring and shall increase the shareholders' equity. Therefore, after the restructuring, it is foreseen that the KPN Academy group's shareholders equity shall not be less than zero.

4.13.2 KPN Chinese's financial statements

Unit: Baht Million

Descriptions	Year 2016	Year 2017	Year 2018
Revenue from Provision of Services	16.82	20.02	14.08
Interest Income	0.00	0.00	0.00
Other Income	0.04	0.02	0.18
Total Revenue	16.86	20.04	14.27
Cost of Services	(17.36)	(17.68)	(18.21)
Sales Expenses	(0.18)	(0.34)	(0.34)
Administrative Expenses	(3.79)	(5.48)	(1.65)
Total Expense	(21.33)	(23.50)	(20.19)
Profit (Loss) before financial cost and income tax	(4.47)	(3.46)	(5.92)
Financial Cost	(0.52)	(0.87)	(1.48)
Income Tax	-	-	-
Net Profit (Loss)	(4.98)	(4.33)	(7.41)

Descriptions	Year 2016	Year 2017	Year 2018
Assets			
Cash or cash equivalent	1.64	2.01	1.21
Account receivables and other receivables	0.53	0.45	0.74
Inventories	0.06	0.19	0.21
Other current assets	-	-	0.09
Total Current Assets	2.22	2.65	2.25
Office building, leased building improvement and equipment	7.05	9.71	10.37
Intangible Assets	0.46	0.17	0.03
Deposit	2.10	2.95	2.55
Total Non-Current Assets	9.61	12.83	12.95
Total Assets	11.83	15.48	15.20
Liabilities and Equity			
Bank Overdraft	2.91	2.86	2.84
Account payable and other payable	7.99	8.53	12.98
Short-term loans to related parties	7.37	14.98	18.03
Other Current Liabilities	0.08	0.18	0.06
Total Current Liabilities	18.35	26.56	33.91
Employee benefit obligations	0.40	0.17	-
Provision for the cost of demolition and transfer	0.57	0.57	0.52
Total Non-Current Liabilities	0.97	0.74	0.52

Descriptions	Year 2016	Year 2017	Year 2018
Total Liabilities	19.32	27.30	34.43
Paid-up capital	1.00	1.00	1.00
Retained Earnings (Deficits)	(8.49)	(12.82)	(20.23)
Total Equity	(7.49)	(11.82)	(19.23)
Total Liabilities and Equity	11.83	15.48	15.20

Remark: 1. Audited financial statement for the year 2016 – 2018 is audited by Ms. Thanawan Anuratbordee, a certified auditor number 3440 from Deloitte Touche Tohmatsu Jaiyos Co., Ltd, which is an auditor approved by the SEC.

2. The KPN Academy group's accumulated loss and/or shareholders equity which is less than zero, as appeared on financial statements for the year 2018, resulting from loan and debt restructuring between related parties shall not negatively affect the Company's financial statements after entering into the transaction because, according to accounting principles, the preparation of the Company's financial statements shall not recognize the past accumulated losses of KPN Academy but shall recognize KPN Academy's total assets and liabilities in which they shall be taken and included in the Company's financial statements. This may result in a higher goodwill due to the purchase of businesses and give rise to a risk relating to goodwill depreciation appraisal. As a protection from such occurrence, the management had set conditions in prior to entering into the transaction that 1) the accumulated shareholders' equity in audited or reviewed financial statements of KPN Academy, KPN Music and KPN Chinese shall not be less than zero or minus prior to entering into the transaction and 2) KPN Academy group shall proceed and complete the loan and debt restructuring with the business and/or related parties prior to entering into the transaction in which shall result in KPN Academy group's recognition of profit from the loan and debt restructuring and shall increase the shareholders' equity. Therefore, after the restructuring, it is foreseen that the KPN Academy group's shareholders equity shall not be less than zero.

(5) Total value of consideration, value of assets acquired, criteria used in determining value of consideration and payment conditions

The Company will acquire shares in KPN Academy in the number of not less than 14,947,300, in the proportion of not less than 57.52 percent of the total paid-up capital of KPN Academy from the Existing Shareholders, at a total price of not less than Baht 460,182,417.60. The Company will make a payment in kind as consideration for KPN Academy shares by issuing ordinary shares of the Company on a private placement basis in the number of 191,742,674 shares, with a par value of Baht 0.25, at the offering price of not less than 90 percent of the market price as of the date on which the Board of Directors of the Company fixes the offering price based on the market price that is the best price in the market condition during the offering period after the authorization by the Extraordinary General Meeting of Shareholders No. 1/2019. In any case, the offering price shall not be lower than the minimum price of Baht 2.40 per share, and the allocation will be as follows:

1. The Company will acquire shares in KPN Academy from Mr. Nop Narongdej in the number of 12,212,950 shares **at a price of Baht 30.787** with a total price of Baht 376,000,000.80. The Company will make payment by kind by increasing its registered capital and allocating the newly-issued shares from such capital increase (Share Swap) in the number of 156,666,667 shares, at a par value of Baht

0.25, at an offering price of not less than 90 percent of the market price on the date the Board of Directors resolve to determine the offering price at a market price which is the best price in the market condition during the offering period after the authorization by the Extraordinary General Meeting of Shareholders No. 1/2019. In any case, the offering price shall not be lower than the minimum price of Baht 2.40 per share, or equivalent to the total value of Baht 376,000,000.80 on a private placement basis.

2. The Company will acquire shares in KPN Academy from Golden Tiger Associates Limited in the number of 12,212,950 shares at a price of Baht 30.787 with a total price of Baht 40,000,000.80. The Company will make payment by kind by increasing its registered capital and allocating the newly-issued shares from such capital increase (Share Swap) in the number of 156,666,667 shares, at a par value of Baht 0.25, at an offering price of not less than 90 percent of the market price on the date the Board of Directors resolve to determine the offering price at a market price which is the best price in the market condition during the offering period after the authorization by the Extraordinary General Meeting of Shareholders No. 1/2019. In any case, the offering price shall not be lower than the minimum price of Baht 2.40 per share, or equivalent to the total value of Baht 40,000,000.80 on a private placement basis.

3. The Company will acquire shares in KPN Academy from Mr. Nuttawut Phowborom in the number of 13,333,334 shares at a price of Baht 30.787 with a total price of Baht 32,000,001.60. The Company will make payment by kind by increasing its registered capital and allocating the newly-issued shares from such capital increase (Share Swap) in the number of 13,333,334 shares, at a par value of Baht 0.25, at an offering price of not less than 90 percent of the market price on the date the Board of Directors resolve to determine the offering price at a market price which is the best price in the market condition during the offering period after the authorization by the Extraordinary General Meeting of Shareholders No. 1/2019. In any case, the offering price shall not be lower than the minimum price of Baht 2.40 per share, or equivalent to the total value of Baht 32,000,001.60 on a private placement basis.

4. The Company will acquire shares in KPN Academy from Mrs. Saengduan Iwbamrung in the number of 395,700 shares at a price of Baht 30.787 with a total price of Baht 12,182,414.40. The Company will make payment by kind by increasing its registered capital and allocating the newly-issued shares from such capital increase (Share Swap) in the number of 5,076,006 shares, at a par value of Baht 0.25, at an offering price of not less than 90 percent of the market price on the date the Board of Directors resolve to determine the offering price at a market price which is the best price in the market condition during the offering period after the authorization by the Extraordinary General Meeting of Shareholders No. 1/2019. In any case, the offering price shall not be lower than the minimum price of Baht 2.40 per share, or equivalent to the total value of Baht 12,182,414.40 on a private placement basis.

In this regard, the "Market Price" is calculated from the weighted average market price per share of the Company's ordinary shares traded in the SET for retroactively 7 business days but not more than 15 consecutive business days prior to the date to determine the offering price of shares. Such price for an average must be the average price of sale and purchase of shares in each day. In this regard, the date to determine the offering price of shares must be retroactively not more than 3 business days prior to the first day of the offering of the ordinary shares to specific persons (Private Placement), i.e. the Existing Shareholders. In case that the Board of Directors views that it is reasonable, under the

consideration of the utmost interest of the Company, the Board of Directors may determine the offering price with a reduction of not more than 10 percent of the abovementioned weighted average market price per share, whereby the Board of Directors had considered such determination of the reduction, based on the market situation at that time.

Regarding the criteria used in determining total value of consideration amounting Baht 460,182,417.60 for acquisition of 57.52 percent shares in KPN Academy, the value is obtained from negotiation between the Company and the Seller together with the Discounted Cash Flow Approach calculated on sum of the part basis and fair value evaluation of KPN Academy, KPN Music and KPN Chinese.

In this regard, the criteria used in determining total value of consideration amounting Baht 460,182,417.60 for acquisition of 57.52 percent shares in KPN Academy, the Company hired Orion Advisory Co., Ltd. (“**Advisor**”) as the financial advisor for fair value appraisal of KPN Academy. The Company used the result from such fair value appraisal for the negotiation and decision to purchase ordinary share of KPN Academy with the Existing Shareholders in which the Advisor had appraised fair value by way of Discounted Cash Flow Approach because it reflects business plan, profit generating ability and growth tendency. This method is a calculation by way of Sum of the Part in which consists of fair value of KPN Academy, KPN Music and KPN Chinese with assumption during the 6-year period, 2019 – 2024 details as follow:

Appraisal Assumption of KPN Academy

1. Income

1.1 Educational online course business under the name “U-Sierra” is a sale of online education course and examination with examination system which has the ability to analyze the result and estimate the outcome of passing for undergraduate education. As such, for the fair value appraisal, the Advisor considered from target group which is 1.4 million secondary students with reference from the Office of the Education Council. It is estimated that there will be service user at 1.00 - 2.50 percent based on principle of diligence. In addition, after U-Sierra starts to gain high demands of the market, it will attract income from sponsors and advertisements. Furthermore, KPN Academy will be able to adapt the education and examination platform for other organizations which provide educational examination or professional license as well.

	2019F	2020F	2021F onward
Sale of educational online course			
- Number of secondary student(s)	-	1.40 million people	1.40 million people
- Penetration rate	-	1.00 percent	1.50 – 2.50 percent
- Sale price/person	-	Baht 750	2.21 percent growth rate
Examination platform service			
- Number of Examiner(s)	-	1,600 people	Estimated at 3,600
- Sale price/person	-	Baht 1,500	– 4,800 people

	2019F	2020F	2021F onward
			2.21 percent growth rate
Sponsor	-	Baht 5.00 million	Baht 30.00 – 32.00 million
Advertisement (from 2022)	-	-	Baht 3.66 – 8.19 million

1.2 Personnel training and development business is a training and development course for personnel of organizations in which the Advisor assumed the income from personnel training and development business at THB 3.00 million per annum, with references from past information.

2. Costs and Expenses

2.1 Educational online course contains details as follows:

	2019F	2020F	2021F onward
Variable cost derived from income of educational online course	-	30.00 percent	30.00 percent
Variable cost derived from online examination platform	-	70.00 percent	70.00 percent
Fixed cost	-	Baht 7.46 million	2.21 – 5.00% growth rate
Marketing and sales expenses	-	16.00 percent	16.00 percent

2.2 Personnel Training and Development Business

Cost of personnel training and development business are mostly variable cost with assumption of cost estimated at 65.00% of income from personnel training and development business, with reference from past information

2.3 Maintenance Expenses

KPN Academy and subsidiaries have operation management structure where both share maintenance expenses in which consists of headquarter personnel expense, headquarter rental expense, audit expense, consultant expense and other expenses. In 2019, there are assumptions for actual cost from January to June which are expenses after KPN Academy completed part of the restructure of cost management. During such period, there is an assumption of growth rate at 2.21 - 5.00 percent per annum based on inflation rate and past rental increase rate in order to be in line with conservative approach, which is equivalent to Baht 50.11 - 64.84 million of maintenance expenses.

From the above assumptions, it can be concluded as total sales, costs, expenses and EBITDA as follows:

	2019F	2020F	2021F onward
Total income	4.67	22.32	56.07 – 81.28
Total costs and expenses	(50.11)	(66.65)	(76.15) – (89.70)
EBITDA	(38.05)	(37.61)	(14.18) – (5.52)

Assumption of KPN Music and KPN Chinese's Value Appraisal

1. Assumption of Branches Expansion

Subsidiaries	Total Branches in 2019	Number of Branches to be opened between 2020 - 2024
KPN Music	- Branches under management of KPN Music in total of 6 branches - Franchise branches in total of 42 branches	- Branches under management of KPN Music in total of 26 branches - Franchise branches in total of 35 branches
KPN Chinese	- Branches under management of KPN Chinese in total of 4 branches - Franchise branches in total of 3 branches	- Branches under management of KPN Chinese in total of 10 branches - Franchise branches in total of 8 branches

2. Income

KPN Music have 2 main incomes which are 1) income from sales of musical instruments in which the Advisor made an assumption from the income of the past sales and had increased along with the number of branches under the management of KPN Music and 2) income from the service of KPN music academy which are income from music lesson. For KPN Chinese, it has main income from school of Chinese language and culture which is income from Chinese lesson.

For the old branches, the assumption was made in reference from the income of the old branches and the growth was made in reference from the interview of the executives. For the new branches, the Advisor made the assumption on the number of educational courses and the fee per course and the growth rate was made in reference from the interview of the executives, tuition fees increase policy and data from the past; in 2019, the assumption is based on the actual revenue during January to June, so as to be as close to the actual performance as possible. As for the income from the franchise branches, in reference from the actual current franchise agreement, on the expanded part, the assumption was made from such agreement and based on the principle of diligence, with the details as follow:

Subsidiaries		2562F	2563F	2021F onwards
KPN Music	Old branches	Estimated at Baht 0.23 – 0.79 million per month per branch	10.00 percent growth rate per 2 years	10.00 percent growth rate per 2 years

Subsidiaries		2562F	2563F	2021F onwards
	New branches	Number of educational course 31 – 39 courses per month per branch	Number of educational 37 – 50 courses per month per branch	Number of educational 44 – 65 courses per month per branch
		Average course fee Baht 6,500 per course	10.00 percent growth rate per 2 years	10.00 percent growth rate per 2 years
	Franchise branches	Income from first entry fee and royalty fee estimated in total of Baht 1.62 – 2.40 million per month		
KPN Chinese	Old branches	Estimated at Baht 0.15 – 0.35 million per month per branch	5.00 percent growth rate per 2 years	5.00 percent growth rate per 2 years
	New branches	Number of educational course 15 – 50 courses per month per branch	Number of educational course 64 – 80 courses per month per branch	Number of educational course 64 – 80 courses per month per branch
		Average course fee Baht 5,000 per course	5.00 percent growth rate per 2 years	5.00 percent growth rate per 2 years
	Franchise branches	Income from first entry fee and royalty fee estimated in total of Baht 0.05 – 0.29 million per month		

3. Costs and Expenses

KPN Music have costs from the sale of musical instrument with assumption made in reference from the past information and varies based on the sales of musical instrument. The costs from service can be divide into 2 main parts which are variable cost and fixed cost. Variable cost is teacher cost with assumption at 40 percent of the income from educational course based on the past information. Fixed cost consists of branch's employees cost, branch rental cost and other branch related cost with assumption on service fixed cost estimated between Baht 25.67 – 118.87 million per annum and growth rate of 2.21 – 10.00 percent per annum, based on inflation rate and past rental increase rate in order to be in line with conservative approach.

KPN Chinese have 2 main costs from services which are variable cost and fixed cost. Variable cost is teacher cost with assumption estimated between 38.00 – 48.88 percent of the income from educational course which is different between Thai teacher and foreign teacher; in the past most of the teachers are Chinese; however, according to the plan to expand new branches, there will be more Thai teachers which will result in the reduction of variable costs. Fixed cost consists of branch's employees cost, branch rental cost and other branch related cost with assumption on service fixed cost estimated between Baht 7.12 – 23.97 million per annum and growth rate of 2.21 – 5.00 per annum based on inflation rate and past rental increase rate in order to be in line with conservative approach.

For other expenses which are sales expense and management expenses were made with assumption based on the past information and the growth rate is between 2.21 – 10.00 percent per annum based on inflation rate and past rental increase rate in order to be in line with conservative approach.

From the above assumptions, it can be concluded as total sales, costs, expenses and EBITDA as follows

Subsidiaries		2019F	2020F	2021F onward
KPN Music	Total Income	69.83	126.22	184.67 – 277.11
	Total costs and expenses	(64.76)	(110.44)	(152.84) – (213.34)
	EBITDA	11.98	25.59	43.93 – 74.56
KPN Chinese	Total Income	16.14	28.07	53.81 – 74.13
	Total costs and expenses	(16.03)	(29.12)	(45.02) – (56.25)
	EBITDA	(1.73)	(1.85)	8.15 – 17.27

From the above assumption, the Advisor had appraised fair value by way of Discounted Cash Flow which the deducted rate is estimated at 6.71 – 7.71 percent per year and the Cash Flow Terminal Growth is equivalent to 1.00 percent per annum based on inflation rate and past rental increase rate in order to be in line with conservative approach. Therefore the appraisal of the fair value of KPN Academy KPN Music and KPN Chinese are as follow:

Discounted Cash Flow Approach	Value of shareholding percentage 100.00 (Million Baht)	Value of shareholding percentage 57.52 (Million Baht)
Shareholding value of KPN Academy	(155.43) - (139.20)	(89.41) - (80.07)
Shareholding value of KPN Music	764.62 - 920.95	439.83 - 529.76
Shareholding value of KPN Chinese	153.56 - 185.05	88.33 - 106.45
Total Value	762.75 - 966.80	438.75 - 556.13
Number of sold shares in KPN Academy (million shares)	25.9850	14.9473
Total Value of KPN Academy per share (Baht/share)	29.35 - 37.21	29.35 - 37.21

Due to the entering into this transaction, the Company enters into a new business, namely education business, therefore, the Company considers the possibility of entering into the education business, and the feasibility of the business plan of KPN Academy and its subsidiaries by taking into consideration the conditions and trends of the industry as follows:

According to an analysis of the educational industry overview by Kasikorn Bank Research Center, it is found that the educational investment of parents in Bangkok in the year 2018 is approximately Baht 27,500.00 million and the growth rate is 1.90 percent compared to the previous year. The said amount is divided into the investment budget for tutoring and skill learning, approximately Baht 1,720.00 million and the growth rate is approximately 4.20 - 17.50 percent compared to the previous year. This is considered as the group with the highest growth rate when compared to other investment funds in education such as tuition fees, maintenance of education equipment fees, and other expenses which have the growth rate (shrinking) at only around -3.80 - 2.50 percent

As regards, tutoring school, due to the values of most parents who want their children to study in schools with strong academic concentration and curriculum, parents are paying more attention to tutoring. However, the change in technology has made the trend of tutoring to change to teaching through new media such as E-Learning and online media. The trend is in line with the U-Sierra business of KPN Academy, which began to enter the online teaching media business, together

with the provision of a full range of services, namely selling course and exam, which has a system for analyzing results and guidelines for admission to higher education In order to increase the chances of success for users even more.

As for the skills development institutes such as foreign languages and music, the institutes have gained advantages from the fact that parents pay more attention to the development of their children's skills since childhood. Therefore, with the said situation The Kasikorn Research Center therefore sees the opportunity as an educational service business in expanding branches or offering new services. In this regard, considering the said business opportunity together with the business plan and strength of KPN Music and KPN Chinese brands, it is expected to be a supporting factor for the operation of KPN Music and KPN Chinese to achieve the business plan. However, the analysis of such opportunities by Kasikorn Bank Research Center is still limited to the parents in Bangkok. Currently, the prosperity has spread to all major cities in each region. Therefore the education market has the opportunity to expand as well

(6) Source of fund for the Acquisition and details in issuance of new shares

As consideration for the investment in KPN Academy shares, the Company will make payment by kind by increasing its registered capital and allocating the newly-issued shares from such capital increase in exchange for shares (Share Swap) in the number of 191,742,674 shares, at a par value of Baht 0.25 per share with the offering price of not less than 90 percent of the market price on the date which the Board of Directors determines the offering price of shares based on the market price which is the best price under the market situation in the period of the offering shares to investors, after authorized by the Extraordinary General Meeting of Shareholders No. 1/2019, by which the offering price will not be less than the minimum price of Baht 2.4 per share in any respect. The market price will be in accordance with the Notification of the Capital Market Supervisory Board No. Tor Chor. 72/2558 (2015) calculated from the weighted average market price per share of the Company's ordinary shares traded in the SET for retroactively 7 business days but not more than 15 consecutive business days prior to the date to determine the offering price of shares. Such price for an average must be the average price of sale and purchase of shares in each day. In this regard, the date to determine the offering price of shares must be retroactively not more than 3 business days prior to the first day of the offering of the ordinary shares to specific persons (Private Placement), i.e. the Existing Shareholders. In case that the Board of Directors views that it is reasonable, under the consideration of the utmost interest of the Company, the Board of Directors may determine the offering price with a reduction of not more than 10 percent of the abovementioned weighted average market price per share, whereby the Board of Directors had considered such determination of the reduction, based on the market situation at that time. The offering price will not be less than Baht 2.4 per share. The details are shown in Information Memorandum on the Offering of the Newly-issued Shares of East Coast Furnitech Public Company Limited to Specific Persons (Private Placement) (Enclosure 3)

In case where the Extraordinary General Meeting of Shareholders No. 1/2562 which will be held on 28 November 2019 does not approve the allocation of newly-issued shares on a private placement basis, the Company will not enter into the investment in KPN Academy.

(7) Condition for the entering into the transaction

Acquisition of the ordinary shares in KPN Academy is subject to the followings.

Extraordinary General Meeting of Shareholders of the Company No. 1/2019, which will be held within 28 November 2019 and resolves to approve such acquisition and capital increase and allocation of newly-issued shares as consideration for the acquisition and other relevant transactions, having detail as follows.

Agenda proposed to shareholders' meeting for consideration and approval	Condition to Approval
1. Consider and approve the investment by the Company in the ordinary shares of KPN Academy of not less than 57.52 percent	Votes of not less than three-fourths of shareholders attending a meeting and entitled to vote, not include shareholders who have interests
2. Consider and approve the decrease of registered capital of the Company by cancelling unissued ordinary shares of the Company	Votes of not less than three-fourths of shareholders attending a meeting and entitled to vote, not include shareholders who have interests
3. Consider and approve the increase of registered capital	Votes of not less than three-fourths of shareholders attending a meeting and entitled to vote, not include shareholders who have interests
4. Consider and approve the allocation of newly-issued shares on a private placement basis to shareholders of KPN Academy Co., Ltd. as consideration for the investment	Votes of not less than three-fourths of shareholders attending a meeting and entitled to vote, not include shareholders who have interests

In addition, purchase of KPN ACADEMY's shares is up to the Share Purchase Conditions and the Second Share Purchase Condition, having details as per Clause 3.3 abovementioned.

(8) Expected benefits to the Company from the Transaction

1) The capital increase for payment of shares in KPN Academy will enable the Company to expand its business operation

The capital increase for payment and acceptance of shares in KPN Academy enables the Company to expand its investment to educational business sector for increase in opportunities to generate income and profit in the future. KPN Academy is an operating company. In case KPN Academy gain profits from its operation, the Company will recognize the outcome of its investment in KPN Academy.

Moreover, the Company can minimize risks in relying on the major income from furniture business of the Company since KPN Academy and its subsidiaries operate various businesses and have potential to grow. KPN Academy operates online educational media business and business relating to educational guidance for preparation for higher education admission under the name "U-Sierra" for demand of high school students wishing to enhance their potential, including seeking advice on admission to higher education institutes in Thailand. KPN Academy can also apply this platform to another target group to increase in growth in revenue. Besides, KPN Academy also operates human resources training business for several organizations.

In addition, KPN Academy has 2 subsidiaries, i.e. 1) KPN Music operates musical instruments trading and music school under the name "KPN Music Institute" and licensing the music school through franchise arrangement. As of June 30, 2019, KPN Music has 6 branches under its management and 42 branches under the franchise arrangement covering all regions of Thailand. Also, it plans to expand both models within the next 5 years by conduct feasibility study of projects and searching for potential areas under reasonable capital and expenses. KPN Music is a strong and

renowned brand, and also well known by customers, including the growing trends on extra education on musical skills and talents as it is accessible by customers in all age ranges. KPN Music, hence, has an opportunities on the growth of its turnover;

and 2) KPN Chinese operates Chinese language teaching school under the name “Chinese Language and Cultural School” which provides educational services to general public and group teaching for corporates, and licensing the Chinese language school through franchise arrangement. As of June 30, 2019, KPN Chinese has 4 branches under its management and 3 branches under the franchise arrangement across Bangkok. Also, it plans to expand both models within the next 5 years by conduct feasibility study of projects and searching for potential areas under reasonable capital and expenses. KPN Chinese is a strong and renowned brand, and also well known by customers, including the growing trends on Chinese language studying as third language. KPN Chinese, hence, has an opportunities on the growth of its turnover.

In addition, KPN Academy and its subsidiaries have the opportunity to bid for government projects relating to sale of musical instruments and musical skill development, as KPN Music had won the bidding during 2008 - 2017. However, due to the recent lack of political certainty, the said projects were postponed. Therefore, in the event that the government projects are open for bidding again in the future, it will provide the company with an opportunity to recognize the additional value from the government projects. However, the additional value has not been included in the fair value evaluation of KPN Academy and its subsidiaries in this transaction.

The management team with experience in managing KPN Academy and its subsidiaries will continue to be the management of KPN Academy and its subsidiaries. As result of the Existing Shareholders becoming shareholders of the Company, In addition, the Existing Shareholders will have interest in the performance of KPN Academy through their shareholding in the Company. **Therefore, it is quite positive that the Existing Shareholders will be ready to manage and support KPN Academy to achieve the target. In addition, the management team of KPN Academy and its subsidiaries also attaches importance to smooth administration and are prepared to adjust business strategies to be in line with the rapid change, including continuous analysis and risk management in the business such as the appropriateness of branch expansion, both corporate-owned branches and franchise branches granted to other operators in order to maintain the customer base and expand the customer base sustainably by not stealing customers from nearby branches as well as government project work etc.**

2) Minimization of risk factors regarding financial structure and liquidity in business operation

The Company will make a payment for shares in KPN Academy by share swap scheme to the Existing Shareholders without cash payment. Therefore, this transaction will not affect the cash flow of the Company and debts burdens from loan. The Company will not bear the principal and interest accrued from the loan which will affect the liquidity of the Company. Meanwhile, the capital increase will result in the increasing of shareholders' equity. It helps minimizing the risk factors regarding financial structure and increase liquidity of the Company in acquiring source of fund for future projects.

3) Dividend policy

In case that the operation of KPN Academy and its subsidiaries is according to the business plan, the approximate turnover and profit is expected to increase. Therefore, the Company can distribute dividends to shareholders from such profits in accordance with the Company's dividend policy at least 40 percent from the gross profit after deduction of corporate income tax from the financial statement of the Company and the statutory reserve as specified in the Articles of Associations of the Company. The distribution of the dividend is subject to change and depending on operating outcome, financial position, liquidity, investment plan, management factors, suitability, and other factors in the future.

4) Payment of shares in KPN Academy by share swap scheme resulting in the Existing Shareholders of KPN Academy taking parts in KPN Academy through shareholding

The Company will make a payment for shares in KPN Academy by share swap scheme to the Existing Shareholders without cash payment. Therefore, this transaction will not affect the cash flow of the Company and debts burdens from loan. In addition, the Existing Shareholders will have interest in the performance of KPN Academy through their shareholding in the Company. Therefore, it is quite positive that the Existing Shareholders will be ready to manage and support KPN Academy in its expansion of branches and growth in the future that will help generate maximum benefit to the Company.

(9) Opinion of the Board of Directors on the entering into the transaction

The Board of Directors' Meeting of the Company No. 13/2561, convened on 20 November 2019, has resolved to approve the entry into the transaction, as the investment in KPN Academy shares in a portion of not over 57.52 percent will provide following benefits to the Company:

- 1) The Company is able to expand its business and reduce the risks of solely relying on the core business of furniture trading.
- 2) The Company gains benefits from the decrease of risks from financial structure and the reduction of impact on the liquidity in operating business.
- 3) The Company and the shareholders gains benefits form dividend.
- 4) The payment in kind for KPN Academy by the Company's shares paid as consideration (Share Swap), making KPN Academy's existing shareholders having interest in KPN Academy through shareholding.

Therefore, after due consideration, the Company's Board of Directors view this investment is reasonable as it will give the Company an opportunity to expand its business to reduce the risk of relying on revenue from the core business, and in the case that KPN Music and KPN Chinese is able to conduct its business according to the business plan, the Company's revenue and profits will have an opportunity

to grow, which is expected to create value added and returns for the Company and its shareholders in the long term. Also, considering the value of consideration, it is found that the price is appropriate, arising from negotiation between the Company and the Existing Shareholders, together with Discounted Cash Flow Approach. This is due to such approach being able to reflect the long-term business expansion in the next 5-year period both of KPN Music and KPN Chinese, as well as the project plan of U-Sierra. In addition, the profitability and potential growth are also taken into account. In this regard, the fair value evaluation approach is based on the practicability. Furthermore, the Board of Directors viewed that KPN Academy and subsidiaries have a chance to participate in the auction with the public sector in regard to the sales of musical instrument as KPN Music had won the auction between the year 2008 - 2017. Such value was not included in the appraisal of fair value of KPN Academy and subsidiaries to be based on conservative approach.

In this regard, prior to resolving and approving the investment in KPN Academy, the Board of Directors has agreed the Company hire several advisors with different expertise areas to examine documents and conditions thoroughly in order to ensure that there is no material risk that might cause the investment failure. The due diligence result turned out satisfying. For any issues that remain unclear or inconclusive, those issues will be put into the draft contract as conditions precedent, having details as per Clause 3.3 above.

(10) Opinion of the Audit Committee and/or opinion of the Director which is different from the opinion in No. 9

There is no different opinion. All the directors attended the meeting.

The Board of Directors hereby certify that the information in this information memorandum is correct, complete and not misleading.

Please be informed accordingly.

Yours sincerely,
East Coast Furnitech Public Company Limited

(Mr. Chalee Suksawad and Mr. Arak Suhsawad)
Authorized Directors

(F 53-4)

Capital Increase Report Form
East Coast Furnitech Public Company Limited
20 September 2019

We, East Coast Furnitech Public Company Limited, (the “**Company**”) hereby reports the resolution of Board of Directors Meeting No. 9/2019, held on 20 September 2019 in respect of a capital increase and share allotment as follows:

1. Capital Decrease and Increase

Capital Decrease

The Board of Directors Meeting has passed a resolution to approve to propose to the Extraordinary General Meeting of Shareholders No.1/2019 (“**EGM**”) to consider and approve the decrease of the Company’s registered capital amounting to Baht 13,350,543.75 from Baht 312,462,090.75 to Baht 299,111,547.00 by cancelling unissued ordinary shares of the Company amounting 53,402,175 shares with a par value of Baht 0.25 per share including the amendment of memorandum of association of the Company to be in accordance with such decrease of registered capital.

Capital Increase

The Board of Directors Meeting has passed a resolution to approve to propose to the Extraordinary General Meeting of Shareholders No.1/2019 the increase of the Company’s registered capital from Baht 299,111,547.00 to Baht 350,172,215.50 by means of issuing 204,242,674 newly issued ordinary shares with a par value of Baht 0.25 per share, totaling Baht 51,060,668.50 The Details of each type of capital increase are as follows:

Type of capital increase	Type of share	Number of share (shares)	Par value (Baht/share)	Total (Baht)
<input checked="" type="checkbox"/> Specifying the purpose of utilizing proceeds	Ordinary share	204,242,674	0.25	51,060,668.50
<input type="checkbox"/> General Mandate	-	-	-	-

2. Allotment of new shares

2.1 If specifying the purpose of utilizing proceeds

A. Details of allocation

Allotted to	Number of share (shares)	Ratio (Old : New)	Sale Price (Baht/share)	Subscription and payment period	Remark
1) on a private placement basis, as consideration for the investment in KPN Academy Co., Ltd. (“ KPN Academy ”) to the shareholders of KPN Academy	191,742,674	-	Please see Remark 1	Please see Remark 2	Please see Remark 1 and 2

Allotted to	Number of share (shares)	Ratio (Old : New)	Sale Price (Baht/share)	Subscription and payment period	Remark
2) to accommodate the adjustment of rights of warrants to purchase the Company's ordinary shares NO. 3 ("ECF-W3") issued and allocated to shareholders in proportion to their shareholding	12,500,000	-	-	-	Please see Remark 3

Remarks:

1. As the Board of Directors meeting No. 9/2019 resolved to approve the allocation of the newly issued shares in the number of not less than 191,742,674 shares, at a par value of Baht 0.25 per share to. (1) Mr. Nop Narongdej (2) Golden Tiger Associates Ltd. (3) Mr. Nuttawut Phowborom and (4) Mrs. Sangduan Ewbamrung (collectively called "**Existing Shareholders**") with the offering price of not less than 90 percent of the market price on the date which the Board of Directors determines the offering price of shares after authorized by the Extraordinary General Meeting of Shareholders No. 1/2019. In any case, the offering price will not be less than the Minimum price of Baht 2.40 per share (the "**Minimum Price**"). Therefore, based on the calculation with the Minimum Price, the offering price of the newly issued ordinary shares on a private placement basis to the Existing Shareholders in the number of 191,742,674 shares will be equal to Baht 460,182,417.60. The Company will receive the shares in KPN Academy as a payment for the newly issued shares of the Company. The list of shareholders of KPN Academy who will be allocated with shares after the paid-up registration of the Company is shown as follows:

- (a) Allocation of newly issued ordinary shares to Mr. Nop Narongdej of not more than 156,666,667 shares at a par value of Baht 0.25

Based on the calculation with the Minimum Price, the offering price of the newly issued ordinary shares to Mr. Nop Narongdej is equivalent to Baht 376,000,000.80 in consideration of shares of KPN Academy. Mr. Nop Narongdej will make a payment of the newly issued ordinary shares of the Company with 12,212,950 shares of KPN Academy **at a price of Baht 30.787 per share**, with the total value of Baht 376,000,000.80.

After this allocation of the newly issues ordinary shares of the Company for the payment in consideration of the shares of KPN Academy, Mr. Nop Narongdej will become a major shareholder of the Company holding approximately 13.61 percent of the total sold shares of the Company (after the registration of the capital increase of the Company).

- (b) Allocation of newly issued ordinary shares to Golden Tiger Associates Ltd. of not more than 16,666,667 shares at a par value of Baht 0.25

Based on the calculation with the Minimum Price, the offering price of the newly issued ordinary shares to Golden Tiger Associates Ltd. is equivalent to Baht 40,000,000.80 in consideration of shares of KPN Academy. Golden Tiger Associates Ltd. will make a payment of the newly issued ordinary shares of the Company with

1,299,250 shares of KPN Academy at a price of Baht 30.787 per share, with the total value of Baht 40,000,000.80.

After the allocation of the newly-issued shares of the Company for this Transaction on the Allocation of the Ordinary Shares for Payment of Shares of KPN Academy, Golden Tiger Associates Ltd. will become a shareholder of the Company, holding shares in the proportion of approximately 1.45 percent of the total number of sold shares of the Company (after the registration of the increase of paid-up capital of the Company).

In this regard, since Mr. Nop Narongdej is the beneficial owner of Golden Tiger Associates LTD., Golden Tiger Associates LTD. has a relationship considered acting in concert (“Person Acting in Concert”) of Mr. Nop Narongdej, causing Mr. Nop Narongdej and Person Acting in Concert together holding shares in Company in the number of 173,333,334 shares, equivalent to 15.06 percent of the total sold shares in the Company (after the register of paid-up capital).

- (c) Allocation of newly issued ordinary shares to Mr. Nattawut Paoborom of not more than 13,333,334 shares at a par value of Baht 0.25

Calculated from the Minimum Price as specified above, the offering price of the newly issued shares to Mr. Nuttawut Phowborom is Baht 32,000,001.60. For a consideration of the purchase of shares of KPN Academy, Mr. Nuttawut Phowborom will make a payment for the newly issued shares of the Company with the shares of KPN Academy in the number of 1,039,400 shares, at a price of Baht 30.787 per share, with the total value of Baht 32,000,001.60.

After the allocation of the newly-issued shares of the Company for this Transaction on the Allocation of the Ordinary Shares for Payment of Shares of KPN Academy, Mr. Nuttawut Phowborom will become a shareholder of the Company, holding shares in the proportion of approximately 1.16 percent of the total number of sold shares of the Company (after the registration of the increase of paid-up capital of the Company).

- (d) Allocation of newly issued ordinary shares to Mrs. Saengduan Iwbamrung of not more than 5,076,006 shares at a par value of Baht 0.25

Calculated from the Minimum Price as specified above, the offering price of the newly issued shares to Mrs. Sangduan Ewbamrung is Baht 12,182,414.40. For a consideration of the purchase of shares of KPN Academy, Mrs. Sangduan Ewbamrung will make a payment for the newly issued shares of the Company with the shares of KPN Academy 395,700 shares, at a price of Baht 30.787 per share, with the total value of Baht 12,182,414.40.

After the allocation of the newly-issued shares of the Company for this Transaction on the Allocation of the Ordinary Shares for Payment of Shares of KPN Academy, Mrs. Sangduan Ewbamrung will become a shareholder of the Company, holding shares in the proportion of approximately 0.44 percent of the total number of sold shares of the Company (after the registration of the increase of paid-up capital of the Company).

The offering of newly-issued shares of the Company in terms of the offering to specific persons (Private Placement) in the number of not less than 191,742,674 shares, at a par value of Baht 0.25 per share with the offering price of not less than 90 percent of the market price on the date which the Board of Directors determines the offering price of shares based on the market price which is the best price under the market situation in the period of the offering shares to investors, after authorized by the Extraordinary General Meeting of Shareholders No. 1/2019, by which the offering price will not be less than the minimum price of Baht 2.4 per share in any respect. The market price will be in accordance with the Notification of the

Capital Market Supervisory Board No. Tor Chor. 72/2558 (2015) Re: Permission for Listed Companies to Offer Newly Issued Shares to Specific Persons (“**Notification of Capital Market Supervisory Board No. Tor Chor. 72/2558**”), calculated from the weighted average market price per share of the Company’s ordinary shares traded in the SET for retroactively 7 business days but not more than 15 consecutive business days prior to the date to determine the offering price of shares. Such price for an average must be the average price of sale and purchase of shares in each day. In this regard, the date to determine the offering price of shares must be retroactively not more than 3 business days prior to the first day of the offering of the ordinary shares to specific persons (Private Placement), i.e. the Existing Shareholders. In case that the Board of Directors views that it is reasonable, under the consideration of the utmost interest of the Company, the Board of Directors may determine the offering price with a reduction of not more than 10 percent of the abovementioned weighted average market price per share, whereby the Board of Directors had considered such determination of the reduction, based on the market situation at that time and the offering price will not be less than the Minimum Price as specified in Part 1, Chapter 2 of the Notification of the Capital Market Supervisory Board No. Tor Chor. 72/2558, mentioning the offering which the shareholders resolved to assign the Board of Directors to determine the offering price of shares based on the market price.

This offering of newly issued ordinary shares of the Company must be approved by the Extraordinary General Meeting of Shareholders No. 1/2019 of the Company, with the votes of not less than three-fourth (3/4) of the total number of shareholders attending and entitled to vote. In addition, the Company deliver documents as prescribed in Tor Chor. 72/2558 to the SEC before offering the newly issued ordinary shares of the Company.

2. The Meeting has resolved to propose the Extraordinary General Meeting of Shareholders No. 1/2019 to consider conferring power upon the Board of Director, or its agent to have authority regarding the issuance, offer, allocation, subscription of the newly issued ordinary shares, which includes:
 1. Determination, alteration, addition the details regarding the allocation, offer, allocation, subscription of the newly issued ordinary shares, the date and time of offering and allotting such shares, means of payment of such shares (which is eligible to determine the period of allocation and subscription either in single or sequential allocation) including proceeding any further actions in connection with the issuance, offer, allocation, subscription of such shares, and manipulation of delivering and disclosing the relevant information to the Ministry of Commerce, SEC, SET, and relevant agencies or authorities;
 2. Execution, alteration, amendment, contact regarding the documents concerning requests of approval, and any evidences which are necessary and in connection with the offer, allocation, subscription, delivery such shares, including contact, filing requests for approval, documents or evidences to the Ministry of Commerce, the SEC, the SET, and relevant agencies or authorities; and listing the such share in the SET; and having authorities to proceed any necessary and appropriate actions to enable the private placement of the Company to be duly executed

Please see details of the investment in KPN Academy and the offering of newly-issued shares of East Coast Furnitech Public Company Limited on a private placement basis in Information Memorandum on the Acquisition of Assets (Schedule 1) Regarding the Purchase of the Ordinary Shares of KPN Academy Company Limited, and Information Memorandum on the Offering of the Newly-issued Shares of East Coast Furnitech Public Company Limited to Specific Persons (Private Placement) (Enclosure 1 and 3 respectively);

3. Proceeding any further necessary and appropriate actions to enable any matters above to be duly executed.

If the offering price for newly-issued ordinary shares falls lower than 90 percent of the market price in past 7-15 business days before the first day of offering the newly-issued ordinary shares to the existing shareholders of KPN Academy, the Company has a duty to prohibit the existing shareholders of KPN Academy not to sell any of newly-issued ordinary shares received for a period of 1 year from the Company's shares' first trading date in the SET (Silent Period). After such newly-issued shares are traded in the SET for 6 months, the existing shareholders of KPN Academy can sell up to 25 percent of the shares being prohibited to sell in accordance with the rules prescribed in the Notification of the Stock Exchange of Thailand Re: Rules, Conditions and Procedures Governing the Listing of Ordinary or Preferred Shares Issued for Capital Increase, BE 2558.

3. Capital increase to accommodate the right adjustment of ECF-W3

- 1) Right adjustment as a result of the issuance and the offering of the newly issued shares to specific persons (Private Placement)

Since the Company will issue and offer the newly-issued shares to specific persons (Private Placement) in the number of 191,742,674 shares, as per details in the Information Memorandum on the Offering of the Newly-issued shares of East Coast Furnitech Public Company Limited to Specific Persons (Private Placement) (**Enclosure 3**), the Company shall have to allocate the newly-issued shares to accommodate the right adjustment of ECF-W3 in the number of not exceeding 12,396,000 shares. The adjustments in the exercise price to purchase the ordinary shares and the exercise ratio to purchase the ordinary shares, including the method to calculate the said adjustments, as described hereinafter shall not subordinate any returns, which the warrant holders or warrant substitute holders will receive once they exercise their rights under warrant or warrant substitute.

However, currently the Company is not able to calculate the right adjustment ratio of ECF-W3, since calculation on the new exercise price and the new exercise ratio requires "the market price of Company's ordinary shares" which is equivalent to "the weighted average market price per share of the Company's ordinary shares, which means the value of sale and purchase of the total number of ordinary shares of the Company divided by the total number of ordinary shares of the Company which are traded in the SET during 7 consecutive business days (the day on which the stock market is opened for the stock trading) prior to the first day of the offering of the newly-issued shares to specific persons (Private Placement), which the Company is currently not able to calculate. The Company shall be able to calculate the exercise price and the exercise ratio on the first day that the ordinary share purchaser shall not be entitled to subscribe the newly-issued securities of the Company, i.e. the first day of the offering of the newly-issued shares to specific persons (Private Placement). The adjustments in the exercise price and the exercise ratio are immediately effective on the first day of the offering of the newly issued shares to specific persons (Private Placement). The Company will further inform via the SET system.

- 2) Right adjustment as a result of dividend payment in the amount of money exceeding 80 percent of net profit after income tax subject by the Company

The Annual General Meeting of Shareholders for the year 2019, held on 22 April 2019 resolved to approve the dividend payment in the ratio of Baht 0.030227 per share which is equivalent to the dividend payment rate of 85.91 percent of net profit after income tax subject by the Company for the performance in the accounting period for the year 2018. The Company had already proceeded to notify the adjustments of the exercise price and the exercise ratio of ECF-W3 according to the Terms and Conditions as follows:

Exercise price: Baht 5.00 per new ordinary share is adjusted to Baht 4.9958 per new ordinary share.

Exercise ratio: 1 unit of warrant entitled to purchase 1 ordinary share is adjusted to 1 unit of warrant entitled to purchase 1.0008 ordinary share.

Please see further details on Information Memorandum on the Issuance and the Allocation of the newly issued Shares to Accommodate the Right Adjustment of the Warrant to Purchase the newly issued Shares of the Company No. 3 (ECF-W3) (Enclosure 4)

B. The Company's plan in case where there are fractions of shares remaining

Since the increase of registered capital and the offering of newly issued shares is on a private placement basis and to accommodate the right adjustment of ECF-W3, there is no fraction of shares.

2.2 Allotment of new shares under the General Mandate

Allotted to	Type of Shares	Number of share (shares)	Percentage of paid-up capital	Remarks
1. Existing Shareholders	Ordinary Shares Preference Shares	-	-	-
2. Public	Ordinary Shares Preference Shares	-	-	-
3. Private Placement	Ordinary Shares Preference Shares	-	-	-

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

The Extraordinary General Meeting of Shareholders No. 1/2019 shall be held on 28 November 2019 at 13.00 hrs. at Srinakarin Room 1, The Grand Fourwings Convention Hotel, Srinakarin.

The record date for determining the right of shareholders to attend the Extraordinary General Meeting of Shareholders No. 1/2019 will be on 4 November 2019.

4. Approval of the capital decrease and increase/share allotment by relevant governmental agency and conditions thereto

1. The Company will apply for the registration of the capital decrease and increase of the paid-up capital with the Department of Business Development, the Ministry of Commerce.
2. The Company will apply for the approval from the SET to list such newly issued ordinary shares on the SET.

5. Objectives of the capital decrease and increase and the use of proceeds from the capital increase

To make a payment in kind for the investment in KPN Academy shares instead of payment in cash, and to accommodate the rights adjustment ECF-W3 according to the conditions of the rights adjustment in the terms and conditions.

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

1) The capital increase for payment of shares in KPN Academy will enable the Company to expand its business operation

The capital increase for payment and acceptance of shares in KPN Academy enables the Company to expand its investment to educational business sector for increase in opportunities to generate income and profit in the future. KPN Academy is an operating company. In case KPN Academy gain profits from its operation, the Company will recognize the outcome of its investment in KPN Academy.

Moreover, the Company can minimize risks in relying on the major income from furniture business of the Company since KPN Academy and its subsidiaries operate various businesses and have potential to grow. KPN Academy operates online educational media business and business relating to educational guidance for preparation for higher education admission under the name “U-Sierra” for demand of high school students wishing to enhance their potential, including seeking advice on admission to higher education institutes in Thailand. KPN Academy can also apply this platform to another target group to increase in growth in revenue. Besides, KPN Academy also operates human resources training business for several organizations.

In addition, KPN Academy has 2 subsidiaries, i.e. 1) KPN Music Company Limited (“**KPN Music**”) operates musical instruments trading and music school under the name “KPN Music Institute” and licensing the music school through franchise arrangement. As of June 30, 2019, KPN Music has 6 branches under its management and 42 branches under the franchise arrangement covering all regions of Thailand. Also, it plans to expand both models within the next 5 years by conduct feasibility study of projects and searching for potential areas under reasonable capital and expenses. KPN Music is a strong and renowned brand, and also well known by customers, including the growing trends on extra education on musical skills and talents as it is accessible by customers in all age ranges. KPN Music, hence, has an opportunity on the growth of its turnover;

and 2) KPN Chinese Academy Company Limited (“**KPN Chinese**”) operates Chinese language teaching school under the name “Chinese Language and Cultural School” which provides educational services to general public and group teaching for corporates, and licensing the Chinese language school through franchise arrangement. As of June 30, 2019, KPN Chinese has 4 branches under its management and 3 branches under the franchise arrangement across Bangkok. Also, it plans to expand both models within the next 5 years by conduct feasibility study of projects and searching for potential areas under reasonable capital and expenses. KPN Chinese is a strong and renowned brand, and also well known by customers, including the growing trends on Chinese language studying as third language. KPN Chinese, hence, has an opportunity on the growth of its turnover.

In addition, KPN Academy and its subsidiaries have the opportunity to bid for government projects relating to sale of musical instruments and musical skill development, as KPN Music had won the bidding during 2008 - 2017. However, due to the recent lack of political certainty, the said projects were postponed. Therefore, in the event that the government projects are open for bidding again in the future, it will provide the company with an opportunity to recognize the additional value from the government projects. However, the additional value has not been included in the fair value evaluation of KPN Academy and its subsidiaries in this transaction.

2) Minimization of risk factors regarding financial structure and liquidity in business operation

The Company will make a payment for shares in KPN Academy by share swap scheme to the Existing Shareholders without cash payment. Therefore, this transaction will not affect the cash flow of the Company and debts burdens from loan. The Company will not bear the principal and interest accrued from the loan which will affect the liquidity of the Company. Meanwhile, the capital increase will result in the increasing of shareholders' equity. It helps minimizing the risk factors regarding financial structure and increase liquidity of the Company in acquiring source of fund for future projects.

3) Dividend policy

In case that the operation of KPN Academy and its subsidiaries is according to the business plan, the approximate turnover and profit is expected to increase. Therefore, the Company can distribute dividends to shareholders from such profits in accordance with the Company's dividend policy at least 40 percent from the gross profit after deduction of corporate income tax from the financial statement of the Company and the statutory reserve as specified in the Articles of Associations of the Company. The distribution of the dividend is subject to change and depending on operating outcome, financial position, liquidity, investment plan, management factors, suitability, and other factors in the future.

4) Payment of shares in KPN Academy by share swap scheme resulting in the Existing Shareholders of KPN Academy taking parts in KPN Academy through shareholding

The Company will make a payment for shares in KPN Academy by share swap scheme to the Existing Shareholders without cash payment. Therefore, this transaction will not affect the cash flow of the Company and debts burdens from loan. In addition, the Existing Shareholders will have interest in the performance of KPN Academy through their shareholding in the Company. Therefore, it is quite positive that the Existing Shareholders will be ready to manage and support KPN Academy in its expansion of branches and growth in the future that will help generate maximum benefit to the Company.

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

7.1 Dividend Policy

The Company has a policy of paying dividend of not less than 40 percent of the net profits after deducting corporate income tax in the financial statements of the Company and legal reserve as prescribed in the articles of association of the Company. The dividend payment however may change, depending on the performance, financial status of the Company, liquidity, investment plan as well as the factors relevant to the management and other necessities, and appropriateness in the future.

7.2 The subscribers of newly-issued shares in this round will be entitled to dividends from the operation from the date that the subscribers are registered as the shareholders of the Company with relevant government authorities, e.g. Ministry of Commerce.

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

-None-

9. Schedule of actions where the board of directors of the Company passed a resolution approving the capital increase or allotment of new shares:

Procedures	Date
1) The date of the Meeting of Board of Directors No. 9/2019	20 September 2019
2) The date to determine shareholders entitled to attend the Extraordinary General Meeting (EGM) No. 1/2019 (Record Date)	4 November 2019
3) The date of EGM No. 1/2019	28 November 2019
4) Proceed the registration for capital decrease with the Ministry of Commerce	within 14 days since receiving the resolution from the shareholder's meeting
5) Proceed the registration for capital increase with the Ministry of Commerce	within 14 days since receiving the resolution from the shareholder's meeting
6) Proceed the offer and allocation of the newly issued shares on a private placement basis	after obtaining an approval from the SEC – no longer than 3 months after the shareholders' meeting passing a resolution
7) Proceed the registration for the paid-up capital received on a private placement basis and other matters in relation to the MOC	within 14 days since receiving the subscription payment

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

(Authorized Director
signed with the
Company's Seal affixed)

(Mr.Chalee Suksawad)
Authorized Director

(Mr.Arak Suksawad)
Authorized Director

Information Memorandum on the Offering of Newly Issued Ordinary Shares to Specific Investors (Private Placement)

The Board of Directors' meeting No. 9/2019 of East Coast Furnitech Public Company Limited (the "**Company**"), held on 20 September 2019, approved to present to the Extraordinary General Meeting of Shareholders of the Company No. 1/2019 to consider the allocation of newly issued ordinary shares in the total number of not more than 191,742,674 shares, at the par value of Baht 0.25, or equivalent to 16.66 percent of the Company's paid-up capital after the increase of paid-up capital to the shareholders of KPN Academy Company Limited ("**KPN Academy**") namely, (1) Mr. Nop Narongdej, (2) Golden Tiger Associates Ltd., (3) Mr. Nattawut Paoborom, and (4) Mrs. Saengduan Iwbamrung (the "**Existing Shareholders**") at the offering price of not less than Baht 2.40 per share, equivalent to the total value of Baht 460,182,417.60, in consideration of ordinary shares of KPN Academy. The Existing Shareholders agree to transfer the ordinary shares of KPN Academy in the number of not less than 14,947,300 shares, or equivalent to not less than 57.52 percent of the total paid-up shares of KPN Academy **at a price of Baht 30.787 per share**, with the total price of not less than Baht 460,182,417.60 to the Company.

Nevertheless, please be informed that, apart from the purchase of shares from the Existing Shareholders, the Company is in the process of negotiation to purchase the entire shares of KPN Academy from the other shareholders with the same conditions as the Existing Shareholders. In the event that there is a change in the allocation of the newly issued ordinary shares in consideration of the additional ordinary shares, the Company will therefore arrange for the Board of Directors' meeting to revise the details concerning the allocation of the newly issued ordinary shares (if any), and will disseminate further information to the Stock Exchange of Thailand (the "**SET**"), pursuant to the relevant laws and regulations.

The offering of the newly issued ordinary shares of the Company is an offering on a private placement basis in the number of not more than 191,742,674 shares at par value of Baht 0.25, at the offering price of not less than 90 percent of the market price as of the date on which the Board of Directors of the Company fixes the offering price based on the market price that is the best price in the market condition during the offering period after the authorization by the Extraordinary General Meeting of Shareholders No. 1/2019. In any case, the offering price shall not be lower than the minimum price of Baht 2.40 per share (the "**Minimum Price**").

In this regard, the market price shall be in accordance with the Notification of the Capital Market Supervisory Board No. Tor Chor. 72/2558 (2015) Re: Approval for Listed Companies to Offer Newly Issued Shares to Specific Investors (Private Placement) ("**Notification No. Tor Chor. 72/2558**") which is calculated from the weighted average price of the Company's ordinary shares trading on the SET of not less than 7 consecutive business days but not more than 15 consecutive business days prior to the date on which the offering price is fixed and such average price shall be a daily average price for trading of the offering shares. The date on which the offering price is fixed shall not be more than 3 business days prior to the first day of the offering of newly issued ordinary shares to specific investors (Private Placement), i.e. the Existing Shareholder. In case the Board of Directors of the Company, taking the best interest of the Company into account, views that there is an appropriate ground, the Board of Directors of the Company may fix the offering price with discount of not more than 10 percent of the mentioned weighted average price. In determining such discount, the Board of Directors of the Company shall consider the market condition at that time and the offering price must not be less than the Minimum Price as specified in Section 2 of Chapter 1 of the Notification No. Tor Chor. 72/2558; and the offering is that the shareholders resolves to authorize the Board of Directors of the Company to determine the offering price according to the market price.

This offering of the newly issued ordinary shares of the Company shall be approved by the Extraordinary General Meeting of the Shareholders of the Company No. 1/2019 with votes of not less than three-quarters of the total votes of the shareholders attending the meeting and entitled to vote. In addition,

the Company requires to submit supporting documents as specified in the Notification No. Tor Chor. 72/2558 to the Security and Exchange Commission prior to the offering of the newly issued ordinary shares of the Company.

In this regard, substantial information for the decision of the shareholders is as follows:

1. Details of the offering, determination and appropriateness of the offering price and determination of the market price

1.1. Details of the offering

The Company will issue not more than 191,742,674 newly issued ordinary shares at a par value of Baht 0.25 per share in consideration of the investment value in the ordinary shares of KPN Academy to the Existing Shareholders. The determination of such newly issued ordinary shares price shall not be less than 90 percent of the market price as of the date on which the Board of Directors of the Company fixes the offering price based on the market price that is the best price in the market condition during the offering period after the authorization by the Extraordinary General Meeting of Shareholders No. 1/2019. In any case, the offering price shall not be lower than the minimum price of Baht 2.40 per share. The market price shall be in accordance with the Notification No. Tor Chor. 72/2558, totaling Baht 460,182,417.60 in consideration of the investment in 14,947,300 ordinary shares of KPN Academy, or equivalent to 57.52 percent of the total paid-up shares of KPN Academy at the total price of Baht 460,182,417.60.

The Company will allocate such ordinary shares to the following persons:

- (a) Allocation of newly issued ordinary shares to Mr. Nop Narongdej of not more than 156,666,667 shares at a par value of Baht 0.25

Based on the calculation with the Minimum Price, the offering price of the newly issued ordinary shares to Mr. Nop Narongdej is equivalent to Baht 376,000,000.80 in consideration of shares of KPN Academy. Mr. Nop Narongdej will make a payment of the newly issued ordinary shares of the Company with 12,212,950 shares of KPN Academy at a price of Baht 30.787 per share, with the total value of Baht 376,000,000.80.

After this allocation of the newly issues ordinary shares of the Company for the payment in consideration of the shares of KPN Academy, Mr. Nop Narongdej will become a major shareholder of the Company holding approximately 13.61 percent of the total sold shares of the Company (after the registration of the capital increase of the Company).

- (b) Allocation of newly issued ordinary shares to Golden Tiger Associates Ltd. of not more than 16,666,667 shares at a par value of Baht 0.25

Based on the calculation with the Minimum Price, the offering price of the newly issued ordinary shares to Golden Tiger Associates Ltd. is equivalent to Baht 40,000,000.80 in consideration of shares of KPN Academy. Golden Tiger Associates Ltd. will make a payment of the newly issued ordinary shares of the Company with 1,299,250 shares of KPN Academy at a price of Baht 30.787 per share, with the total value of Baht 40,000,000.80.

After the allocation of the newly-issued shares of the Company for this Transaction on the Allocation of the Ordinary Shares for Payment of Shares of KPN Academy, Golden Tiger Associates Ltd. will become a shareholder of the Company, holding approximately 1.45 percent of the total number of sold shares of the Company (after the registration of the increase of paid-up capital of the Company).

In this regard, since Mr. Nop Narongdej is the beneficial owner of Golden Tiger Associates LTD., Golden Tiger Associates LTD. has a relationship considered acting in concert (“Person Acting in Concert”) of Mr. Nop Narongdej, causing Mr. Nop Narongdej and Person Acting in Concert together holding shares in Company in the number of 173,333,334 shares, equivalent to 15.06 percent of the total sold shares in the Company (after the register of paid-up capital).

- (c) Allocation of newly issued ordinary shares to Mr. Nattawut Paoborom of not more than 13,333,334 shares at a par value of Baht 0.25

Calculated from the Minimum Price as specified above, the offering price of the newly-issued shares to Mr. Nuttawut Phowborom is Baht 32,000,001.60. For a consideration of the purchase of shares of KPN Academy, Mr. Nuttawut Phowborom will make a payment for the newly-issued shares of the Company with the shares of KPN Academy in the number of 1,039,400 shares, at a price of Baht 30.787 per share, with the total value of Baht 32,000,001.60.

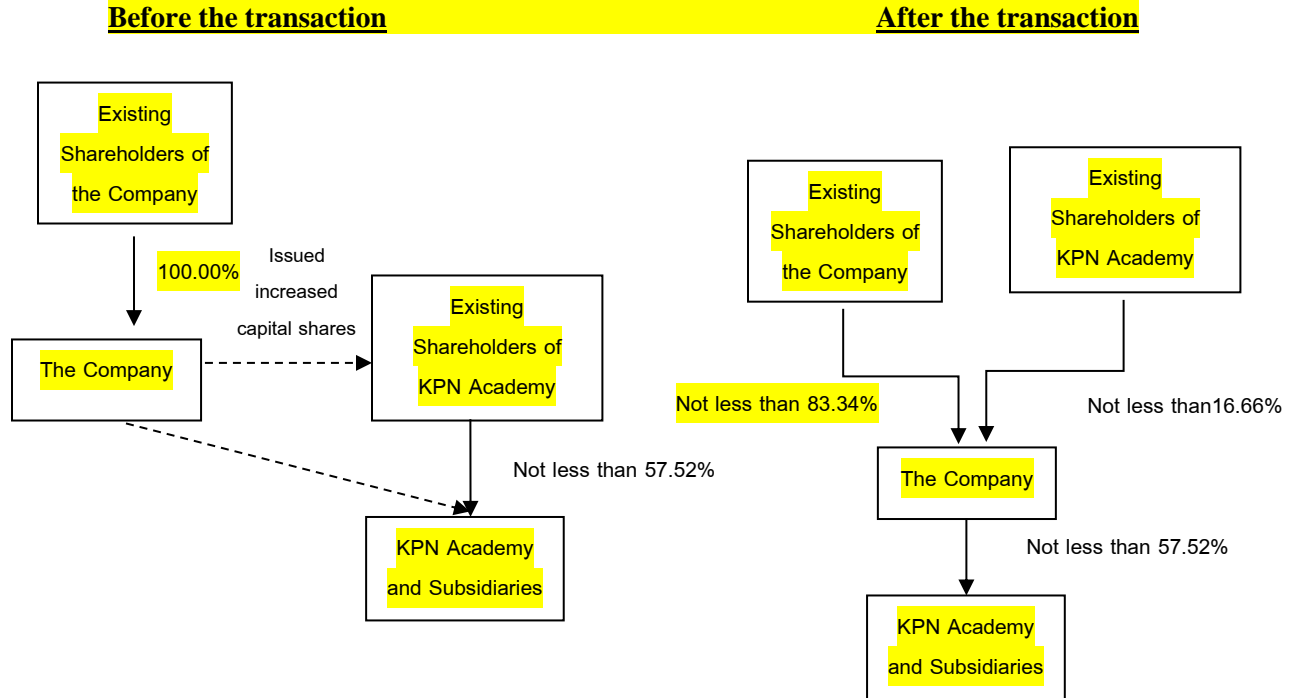
After the allocation of the newly-issued shares of the Company for this Transaction on the Allocation of the Ordinary Shares for Payment of Shares of KPN Academy, Mr. Nuttawut Phowborom will become a shareholder of the Company, holding approximately 1.16 percent of the total number of sold shares of the Company (after the registration of the increase of paid-up capital of the Company).

- (d) Allocation of newly issued ordinary shares to Mrs. Saengduan Iwbamrung of not more than 5,076,006 shares at a par value of Baht 0.25

Calculated from the Minimum Price as specified above, the offering price of the newly-issued shares to Mrs. Sangduan Ewbamrung is Baht 12,182,414.40. For a consideration of the purchase of shares of KPN Academy, Mrs. Sangduan Ewbamrung will make a payment for the newly-issued shares of the Company with the shares of KPN Academy 395,700 shares, at a price of Baht 30.787 per share, with the total value of Baht 12,182,414.40.

After the allocation of the newly-issued shares of the Company for this Transaction on the Allocation of the Ordinary Shares for Payment of Shares of KPN Academy, Mrs. Sangduan Ewbamrung will become a shareholder of the Company, holding approximately 0.44 percent of the total number of sold shares of the Company (after the registration of the increase of paid-up capital of the Company).

Diagram of the Company's shareholding structure before and after the transaction



Remark: based on assumption that the newly-issued shares are issued and allocated at the price of not less than Baht 2.40 per share

As the shareholders of KPN Academy will be allocated with the newly issued ordinary shares of the Company at 16.66 percent of the total issued and paid-up shares of the Company (after the increase of the paid-up capital), the Existing Shareholders will not be required to make a tender offer for the entire shares of the Company, pursuant to the Notification of Capital Market Supervisory Board No. Tor Chor. 12/2554 (2011) Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (“**Notification Re: Acquisition of Securities for Business Takeovers**”).

This allocation of the newly-issued shares of the Company to the Existing Shareholders will not cause any of the Existing Shareholders to be a shareholder of the Company who holds the ordinary shares of the Company increasingly in the way that reaches or crosses the trigger point to make a tender offer as specified in the Notification of Capital Market Supervisory Board Tor Chor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (including the amendments thereof). Additionally, apart from the relationship between Mr. Nop Narongdej and the Person Acting in Concert, i.e. Golden Tiger Associates Ltd., the relationship and behavior between the Existing Shareholders are not in the nature of Acting in Concert according to the Notification of Capital Market Supervisory Board TorChor. 7/2552 Re: Acting in Concert as a Result of the Nature of a Relationship or Behavior and Requirements under Sections 246 and 247 (including the amendments thereof).

Furthermore, the Existing Shareholders are not connected to the Company under the Notification of Capital Market Supervisory Board No. Tor Chor. 21/2551 (2008) Re: Rules on Connected Transactions, dated August 31, 2008 (as amended), and the Notification

of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transaction B.E. 2546, dated November 19, 2003 (as amended) (“**Notification Re: Connected Transaction**”), and not the persons to be nominated as the Management of having control over the Company pursuant to the Notification Re: Connected Transaction.

Nevertheless, the Company will proceed with the allocation of the newly issued ordinary shares in consideration of shares of KPN Academy when (1) the Board of Directors of the Company has determined the offering price based on the best price in the market condition during the offering period; in any case, the offering price shall not be lower than the minimum price of Baht 2.40 per share, after the authorization by the Extraordinary General Meeting of Shareholders No. 1/2019, (2) the Extraordinary General Meeting of Shareholders No. 1/2019 has resolved to approve the investment in shares of KPN Academy and the allocation of the newly issued ordinary shares of the Company in consideration of shares of KPN Academy including other relevant issues, and (3) the Company has proceed with any other undertakings according to the relevant laws and regulations.

If the offering price of such shares is less than 90 percent of the weighted average price of the Company’s ordinary shares trading on the SET of not less than 7 consecutive business days but not more than 15 consecutive business days prior to the first date on which the offer is made to Mr. Nop Narongdej, Golden Tiger Associates Ltd., Mr. Nattawut Paaborom, and Mrs. Saengduan Iwbamrung as earlier mentioned, the Company will prohibit Mr. Nop Narongdej, Golden Tiger Associates Ltd., Mr. Nattawut Paaborom, and Mrs. Saengduan Iwbamrung to the sale of the shares from the Private Placement at the period of 1 year from the date on which such shares are traded in the SET (Silent Period). After such newly issued shares are traded in the SET for 6 months, Mr. Nop Narongdej, Golden Tiger Associates Ltd., Mr. Nattawut Paaborom, and Mrs. Saengduan Iwbamrung can sell up to 25 percent of the shares being prohibited to sell in accordance with the rules prescribed in the Notification of the Stock Exchange of Thailand Re: Rules, Conditions and Procedures Governing the Listing of Ordinary or Preferred Shares Issued for Capital Increase B.E. 2558, and the circular letter of the SET Re: Prescription of the Period Prohibited to the Sale of Shares (Silent Period) for the Offering of Shares or Convertible Securities to Specific Investors, dated April 29, 2015.

Details of the Offeree for the Newly Issued Ordinary Shares

- (1) First name – Last name: Mr. Nop Narongdej

Nationality: Thai

Occupation and Experience: He is a businessman with knowledge and expertise in business of music and wind energy. Mr. Nop Narongdej is a successor who continues the KPN Music institute with determination to conduct business related to music, believing music is able to build up a better society and music also plays a role on the development of life quality and mentality of the youth. At present, Mr. Nop Narongdej is the major shareholder, chairman, and authorized director of KPN Academy.

Relationship with the Company, Directors, Management, or Major Shareholders of the Company: None

- (2) First name – Last name: Mr. Nattawut Phowborom

Nationality: Thai

Occupation and Experience: He is a businessman with knowledge and expertise in music and food business. Mr. Nattawut Phowborom was a shareholder of leading bakery shops and restaurants, and also a director and independent director of several listed companies.

Currently, Mr. Nattawut Phowborom is a shareholder of KPN Academy and a deputy director, and authorized director of KPN Academy.

Relationship with the Company, Directors, Management, or Major Shareholders of the Company: None

(3) First name – Last name: Mrs. Sangduan Ewbamrung

Nationality: Thai

Occupation and Experience: She is a businessperson with knowledge and expertise in service industry. Mrs. Sangduan Ewbamrung is now an executive of leading bakery shops and restaurants and also a shareholder and a director of KPN Academy.

Relationship with the Company, Directors, Management, or Major Shareholders of the Company: None

(4) Details of Golden Tiger Associates Ltd.

Name of the Company	Golden Tiger Associates Ltd.
Nationality	British Virgin Islander
Name of Director(s)	GREENLAND LIMITED
Name of Beneficial Owner(s)	Mr. Nop Narongdej
Relationship with the Company, Directors, Management, or Major Shareholders of the Company	None

1.2 Determination of the offering price and appropriateness of the price of the Company's newly issued shares

The Company determines the offering price of not more than 191,742,674 newly issued ordinary shares of the Company at not be less than 90 percent of the market price as of the date on which the Board of Directors of the Company fixes the offering price based on the market price that is the best price in the market condition during the offering period after the authorization by the Extraordinary General Meeting of Shareholders No. 1/2019. In any case, the offering price shall not be lower than the minimum price of Baht 2.40 per share. The market price shall be in accordance with the Notification No. Tor Chor. 72/2558 based on the weighted average price of the Company's ordinary shares trading on the SET of not less than 7 consecutive business days but not more than 15 consecutive business days prior to the date on which the determination of the offering price is made. Such average price shall be based on average of trading price in each day. In any case, the date on which the offering price is determined shall not be more than 3 business days prior to the first day of the offering of newly issued ordinary shares to specific investors (Private Placement), i.e. the Existing Shareholders. In case the Board of Directors of the Company, taking the best interest of the Company into account, views that there is an appropriate ground, the Board of Directors of the Company may fix the offering price with discount of not more than 10 percent of the mentioned weighted average price. In determining such discount, the Board of Directors of the Company shall consider the market condition at that time and the offering price must not be less than the Minimum Price as specified in Section 2 of Chapter 1 of the Notification No. Tor Chor.

72/2558; and the offering is that the shareholders resolves to authorize the Board of Directors of the Company to determine the offering price according to the market price.

Nonetheless, the Minimum Price at Baht 2.40 per share is referred to the negotiation among the Company and the Existing Shareholders, including price from valuation of fair value from the Discounted Cash Flow Approach based on the Sum of the Part calculation. The estimation of the Company's fair value ranges from Baht 1,926.75 – 2,770.17 million, and Baht 2.01 – 2.89 per share. The Minimum Price of Baht 2.40 per share is in the range of the fair value of the Company at Baht 2.01 – 2.89 per share.

1.3 Determination of the market price

The Company determines the offering price of 191,742,674 newly issued ordinary shares of the Company at not be less than 90 percent of the market price in accordance with the Notification No. Tor Chor. 72/2558, based on the weighted average price of the Company's ordinary shares trading on the SET of not less than 7 consecutive business days but not more than 15 consecutive business days prior to the date on which the determination of the offering price is made. Such average price shall be based on average of trading price in each day. In any case, the date on which the offering price is determined shall not be more than 3 business days prior to the first day of the offering of newly issued ordinary shares to specific investors (Private Placement) and the offering price shall not be lower than the minimum price of Baht 2.40 per share.

If the offering price of such shares is less than 90 percent of the weighted average price of the Company's ordinary shares trading on the SET of not less than 7 consecutive business days but not more than 15 consecutive business days prior to the first date on which the offer is made to Mr. Nop Narongdej, Golden Tiger Associates Ltd., Mr. Nattawut Paoborom, and Mrs. Saengduan Iwbamrung as earlier mentioned, the Company will prohibit Mr. Nop Narongdej, Golden Tiger Associates Ltd., Mr. Nattawut Paoborom, and Mrs. Saengduan Iwbamrung to the sale of the shares from the Private Placement at the period of 1 year from the date on which such shares are traded in the SET (Silent Period). After such newly issued shares are traded in the SET for 6 months, Mr. Nop Narongdej, Golden Tiger Associates Ltd., Mr. Nattawut Paoborom, and Mrs. Saengduan Iwbamrung can sell up to 25 percent of the shares being prohibited to sell in accordance with the rules prescribed in the Notification of the Stock Exchange of Thailand Re: Rules, Conditions and Procedures Governing the Listing of Ordinary or Preferred Shares Issued for Capital Increase B.E. 2558, and the circular letter of the SET Re: Prescription of the Period Prohibited to the Sale of Shares (Silent Period) for the Offering of Shares or Convertible Securities to Specific Investors, dated April 29, 2015.

1.4 Offering Plan

The offering of the newly issued ordinary shares of the Company is scheduled at within the first quarter of 2020 under the conditions specified in the Information Memorandum regarding the Acquisition of Assets (Annex 1) of the Company.

2. Objectives of the offering of the newly issued ordinary shares, plans for utilizing the proceeds

2.1 Objectives of the offering of the newly issued ordinary shares, plans for utilizing the proceeds and details

The Company's object to issue newly issued ordinary shares as a payment for the value of the investment in ordinary shares of not less than 14,947,300 shares of KPN Academy, or equivalent to 57.52 percent of the total issued and paid-up shares of KPN Academy.

The details of investment in ordinary shares in KPN Academy

Name of the Company	:	KPN Academy Company Limited
Date of Incorporation	:	2 December 2013
Address of Head Office	:	77/1, Soi Ruammitr, Chompon, Chatuchak, Bangkok
Registered Capital and Paid-up Capital	:	Baht 259,850,000
Number of Issued Shares	:	25,985,000 shares
Par Value	:	Baht 10
Type of Business	:	Holding company except financial business

Please consider the details in the Information Memorandum regarding the Acquisition of Assets (Annex 1) regarding Acquisition of Ordinary Shares in KPN Academy Company Limited.

2.2 Opportunity to generate income to the Company

Increase in capital for payment and investment in ordinary shares of KPN Academy enables the Company to hold at least 57.52 percent of total ordinary shares of KPN Academy and expand the investment to education business sector which increases opportunities to generate revenue and profit in the future. Moreover, the Company can minimize risks in relying on the major income from furniture business of the Company since KPN Academy and its subsidiaries operate various businesses and have potential to grow. KPN Academy operates online educational media business and business relating to educational guidance for preparation for higher education admission under the name “U-Sierra” for demand of high school students wishing to enhance their potential, including seeking advice on admission to higher education institutes in Thailand. KPN Academy can also apply this platform to another target group to increase in growth in revenue. Besides, KPN Academy also operates human resources training business for several organizations.

2 subsidiaries of KPN Academy include:

- 1) KPN Music Company Limited (“**KPN Music**”) operates musical instruments trading and music school under the name “KPN Music Institute” and licensing the music school through franchise arrangement. As of June 30, 2019, KPN Music has 6 branches under its management and 42 branches under the franchise arrangement covering all regions of Thailand. Also, it plans to expand both models within the next 5 years by conduct feasibility study of projects and searching for potential areas under reasonable capital and expenses. KPN Music is a strong and renowned brand, and also well known by customers, including the growing trends on extra education on musical skills and talents as it is accessible by customers in all age ranges. KPN Music, hence, has an opportunities on the growth of its turnover.
- 2) KPN Chinese Academy Company Limited (“**KPN Chinese**”) operates Chinese language teaching school under the name “Chinese Language and Cultural School” which provides educational services to general public and group teaching for corporates, and licensing the Chinese language school through franchise arrangement. As of June 30, 2019, KPN Chinese has 4 branches under its management and 3 branches under the franchise arrangement across Bangkok. Also, it plans to expand both models within the next 5 years by conduct feasibility study of projects and searching for potential areas under reasonable capital and expenses. KPN Chinese is a strong and renowned brand, and also well known

by customers, including the growing trends on Chinese language studying as third language. KPN Chinese, hence, has an opportunities on the growth of its turnover.

In addition, KPN Academy and its subsidiaries have the opportunity to bid for government projects relating to sale of musical instruments and musical skill development, as KPN Music had won the bidding during 2008 - 2017. However, due to the recent lack of political certainty, the said projects were postponed. Therefore, in the event that the government projects are open for bidding again in the future, it will provide the company with an opportunity to recognize the additional value from the government projects. However, the additional value has not been included in the fair value evaluation of KPN Academy and its subsidiaries in this transaction.

The management team with experience in managing KPN Academy and its subsidiaries will continue to be the management of KPN Academy and its subsidiaries. As result of the Existing Shareholders becoming shareholders of the Company, In addition, the Existing Shareholders will have interest in the performance of KPN Academy through their shareholding in the Company. Therefore, it is quite positive that the Existing Shareholders will be ready to manage and support KPN Academy to achieve the target. In addition, the management team of KPN Academy and its subsidiaries also attaches importance to smooth administration and are prepared to adjust business strategies to be in line with the rapid change, including continuous analysis and risk management in the business such as the appropriateness of branch expansion, both corporate-owned branches and franchise branches granted to other operators in order to maintain the customer base and expand the customer base sustainably by not stealing customers from nearby branches as well as government project work etc.

2.3 Possible impacts in the case of failure to implement the project and risks from the projects

In contemplation of this investment in ordinary shares in KPN Academy, the Company may encounter risks since KPN Academy and its subsidiaries cannot reach the business goals that the operating outcome of KPN Academy is not as expected. The Board of Directors of the Company has carefully considered such risk factors and the Company has endeavored to manage such risk by using share swap scheme for payment and acceptance of Shares in KPN Academy instead of cash payment. The Existing Shareholders will still take part in operation of KPN Academy through indirect shareholding in the Company. Therefore, it is quite positive that the Existing Shareholders will be ready to manage and support KPN Academy in its expansion of branches and growth in the future.

Besides, the Company has its key business relating to manufacture and distribution of furniture that generates regularly income and profits, and can ease any possible effects to the Company.

2.4 Total expected initial investment budget and total expected investment budget utilized for the projects to generate income to the Company

The Company will purchase ordinary shares in KPN Academy of not less than Baht 14,947,300 with a total value of Baht 460,182,417.60. The consideration of which will be not more than 191,742,674 newly issued ordinary shares, approximately, at par value of Baht 0.25 or equivalent to not less than 57.52 percent of issued and paid-up shares in the Company (after the increase of paid-up capital). The price of the newly issued ordinary shares of the Company is not less than Baht 2.40 per share, totaling Baht 460,182,417.60, approximately.

3. Information in respect of expected effects from the capital increase or allocation of shares to specific investor (Private Placement)

The offering of shares as specified above may cause the following effects to the shareholders:

3.1 Price dilution

This offering of shares to the specific investors (Private Placement) has not determined the offering price.

3.2 Control Dilution

$$\begin{aligned} &= \frac{\text{No. of shares offered for sale}}{\text{No. of paid-up shares} + \text{No. of shares offered for sale}} \\ &= \frac{191,742,674}{959,487,557 + 191,742,674} \\ &= 16.66 \text{ percent} \end{aligned}$$

After the offering of newly issued ordinary shares, there will be a control dilution of 16.66 percent

3.3 Earning per Share Dilution

$$\begin{aligned} &= \frac{\text{Earnings per Share prior to the offering} - \text{Earnings per Share after the offering}}{\text{Earnings per Share prior to the offering}} \\ &= \frac{0.0360 - 0.0300}{0.0360} \\ &= 16.66 \text{ percent} \end{aligned}$$

When comparing the benefits the shareholders would gain from the offering of newly issued ordinary shares to accommodate the investment in ordinary shares in KPN Academy with the control dilution and earning per share dilution as per details above, the Board of Directors viewed that the offering of newly issued ordinary shares for the investment in ordinary shares of KPN Academy is more beneficial to the shareholders since the investment in ordinary shares in KPN Academy is beneficial to the Company and the Company's shareholders as appeared in Clause 3.4 below.

3.4 Benefits to the Company and the Company's shareholders

In respect of the Company's investment in ordinary shares in KPN Academy of not less than 57.52 percent, there will be benefits to the Company and the Company's shareholders as follows:

- 1) The capital increase for payment of shares in KPN Academy will enable the Company to expand its business operation

The capital increase for payment and acceptance of shares in KPN Academy enables the Company to expand its investment to educational business sector for increase in opportunities to generate income and profit in the future. KPN Academy is an operating company. In case KPN Academy gain profits from its operation, the Company will recognizes the outcome of its investment in KPN Academy.

Moreover, the Company can minimize risks in relying on the major income from furniture business of the Company since KPN Academy and its subsidiaries operate various businesses and have potential to grow. KPN Academy operates online educational media business and business relating to educational guidance for preparation for higher education admission under the name “U-Sierra” for demand of high school students wishing to enhance their potential, including seeking advice on admission to higher education institutes in Thailand. KPN Academy can also apply this platform to another target group to increase in growth in revenue. Besides, KPN Academy also operates human resources training business for several organizations.

In addition, KPN Academy has 2 subsidiaries, i.e. 1) KPN Music Company Limited (“**KPN Music**”) operates musical instruments trading and music school under the name “KPN Music Institute” and licensing the music school through franchise arrangement. As of June 30, 2019, KPN Music has 6 branches under its management and 42 branches under the franchise arrangement covering all regions of Thailand. Also, it plans to expand both models within the next 5 years by conduct feasibility study of projects and searching for potential areas under reasonable capital and expenses. KPN Music is a strong and renowned brand, and also well known by customers, including the growing trends on extra education on musical skills and talents as it is accessible by customers in all age ranges. KPN Music, hence, has an opportunities on the growth of its turnover;

and 2) KPN Chinese Academy Company Limited (“**KPN Chinese**”) operates Chinese language teaching school under the name “Chinese Language and Cultural School” which provides educational services to general public and group teaching for corporates, and licensing the Chinese language school through franchise arrangement. As of June 30, 2019, KPN Chinese has 4 branches under its management and 3 branches under the franchise arrangement across Bangkok. Also, it plans to expand both models within the next 5 years by conduct feasibility study of projects and searching for potential areas under reasonable capital and expenses. KPN Chinese is a strong and renowned brand, and also well known by customers, including the growing trends on Chinese language studying as third language. KPN Chinese, hence, has an opportunities on the growth of its turnover.

In addition, KPN Academy and its subsidiaries have the opportunity to bid for government projects relating to sale of musical instruments and musical skill development, as KPN Music had won the bidding during 2008 - 2017. However, due to the recent lack of political certainty, the said projects were postponed. Therefore, in the event that the government projects are open for bidding again in the future, it will provide the company with an opportunity to recognize the additional value from the government projects. However, the additional value has not been included in the fair value evaluation of KPN Academy and its subsidiaries in this transaction.

2) Minimization of risk factors regarding financial structure and liquidity in business operation

The Company will make a payment for shares in KPN Academy by share swap scheme to the Existing Shareholders without cash payment. Therefore, this transaction will not affect the cash flow of the Company and debts burdens from loan. The Company will not bear the principal and interest accrued from the loan which will affect the liquidity of the Company. Meanwhile, the capital increase will result in the increasing of shareholders’ equity. It helps minimizing the risk factors regarding financial structure and increase liquidity of the Company in acquiring source of fund for future projects.

3) Dividend policy

In case that the operation of KPN Academy and its subsidiaries is according to the business plan, the approximate turnover and profit is expected to increase. Therefore, the Company can distribute dividends to shareholders from such profits in accordance with the Company's dividend policy at least 40 percent from the gross profit after deduction of corporate income tax from the financial statement of the Company and the statutory reserve as specified in the Articles of Associations of the Company. The distribution of the dividend is subject to change and depending on operating outcome, financial position, liquidity, investment plan, management factors, suitability, and other factors in the future.

4) Payment of shares in KPN Academy by share swap scheme resulting in the Existing Shareholders of KPN Academy taking parts in KPN Academy through shareholding

The Company will make a payment for shares in KPN Academy by share swap scheme to the Existing Shareholders without cash payment. Therefore, this transaction will not affect the cash flow of the Company and debts burdens from loan. In addition, the Existing Shareholders will have interest in the performance of KPN Academy through their shareholding in the Company. Therefore, it is quite positive that the Existing Shareholders will be ready to manage and support KPN Academy in its expansion of branches and growth in the future that will help generate maximum benefit to the Company.

4. Opinion of the Board of Directors of the Company on the matters required in the Notification of the Capital Market Supervisory Board No. TorChor. 73/2558 (2015) Re: Portioniculars in the Invitation to a Shareholders' Meeting of Listed Companies to Request for Approval for Issuance and Offering of Securities (Codified)

The Board of Directors' Meeting of the Company No. 9/2019, held on September 20, 2019 has resolved to approved the transaction since it is considered that the acquisition of shares in KPN Academy of not less than 57.52 percent will benefit the company as follows:

1. the Company can expand the business operation and minimize the risk from relying on the major income from furniture business;
2. the Company benefits from minimizing risk factors on financial structure and liquidity of business operation;
3. the Company and its shareholders benefit from distribution of dividends;
4. the payment of shares in KPN Academy by swapping the shares in the Company which resulting in the Existing Shareholders of KPN Academy take parts in KPN Academy through shareholding.

Nevertheless, prior to the approval for the investment in KPN Academy, the Board of Directors of the Company prescribes that the Company retains specialized advisors in each aspects to conduct due diligence exercises on documents and other requirements to ensure that there is no significant risk that may undermine the investment. The result of due diligence exercises is satisfactory in which the unidentified or unverified issues are specified as condition precedents in Clause 3.3 of the Information Memorandum regarding the Acquisition of Assets (Annex 1) regarding Acquisition of Ordinary Shares in KPN Academy Company Limited.

4.1 Rationale of the determination of offering price and suitability of offering price of the newly issued ordinary shares

The determination of consideration for transaction with 191,742,674 newly issued ordinary shares of the Company with a par value of Baht 0.25 at the offering price of not less than 90 percent of the market price as of the date on which the Board of Directors of the Company fixes the offering price based on the market price that is the best price in the market condition during the offering period after the authorization by the Extraordinary General Meeting of Shareholders No. 1/2019, based on the weighted average price of the Company's ordinary shares trading on the SET of not less than 7 consecutive business days but not more than 15 consecutive business days prior to the date on which the determination of the offering price is made. Such average price shall be based on average of trading price in each day. In any case, the date on which the offering price is determined shall not be more than 3 business days prior to the first day of the offering of newly issued ordinary shares to specific investors (Private Placement), i.e. the Existing Shareholders. In case the Board of Directors of the Company, taking the best interest of the Company into account, views that there is an appropriate ground, the Board of Directors of the Company may fix the offering price with discount of not more than 10 percent of the mentioned weighted average price. In determining such discount, the Board of Directors of the Company shall consider the market condition at that time and the offering price must not be less than the Minimum Price at Baht 2.40 referred to the negotiation among the Company and the Existing Shareholders, including price from valuation of fair value from the Discounted Cash Flow Approach based on the Sum of the Part calculation. The minimum price of the Company is at the fair value ranges from Baht 2.01 – 2.89 per share.

4.2 Rationale and necessity of the capital increase and the offering of the newly issued ordinary shares

The Board of Directors is of the opinion that the offering of newly issued ordinary shares on a private placement basis will allow the Company to invest in KPN Academy for the mentioned benefits and not utilizing cash flow for minimizing the risk factors regarding financial structure and increase liquidity for business operation. The offering and allocation of newly issued shares is considered faster and the amount is in accordance with the need.

In this regard, the Board of Directors has considered alternatives for source of fund to pay the consideration for the purchase of the ordinary shares in KPN Academy such as the offering of newly issued shares to the public or existing shareholders and have the opinion that such processes are required to follow more rules and consume more time including having higher cost of operation. In addition, the offering of newly issued shares to the public or existing shareholders has an uncertainty that the Company will be able to raise fund in the full amount within the time required. In addition, the use of source of fund from loan to pay the consideration of the purchase of assets will have an impact on the financial ratio such as debt to equity ratio which may have an impact on financial status of the Company.

In addition, the Board of Directors is of the opinion that the capital increase by issuing newly issued ordinary shares on a private placement basis is not only beneficial in terms of flexibility and financial liquidity of the Company, but also beneficial to the expansion of the Company in the future since the specific person that the Company will allocate newly issued ordinary shares to will be a business alliance of the Company which is useful for the business expansion, investment and the business operation of the Company in the long run.

4.3 Possibility of the plan for utilizing the proceeds derived from the share offering

The Board of Directors is of the opinion that the allocation of newly issued shares on a private placement basis as consideration for the investment in ordinary shares in KPN Academy. Preliminarily, it is expected that the Company will enter into the transaction after obtaining an approval from the Extraordinary General Meeting of the Shareholders No. 1/2019, depending on the conditions set forth in the Information Memorandum of the Company regarding Assets Acquisition (Annex 1).

4.4 Reasonableness of the capital increase and sufficiency of the source of fund in the case where the proceeds derived from the offering of shares do not cover the budget required for the operation

The Board of Directors is of the opinion that the Company has studied the necessity of this capital increase and found that the capital increase is reasonable since this is a capital increase to invest in ordinary shares of KPN Academy of not less than 14,947,300 shares with a par value of Baht 10, or equivalent to not less than 57.52 percent of the total issued and paid-up shares of KPN Academy, or not less than Baht 460,182,417.60 in total.

In payment and acceptance of the shares, the Company will issue the newly issued ordinary shares of the Company is an offering on a private placement basis in the number of not more than 191,742,674 shares at par value of Baht 0.25, at the offering price of not less than 90 percent of the market price as of the date on which the Board of Directors of the Company fixes the offering price based on the market price that is the best price in the market condition during the offering period after the authorization by the Extraordinary General Meeting of Shareholders No. 1/2019. In any case, the offering price shall not be lower than the minimum price of Baht 2.40 per share, or not less than Baht 460,182,417.60 in total. The Company will propose to the Extraordinary General Meeting of Shareholders No. 1/2019 to consider this offering. In this regard, since this transaction is a consideration payment by share swap scheme, it is expected that the amount obtained from this offering will cover the entire budget for the investment in ordinary shares of KPN Academy without utilizing of other source of fund.

4.5 Potential impacts on the business operation, financial position and operating results of the Company, resulting from the capital increase and implementation of the utilization plan of the proceeds

The Board of Directors is of the opinion that the issuance of newly issued ordinary shares for consideration of investment in ordinary shares in KPN Academy of not less than 57.52 of the total issued and paid-up shares of KPN Academy. This transaction will not result in the change in types and policies of the Company's business operation. The Company continues to operate manufacture and distribution of furniture and other products according to the visions, missions, and plans for ordinary course of business of the Company. In other words, the Company will continue to operate its main business of manufacture and distribution of furniture under the management of the current management, while musical instruments trading, music school, online educational media, educational guidance for preparation for higher education admission, and human resources training businesses will be under the management of current executives of KPN Academy who are experienced and have expertise on school business and ready to co-operate with the Company. This will not affect the management of furniture manufacturing and distribution business at present. Apart from the investment in shares of KPN Academy resulting in management and operation of the Company's business in a long run, it will help diversifying the risks of business operation and enhancing opportunities in investment to the Company and its shareholders in the future.

5. Certification of the Board of Directors

In the case where the Board of Directors of the Company do not perform in accordance with laws, Company's objective, as well as the resolutions of the Extraordinary of General Meeting of Shareholders with honesty and has carefully preserved the benefit of the Company in relation to this capital increase by acting or omission of any duty causes damage to the Company, the Company or shareholders holding at least 5 percent of the total sold shares on behalf of the Company may claim for damages from such director in accordance with Section 85 of the Securities and Exchange Act, B.E. 2535 (1992) (including the amendments thereof). In addition, in the case where the Board of Directors of the Company do not perform in accordance with laws, Company's objective, as well as the resolutions of the Extraordinary of General Meeting of Shareholders with honesty and has carefully preserved the benefit of the Company in relation to this capital increase resulting in a director or his/her related person to obtain undue benefit, the Company may claim for such benefit from such director or if the Company fails to do so, the shareholders holding at least 5 percent of the total voting rights may notify the Company to proceed as notified by the shareholders. If the Company fails to proceed as notified by the shareholders within 1 month from the date receiving the notice, the shareholder may initiate a legal action against that director on behalf of the Company in accordance with Section 89/18 of the Securities and Exchange Act, B.E. 2535 (1992) (including the amendments thereof). Furthermore, the Board of Directors of the Company certifies that the Board of Directors of the Company has exercised due care in the consideration and examination of the entering into the transaction of investing in ordinary shares in KPN Academy and is of the opinion that the entering of the transaction of investing in ordinary shares in KPN Academy is beneficial to the Company and its shareholders as per details given above.

The Company certifies that the Information Memorandum in this report is complete and accurate in all respects.

Please be informed accordingly.

Sincerely yours,

East Coast Furnitech Public Company Limited

(Mr. Chalee Suksawad and Mr. Arak Suksawad)

Authorized directors

Information Memorandum on the Issuance and Allocation of the newly issued shares to Accommodate the Right Adjustment of the Warrant to Purchase the newly issued shares of the Company No. 3 (ECF-W3)

As the Board of Directors' Meeting No. 9/2019 of East Coast Furnitech Public Company Limited (the "**Company**") held on 20 September 2019 resolved to approve the Company to increase capital and allocate the newly-issued shares in the number of not exceeding 12,500,000 shares to accommodate the right adjustment of the warrants to purchase the Company's ordinary shares No. 3 (ECF-W3) ("**ECF-W3**") issued and allocated to the existing shareholders according to shareholding proportion. Such right adjustment which may take place will be in accordance with the conditions for the right adjustment of warrants under the Terms and Conditions Governing Rights and Obligations of Issuer and Holders of Warrants to Purchase the ordinary Shares issued and allocated to the existing shareholders of ECF-W3 (the "**Terms and Conditions**") because (1) the Company issues and offers the newly-issued shares to specific persons (Private Placement) in the number of not exceeding 12,396,000 shares and (2) the Company pays dividend in the amount of money exceeding 80 percent of net profit after income tax subject by the Company for the performance in the accounting period for the year 2018 in the amount of not exceeding 104,000 shares.

The increase of registered capital of the Company is required an approval from the shareholders' meeting of the Company with the votes of not less than three-fourths of the total votes of the shareholders attending the meeting and entitled to vote, and the allocation of the newly-issued shares to accommodate the right adjustment of ECF-W3 is required an approval from the shareholders' meeting of the Company with votes of not less than the majority vote of the shareholders attending the meeting and casting their votes.

In this regard, the material information for the shareholders to make a decision is as follows.

1. Details of the issuance and the offering of the newly issued shares to accommodate the right adjustment of the warrant to purchase the ordinary shares

1.1 Details of the offering

The Company will allocate the newly issued shares in the number of not exceeding 12,500,000 shares to accommodate the right adjustment which may take place under the conditions of the Terms and Conditions of ECF-W3 allocated to the existing shareholders according to shareholding proportion on 20 October 2017. Details of which are as follows:

1) Right adjustment as a result of the issuance and the offering of the newly issued shares to specific persons (Private Placement)

According to Clause 3.3.1 (b) of the Terms and Conditions Re: Conditions for Right Adjustment of Warrants, the Company shall proceed with the adjustments of the exercise price and the exercise ratio, throughout the maturity period of the warrants, when the Company offers the ordinary shares to the existing shareholders and/or public and/or specific persons (Private Placement) with the average price per share of the newly-issued shares which, as calculated, is lower than 90 percent of the market price of the ordinary shares of the Company. The purpose is to protect the returning interest of warrant holders not to be more subordinate. The adjustments in the exercise price and the exercise ratio are immediately effective on the first day of the offering of the newly issued shares to specific persons (Private Placement).

Since the Company will issue and offer the newly-issued shares to specific persons (Private Placement) in the number of 191,742,674 shares, as per details in the Information Memorandum on the Offering of the Newly-issued shares of East Coast Furnitech Public Company Limited to Specific Persons (Private Placement) (**Enclosure 3**), the Company shall have to allocate the newly-issued shares to accommodate the right adjustment of ECF-W3 in the number of not exceeding 12,396,000 shares. The adjustments in the exercise price to purchase the ordinary shares and the exercise ratio to purchase the ordinary shares, including the method to calculate the said adjustments, as described hereinafter shall not subordinate any returns, which the warrant holders or warrant substitute holders will receive once they exercise their rights under warrant or warrant substitute.

However, currently the Company is not able to calculate the right adjustment ratio of ECF-W3, since calculation on the new exercise price and the new exercise ratio requires “the market price of Company’s ordinary shares” which is equivalent to “the weighted average market price per share of the Company’s ordinary shares, which means the value of sale and purchase of the total number of ordinary shares of the Company divided by the total number of ordinary shares of the Company which are traded in the SET during 7 consecutive business days (the day on which the stock market is opened for the stock trading) prior to the first day of the offering of the newly-issued shares to specific persons (Private Placement), which the Company is currently not able to calculate. The Company shall be able to calculate the exercise price and the exercise ratio on the first day that the ordinary share purchaser shall not be entitled to subscribe the newly-issued securities of the Company, i.e. the first day of the offering of the newly-issued shares to specific persons (Private Placement). The adjustments in the exercise price and the exercise ratio are immediately effective on the first day of the offering of the newly issued shares to specific persons (Private Placement). The Company will further inform via the SET system.

In this regard, in the case that the average price per share on the first day of the offering of the newly-issued shares to specific persons (Private Placement), as calculated, is not lower than 90 percent of the market price of Company’s ordinary shares, the Company shall not adjust rights of ECF-W3, and in that case, the Company shall further proceed to decrease the registered capital by cancelling such unallocated shares.

2) Right adjustment as a result of dividend payment in the amount of money exceeding 80 percent of net profit after income tax subject by the Company

According to Clause 3.3.1 (e) of the Terms and Conditions Re: Conditions for Right Adjustment of Warrants, the Company shall proceed with the adjustments of the exercise price and the exercise ratio, throughout the maturity period of the warrants, when the Company pays dividend in the amount of money exceeding 80 percent of net profit after income tax subject by the Company for the performance in any accounting period during the maturity period of the warrants. The purpose is to protect the returning interest of warrant holders not to be more subordinate. The adjustments in the exercise price and the exercise ratio are immediately effective on the first day which the ordinary share purchaser will not be entitled to the dividend.

The Annual General Meeting of Shareholders for the year 2019, held on 22 April 2019 resolved to approve the dividend payment in the ratio of Baht 0.030227 per share which is equivalent to the dividend payment rate of 85.91 percent of net profit after income tax subject by the Company for the performance in the accounting period for the year 2018. The Company had already proceeded to notify the adjustments of the exercise price and the exercise ratio of ECF-W3 according to the Terms and Conditions as follows:

Exercise price: Baht 5.00 per new ordinary share is adjusted to Baht 4.9958 per new ordinary share.

Exercise ratio: 1 unit of warrant entitled to purchase 1 ordinary share is adjusted to 1 unit of warrant entitled to purchase 1.0008 ordinary share.

(Collectively called the “**Right Adjustment as a Result of Dividend Payment**”)

Details of which can be found in the Information Memorandum of the Company No. ECF02 022/2562 (2019) Re: Notification of Right Adjustment of the Warrant to Purchase the Ordinary Shares of East Coast Furnitech Public Company Limited No. 3 (ECF-W3) dated April 26, 2019.

In consequence of the Right Adjustment as a Result of Dividend Payment at that time, the Company is required to allocate the newly issued shares to accommodate the right adjustment of ECF-W3 in the number of not exceeding 104,000 shares.

1.2 Determination of offering price and appropriateness of the adjusted exercise price and exercise ratio

1) Right adjustment as a result of the issuance and the offering of the newly issued shares to specific persons (Private Placement)

Details of calculation methods used to determine the adjustments in the exercise price and the exercise ratio shall be in accordance with Clause 3.3.1 (b) of the Terms and Conditions. However, the Company is currently not able to calculate the right adjustment ratio of ECF-W3, since calculation on the new exercise price and the new exercise ratio requires “the market price of Company’s ordinary shares” which is equivalent to “the weighted average market price per share of the Company’s ordinary shares, which means the value of sale and purchase of the total number of the ordinary shares of the Company divided by the total number of the ordinary shares of the Company which are traded in the SET during 7 consecutive business days (the day on which the stock market is opened for the stock trading) prior to the first day of the offering of the newly-issued shares to specific persons (Private Placement), which the Company is currently not able to calculate. The Company shall be able to calculate the exercise price and the exercise ratio on the first day that the ordinary share purchaser shall not be entitled to subscribe the newly issued securities of the Company, i.e. the first day of the offering of the newly-issued shares to specific persons (Private Placement). The adjustments in the exercise price and the exercise ratio are immediately effective on the first day of the offering of the newly issued shares to specific persons (Private Placement). The Company will further inform via the SET system.

In this regard, in the case that the average price per share on the first day of the offering of the newly-issued shares to specific persons (Private Placement), as calculated, is not lower than 90 percent of the market price of Company’s ordinary shares, the Company shall not adjust rights of ECF-W3 in any respect, and in that case, the Company shall further proceed to decrease the registered capital by cancelling such unallocated shares.

2) Right adjustment as a result of dividend payment in the amount of money exceeding 80 percent of net profit after income tax subject by the Company

Details of calculation methods used to determine the adjustments in the exercise price and the exercise ratio shall be in accordance with Clause 3.3.1 (e) of the Terms and Conditions.

2. Purpose of the issuance of the newly issued shares, plan on fund utilization and details of project

2.1 Purpose of the issuance of the newly issued shares, plan on fund utilization and details of project which the Company and/or its subsidiaries will utilize fund obtained from the capital increase therein

In compliance with the conditions for the right adjustment of ECF-W3 under Clause 3.3.1 (b) and Clause 3.3.1 (e) of the Terms and Conditions Re: Conditions for Right Adjustment of Warrants, the Company shall proceed with the adjustments of the exercise price and the exercise ratio, throughout the maturity period of the warrants in consequence of the right adjustment as a result of the issuance and the offering of the newly-issued shares to specific persons (Private Placement) and dividend payment in the amount of money exceeding 80 percent of net profit after income tax subject by the Company. In this regard, the purpose is to protect the returning interest of warrant holders not to be more subordinate. Therefore, the Company shall have to allocate the newly issued shares to accommodate the right adjustment of ECF-W3 in the number of not exceeding 12,500,000 shares. The adjustments in the exercise price to purchase the ordinary shares, the exercise ratio to purchase the ordinary shares and the method to calculate the said adjustments, as described in Clause 3.3.1 (b) and Clause 3.3.1 (e) of the Terms and Conditions shall not subordinate any returns, which the warrant holders or warrant substitute holders will receive once they exercise their rights under warrant or warrant substitute.

Details of plan on fund utilization and details of project which the Company and/or its subsidiaries will utilize fund obtained from the capital increase for the Company's project can be found in the Information Memorandum on the Issuance and the Offering of (1) the Warrant to Purchase the Newly-issued Shares of the Company No. 2 (ECF-W2) ("ECF-W2") and (2) the Warrant to Purchase the Newly-issued Shares of the Company No. 3 (ECF-W3) for the Extraordinary General Meeting of shareholders No. 2/2017, held on 2 October 2017

2.2 Effects speculated to occur in the case that the project is not be able to be successfully implemented and risks on the project operation

Details of which can be found in the Information Memorandum on the Issuance and Offering of (1) the Warrant to Purchase the Newly-issued shares of the Company No. 2 (ECF-W2) and (2) the Warrant to Purchase the Newly-issued shares of the Company No. 3 (ECF-W3) for the Extraordinary General Meeting of shareholders No. 2/2017, held on 2 October 2017 since it is the same project for utilizing fund obtained from the issuance and the offering of the Warrant to Purchase the Newly-issued shares of the Company No. 2 (ECF-W2) ("ECF-W2") and ECF-W3.

2.3 All budgets expected to be used at the beginning and all budgets expected to be used in order for the project to generate revenue for the Company

Details of which can be found on the Information Memorandum on the Issuance and Offering of (1) the Warrant to Purchase the Newly-issued shares of the Company No. 2 (ECF-W2) and (2) the Warrant to Purchase the Newly-issued shares of the Company No. 3 (ECF-W3) for the Extraordinary General Meeting of shareholders No. 2/2017, held on 2 October 2017 since it is the same project for utilizing fund obtained from the issuance and the offering of ECF-W2 and ECF-W3.

3. Information in relation to the effects that may occur as a result of the issuance of the newly issued shares to accommodate the right adjustment of ECF-W3 in the number of not exceeding 12,500,000 shares

3.1 Price dilution

1) Right adjustment as a result of the issuance and the offering of the newly issued shares to specific persons (Private Placement)

It is currently not able to be calculated. Calculation on the new exercise price and the new exercise ratio requires "the market price of Company's ordinary shares" which is equivalent to "the weighted average market price per share of the Company's ordinary shares, which means the value of sale and purchase of the total number of the ordinary shares of the Company divided by the total number of the ordinary shares of the Company which are traded in the SET during 7 consecutive business days (the day on which the stock market is opened for the stock trading) prior to the first day of the offering of the newly-issued shares to specific persons (Private Placement), which the Company is currently not able to calculate price dilution.

2) Right adjustment as a result of dividend payment in the amount of money exceeding 80 percent of net profit after income tax subject by the Company

$$= \frac{\text{Market price before offering} - \text{Market price after offering}}{\text{Market price before offering}}$$

$$= \frac{2.4644 - 2.4647}{2.4644}$$

$$= (0.01) \text{ percent}$$

$$= (0.01) \text{ percent}$$

Market price before offering is referred from the weighted average market price per share of the Company's ordinary shares in the SET retroactively 7 consecutive business days prior to the first day which ordinary share purchasers are not entitled to the dividend (29 April 2019), equivalent to Baht 2.4644 per share according to the information of sale and purchase of shares of the Company, as detailed in SETSMART of the Stock Exchange of Thailand.

Market price after the offering is calculated from

$$\begin{aligned} &= \frac{(\text{Number of paid-up shares} \times \text{Market price before offering}) + (\text{Number of newly-issued shares} \times \text{Offering price})}{(\text{Number of paid-up ordinary shares} + \text{Number of newly-issued shares})} \\ &= \frac{(959,487,557 \times 2.4644) + (104,000 \times 4.9958)}{(959,487,557 + 104,000)} \\ &= 2.4647 \text{ Baht per share} \end{aligned}$$

After the offering of the newly issued shares, it will not affect price dilution since the offering price is higher than the market price.

3.2 Control dilution

$$\begin{aligned} &= \frac{\text{Number of newly issued shares}}{\text{Number of paid-up shares} + \text{Number of newly issued shares}} \\ &= \frac{12,500,000}{(959,487,557 + 12,500,000)} \\ &= 1.29 \text{ percent} \end{aligned}$$

If the right adjustment takes place and the warrant holders of ECF-W3 exercise their rights in full, the control dilution will be 1.29 percent.

3.3 Earnings per share dilution

$$\begin{aligned} &= \frac{\text{Earnings per share before offering} - \text{Earnings per share after offering}}{\text{Earnings per share before offering}} \\ &= \frac{0.0360 - 0.0355}{0.0360} \\ &= 1.29 \text{ percent} \end{aligned}$$

If the right adjustment takes place and the warrant holders of ECF-W3 exercise their rights in full, the control dilution will be 1.29 percent.

4. The Opinions of the Board of Directors on Various Matters as specified in the Notification of the Capital Market Supervisory Board No. Tor Chor. 73/2558 (2015) Re: List of Information Disclosed in the Notice of the Shareholders' Meeting of the Listed Company for Seeking Approval of the Issuance and Offering of Securities

4.1 Background of the Determination of the Offering Price and Appropriateness of the Issuance of newly-issued shares to Accommodate the Right Adjustment of ECF-W3 in the Number of not Exceeding 12,500,000 shares

The Board of Directors has considered and viewed that the determination of the offering price and the exercise price of ECF-W3 is appropriate. Such prices are referred from the assessment of fair value which reflects the value of shares of the Company in the future which is assessed, based on ratio comparison method with the companies in the comparable industry in the Stock Exchange of Thailand. The comparison is made on performance of the Company from 2018 to 2020 to find out fair value of ordinary share price of the company from 2018 to 2020.

The adjustments in the exercise price and the exercise ratio of ECF-W3 as a result of the offering of the newly-issued shares to specific persons (Private Placement) in the amount of 191,742,674 shares, as per details in the Information Memorandum on the Offering of the Newly-issued shares of East Coast

Furnitech Public Company Limited to Specific Persons (Private Placement) (**Enclosure 3**) will be in accordance with Clause 3.3.1 (b) of the appropriate Terms and Conditions.

However, currently the Company is not able to calculate the right adjustment ratio of ECF-W3, since calculation on the new exercise price and the new exercise ratio requires “the market price of Company’s ordinary shares” which is equivalent to “the weighted average market price per share of the Company’s ordinary shares, which means the value of sale and purchase of the total number of the ordinary shares of the Company divided by the total number of the ordinary shares of the Company which are traded in the SET during 7 consecutive business days (the day on which the stock market is opened for the stock trading) prior to the first day of the offering of the newly-issued shares to specific persons (Private Placement), which the Company is currently not able to calculate. The Company shall be able to calculate the exercise price and the exercise ratio on the first day that the ordinary share purchaser shall not be entitled to subscribe the newly-issued securities of the Company, i.e. the first day of the offering of the newly-issued shares to specific persons (Private Placement). The adjustments in the exercise price and the exercise ratio are immediately effective on the first day of the offering of the newly-issued shares to specific persons (Private Placement). The Company will further inform via the SET system.

The adjustments in the exercise price and the exercise ratio of ECF-W3 as a result of dividend payment in the amount of money exceeding 80 percent of net profit after income tax subject by the Company according to Clause 3.3.1 (e) is appropriate. In this regard, the Company had already proceeded to notify the adjustments of the exercise price and the exercise ratio of ECF-W3 according to the Terms and Conditions, as per details in Clause 1.1 *Details of the offering* of this Information Memorandum.

4.2 Reason and Necessity of the Issuance of the newly issued shares to accommodate the right adjustment of ECF-W3 in the number of not exceeding 12,500,000 shares

In compliance with the conditions for the right adjustment of ECF-W3 under Clause 3.3.1 (b) and Clause 3.3.1 (e) of the Terms and Conditions as a result of the offering of the newly-issued shares to specific persons (Private Placement) in the number of 191,742.674 shares and dividend payment in the amount of money exceeding 80 percent of net profit after income tax subject by the Company as the Annual General Meeting of Shareholders for the year 2019, held on April 22, 2019 resolved to approve the dividend payment in the ratio of Baht 0.030227 per share which is equivalent to the dividend payment rate of 85.91 percent of net profit after income tax subject by the Company for the performance in the accounting period for the year 2018.

In this regard, in the case that the offering price of the newly-issued shares to specific persons (Private Placement), as calculated, is not lower than 90 percent of the market price of Company’s ordinary shares, the Company shall not adjust rights of ECF-W3 in any respect, and in that case, the Company shall further proceed to decrease the registered capital by cancelling such unallocated shares.

4.3 Possibility of the plan for fund utilization obtained from the issuance of the newly issued shares to accommodate the right adjustment of ECF-W3 in the number of not exceeding 12,500,000 shares

Details of which can be found in the Information Memorandum on the Issuance and the Offering of (1) the Warrant to Purchase the Newly-issued Shares of the Company No. 2 (ECF-W2) and (2) the Warrant to Purchase the Newly-issued Shares of the Company No. 3 (ECF-W3) for the Extraordinary General Meeting of shareholders No. 2/2017, held on 2 October 2017 since it is the same project for utilizing fund obtained from the issuance and the offering of ECF-W2 and ECF-W3.

4.4 Reasonability of the Capital Increase and Sufficiency of the Sources of Investment Funds in case the Capital received from the Issuance of the Newly-issued shares to Accommodate the Right Adjustment of ECF-W3 in the Number of not exceeding 12,500,000 Shares Do Not Cover All of the Budget Required for the Operation of the Project

Details of which can be found in the Information Memorandum on the Issuance and the Offering of (1) the Warrant to Purchase the Newly-issued Shares of the Company No. 2 (ECF-W2) and (2) the Warrant to Purchase the Newly-issued Shares of the Company No. 3 (ECF-W3) for the Extraordinary General Meeting of shareholders No. 2/2017, held on 2 October 2017 since it is the same project for utilizing fund obtained from the issuance and the offering of ECF-W2 and ECF-W3.

4.5 Expected Effects on the Operation of Business of the Company, including the Financial Status and Performance of the Company, which are Derived from the Capital Increase to Accommodate the Right Adjustment of ECF-W3 in the Number of not exceeding 12,500,000 Shares and the Operation according to the Fund Utilization Plan

Details of which can be found in the Information Memorandum on the Issuance and Offering of (1) the Warrant to Purchase the Newly-issued Shares of the Company No. 2 (ECF-W2) and (2) the Warrant to Purchase the Newly-issued Shares of the Company No. 3 (ECF-W3) for the Extraordinary General Meeting of shareholders No. 2/2017, held on 2 October 2017 since it is the same project for utilizing fund obtained from the issuance and offering of ECF-W2 and ECF-W3.

5. Directors' Warranty

The Board of Directors of the Company hereby warrants that the Board of Directors of the Company has performed its duties with honesty and in good faith with due care to protect and preserve the Company's benefits on the matter relevant to this capital increase. However, should such performance of duties cause damage to the Company, shareholders may sue to claim damages from such particular director on behalf of the Company pursuant to Section 85 of the Securities and Exchange Act B.E. 2535 (1992) (including the amendments thereof). In addition, should the performance of duties result in the director or any relevant persons receiving unlawful benefits, shareholders may sue to claim back such benefits from such particular director on behalf of the Company pursuant to Section 89/18 of the Securities and Exchange B.E. 2535 (1992) (including the amendments thereof).

Please be informed accordingly.

Sincerely yours,

East Coast Furnitech Public Company Limited

(Mr. Chalee Suksawad and Mr. Arak Suksawad)

Authorized directors