



No. KWG/LC/2021/C028

15 November 2021

Subject: Notification of the resolutions of the Board of Directors regarding the transfer of legal reserve to compensate for the accumulated loss, the reduction of the registered capital, the debt-to-equity conversion scheme, and the increase of the registered capital and related matters, due to the revision of the transaction figures

To: The President
The Stock Exchange of Thailand

- Enclosures:**
1. Summary of the significant figures that were revised for the purpose of implementing the Company's equity and debt restructuring transactions
 2. Debt-to-Equity Conversion Scheme
 3. Information Memorandum re: Offering of Newly Issued Ordinary Shares through a Private Placement and Connected Transaction of King Wai Group (Thailand) Public Company Limited
 4. Capital Increase Form (F53-4)

The Board of Directors Meeting of King Wai Group (Thailand) Public Company Limited (the "**Company**") No. 9/2021, held on 29 October 2021 had passed significant resolutions in relation to the change of the Company's name, the transfer of legal reserve to compensate for the accumulated loss, the reduction of the registered capital, the debt-to-equity conversion scheme, the increase of the registered capital and related matters, and the calling of a shareholders meeting; and had disclosed the information to the Stock Exchange of Thailand (the "**SET**") on 1 November 2021 and 5 November 2021 (amendment).

The Board of Directors Meeting of the Company No. 12/2021, held on 14 November 2021, then considered the information in the Company's financial statement for the third quarter ending on 30 September 2021, which was reviewed by the Company's auditor. In order that the Company's equity and debt restructuring is based upon the information in the financial statement of the Company and its group of companies, for the period ending on 30 September 2021, which is the most recent financial information of the Company, in lieu of the information in the financial statement of the Company and its group of companies for the period ending on 30 June 2021; and that the separate financial statement or the consolidated financial statement of the group of companies, as the case may be, is used for the calculation for the purpose of implementing the Company's equity and debt restructuring transactions according to the applicable law and rules, the significant resolutions were passed to amend the foregoing resolutions of the Board of Directors Meeting No. 9/2021, regarding the transfer of legal reserve to compensate for the accumulated loss, the reduction of the registered capital, the debt-to-equity conversion scheme, and the increase of the registered capital and related matters. In this regard, the figures under the financial statement of the Company or the group of companies for the period ending on 30 September 2021 were used in the consideration of the transactions. The significant resolutions are summarized below. A summary of the figures revised for the purpose of considering or implementing the Company's capital and debt restructuring transactions are set out in **Enclosure 1**.

1. Approval for the proposal of the following matters to the shareholders meeting for its consideration and approval:



- 1.1 The transfer of legal reserve of Baht 2,075,332 to compensate for the accumulated loss of the Company in the amount of Baht 1,276,327,657 as of 30 September 2021.

As a result, after the transfer of legal reserve, the Company's remaining accumulated loss is Baht 1,274,252,325.

- 1.2 The reduction of the Company's registered capital from Baht 26,073,968,320 to Baht 13,170,592,600, by cancelling 1,290,337,572 registered shares, with a par value of Baht 10 per share, that cannot be sold or have not yet been sold, and the amendment to clause 4 of the Company's Memorandum of Association to be consistent with the reduction of the registered capital.
- 1.3 The reduction of the Company's registered and paid-up capital from Baht 13,170,592,600 to Baht 3,042,406,890.60, by lowering the par value of the Company's shares from Baht 10 per share to Baht 2.31 per share to compensate for the share discount and eliminate the accumulated loss of the Company as of 30 September 2021, and the amendment to clause 4 of the Company's Memorandum of Association to be consistent with the reduction of the registered capital as well as the amendment to article 4 of the Company's Articles of Association.

However, the capital reduction by lowering the par value of the shares would not affect the number of the total shares sold of the Company, or the number of shares held by each shareholder, or the total shareholders' equity of the Company. The details are as follow:

Details	Before changing the par value of shares (but after the transfer of legal reserve)	After changing the par value of shares
Registered capital (issued and sold)	Baht 13,170,592,600	Baht 3,042,406,890.60
Par value	Baht 10	Baht 2.31
Share discount on ordinary shares	Baht (8,884,032,751)	-
Accumulated loss	Baht (1,274,252,325)	Baht (30,099,366.60)
Number of ordinary shares	1,317,059,260 shares	1,317,059,260 shares

- 1.4 The restructuring of the Company's debt will be implemented by the entry into the debt-to-equity conversion scheme of Baht 1,199,999,999.55 with Tommo (Thailand) Limited ("**Tommo**"), a creditor and major shareholder of the Company. According to the scheme, new ordinary shares will be issued to offer for sale to Tommo as a repayment of debt.

More details on the debt-to-equity conversion scheme appear in **Enclosure 2** (Debt-to-Equity Conversion Scheme).



The entry into the debt-to-equity conversion scheme with Tommo, the major shareholder of the Company, is a connected transaction according to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 re: Connected Transaction Rules, 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 Transaction, 2003, dated 19 November 2003 (as amended) (the "**Connected Transaction Notification**"). Such transaction is considered a transaction in the type of assets and services, having the value of Baht 1,199,999,999.55 or 106.97 percent of the Company's net tangible assets (the "NTA") according to the Company's consolidated financial statements as of 30 September 2021, which is more than Baht 20 million or more than 3 percent of the Company's NTA. Therefore, the Company is required to disclose information on the transaction to the Stock Exchange of Thailand (the "SET"), to appoint an independent financial advisor to express opinion on the entry into the connected transaction, and to hold a shareholders meeting for its consideration and approval for the entry into the connected transaction by a vote of not less than three-quarters of the total number of votes of the shareholders attending the meeting and having the right to vote, excluding the votes of the shareholders who have interest on the matter, according to the Connected Transaction Notification.

The offer for sale of new ordinary shares under the debt-to-equity conversion scheme to Tommo is considered a private placement of newly issued ordinary shares under the Notification of the Capital Market Supervisory Board No. TorJor. 72/2558 re: Approval for Private Placement of Newly Issued Shares by a Listed Company, dated 28 October 2015 (as amended) (the "**PP Notification**").

More details on private placement of the newly issued ordinary shares and connected transaction appear in item 1.6 below and **Enclosure 3** (Information Memorandum re: Offering of Newly Issued Ordinary Shares through a Private Placement and Connected Transaction of King Wai Group (Thailand) Public Company Limited).

- 1.5 The increase of the Company's registered capital from Baht 3,042,406,890.60 to Baht 5,635,128,957.15 by issuing 1,122,390,505 new ordinary shares, with a par value of Baht 2.31 per share, for the offering for sale under the debt-to-equity conversion scheme and under the capital increase by General Mandate to the existing shareholders of the Company in proportion to their respective shareholdings, and the amendment to clause 4 of the Company's Memorandum of Association to be consistent with the increase of the registered capital.

More details on the increase of the Company's registered capital appear in **Enclosure 4** (Capital Increase Form (F 53-4)).

- 1.6 The allocation of newly issued ordinary shares of the Company as follows:
- (1) allocation of no more than 727,272,727 newly issued ordinary shares, with a par value of Baht 2.31 per share, for offering for sale to Tommo, the creditor and major shareholder of the Company, as a repayment of debt under the debt-to-equity conversion scheme at the offering price of Baht 1.65 per share; and to request the relevant authorization from the shareholders meeting.

The allocation of the newly issued ordinary shares for offering for sale to Tommo is considered a private placement of newly issued ordinary shares



under the PP Notification. In addition, Tommo is the major shareholder of the Company, currently holding shares representing 38.22 percent of the total shares sold of the Company. The offering for sale of the newly issued ordinary shares to Tommo, as a connected person of the Company, constitutes a connected transaction according to the Connected Transaction Notification. Such transaction is considered a transaction in the type of assets and services, having the value of Baht 1,199,999,999.55 or 106.97 percent of the Company's NTA according to the Company's consolidated financial statements as of 30 September 2021, which is more than Baht 20 million or more than 3 percent of the Company's NTA. Therefore, the Company is required to disclose information on the transaction to the SET, to appoint an independent financial advisor to express opinion on the entry into the connected transaction, and to hold a shareholders meeting for its consideration and approval for the entry into the connected transaction, according to the Connected Transaction Notification.

More details on private placement of the newly issued ordinary shares including the determination of the offering price, and connected transactions, appear in **Enclosure 3** (Information Memorandum re: Offering of Newly Issued Ordinary Shares through a Private Placement and Connected Transaction of King Wai Group (Thailand) Public Company Limited).

- (2) allocation of no more than 395,117,778 newly issued ordinary shares, with a par value of Baht 2.31 per share, for offering for sale under the capital increase by General Mandate, to the existing shareholders of the Company in proportion to their respective shareholdings, provided that the existing shareholders are entitled to subscribe for the newly issued ordinary shares in excess of their rights; and the request for the grant of authority by the shareholders meeting in relation to the offer for sale of the newly issued ordinary shares under the capital increase by General Mandate.

The above allocation of no more than 395,117,778 newly issued ordinary shares is equivalent to 30 percent of the paid-up capital of the Company as of the date on which the Board of Directors resolved to propose to the shareholders meeting to consider and approve the allocation of shares under the capital increase by the General Mandate, in accordance with the Notification of the Board of Governors of the Stock Exchange of Thailand re: Criteria, Conditions and Procedures for Disclosing Information and any Act in Relation to Capital Increase of Listed Company B.E. 2563 (2020) (as amended).

2. Approval for the calling of the Extraordinary General Meeting of Shareholders No. 1/2021 (the "EGM") to be held on Wednesday, 8 December 2021 at 2.00 p.m., via electronic means, in accordance with the Emergency Decree on Electronic Meetings B.E. 2563 (2020) and other related laws and regulations, with the following agenda.

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|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Agenda item 1 | To consider and approve the change of the Company's name and seal, and the amendment to the Company's Memorandum of Association and Articles of Association to be consistent with the change of Company's name and seal; |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|



- Agenda item 2 To consider and approve the transfer of legal reserve to compensate for the Company's accumulated loss;
- Agenda item 3 To consider and approve the reduction of the Company's registered capital by cancelling the registered shares that cannot be sold or have not yet been sold, the amendment to clause 4 of the Company's Memorandum of Association to be consistent with the reduction of the registered capital;
- Agenda item 4 To consider and approve the reduction of the Company's registered and paid-up capital by lowering the par value of the Company's shares, the amendment to clause 4 of the Company's Memorandum of Association to be consistent with the reduction of the registered capital and amendment to the relevant article of the Company's Articles of Association;
- Agenda item 5 To consider and approve the debt-to-equity conversion scheme, which constitutes a connected transaction;
- Agenda item 6 To consider and approve the increase of the Company's registered capital by issuing new ordinary shares, and the amendment to clause 4 of the Company's Memorandum of Association to be consistent with the increase of the registered capital;
- Agenda item 7 To consider and approve the allocation of the newly issued ordinary shares, as follows:
- 7.1 Allocation of the newly issued ordinary shares to Tommo (Thailand) Limited according to the debt-to-equity conversion scheme, which constitutes a connected transaction.
 - 7.2 Allocation of the newly issued ordinary shares under the capital increase by General Mandate.
- Agenda item 8 To consider and approve the delegation of authority in relation to agenda items 1 to 7; and
- Agenda item 9 To consider other business (if any).

Agenda items 2 to 4 are related to, and conditional upon, each other. Therefore, if any of these items is not approved by the EGM, the other related items as well as agenda items 5 to 8 will not be proposed to the EGM for its consideration, and the items that have already been approved will be deemed cancelled.

Agenda items 5 to 8 are also related to, and conditional upon, each other. Therefore, if any of these items is not approved by the EGM, the other related items will not be proposed to the EGM for its consideration, and the items that have already been approved will be deemed cancelled.



For your information and disclosure to investors.

Yours sincerely,
King Wai Group (Thailand) Public Company Limited

(Mr. Antonio Hang Tat Chan)
Chief Executive Officer



No. KWG/LC/2021/C029

15 November 2021

Subject: Amendment of the Capital Restructuring Plan of King Wai Group (Thailand) Public Company Limited (the “Company”)

To: The President

The Stock Exchange of Thailand

In reference to the Board of Directors Meeting of the “Company” No. 12/2021, held on Sunday, 14 November 2021, which resolved to amend the capital restructuring plan of the Company in relation to the change of par value.

Reason for the change of such capital restructuring was due to the opinion of the Board of Directors that the Company shall use the latest financial statement as of 30 September 2021 and shall refer to the separated financial statement of the Company. Details of such changes are presented below:

Summary of the Change from the Resolutions of the Board of Directors as of 29 October 2021

1. The Transfer of the Legal Reserve

Details (Unit: THB)	Board Resolution No. 9/2021 as of 29 October 2021	Board Resolution No. 12/2021 as of 14 November 2021
Legal Reserve	THB 12,525,332 Referring to the consolidated financial statement as of 30 June 2021	THB 2,075,332 Referring to the separate financial statement as of 30 September 2021
Accumulated loss before the transfer of legal reserve	THB (2,136,825,219) Referring to the consolidated financial statement as of 30 June 2021	THB (1,276,327,657) Referring to the separate financial statement as of 30 September 2021
Accumulated loss after the transfer of legal reserve	THB (2,124,299,887) Referring to the consolidated financial statement as of 30 June 2021	THB (1,274,252,325) Referring to the separate financial statement as of 30 September 2021

2. The Reduction of the Registered and Paid-up Capital by Reducing Par Value

Previously,

Details	Board Resolution No. 9/2021 as of 29 October 2021	
	Before the Change of Par Value per Share	After the Change of Par Value per Share
Registered capital	THB 13,170,592,600	THB 2,173,147,779
Par value	THB 10	THB 1.65
Share discount	THB (8,884,032,751)	-

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	Referring to the consolidated financial statement as of 30 June 2021	Referring to the consolidated financial statement as of 30 June 2021
Accumulated loss	THB (2,124,299,887) Referring to the consolidated financial statement as of 30 June 2021	THB (10,887,817) Referring to the consolidated financial statement as of 30 June 2021
Number of shares	1,317,059,260 shares	1,317,059,260 shares

Amended to

Details	Board Resolution No. 12/2021 as of 14 November 2021	
	<u>Before the change of par value per share</u>	<u>After the change of par value per share</u>
Registered capital	THB 13,170,592,600	THB 3,042,406,890.60
Par value	THB 10.00 per share	THB 2.31 per share
Share discount	THB (8,884,032,751) Referring to the separate financial statement as of 30 September 2021	- Referring to the separate financial statement as of 30 September 2021
Accumulated loss	THB (1,274,252,325) Referring to the separate financial statement as of 30 September 2021	THB (30,099,366.60) Referring to the separate financial statement as of 30 September 2021
Number of shares	1,317,059,260 shares	1,317,059,260 shares

3. The debt restructuring of the Company by converting debt-to-equity scheme.

Details	Board Resolution No. 9/2021 as of 29 October 2021 (Referring to the consolidated financial statement as of 30 June 2021)	Board Resolution No. 12/2021 as of 14 November 2021 (Referring to the consolidated financial statement as of 30 September 2021)
Size of connected transaction	94.30 percent	106.97 percent
Total outstanding debt owed to Tommo Company Limited (“Tommo”) <u>before</u> the debt-to-equity conversion scheme	THB 2,137,894,791	THB 2,127,644,028.21
Net outstanding debt owed to Tommo (Thailand) Company Limited (“Tommo”) <u>after</u> the debt-to-equity conversion scheme	THB 937,894,791.45	THB 927,644,028.66
Total liabilities according to the consolidated financial statement after the debt-to-equity conversion scheme	THB 8,961,227,278.45	THB 8,984,637,849.45
Debt to equity Ratio according to the consolidated financial statement after the debt-to-equity conversion scheme	2.8 times	2.9 times

Details	Board Resolution No. 9/2021 as of 29 October 2021 (Referring to the consolidated financial statement as of 30 June 2021)	Board Resolution No. 12/2021 as of 14 November 2021 (Referring to the consolidated financial statement as of 30 September 2021)
Interest bearing debt to equity ratio after the debt-to-equity conversion scheme	1.24 times	1.21 times
The registered and paid-up capital after the debt-to-equity conversion scheme	THB 3,373,147,778.55	THB 4,722,406,889.97
Share discount after the debt-to-equity conversion scheme	-	THB 479,999,999.82
Total shareholders' equity according to consolidated financial statement after the debt-to-equity conversion scheme	THB 3,196,210,851.55	THB 3,046,851,323.55
Total shareholders' equity according to separate financial statement after the debt-to-equity conversion scheme	-	THB 4,238,618,799.55 Referring to the separate financial statement as of 30 September 2021
Shareholders' equity excluding minority interest to paid-up capital deducting the discount on share capital ratio ("C-sign")	92.02 percent	69.61 percent

4. The Increase the Company's registered capital in order to facilitate the debt-to-equity conversion scheme and general mandate offerings

Detail	Board Resolution No. 9/2021 as of 29 October 2021 (Referring to the consolidated financial statement as of 30 June 2021)	Board Resolution No. 12/2021 as of 14 November 2021 (Referring to the consolidated financial statement as of 30 September 2021)
The registered capital of the Company <u>before</u> the debt-to-equity conversion scheme and general mandate	THB 2,173,147,779.00	THB 3,042,406,890.60
Par value	THB 1.65 per share	2.31 per share
Increase in registered capital	THB 1,851,944,333.25	THB 2,592,722,066.55
The registered capital of the Company <u>after</u> the debt-to-equity conversion scheme and general mandate	THB 4,025,092,112.25	THB 5,635,128,957.15

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Detail	Board Resolution No. 9/2021 as of 29 October 2021 (Referring to the consolidated financial statement as of 30 June 2021)	Board Resolution No. 12/2021 as of 14 November 2021 (Referring to the consolidated financial statement as of 30 September 2021)
Share discount <u>after</u> the debt-to-equity conversion scheme and general mandate	-	THB 740,777,733.30

In addition, the Extra Shareholders Meeting of the Company shall remain the same to be on 8 December 2021 as shown in the Board of Director Resolution as of 29 October 2021.

For your information and disclosure to investors.

Yours sincerely,

King Wai Group (Thailand) Public Company Limited

(Mr. Antonio Hang Tat Chan)
Chief Executive Officer

**Debt-to-Equity Conversion Scheme of
King Wai Group (Thailand) Public Company Limited**

1. Policy and procedures for and expected implications of the debt-to-equity conversion scheme

1.1 Policy

King Wai Group (Thailand) Public Company Limited (the "**Company**") has suffered from continuing operating losses for the past several years due to expansions in its business, despite the Company's efforts, such as expanding its financial services portfolio and strengthening the group's presence in the insurance industry. The acquisition fulfills the Company's vision and diversification strategy. The nature of the real estate business provides the Company with extensive but bullet-scheduled revenue. The insurance operation is expected to generate stable revenue and cash flow. Thus both synergized business sectors will improve the capability and stability of the Company's revenue and cashflow in order to enhance overall business and accomplish the long term goal. However, this has been interrupted by the Corona Virus 2019 pandemic ("**COVID-19**"), which has persisted until now. The spread of COVID-19 has affected the property sector, as evidenced by the significant decrease the buyer purchasing power because of the lack of the confidentiality on their job stability and personal income, causing the oversupply of residential unit. As a result, the developer has to offer discounts and unable to reach the sale target as always. Additionally, the property sector has faced downward pressure from the implementation of Bank of Thailand's corporate governance regulations and higher loan-to-value ratios for mortgage lenders which causes the Company to postpone the development of condominium projects and review the investment plan to be aligned with the economic recovery in the future.

These factors have negatively affected the operation of both property and insurance sectors. As the Company's shareholders' equity was less than 50 percent of paid-up capital according to the financial statement in the second quarter ending 30 June 2021, the Stock Exchange of Thailand (the "**SET**") posted a "C" sign (caution) ("**C-sign**") for the Company's securities on 17 August 2021. In accordance to the third quarter ending 30 September 2021, the Company's shareholders' equity was also less than 50 percent of paid-up capital. The separate and consolidated financial statement of the Company as of 30 September 2021 demonstrated that the Company has a total of accumulated loss of THB 1,276,327,657, and 2,251,622,660, respectively. The consolidated financial statement of the Company had total liabilities of THB 10,184,637,849, and a debt-to-equity ratio of approximately 5.5 times, comparing with the Company's financials over the same period in the previous year with an accumulated loss of THB 1,809,025,968, total liabilities of THB 6,148,605,077 and a debt-to-equity ratio of approximately 2.7. times

The Company intends to proceed with the debt restructuring in order to reduce the Company's liabilities, improve the Company's debt, increase shareholders' equity, resolve the C-sign issue of the Company's securities, and garner confidence from shareholders, investors and financial institutions, and increase the Company's ability to request loans and enter transactions in the future.

The Company owed Tommo (Thailand) Limited ("**Tommo**"), a major shareholder of the Company and a related party under the King Wai Group, THB 2,127,644,028 in outstanding principal and interest as of 30 September 2021. The Company decides to proceed with the debt restructuring by issuing and offering for sale the newly issued ordinary shares for the repayment of debt to Tommo in accordance with the debt-to-equity conversion scheme.

The Company has entered negotiations with Tommo and agreed to enter into the debt-to-equity conversion scheme in the amount of THB 1,199,999,999.55

1.2 Procedure of the Debt-to-Equity Conversion Scheme

The Company has entered negotiations with Tommo and agreed to enter into the debt-to-equity conversion scheme in the amount of THB 1,199,999,999.55. In this scheme, the Company will issue and offer the newly issued ordinary shares via private placement to Tommo at the offering price of THB 1.65 per share, which is equivalent to the market price with no discount. For the determination of the market price, please refer to item 7 (*New share price and criteria to determine the offering price*). To determine the market price, the Company has applied the volume-weighted average price of the Company's ordinary shares traded on the SET, equivalent to THB 1.65, during 25 October 2021 to 12 November 2021, equivalent to 15 consecutive working days prior to the date on which the Company's board of directors resolved to propose to its shareholders in the EGM for an approval on such offering of the newly issued ordinary shares of the Company. After the allocation and the offering of the newly issued ordinary shares according to this Debt-to-Equity Conversion Scheme, the shareholding of Tommo will change from the holding of ordinary shares in the amount of 503,345,070 shares, equivalent to 38.22 percent of the total paid-up shares of the Company, to holding of ordinary shares not exceeding 1,230,617,797 shares, approximately equivalent to 60.20 of the total paid-up shares of the Company.

However, the debt-to-equity conversion scheme and the issuance and offering of 727,272,727 newly issued ordinary shares for sale to Tommo, which is a connected person, constitute a connected transaction pursuant to the Notification of the Capital Market Supervisory Board No. Tor Chor 21/2551 Re: Rules on Connected Transactions, 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 (as amended) (the "**Connected Transaction Notifications**"). Such transaction is considered a transaction in the type of assets and services, having the value of Baht 1,199,999,999.55 or 106.97 percent of the Company's net tangible assets (the "NTA") as of 30 September 2021, which is more than Baht 20 million or more than 3 percent of the Company's NTA as of 30 September 2021.

The acquisition of the previously stated newly issued ordinary shares will not subject Tommo to the requirement to make a tender offer for all of the Company's securities, as Tommo, the persons under section 258 of the Securities and Exchange Act B.E. 2535 (1992) and the persons acting in concert (collectively, the "**Tommo Group**") currently own 86.74 percent of the total shares with voting rights of the Company, which is above the 75 percent threshold at which the tender offer must be made.

The shareholding structure of the Company before and after the debt-to-equity conversion scheme and the issuance and offering for sale of the newly issued ordinary shares can be summarized as follows.

No.	Shareholder	Nationality	Before the Debt-to-Equity Conversion Scheme and the Offering for Sale of the Newly Issued Ordinary Shares		Acquisition of Shares under the Debt-to-Equity Conversion Scheme	After the Debt-to-Equity Conversion Scheme and the Offering for Sale of the Newly Issued Ordinary Shares	
			Number of shares	% of total shares	Number of shares	Number of shares	% of total shares
1	KWT1499 (Thailand) Company Pte. Limited (“KWT1499”) ^{1/}	Singapore	615,460,000	46.73	-	615,460,000	30.11
2	Tommo (Thailand) Limited ^{2/}	Thai	503,345,070	38.22	727,272,727	1,230,617,797	60.20
3	Mrs. Jantira Luesakul	Thai	48,967,400	3.72	-	48,967,400	2.40
4	Mr. Boonyong Yongcharoenrat	Thai	12,178,615	0.92	-	12,178,615	0.60
5	King Wai International Holdings Company Limited	British Virgin Islands	11,396,855	0.87	-	11,396,855	0.56
6	Thai NVDR Co., Ltd.	Thai	6,463,709	0.49	-	6,463,709	0.32
7	Mrs. Suporn Pornprasertsuk	Thai	4,590,000	0.35	-	4,590,000	0.22
8	Ms. Amporn Sriphothong	Thai	4,412,800	0.34	-	4,412,800	0.22
9	Ms. Pannin Kittipraporn	Thai	3,415,400	0.26	-	3,415,400	0.17
10	Mr. Sornprom Montriwat	Thai	3,276,200	0.25	-	3,276,200	0.16

Source: SETSMART (www.setsmart.com) as of March 11, 2021

Remark: ^{1/} KWT1499 is an investment holding entity.

^{2/} Tommo is the major shareholder of the Company that will receive the newly issued ordinary shares under the debt-to-equity conversion scheme

1.3 Reasons, advantages, disadvantages, and benefits which are expected to gain from an implementation of the debt-to-equity conversion scheme

Under the Company’s debt restructuring and the issuance and offer for sale of the newly issued ordinary shares, if the debt-to-equity conversion scheme is successful, the Company will owe

THB 1,199,999,999.55 less, out of the total liabilities of 2,127,644,028.21 as of 30 September 2021. The net outstanding liabilities as of 30 September 2021 after completion of such scheme with Tommo will be THB 927,644,028.66.

In addition, the completion of this debt-to-equity conversion scheme will decrease the total liabilities from THB 10,184,637,849 to THB 8,984,637,849.45 and decrease the debt-to-equity ratio from approximately 5.5 times to 2.9 times, according to the Company's consolidated financial statement as of 30 June 2021. This will likely improve the Company's capital structure and operations, garner confidence from shareholders, investors, and financial institutions, and increase the Company's ability to request loans and enter transactions in the future. Furthermore, the shareholders' equity will increase, and the Company will no longer have "C-sign" status. The Company will be able to remain listed as the economy recovers from the widespread of COVID-19. Details as follow:

Details (THB)	Before change par value	After change par value	After debt-to-equity conversion scheme
Number of shares	1,317,059,260 shares	1,317,059,260 shares	2,044,331,987 shares
PAR value	THB 10.00	THB 2.31	THB 2.31
Separate Financial Statement			
Registered and paid-up capital	THB 13,170,592,600	THB 3,042,406,890.60	THB 4,722,406,889.97
Share discount on ordinary shares	THB (8,884,032,751)	-	THB (479,999,999.82)
Shareholders' Equity (As of September 30, 2021)	THB 3,038,618,800	THB 3,038,618,800	THB 4,238,618,799.55
Consolidated Financial Statement			
Registered and paid-up capital	THB 13,170,592,600	THB 3,042,406,890.60	THB 4,722,406,889.97
Share discount on ordinary shares	THB (8,884,032,751)	-	THB (479,999,999.82)
Shareholders' Equity (As of September, 2021)	THB 1,846,851,323	THB 1,846,851,323	THB 3,046,851,323.55
Shareholders' Equity	40.90 percent	57.62 percent	69.61 percent

excluding minority interest to paid-up capital deducting the discount on share capital ratio (“C-sign”)			
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1.4 Actions to be taken by the Company in case of a fraction of shares

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

2. Sources of debts

During the period from 2019 to June 30, 2021, the Company has made the short-term loan with Tommo, which is major shareholder of the Company. There are 32 loan agreements in total (short-term borrowings from Tommo have lower interest rate per annum than the financial institutions), which the Company borrowed from Tommo for the purpose of investment in Manulife Insurance (Thailand) Public Company Limited and Manulife Asset Management (Thailand) Company Limited in amount of THB 865,000,000 and the remaining amount to use as working capital for the Company’s business operations. Moreover, the Company can extend the loan as agreed upon the repayment is due. However, on August 17, 2021, the SET posted a C-sign for the Company's securities as the Company’s shareholders' equity was less than 50 percent of paid-up capital according to the financial statement in the second quarter ending 30 June 2021 and the Company’s shareholders' equity was also less than 50 percent of paid-up capital according to the financial statement in the third quarter ending 30 September 2021. Tommo, which is major shareholder of the Company, expressed its intention in writing to the Company, to enter into debt-to-equity conversion scheme in the amount of THB 1,199,999,999.55 in order to reduce the Company's liabilities, improve the Company's debt, increase shareholders' equity, resolve the C-sign issue of the Company's securities. The remaining loan shall be gradually repaid to the major shareholder in the due course.

Creditors	Total principal and interest as of 30 September 2021 (THB)	Principal and interest converted to equity (THB)	Number of ordinary shares allocated as repayment of principal and interest (shares)	Debt balance (THB)
Tommo	2,127,644,028	1,199,999,999.55	727,272,727	927,644,028.66

Remark: Tommo is major shareholder of the Company. As of March 11, 2021, Tommo holds the ordinary shares of the Company in the amount of 503,345,070 shares of the total paid-up shares of the Company

3. Summary of the short list of financial statements of the Company

The information below is based on the audited financial statements of the Company for the financial years ending on 31 December 2018, 2019, and 2020, and quarterly reviewed financial statement for the period ending on 30 September 2021.

3.1 Financial statements of the Company

Unit: Million THB

Balance Sheet	For the Year Ended December 31			For Period
	2018	2019	2020	September 2021
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	602.83	223.48	218.56	452.02
Trade and other current receivables	222.08	191.27	107.54	293.82
Reinsurance assets	399.11	286.42	81.78	111.88
Due from reinsurers	10.32	25.60	18.58	14.33
Short-term loan to a subsidiary	-	-	-	-
Cost of property development	1,792.28	1,928.60	1,937.21	1,913.07
Other current financial assets	-	-	101.70	666.02
Investment in subsidiaries awaiting for the liquidation	-	-	-	-
Other current assets	101.09	103.92	236.27	-
Disposal asset groups classified as held for sale	-	-	-	236.39
Total Current Assets	3,127.71	2,759.31	2,701.64	3,687.52
NON-CURRENT ASSETS				
Refundable withholding tax	35.16	38.87	20.64	32.33
Restricted bank deposits	36.85	40.56	41.49	42.21
Other non-current financial assets	-	-	157.22	3,068.56
Investments in subsidiaries	381.66	369.02	-	-
Long-term loans to subsidiaries	-	-	-	-
Other long-term loans	-	-	-	140.88
Investment properties	4,013.45	4,013.47	4,013.45	4,090.85
Property, plant, equipment, and right-of-use assets	87.27	57.71	60.91	175.60
Goodwill	272.90	272.90	272.90	631.30
Other intangible assets other than goodwill	71.33	144.73	168.90	140.82
Other non-current assets	143.87	150.60	1,010.63	21.40
Total Non-current Assets	5,042.49	5,087.86	5,746.13	8,343.97
TOTAL ASSETS	8,170.20	7,847.17	8,447.78	12,031.49
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Short-term borrowings from a financial institution	741.49	887.16	887.49	216.00
Trade and other current payables	302.96	288.66	284.10	433.65
Advances received from customers	1.00	5.72	9.74	5.50
Due to reinsurers	151.47	251.92	92.84	92.32
Unearned fee and commission income	36.00	58.37	15.11	14.53
Current portion of long-term borrowings from a financial institution	297.00	827.80	631.50	261.43
Current portion of long-term borrowings from a related party	261.00	245.99	-	-
Short-term borrowings from related person or party	-	70.00	1,511.26	2,291.04
Current portion of lease liabilities	-	-	18.77	22.70
Short-term insurance contract liabilities	-	-	-	453.40
Bill of exchange	88.15	-	-	-

Balance Sheet	For the Year Ended December 31			For Period
	2018	2019	2020	September 2021
Other current liabilities	1.54	6.72	2.99	5.66
Total Current Liabilities	1,880.60	2,642.34	3,453.80	3,796.23
NON-CURRENT LIABILITIES				
Long-term borrowings from financial institutions	955.74	465.96	731.20	994.05
Long-term borrowings from subsidiaries	-	-	-	-
Long-term borrowings from related parties	1,205.03	1,205.03	1,274.48	1,299.19
Lease liabilities	-	-	20.13	14.97
Deposit from customers	11.89	11.11	10.48	10.66
Prepayment from customers for housing estate juristic person	26.94	27.33	27.82	28.34
Non-current provisions for employee benefits	21.89	36.11	45.16	45.63
Long-term insurance contract liabilities	730.56	512.57	304.99	3,527.85
Deferred tax liabilities	275.98	275.95	275.95	460.01
Other non-current liabilities	2.41	4.59	4.59	7.71
Total Non-current Liabilities	3,230.42	2,538.63	2,694.81	6,388.40
TOTAL LIABILITIES	5,111.03	5,180.98	6,148.61	10,184.64
SHAREHOLDERS' EQUITY				
Authorizes share capital	13,170.53	13,170.53	26,073.97	26,073.97
Issued and paid-up share capital	13,170.53	13,170.53	13,170.59	13,170.59
Share discount on ordinary shares	(8,883.98)	(8,883.98)	(8,884.03)	(8,884.03)
Difference from acquisition of assets under common control	(5.11)	(5.11)	(165.91)	(165.91)
Difference from acquisition of non-controlling interests	(136.28)	(136.28)	(136.28)	(137.17)
Retained earnings (deficit)				
- Appropriated - legal reserve	12.53	12.53	12.53	12.53
- Unappropriated	(1,081.00)	(1,461.58)	(1,821.55)	(2,251.63)
Other components of shareholders' equity	22.75	23.94	33.20	8.72
TOTAL OWNERS OF THE PARENT	3,099.43	2,720.04	2,208.54	1,753.09
NON-CONTROLLING INTERESTS	(40.25)	(53.85)	90.63	93.76
TOTAL SHAREHOLDERS' EQUITY	3,059.18	2,666.19	2,299.17	1,846.85
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	8,170.20	7,847.17	8,447.78	12,031.49

3.2 Statement of comprehensive income of the Company

Unit: Million THB

Income Statement	For the Year Ended December 31			For Period
	2018	2019	2020	September 2021
Revenue				
Revenue from sale of property	200.15	13.80	19.40	55.71

Income Statement	For the Year Ended December 31			For Period
	2018	2019	2020	September 2021
Rental and services income	46.87	46.16	44.79	32.41
Net premium earned	(151.79)	(71.66)	91.84	230.88
Fee and commission income	87.51	99.36	79.74	20.07
Fee and service income	-	-	-	24.39
Net investment income	-	-	-	62.19
Gain on exchange rate - net	11.60	21.80	-	-
Gain on fair value measuring financial assets	-	-	-	5.68
Gain from fair value adjustments on investment properties	571.08	-	-	-
Other income	10.62	1.72	1.77	57.94
Total Revenues	776.03	111.18	237.54	489.26
Expenses				
Cost of property sold	(118.26)	(9.62)	(18.36)	(51.53)
Cost of rental and services	(15.00)	(14.94)	(10.46)	(7.05)
Net claim paid	33.67	(13.42)	(47.99)	(118.04)
Commission and brokerage expenses	(49.31)	(75.34)	(80.74)	(35.04)
Fee and service expenses	-	-	-	(10.18)
Other underwriting expenses	(29.21)	(46.92)	(84.35)	(76.60)
Selling expenses	(28.72)	(11.89)	(5.90)	(28.30)
Administrative expenses	(314.06)	(268.23)	(277.16)	(463.01)
Loss on exchange rate - net	-	-	(5.49)	(38.80)
Loss on fair value measuring financial assets	-	-	(0.07)	-
Loss from fair value adjustments on investment properties	-	(0.13)	(0.01)	(0.76)
Loss on impairment of investment in subsidiaries	-	-	-	-
Total Expenses	(520.89)	(440.50)	(530.53)	(829.31)
Profit (Loss) from operating activities	255.14	(329.31)	(292.98)	(340.05)
Finance income	-	10.85	7.23	0.06
Finance costs	(71.90)	(73.97)	(81.51)	(108.17)
Profit (Loss) before income tax income	183.24	(392.43)	(367.27)	(448.15)
Income tax income	(114.22)	0.03	0.00	(0.98)
LOSS FOR THE PERIOD	69.03	(392.41)	(367.26)	(449.13)

3.3 Statement of cash flow of the Company

Unit: Million THB

Cash Flows	For the Year Ended December 31			For Period
	2018	2019	2020	September 2021
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before income tax	183.24	(392.43)	(367.27)	(448.15)
Adjustments for:	-	-	-	-
Depreciation	14.38	29.92	49.36	32.64
Amortization	0.17	0.20	1.53	6.34
Unrealized (gain) loss on exchange rate	(11.60)	(21.79)	5.79	38.51
Loss from written-off withholding tax	-	-	7.46	6.25

Cash Flows	For the Year Ended December 31			For Period
	2018	2019	2020	September 2021
Amortization of investments in securities	(0.56)	-	-	⋮
Gain on sales of financial assets	-	-	(0.99)	⋮
Gain from sales of investments in securities	0.05	(0.09)	-	⋮
(Gain) loss from remeasured on financial assets	-	-	0.07	(5.68)
Gain on sales of fixed assets	(0.48)	(1.06)	(0.32)	(0.12)
Loss on impairment of investment in a subsidiary	-	-	-	⋮
Loss on written-off fixed assets	0.30	2.54	-	⋮
Loss from fair value adjustments on investment properties	(571.08)	0.13	0.01	0.76
Loss from impairment of building and equipment	-	1.65	-	⋮
Gain on disposal of fixed assets	-	-	-	(14.14)
Loss on written-off intangible assets	-	-	0.59	13.55
Loss on impairment of intangible assets	-	-	-	87.01
Unearned premium reserve (increase) decrease	130.95	3.81	(33.58)	(22.86)
Incurred but not report decrease	(10.76)	9.59	(0.50)	(1.95)
Employee benefit expenses (reversal)	7.72	12.53	9.88	(0.28)
Loss (reversal) of allowance for devaluation in value on cost of property development	(5.81)	-	-	(8.98)
Loss from diminution (reversal) of allowance for diminution in value on cost of property development	25.84	(25.84)	4.46	⋮
Finance income	(1.60)	(0.28)	(7.23)	(62.25)
Finance costs	71.90	73.97	81.51	108.17
Loss from operations before changes in operating assets and liabilities	(167.34)	(307.16)	(249.22)	(271.18)
Operating assets (increase) decrease	-	-	-	⋮
Trade and other current receivables	0.38	30.82	84.16	(126.15)
Reinsurance assets	44.02	99.29	238.72	(5.28)
Due from reinsurers	0.88	(15.28)	7.02	10.93
Cost of property development	(3.87)	(107.84)	(13.14)	33.43
Other current assets	(73.41)	(3.82)	(133.30)	0.49
Refundable withholding tax	2.29	-	-	⋮
Other non-current assets	10.41	(6.73)	(860.03)	994.10
Operating liabilities increase (decrease)	-	-	-	⋮
Trade and other current payables	74.97	(25.21)	(44.46)	25.90
Advance received from customers	(3.51)	4.72	4.02	(4.24)
Due to reinsurers	(218.40)	100.45	(159.08)	(19.09)
Unearned fee and commission income	(39.78)	22.36	(43.26)	(0.58)
Other current liabilities	0.22	5.19	(3.74)	(2.73)
Non-current provisions for employee benefits	(0.06)	(0.09)	(0.83)	(7.58)

Cash Flows	For the Year Ended December 31			For Period
	2018	2019	2020	September 2021
Insurance contract liabilities	(179.02)	(217.98)	(207.58)	(35.35)
Other non-current liabilities	1.44	(0.39)	(0.13)	2.45
Net cash flows provided by (used in) operations	(550.76)	(421.66)	(1,380.84)	595.12
Income tax paid	(5.16)	(3.71)	(3.71)	(4.73)
Cash received from withholding tax	-	-	14.48	4.33
Cash received from income tax	-	-	0.94	-
Net cash flows provided by (used in) operating activities	(555.92)	(425.37)	(1,369.13)	594.73
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in restricted bank deposits	(0.97)	(3.71)	(0.93)	(0.72)
Cash receipt from acquisition of assets - AEC city	160.43	-	-	-
Cash paid for purchase investment in	-	-	-	-
Cash paid for other financial assets	-	-	-	-
Cash paid for other current financial assets	-	-	(100.00)	(63.28)
Cash paid for other non-current financial assets	-	-	(137.77)	-
Cash receipt from sales of other non-current financial assets	-	-	357.81	-
Cash receipt from sales of other financial assets	-	-	-	215.21
Cash paid for investments in securities	(1,299.94)	(133.95)	-	-
Cash receipt from sales of investment in securities	1,768.95	147.88	-	-
Cash paid for purchases of investment in subsidiaries	(858.87)	-	-	-
Cash paid for increasing share capital in subsidiaries	-	-	-	-
Cash paid for business acquisition	-	-	-	(956.11)
Cash received from business acquisition	-	-	-	121.70
Cash paid for short-term loans to subsidiaries	-	-	-	-
Cash paid for long-term loans to subsidiaries	-	-	-	-
Cash receipt from long-term loan to subsidiaries	-	-	-	-
Cash receipt from short-term loan to other company	-	1.00	-	-
Cash paid from short-term loan to other company	(1.00)	-	-	-
Cash paid for long-term loan to others	-	-	-	(19.39)
Cash receipt from long-term loan to others	-	-	-	28.04
Cash receipt from disposal of investment properties	-	-	-	375.09
Cash paid for purchase of investment properties	(0.60)	(0.25)	-	-

Cash Flows	For the Year Ended December 31			For Period
	2018	2019	2020	September 2021
Cash paid for purchase of building and equipment	(23.64)	(28.11)	(2.83)	(4.03)
Cash receipt from sales of equipment	0.50	1.77	0.32	-
Cash paid for purchase of intangible assets	(53.45)	(44.05)	(11.59)	(71.52)
Cash receipt from interest income	1.60	0.28	6.89	76.82
Net cash flows provided by (used in) investing activities	(306.98)	(59.16)	111.90	(298.20)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash receipt from short-term borrowings from a financial institution	-	214.92	-	-
Cash paid for short-term borrowing from a financial institution	(28.70)	(70.00)	-	(671.49)
Cash receipt from long-term borrowings from financial institutions	96.20	269.97	79.60	-
Cash paid for long-term borrowing from a financial institution	(24.40)	(234.00)	(13.83)	(108.62)
Cash paid for long-term borrowings from subsidiaries	-	-	-	-
Cash receipt from long-term borrowings	-	-	-	-
Cash receipt from long-term borrowings from subsidiaries	-	-	-	-
Cash receipt from short-term borrowings from a related party	-	70.00	1,430.80	810.99
Cash repayment for short-term borrowings from related company	-	-	(170.00)	(31.21)
Cash paid for lease liabilities	-	-	(23.14)	(19.68)
Cash paid for interest expenses	(57.32)	(55.71)	(51.13)	(43.06)
Cash receipt from bills of exchange	87.43	-	-	-
Cash payment for redemption of bill of exchange	-	(90.00)	-	-
Cash receipt from share capital	920.00	-	0.01	-
Cash payment for share capital issue expenses	(2.87)	-	-	-
Net cash flows provided by financing activities	990.33	105.18	1,252.31	(63.07)
Net increase (decrease) in cash and cash equivalents	127.44	(379.35)	(4.93)	233.46
Cash and cash equivalents at beginning of period	475.39	602.83	223.48	218.56
Cash and cash equivalents at ending of period	602.83	223.48	218.56	452.02

4. Name and address and amount of debts of the creditor which the Company would like to offer the newly issued shares in order to repay debts under the debt-to-equity conversion scheme, and the number of shares involved

Name	Address	Amount of debt to be repaid via the newly issued shares (THB)	Offering price of newly issued shares (THB per share)	Number of shares to be issued by the Company in order to repay debts to creditor (shares)
Tommo (Thailand) Limited	43 Thai CC Tower Bldg. 26 Fl. South Sathorn Rd. Yannawa, Sathorn, Bangkok 10120	1,199,999,999.55	1.65	727,272,727

5. Names of and amount of debt of the top 10 other creditors as of 30 September 2021

No.	Name	Amount of debt (THB)	Type of creditor
1.	King Wai International Holding Co., Limited.	1,024,564,906	Loan from related parties
2.	Bangkok Bank Public Co., Ltd.	983,916,987	Loan from financial institution
3.	Industrial and Commercial Bank of China (Thai) Public Company Limited	490,283,001	Loan from financial institution
4.	KW Thai Commerce (BVI) Co., Ltd.	431,838,285	Loan from related parties
5.	Mr. Narongsak Putthapornmongkol	231,165,336	Loan from related parties
6.	Neighbors and Friends Co., Ltd.	663,028	Account Payable
7.	Icon Framework Co., Ltd.	513,600	Account Payable
8.	Security Guard PPS Group Co., Ltd.	342,400	Account Payable
9.	Johnson Asia Cleaning Co., Ltd.	293,180	Account Payable
10.	Cost Plan Co., Ltd.	160,500	Account Payable

The Company has plan for the loan repayment and interest payable with Tommo, financial institutions and other creditors by partially sold of the investment properties (land & house development). However, the spread of COVID-19 has affected the property sector and faced downward pressure to the Company in order to sale the assets.

6. Type and number of shares to be newly issued by the Company to repay debts

The Company will allocate the newly issued ordinary shares of the Company in the amount of not exceeding 727,272,727 shares, at the par value of THB 1.65 per share, to Tommo at the offering price of THB 1.65 per share, totaling THB 1,199,999,999.55 for the repayment of the

short-term borrowing to Tommo under the debt-to-equity conversion scheme.

7. Newly issued share offering price and criteria to determine the offering price

The Company has determined the offering price of the newly issued ordinary shares to be THB 1.65 per share, which is equivalent to the market price with no discount. To determine the market price, the Company has applied the volume-weighted average price of the Company's ordinary shares traded on the SET, equivalent to THB 1.65, during 25 October 2021 to 12 November 2021, equivalent to 15 consecutive working days prior to the date on which the Company's board of directors resolved to propose to its shareholders in the EGM for an approval on such offering of the newly issued ordinary shares of the Company.

The Company's board of directors is of the opinion that this offering price is appropriate. [The offering price is derived from negotiations between the Company and Tommo, with reference to the market price of the Company's shares traded on the SET.](#)

**Information Memorandum on Offering of Newly Issued Ordinary Shares through
Private Placement and Connected Transaction of King Wai Group (Thailand) Public Company
Limited**

The Board of Directors' Meeting of King Wai Group (Thailand) Public Company Limited (the "**Company**") No. 12/2021 (the "**Meeting**") (amended to the resolution of The Board of Directors' Meeting of the Company No. 9/2021 in relation to the transfer of registered capital to compensate for accumulated loss of the Company, the reduction of the Company's registered capital, the debt-to-equity conversion scheme, the increase of the Company's registered capital, and other related issues and has passed the resolution to propose to the shareholders meeting on the extraordinary general meeting No. 1/2021 to consider and approve the proposed allocation of no more than 727,272,727 new ordinary shares by private placement to Tommo (Thailand) Limited ("**Tommo**"), a major shareholder and creditor of the Company, in the repayment of debt according to the debt-to-equity conversion scheme at the offering price of Baht 1.65 per share ("**Issuance and Offering of Newly Issued Ordinary Shares to Tommo** ").

The Company has entered into negotiations with Tommo and is planning to enter into a Baht 1,199,999,999.55 under the debt-to-equity conversion scheme with it. Under this scheme, the Company will issue not exceeding 727,272,727 new ordinary shares and offer them for sale for repayment of the debt to Tommo, at the offering price of Baht 1.65 per share. The conversion price of the debt to equity would be calculated based on that offering price. More details on the debt-to-equity conversion scheme appear in **Enclosure 1** (Debt-to-Equity Conversion Scheme). After the allocation and offering for sale of the new ordinary shares of the Company under the debt-to-equity conversion ratio, Tommo's shareholding in the Company will increase from 503,345,070 ordinary shares (as of 11 March 2021), equivalent to 38.22 percent of the total sold shares of the Company, to approximately 1,230,617,797 ordinary shares, equivalent to approximately 60.20 percent of the total sold shares of the Company. Nevertheless, the aforementioned acquisition of the new ordinary shares do not cause Tommo a tender offer obligation as detailed in item 3.2.2 of this information memorandum.

The debt-to-equity conversion scheme and the Issuance and Offering of Newly Issued Ordinary Shares to Tommo can be proceeded after key conditions are satisfied including the completion of reduction of registered and paid-up capital by lowering par value from Baht 10 per share to Baht 2.31 per share. More details on the key conditions are as detailed in item 3.2.1 of this information memorandum.

In addition, Issuance and Offering of Newly Issued Ordinary Shares to Tommo are considered a private placement of newly issued ordinary shares under Notification of the Capital Market Supervisory Board No. TorChor. 72/2558 Re: Approval for Private Placement of Newly Issued Shares by a Listed Company, dated 28 October 2015 (the "**PP Notification**"). The Company must seek and obtain approval from the Office of the Securities and Exchange Commission (the "**Office of the SEC**") prior to the said offering.

Furthermore, the debt-to-equity conversion scheme and the Issuance and Offering of Newly Issued Ordinary Shares to Tommo constitute a connected transaction pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Connected Transaction Rules, 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, 2003, dated 19 November 2003 (as amended) (the "**Connected Transaction Notification**") Such transaction is considered a transaction in the type of assets and services, having the value of Baht 1,199,999,999.55 or 106.97 percent of the Company's net tangible assets (the "**NTA**") of the consolidated financial statement of the Company as of 30 September 2021, which is more than Baht 20 million or more than 3 percent of the Company's NTA as of 30 September 2021. Therefore, the Company is required to disclose information on the transaction to the SET, to appoint an independent financial advisor to express opinion on the entering into the connected transaction, and to hold a shareholders meeting for its approval for entering into the connected transaction by a vote of not less than three-fourths of the total number of votes of the shareholders attending the meeting and having the

right to vote, excluding the votes of the shareholders who have interest on the matter, according to the Connected Transaction Notification.

As part of these transactions, the Company has to proceed with the following:

- (1) to disclose information regarding the debt to equity conversion scheme and the issuance and offering of newly issued ordinary shares in accordance with the Regulation of the Stock Exchange of Thailand Re: Rules, Conditions and Procedures Governing the Disclosure of Information and Other Acts of a Listed Company B.E. 2560 (as amended) and the Connected Transaction Notifications;
- (2) to appoint an independent financial advisor (IFA) to give an opinion on the debt-to-equity conversion scheme and the Issuance and Offering of Newly Issued Ordinary Shares to Tommo, including to submit the said opinion to the Office of the SEC, the SET and the shareholders of the Company.

In this regard, The Company has appointed Silom Advisory Services Co., Ltd. to be the independent financial advisor for the entry into relevant transactions.

The Company would like to notify information memorandum regarding the issuance and offering of the newly issued ordinary shares and the connected transaction, together with necessary information for shareholders' decision as detailed as follows:

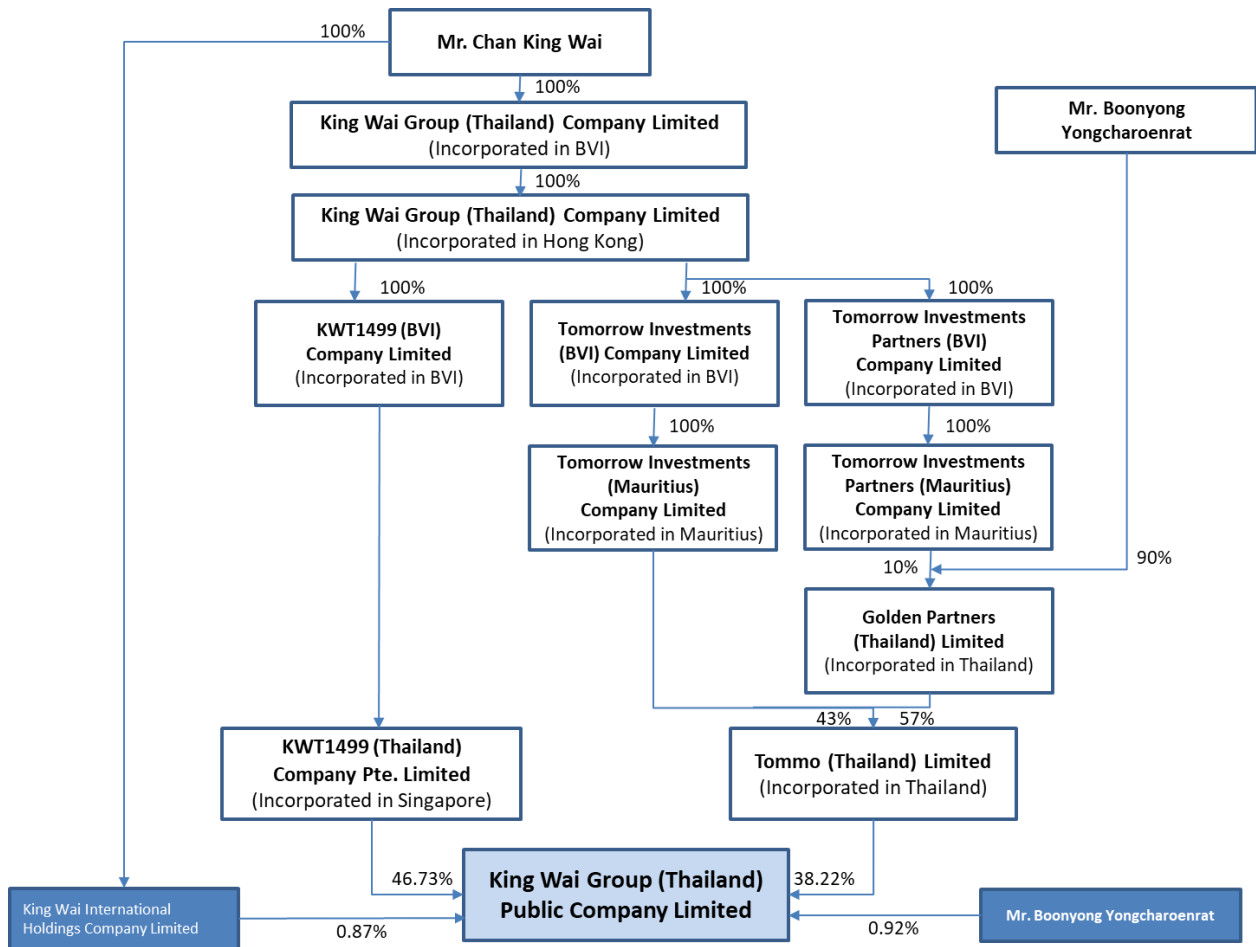
1. Date / Month / Year of the Transaction

The Company will proceed with the debt-to equity-conversion scheme and Issuance and Offering of Newly Issued Ordinary Shares to Tommo after obtaining an approval from the Extraordinary Meeting of Shareholders of the Company No. 1/2021 which will be held on 8 December 2021 (the "EGM") and after the completion of reduction of registered and paid-up capital by lowering par value from Baht 10 per share to Baht 2.31 per share. More details on the key conditions are as detailed in item 3.2.1 of this information memorandum.

2. Contractual Parties and Relationship with the Company

Issuer	The Company
Persons being offered with shares	Tommo (Thailand) Limited (“Tommo”)
Relationship with the Company	Tommo is a major shareholder of the Company, currently holds 38.22 % of total issued shares of the Company
Relationship with the Company’s directors executives or major shareholders	Tommo and KWT1499 are concert party because Mr. King Wai Chan is ultimate shareholder of both Tommo and KWT1499

Below is the shareholding structure of Tommo



Remark: data from the Company

3. Characteristics of the Transaction

3.1 Information of Specific Investors

3.1.1 Tommo (Thailand) Limited

Company's name	Tommo (Thailand) Limited
Type of business	Activities of holding companies, of mostly
Major shareholders (as of as of October 19, 2021)	<ol style="list-style-type: none"> 1) Golden Partners (Thailand) Company Limited ("Golden") holds 57,000 shares, or equivalent to 57% of total issued shares of Tommo 2) Tomorrow Investments (Mauritius) Company Limited ("TMR") holds 42,999 shares, or equivalent to 42.99% of total issued shares of Tommo
Other material information	Other material information of Tommo and generic information are shown in Capital Increase Report (53-4) (<u>Enclosure 3</u>)

3.1.2 Golden Partners (Thailand) Company Limited ("Golden")

Company's name	Golden Partners (Thailand) Company Limited ("Golden")
Type of business	Activities of holding companies, of mostly investing in non-financial sectors
Major shareholders (as of as of October 19, 2021)	<ol style="list-style-type: none"> 1) Mr. Boonyong Yongcharoanrat holds 90% of total issued shares of Golden 2) Tomorrow Investments Partners (Mauritius) Company Limited holds 10% of total issued shares of Golden
Other material information	Other material information of Golden and generic information are shown in Capital Increase Report (53-4) (<u>Enclosure 3</u>)

3.1.3 Tomorrow Investments (Mauritius) Company Limited ("TMR")

Company's name	Tomorrow Investments (Mauritius) Company Limited ("TMR")
Type of business	Activities of holding companies, of mostly investing in non-financial sectors
Major shareholders (as of as of October 19, 2021)	Tomorrow Investments (BVI) Company Limited holds 100% of total issued shares of TMR
Other material information	Other material information of Golden and generic information are shown in Capital Increase Report (53-4) (<u>Enclosure 3</u>)

3.2 Conditions for the Entry of the Transactions and Details of the Offering

3.2.1 Conditions for the Issuance and Offering of Newly Issued Ordinary Shares to Tommo

Tommo (as a subscriber) has expressed its written intention to subscribe for the newly issued ordinary shares of the Company pursuant to the debt-to-equity conversion scheme. The conditions precedent for the subscription of the newly issued ordinary shares contain pertinent details as summarized below:

1. There shall be no material negative effect on the financial position and assets, business operation, or overall business of the Company from the date specified in the letter of intent to the date of subscription of the newly issued ordinary shares.
2. The Company shall complete the issuance and offering of new ordinary shares to specific investors within 3 months from the date that the shareholders meeting approve the Issuance and Offering of Newly Issued Ordinary Shares to Tommo.

In addition, Tommo acknowledged that the issuance and offering of the newly issued ordinary shares of the Company shall be subject the following conditions:

1. The Company shall obtain approval from the shareholders' meeting of the Company to entry into the debt-to-equity conversion scheme, capital increase, and issuance and offering of the newly issued ordinary shares to specific investors, including approval for any proceeding relevant thereto.
2. The Company proceeds to complete the reduction of registered and paid-up capital by lowering par value. The Company must notify the known creditors in writing of the resolution on the capital reduction, specifying in the notification that any objection thereto shall be submitted within two months as from the date on which the creditors receive the notice of such resolution. The company must also publish the notice of such resolution in a newspaper within such 14 days period. If an objection is raised, the Company shall not reduce its capital, unless it has paid its debts or given security for the debts.
3. The Company shall obtain approval from the Office of the SEC prior to the offering of the newly issued ordinary shares to specific investors (Private Placement).

3.2.2 Details of PP Transactions

Specific Investor	Maximum number of shares offering	Offering price	Amount of shares and shareholding ratio prior to entry of the transaction (As of March 11, 2021)	Shareholding ratio after PP Transactions
Tommo	727,272,727	1.65	503,345,070 shares, equivalent to 38.22 percent of the total paid-up shares of the Company	Not exceeding 1,230,617,797 shares, equivalent to 60.20 percent of the total issued and sold shares of the Company

In addition, [subject to the above conditions](#), the Company expects the Issuance and Offering of Newly Issued Ordinary Shares to Tommo will complete within March 2022. However, if there is any material change, the Company will notify the same to shareholders accordingly.

The acquisition of the previously stated newly issued ordinary shares will not subject Tommo to the requirement to make a tender offer for all of the Company's securities, as Tommo, the persons under section 258 of the Securities and Exchange Act B.E. 2535 (1992) and the persons acting in concert, comprising (1) KWT1499 (Thailand) Company Pte. Ltd. ("KWT1499") (2) Mr. Boonyong Yongcharoenrat and (3) King Wai International Holdings Company Limited (collectively, the "Tommo Group") currently own 86.74 percent of the total shares with voting rights of the Company, which is above the 75 percent threshold at which the tender offer must be made under the Notification of the Capital Market Supervisory Board No. TorJor 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeover, dated 13 May 2011 (as amended).

3.3 Basis Used to Determine the Offering Price, Market Price and Appropriateness of the Offering Price

The offering price of Baht 1.65 per share reflects the market price of the Company's shares traded on the SET, which is Baht 1.65 per share calculated according to the PP Notification i.e. calculation based on the weighted average price of shares in the Company that were traded on the SET from 25 October 2021 to 12 November 2021, which was a period of 15 consecutive business days before 14 November 2021 (the date on which the Board of Directors resolved the amendment of the resolution of The Board of Directors' Meeting of the Company No. 9/2021 in relation to the transfer of registered capital to compensate for accumulated loss of the Company, the reduction of the Company's registered capital, the debt-to-equity conversion scheme, the increase of the Company's registered capital, and other related issues based on the consideration of financial statement as of 30 September 2021 and has passed the resolution to propose to the shareholders meeting to consider and approve the related agenda).

The Issuance and Offering of Newly Issued Ordinary Shares to Tommo is not considered an offering for sale to specific investors at the offering price with discount under PP Notification. However, on the date of the offering for sale of newly issued ordinary shares to Tommo, if the offering price is lower than 90 percent of the market price calculated based on the weighted average price of shares in the Company that were traded on the SET no less than 7 consecutive business days but not more than 15 consecutive business days from the first date of the offering for sale of new ordinary shares, Tommo shall not sell such shares within the period of 1 year from the first date that such shares are traded in the SET (Silent Period). After the date that the new ordinary shares are traded in the SET for 6 months, Tommo can sell 25 percent of the total shares that it is prohibited from selling.

3.4 The Connected Transaction Size

The debt-to-equity conversion scheme and the issuance and offering of newly issued ordinary shares to Tommo constitute a connected transaction pursuant to the Connected Transaction Notification. Such transaction is considered a transaction in the type of assets and services, having the value of Baht 1,199,999,999.55 or 94.30 percent of the Company's NTA as of 30 June 2021, which is more than Baht 20 million or more than 3 percent of the Company's NTA as of 30 June 2021.

4. Objectives of Capital Increase and Use of Proceeds

- 1) Issuance and offering of newly issued ordinary shares is for repayment of debt to Tommo pursuant to the debt-to-equity conversion scheme. The Company has no intention of using the funds in this part. The debt-to-equity conversion scheme is straightforward to comprehend and apply.

- 2) The increase in the Company's capital under the General Mandate will enhance the Company's operating capital by increasing working capital, liquidity and its potential for further business expansion in the future.

5. Information Related to Effects Arising from Capital Increase or Share Allocation through Private Placement

5.1 Effects Arising from Capital Increase

5.1.1 Price Dilution after Share Offering through a Private Placement

There is no price dilution as the market price after the share offering is not lower than the market price before share offering.

For the offering of newly issued ordinary shares to existing shareholders (Right Offering), the price dilution will be depended on the offering price of newly issued ordinary shares which will be determined later and the Company will further disclose the impact on shareholders in accordance with the SET criteria.

5.1.2 Earnings per Share Dilution after Share Offering through a Private Placement

The effect on shareholders' earnings cannot be calculated because the Company had a net loss in the last four quarters.

5.1.3 Control Dilution after Share Offering through a Private Placement

$$= \frac{1 - (\text{Number of paid-up shares of the Company's ordinary shares})}{(\text{Number of the Company's ordinary shares after the issuance of newly issued shares allotted to specific persons})} \times 100$$

$$= \frac{1 - \frac{1,317,059,260}{2,044,331,987}}{2,044,331,987} \times 100$$

$$= \text{After the allocation of the newly issued ordinary shares as private placement of newly issued ordinary shares, there is control dilution of 35.58 percent}$$

5.2 Worthiness to the Shareholders compared with impact to Earnings per Share Dilution or Control Dilution

When comparing between the benefits which shareholders will receive from the PP Transactions and impact on earnings per share dilution or control dilution as detailed above, the Company expects that the PP Transactions will provide more benefits to the Company's shareholders than negative impact on control dilution or impact on the distribution of minority shareholdings. This is due to the Company's liability and interest paid will decrease, and the equity of the Company will be positive and resolve the "C" sign (caution) ("**C-sign**") for the Company to maintain the qualification of listed company until the economy recovers from COVID-19 pandemic.

6. Connected Person and Scope of Conflict of Interest

The issuance and offering the newly issued ordinary shares to Tommo, who is the shareholder of the Company holding 38.22 percent of the registered capital of the Company, specify a connected person of the Company and scope of interest as detailed below

- 1) Mr. Antonio Hang Tat Chan is a director of the Company and a connected person of the Company.
- 2) Mr. Boonyong Yongcharoenrat is a director of the Company, being a connected person of the Company and shareholder of the Company who holds 0.92 percent of total issued shares of the Company.

7. Directors Having an Interest and/or Being a Connected Person in this Transaction

Director who have interest in this matter and/or directors who are connected persons are (1) Mr. King Wai Chan, (2) Mr. Antonio Hang Tat Chan and (3) Mr. Boonyong Yongcharoenrat. The aforesaid directors did not attend the board of directors' meeting to vote to approve the connected transaction.

8. Opinion of the Board of Directors on the Entry of PP transaction

8.1 Reasons and necessities for the capital increase and offer for sale of shares to Tommo

The capital increase by issuing new ordinary shares for offering for sale by private placement to Tommo is to support the debt-to-equity conversion scheme. The completion of this debt-to-equity conversion scheme will decrease the Company's liabilities in the amount of Baht 1,199,999,999.55, and lower the debt to equity ratio from approximately 5.5 to 2.95 times, according to the Company's consolidated financial statement as of 30 September 2021. This will likely improve the Company's capital structure and operations. In addition, it will increase shareholders' equity and resolve the C-sign issue.

8.2 Feasibility of the plan to utilize proceeds from the offering for sale of shares to Tommo

The capital increase and offering for sale of the new ordinary shares under the debt-to-equity conversion scheme would be the issuance of new shares to repay the debt to creditor. The debt-to-equity conversion scheme is clear and practical. There will be no other utilization of proceeds from the offering for sale of the shares under the debt-to-equity conversion scheme.

8.3 Reasonableness of the capital increase, proceeds utilization plan, and projects to be implemented, and adequacy of the funding sources

This capital increase is justifiable because the completion of this debt-to-equity conversion scheme will decrease the total liabilities and the debt-to-equity ratio, according to the Company's consolidated financial statement as of 30 September 2021. This will likely improve the Company's capital structure and operations, garner confidence from shareholders, investors, and financial institutions, and increase the Company's ability to request loans and enter transactions in the future. Furthermore, the shareholders' equity will increase and the Company will no longer have "C" sign (caution) status. The Company will be able to remain listed as the economy recovers from the widespread of COVID-19. In addition, this can garner confidence from shareholders, investors and financial institutions, thereby increasing the Company's ability to request loans and enter transactions in the future.

8.4 Potential impact of the capital increase on the Company's business operations, financial position and results of operation, caused by the capital increase and the implementation of the proceeds utilization plan or the implementation of the projects

Upon completion of the capital increase and offering for sale of the new ordinary shares under the debt-to-equity conversion scheme, the Company's outstanding liabilities, both loan principal and interest, will decrease and the Company's capital structure will improve, regardless of the earnings per share dilution.

In the event that Tommo has obtained the Company's new ordinary shares under the debt-to-equity conversion scheme, and also under the offering for sale under the General Mandate to the existing shareholders of the Company in proportion to their respective shareholdings under

the assumption that only major shareholders subscribe to the shares under the General Mandate, this will result in lower free float from 13.26 percent to 8.54 percent. Currently, the free float of the Company is 13.26 percent which does not comply with the rules of the Stock Exchange of Thailand (the "SET") which prescribes that a company must have and maintain no less than 150 minority shareholders and these minority shareholders in aggregate shall have no less than 15 percent of the paid-up capital of the company. The Company has an obligation to pay additional annual fee on top of the annual fee that the Company must normally pay to the SET. The additional annual fee is calculated based on the shortfall in number and proportion of minority shareholders that are below the SET requirement, which shall be paid until the Company can meet the SET requirement on the free float. In the event that the free float decreases from 13.26 percent to 8.54 percent, the Company must pay higher amount of additional annual fee to the SET, until the free float matter is solved.

To resolve the free float issue, the major shareholders acknowledged the matter and considered disposing the shares they own. The board of directors of the Company will continue to monitor the process undertaken by major shareholders to resolve this issue.

The acquisition of new ordinary shares of the Company by Tommo under debt-to-equity conversion scheme which result in Tommo holding more shares in the Company will have no impact on the structure of the board of directors and management of the Company, as well as business and operational policy of the Company.

8.5 Appropriateness of the price of the newly-issued shares to be offered by the Company to the investors and the basis for determining the offering price

The offering price and the determination of the offering price are appropriate. The offering price is derived from negotiations between parties, with reference to the market price of the Company's shares traded on the SET.

The proposed offering price of Baht 1.65 per share is the offering price with no discount to the market price, which is determined based upon the volume-weighted average price of the Company's ordinary shares traded on the SET during 6 October 2021 to 28 October 2021, a period of 15 consecutive working days prior to 29 October 2021 (which is the date on which the Company's Board of Directors resolved to propose to the shareholders meeting for an approval on such offering of the newly issued ordinary shares of the Company.)

Even though the offering for sale of new ordinary shares to Tommo will be lower than the par value of Baht 2.31 per share, this offering price is deemed appropriate, consistent and not lower than market price of the shares of the Company.

8.6 Reasons and necessities for offering for sale of new ordinary shares to specific investors

The issuance and offering for sale of new ordinary shares to Tommo, as a connected person of the Company, is comparable to the transaction which may be entered into with an independent third party. This is because the Company does not offer Tommo any other benefits that are not expected to be offered to others under the same circumstance.

Moreover, the offering for sale of new ordinary shares to Tommo as part of the debt-to-equity conversion scheme will improve stability of the Company's financial position.

Therefore, this issuance and offering for sale of new ordinary shares to Tommo is beneficial for the Company and fair for the Company's shareholders.

9. Certification of Directors

The Meeting acknowledged that if a director of the Company fails to perform fiduciary duties to preserve the interest of the Company with respect to the capital increase, and such failure causes damage to the Company, the shareholders may file a lawsuit to claim damages against such director

on behalf of the Company in accordance with Section 85 of the Public Limited Companies Act B.E. 2535 (1992), as amended. If such failure results in the director or related persons obtaining undue benefits, the shareholders are entitled to bring an action on behalf of the Company to claim against such director to return the benefits in accordance with Section 89/18 of the Securities and Exchange Act B.E. 2535 (1992), as amended.

10. Opinion of the Audit Committee and/or the Director which is Different from the Board of Directors' Opinion

- None -

(F 53-4)

Capital Increase Report Form
King Wai Group (Thailand) Public Company Limited
14 November 2021

We, King Wai Group (Thailand) Public Company Limited (the "**Company**"), hereby report that the Board of Directors' Meeting No. 12/2021 (the "**Meeting**") held on 14 November 2021 has passed the significant resolutions of respect of the transfer of legal reserve to compensate for the accumulated loss, the reduction of the registered capital, the debt-to-equity conversion scheme, and the increase of the registered capital and related matters, related to the capital increase and the allocation of newly issued shares as follows:

1. Capital increase

The Board of Directors' Meeting No. 12/2021 held on 14 November 2021, resolved to propose that the Extraordinary General Meeting of Shareholders No. 1/2021 (the "**EGM**") consider and approve the increase of the Company's registered capital from THB 3,042,406,890.60 to THB 5,635,128,957.15 by issuing 1,122,390,505 newly issued ordinary shares with a par value of THB 2.31 per share, totaling THB 2,592,722,066.55. The capital increase is as detailed as follows:

Type of Capital Increase	Type of shares	Number of shares (not exceeding)	Par Value (THB/share)	Total (THB)
<input checked="" type="checkbox"/> Specific Use of Proceed	Ordinary	727,272,727	2.31	1,679,999,999.37
<input checked="" type="checkbox"/> General Mandate	Ordinary	395,117,778	2.31	912,722,067.18

2. Allotment of new shares:

2.1 Specific Use of Proceeds

Allocated to	Number of shares	Ratio (Existing: New)	Date and Time of subscription and share payment	Remark
Tommo (Thailand) Limited (" Tommo ")	Not exceeding 727,272,727	-	After obtaining an approval from the Office of the Securities and Exchange Commission (the " Office of the SEC ")	Please see remark below

Remarks

- The Board of Directors' Meeting No. 9/2021, held on 29 October 2021, then the Board of Directors' Meeting No. 12/2021 passed the significant resolutions to amend the foregoing resolutions of the Board of Directors Meeting No. 9/2021, regarding the transfer of legal reserve to compensate for the accumulated loss, the reduction of the registered capital, the debt-to-equity conversion scheme, and the increase of the registered capital and related matters. In this regard, the figures under the financial statement of the Company or the group of companies for the period ending on 30 September 2021 were used in the consideration of the transactions, and in proposing to the EGM consider and approve the allocation of up to 727,272,727 newly

issued ordinary shares with a par value of THB 2.31 per share at the offering price of THB 1.65 per share constituting an offering of newly issued ordinary shares to specific persons (Private Placement) under the debt to equity conversion scheme as detailed in **Enclosure 1** (the Debt to Equity Conversion Scheme of King Wai Group (Thailand) Public Company Limited)

2. The allocation of the PP New Shares for offering for sale by private placement to Tommo is considered a private placement of newly issued ordinary shares under Notification of the Capital Market Supervisory Board No. TorChor. 72/2558 re: Approval for Private Placement of Newly Issued Shares by a Listed Company, dated 28 October 2015 (as amended) (the "**PP Notification**"), and is also considered a connected transaction according to Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Connected Transaction Rules, dated 31 August 2008 (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclose of Information and Other Acts of Listed Companies Concerning the Connected Transaction, 2003, dated 19 November 2003 (as amended), as detailed in [Enclosure 2 \(Information Memorandum re: Offering of Newly Issued Ordinary Shares through a Private Placement and Connected Transaction of King Wai Group \(Thailand\) Public Company Limited\)](#).
3. The offering price of Baht 1.65 per share reflects the market price of the Company's shares traded on the Stock Exchange of Thailand (the "**SET**"), which is Baht 1.65 per share calculated according to the PP Notification i.e. calculation based on the weighted average price of shares in the Company that were traded on the SET from 25 October 2021 to 12 November 2021, which was a period of 15 consecutive business days before 14 November 2021 (the date on which the Board of Directors has passed the significant resolutions were passed to amend the foregoing resolutions of the Board of Directors Meeting No. 9/2021, regarding the transfer of legal reserve to compensate for the accumulated loss, the reduction of the registered capital, the debt-to-equity conversion scheme, and the increase of the registered capital and related matters. In this regard, the figures under the financial statement of the Company or the group of companies for the period ending on 30 September 2021 were used in the consideration of the transactions, and in proposing to the shareholders meeting to consider and approve the allocation of new ordinary shares).

The offering price of Baht 1.65 per share is an offer for sale of shares at a price lower than the registered par value of the Company's shares (Baht 2.31 each). In this regard, Section 52 of the Public Limited Companies Act B.E. 2535 (as amended) provides that if a company which has been in operation for not less than one year suffers a loss, it may offer its shares for sale at a price lower than the registered par value, provided that approval is granted at a shareholders meeting and the fixed discount rate must be definitely determined. The Company has carried out its operation for more than one year and suffered a loss.

4. The Meeting approved to propose to the shareholders meeting to consider the delegation of authority relevant to the allocation and offering for sale of the newly issued ordinary shares.

2.2 General Mandate

Allocated to	Type of shares	Number of shares	Percentage of paid-up capital	Remark
Existing Shareholders (Right Offering)	Ordinary	Not exceeding 395,117,778	Not exceeding 30.00 percent	Please see remark below

Remarks

1. The Company may either entirely or partially allocate the newly issued ordinary shares, whether in single or sequential allocation. In any case the aggregate number of newly issued ordinary shares to be allocated to the existing shareholders (Right Offering) shall not exceed 395,117,778 new ordinary shares, which is equivalent to 30 percent of the paid-up capital of the Company as of the date of the Meeting (or the date on which the Board of Directors resolved to propose to the shareholders meeting to consider and approve the allocation of shares under the General Mandate, in accordance with the Notification of the Board of Governors of the SET

re: Criteria, Conditions and Procedures for Disclosing Information and any Act in Relation to Capital Increase of Listed Company B.E. 2563 (2020).

2. The allocation of the new ordinary shares under the General Mandate must be made before the next annual general meeting of shareholders of the Company, or by the date the law requires that a listed company must hold the next annual general meeting of shareholders, whichever is earlier.
3. The Meeting approved to propose to the shareholders meeting to consider the delegation of authority relevant to the allocation of the newly issued ordinary shares under General Mandate.

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

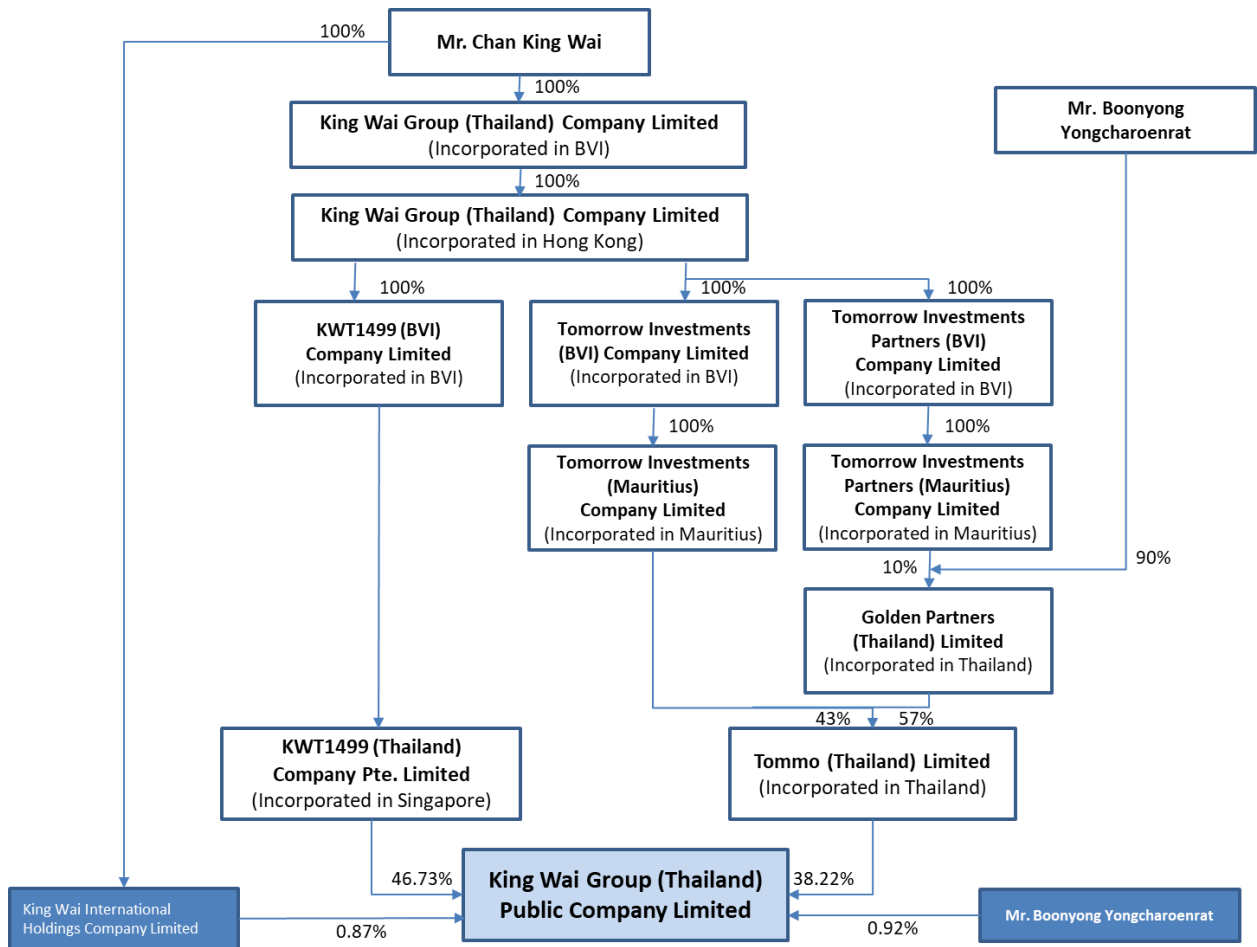
In case of any fraction of shares as a result of the allocation of the newly issued ordinary shares to the existing shareholders on a pro rata basis, such fraction shall be rounded down.

2.4 Details of the subscriber of the newly issued ordinary shares through Private Placement

2.4.1 Tommo

Person being offered with shares	Tommo (Thailand) Limited
Relationship with the Company	A major shareholder of the Company
Type of business	Activities of holding companies, of mostly investing in non-financial sectors
Company's registration No.	0105559070261
Company's registration date	3 May 2016
Registered capital (as of October 19, 2021)	THB 500,000
Registered Office	43 Thai CC Tower Bldg. 26 Fl. South Sathorn Rd. Yannawa, Sathorn, Bangkok 10120
Directors (as of as of October 19, 2021)	1) Mr. Boonyong Yongcharoenrat 2) Mr. Antonio Hang Tat Chan
Major shareholders (as of as of October 19, 2021)	1) Golden Partners (Thailand) Company Limited ("Golden") holds 57,000 shares, or equivalent to 57% of total issued shares of Golden 2) Tomorrow Investments (Mauritius) Company Limited ("TMR") holds 42,999 shares, or equivalent to 42.99% of total issued shares of TMR

Below is the shareholding structure of Tommo



Remark: data from the Company

In this regard, general information of Golden and TMR are as follows:

2.4.1.1 Golden

Company's name	Golden Partners (Thailand) Company Limited ("Golden")
Relationship with the company	Indirect shareholder of the Company holds 21.8% of total issued shares of the Company.
Type of business	Activities of holding companies, of mostly investing in non-financial sectors
Company's registration No.	0105559070245
Registered capital (as of October 19, 2021)	THB 500,000
Registered Office	43 Thai CC Tower Bldg. 26 Fl. South Sathorn Rd. Yannawa, Sathorn, Bangkok 10120
Directors (as of as of October 19, 2021)	1) Mr. Boonyong Yongcharoenrat 2) Mr. Antonio Hang Tat Chan
Ultimate shareholder (as of as of October 19, 2021)	1) Mr. Boonyong Yongcharoenrat holds 90% of total issued shares of Golden. 2) Mr. King Wai Chan holds 10% of total issued shares of Golden.

2.4.1.2 TMR

Company's name	Tomorrow Investments (Mauritius) Company Limited ("TMR")
Relationship with the company	Indirect shareholder of the Company holds 16.4% of total issued shares of the Company.
Type of business	Activities of holding companies, of mostly investing in non-financial sectors
Company's registration No.	137648 C1/GBL
Registered capital (as of October 19, 2021)	USD 1,000
Registered Office	10 th Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius
Directors (as of as of October 19, 2021)	1) Mr. King Wai Chan 2) Mr. Antonio Hang Tat Chan
Ultimate shareholder (as of as of October 19, 2021)	Mr. King Wai Chan holds 100% of total issued shares of TMR.

3 Schedule for the Extraordinary General Shareholders' Meeting to approve the capital increase and the share allocation

The Extraordinary General Meeting of Shareholders No.1/2021 is scheduled to be held on 8 December 2021 at 2.00 p.m. The record date to determine the shareholders who are entitled to attend the EGM is 15 November 2021 (Record Date).

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

- 1) The Company will complete the relevant amendment or change with the Department of Business Development under the Ministry of Commerce (the "MOC") such as the capital reduction, the increase in the registered capital and the amendment to the Memorandum of Association (MOA).

- 2) The Company is required to obtain an approval for the offering of newly issued ordinary shares through the private placement from Office of the SEC according to the PP Notification.
- 3) The Company will apply for an approval from the SET to accept the newly issued ordinary shares as securities listed and traded on the SET.

5 Objectives of the capital increase and use of proceeds

- 1) Issuance and offering of up to 727,272,727 newly issued ordinary shares with a par value of THB 1.65 per share at the offering price of THB 1.65 per share under the debt-to-equity conversion scheme for loan repayment which the Company borrowed from Tommo to use as working capital for the Company's business operations.
- 2) The increase of registered capital of the Company under the General Mandate will enhance the Company's operating capital by increasing working capital, liquidity and its potential for further business expansion in the future.

6 Benefits from the capital increase/share allocation to the Company

- 1) The issuance and offering of the newly issued ordinary shares to Tommo will increase the Company's shareholder's equity which will make the shareholders' equity become positive and resolve the "C" sign. [The Company will remain the listed company](#), while the economy is recovering from the widespread of Covid-19 as well as to repay the loan to Tommo to decrease debt and interest liabilities of the Company. In this regard, the offering newly issued ordinary shares through the Private Placement will shorten the period of time for the Company to raise fund as well as to increase a chance to success in the funds raising.
- 2) The allocation of the newly issued ordinary shares for capital increase of the Company under the General Mandate will increase the working capital for the business operations as well as financial liquidity of the Company and help enhance the capability for investment expansion, which will contribute to the Company's future growth.

7 Benefits from the capital increase/share allocation to the shareholders

7.2 Dividend policy

Dividend payment is subject to the Company's realised profit from its normal business during that year. It also takes into consideration the Company's future performance as well as the operating environment and the other provisions arising from new regulatory requirements including resolutions from the Board of Directors meeting and shareholders meeting.

7.3 Right to receive dividends

Subscribers to new ordinary shares are entitled to receive dividends from the Company's operating results if they are registered as shareholders of the Company. However, the Company is currently operating at a loss. As a result, the Company is unable to pay its dividends.

Additionally, such capital increase is consistent with the debt to equity conversion plan, reduces the company's total liabilities, and may result in a stronger capital structure and operating results, increasing the likelihood that the Company will be able to pay dividends to shareholders in the future when it earns a profit from operations.

7.4 Others

-None-

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

8.1 Price Dilution after the capital increase

There is no price dilution as the market price after the share offering is not lower than the market price before share offering.

For the offering of newly issued ordinary shares to existing shareholders (Right Offering), the price dilution will be depended on the offering price of newly issued ordinary shares which will be determined later and the Company will further disclose the impact on shareholders in accordance with the SET criteria.

8.2 Earnings per Share Dilution (EPS) after the capital increase

The effect on shareholders' earnings cannot be calculated because the Company had a net loss in the last four quarters.

8.3 Control Dilution after Share Offering through Private Placement

$$= 1 - \frac{\text{(Number of paid-up shares of the Company's ordinary shares)}}{\text{(Number of the Company's ordinary shares after the issuance of newly issued shares allotted to specific persons)}} \times 100$$

$$= 1 - \frac{1,317,059,260}{2,044,331,987} \times 100$$

= After the issuance of the newly issued ordinary shares to the private placement, the control dilution will be decreased by 35.58 percent.

9. Schedule of actions after the Board of Directors resolved to proposed that the extraordinary General Meeting of Shareholders 1/2021 consider and approve the capital increase/the share allocation

No.	Procedure	Date
1	The Board of Directors' Meeting No. 9/2021 had passed significant resolutions in relation to the change of the Company's name, the transfer of legal reserve to compensate for the accumulated loss, the reduction of the registered capital, the debt-to-equity conversion scheme, the increase of the registered capital and related matters, and the calling of a shareholders meeting.	29 October 2021

No.	Procedure	Date
2	The Board of Directors' Meeting No. 12/2021 has passed the significant resolutions were passed to amend the foregoing resolutions of the Board of Directors Meeting No. 9/2021, regarding the transfer of legal reserve to compensate for the accumulated loss, the reduction of the registered capital, the debt-to-equity conversion scheme, and the increase of the registered capital and related matters. In this regard, the figures under the financial statement of the Company or the group of companies for the period ending on 30 September 2021 were used in the consideration of the transactions, and in proposing to the shareholders meeting to consider and approve the transaction.	14 November 2021
3	The date for determining the names of shareholders entitled to attend the Extraordinary General Meeting of Shareholders (Record Date)	15 November 2021
4	The Extraordinary General Meeting of Shareholders No. 1/2021	8 December 2021
5	Registration with the MOC of the reduction of the Company's registered capital by cancelling the registered shares that cannot be sold or have not yet been sold; together with submission of application to the MOC of the reduction of the Company's registered and paid-up capital by lowering the par value of the Company's shares, and the amendment to clause 4 of the Company's Memorandum of Association	Within 14 days after the EGM
6	<ul style="list-style-type: none"> • Notify the known creditors in writing of the resolution on the capital reduction, specifying the two-month objection period; • Publish the notice of such resolution in a newspaper 	Within 14 days after the EGM
7	<ul style="list-style-type: none"> • Registration with the MOC of the reduction of the Company's registered and paid-up capital by lowering the par value of the Company's shares, and registration with the MOC of the increase of the Company's registered capital by issuing new ordinary shares • The Company seeks approval for the offering for sale the new ordinary shares to the specific investors under the private placement from the Office of the SEC 	After the creditors' objection period and no creditors objection, or the Company has paid its debts or given security for the debts
8	The Company offers for sale the new ordinary shares to the specific investors under the private placement	Soon after receiving approval from the Office of the SEC on the offering for sale of new ordinary shares

No.	Procedure	Date
9	Registration of the paid-up capital with the Ministry of Commerce	Within 14 days after the completion of the offering for sale of new ordinary shares

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

Yours sincerely,

King Wai Group (Thailand) Public Company Limited

Mr. Antonio Hang Tat Chan

Chief Executive Officer