

(F53-4)

Capital Increase Report Form
Cho Thavee Public Company Limited
 27 February 2025

We, Cho Thavee Public Company Limited ("**the Company**"), hereby report on the resolutions of Board of Directors meeting No. 3/2025 held on 27 February 2025 relating to the decrease of registered capital, change in a par value of shares, increase of registered capital, and allocation of newly issued share as follows:

1. The Capital Decrease, Change in a Par Value of Shares and the Capital Increase

1.1 Capital Decrease

The Board of Directors' Meeting of the Company had passed the resolution to propose the 2025 Annual General Meeting of Shareholders to consider and approve the decrease of the Company's registered capital at the amount of 5 Baht from the existing registered capital of 22,892,613,905 Baht to the new registered capital of 22,892,613,900 Baht by cancelling unissued ordinary shares at the amount of 1 shares, with a par value of 5.00 Baht per share, which are remaining ordinary shares allocated to accommodate the exercise of the conversion rights of convertible debentures issued and offered specific investors pursuant to the resolution of the Extraordinary General Meeting No. 1/2023 held on 9 November 2023 ("**EGM 1/2023**").

1.2 Change in a Par Value of Shares

The Board of Directors' Meeting of the Company had passed the resolution to propose the 2025 Annual General Meeting of Shareholders to consider and approve the change in a par value of the shares of the Company by combining shares from a par value of 5.00 Baht per share to a par value of 25.00 Baht per share, resulting in a decrease in the number of shares of the Company by 3,662,818,224 shares, from the existing amount at 4,578,522,780 shares with a par value of 5.00 Baht per share to 915,704,556 shares with a par value of 25.00 Baht per share. This change in the par value of shares of the Company will impact the number of shares held by each shareholder to decrease at a ratio of 5 existing ordinary shares to 1 new ordinary share

1.3 Capital Increase

The Board of Directors' Meeting of the Company had passed the resolution to propose the 2025 Annual General Meeting of Shareholders to consider and approve the increase of registered capital of the Company at the amount of 3,835,797,275 Baht from the existing registered capital of 22,892,613,900 Baht to the new registered capital of 26,728,411,175 Baht by issuing newly issued ordinary shares at the amount not exceeding 153,431,891 shares (Such number of newly issued shares is calculated based on the number of shares after the change in a par value, following the combining shares), with a par value of 25.00 Baht per share to additional accommodate the exercise of conversion right of convertible debentures issued and offered to specific investors pursuant to the resolution of the Extraordinary General Meeting of Shareholders No. 3/ 2024 held on 3 December 2024 (EGM 3/2024).

Details of the capital increase are as follows:

Type of Capital Increase	Type of Securities	Number of shares (Shares)	Par value (Baht per share)	Total (Baht)
<input checked="" type="checkbox"/> Specifying the purpose of utilizing funds	Ordinary Preferred	153,431,891 -	25.00 -	3,835,797,275 -
<input type="checkbox"/> General Mandate	Ordinary Preferred	- -	- -	- -

- Specifying the purpose of utilizing the capital: please fill in all of the following items except item No. 2.2
- General Mandate: please fill in only items No.2.2, No.3, and No.4

2. Allocation of Newly Issued Shares

2.1 Specifying the purpose of utilizing funds

Allocated To	Number of Shares	Ratio (Old: New)	Selling Price (Baht Per Share)	Subscription and payment period	Remark
To accommodate the exercise of conversion right of convertible debentures issued and offered to AOF VCC and AO Fund 1 pursuant to EGM 3/2567 ("Convertible Debenture No. 5")	Not exceeding 153,431,891 shares	The conversion ratio equals to the principal of convertible debentures intended to exercise divided by the conversion price.	Not lower than 90 percent of the market price (conversion price)	The Company will determine later, please consider the remarks below.	Please consider the remarks below

Remarks:

1. Advance Opportunities Fund 1 (**"AO Fund 1"**) is an open-ended fund established as the company limited in 2016 as an exempted company with limited liability in the Cayman Islands. AO Fund 1 is structured as a regulated mutual fund for the purposes of the mutual funds law of the Cayman Islands and registered with Cayman Islands Monetary Authority. As AO Fund 1 is a collective investment scheme which offers its participating shares to accredited investors in Singapore, AO Fund 1 is registered as a restricted foreign scheme with the Monetary Authority of Singapore (**"MAS"**).

As a restricted foreign scheme registered with MAS, the laws of Singapore require the investment funds of AO Fund 1 to be managed by a fund manager licensed and regulated by MAS. AO Fund 1 has appointed ZICO Asset Management (**"ZICOAM"**) to serve as the discretionary investment manager of all its investments. ZICOAM has been granted a capital markets services license by MAS to conduct fund management activities regulated under the Securities and Futures Act 2001 of Singapore.

Advance Opportunities Fund VCC is a variable capital company established in Singapore and is acting on behalf of and for the account of AOF Thailand Opportunities Fund (a sub-fund set up under Advance Opportunities Fund VCC (**"AOF VCC"**)). ZICOAM has been appointed by AOF VCC to serve as the discretionary investment manager of all investments.

The investment strategy of AOF VCC and AO Fund 1 is to provide funding to different companies to be used as working capital, for expansion, for merger, as stipulated in debt restructuring. In addition, AOF VCC is part of the Advance Opportunities Fund Group wherein its funds namely Advance Opportunities Fund and AO Fund 1 have invested in convertible debentures issued and sold by more than 13 companies listed on the Stock Exchange in Thailand since 2011. Each of AOF VCC and AO Fund 1 is an Institutional Investor pursuant to the Clause 5 (10) of the Notification of the Securities and Exchange Commission No. Kor.Jor. 39/2564 Re: Determination of Definitions of Institutional Investor, Ultra-high Net worth Investor and High Net worth Investor.

2. The Board of Directors' Meeting had passed the resolution to propose to the Extraordinary General Meeting of Shareholders No. 1/2025 to consider and approve the allocation of newly issued ordinary shares, whether once or several times, in the amount not exceeding 153,431,891 shares, with a par value of 25.00 Baht per share to accommodate the exercise of the conversion rights of convertible debentures issued and offered to specific investors namely Advance Opportunities Fund VCC (**"AOF VCC"**) and Advance Opportunities Fund 1 (**"AO Fund 1"**). This is an additional allocation from the allocation to accommodate the exercise of the conversion rights of convertible debentures issued and offered pursuant to the resolution of the Extraordinary General Meeting No. 3/2024 held on 3 December 2024 (**"EGM 3/2024"**) (**"Convertible Debentures No. 5"**). The remaining ordinary shares allocated to accommodate the exercise of conversion rights of the convertible debentures issued and offered pursuant to the resolution of the Extraordinary General Meeting of Shareholders No. 3/2024, totaling 87,413,957 shares with a par value of 25.00 Baht per share (the number of shares is calculated based on the number of shares after the change in par value through a share combining), as of the date of the Board of Directors' Meeting No. 3/2025, held on 27 February 2025.

The conversion price of the convertible debentures must not be lower than 90 percent of the market price whereas the market price is calculated based on the weighted average price of shares of the Company trading on the Stock Exchange of Thailand (SET) for not less than 7 consecutive business days, but not more than 15 consecutive business days prior to the day the convertible debenture holders exercise their conversion rights, in accordance with the Notification No. TorJor. 16/2565 Re: Application for and Approval of the Offering for Sale of Newly Issued Debt Instruments to a Private Placement and Offering of Convertible Debentures to Specific Person and the Notification of the Office of the Securities and Exchange Commission No. SorJor. 46/2565 Re: Calculation of Offering Price of Securities and Determination of Market Price for Consideration of an Offer for Sale of Newly Issued Shares at a Low Price pursuant the resolution of EGM 1/2023). Remarks: the market price is calculated by specifying 2 decimal

places. However, if the 3th decimal place is 5 or more, it will be rounded up. The conversion price of convertible debentures will be calculated by specifying 3 decimal places. If the 4th decimal place is 5 or more, it will be rounded up.

In this regard, the number of newly issued ordinary shares allocated to accommodate the convertible debentures pursuant to EGM 3/2024 at the amount of 240,845,848 shares combined with the total number of newly issued ordinary shares allocated to accommodate the exercise of all convertible securities of the Company (Such number of shares is calculated based on the number of shares after the change in par value through a share combining), namely (1) convertible debentures issued and offered to specific investors pursuant to EGM 1/2023 at the amount of 54,993,869 shares and (2) Warrants to purchase ordinary shares of the Company No. 4 (CHO-W4) at the amount of 55,694,924 shares which results in the total amount of 351,534,641 shares, representing 48.99 percent of the total number of sold shares of the Company as of the date of Board of Directors' meeting No. 3/2025 held on 27 February 2025, not exceeding 50 percent of the total number of sold shares of the Company.

In addition, because the Company has accumulated losses as shown in the statement of financial position and financial statement for the year as of 31 December 2024 reviewed by a certified public accountant, the Company may determine the conversion price of convertible debentures to be lower than the par value of the Company, however, such price shall not lower than 0.01 Baht per share. In this case, the Company shall comply with Section 52 of the Public Limited Company Act B.E. 2535 (Section 52 states that a public company which is at a loss but has been in operation for not less than 1 year may offer sale of shares with the value lower than the registered value, subject to approval of shareholders' meeting and such discount rate being clearly specified).

2.1.1 Company Procedures in the case of fractional shares

In the event that there are fractions of shares from the exercise of conversion rights of convertible debentures to ordinary shares, the Company will disregard the whole fraction of shares.

2.2 General Mandate

Allocated to	Type of Securities	Number of shares	Percentage of paid-up capital ^{1/}	Remarks
Existing Shareholders	Ordinary	-	-	-
	Preferred	-	-	-
To accommodate the conversion/exercise of the transferable warrants to purchase newly issued shares	Ordinary	-	-	-
	Preferred	-	-	-
Public Offering	Ordinary	-	-	-
	Preferred	-	-	-
Private Placement	Ordinary	-	-	-
	Preferred	-	-	-

^{1/} The percentage of the paid-up capital as of the date of the Board of Directors' Meeting resolved to increase the Company's capital increase by way of General Mandate.

3. Schedule for the Shareholders' Meeting to Approve the Capital Increase and Allocation of Newly Issued Shares

Schedule the 2025 Annual General Meeting of Shareholders to convene on 11 April 2025 at 14.00 hrs. via electronic meeting according to the Emergency Decree on Electronic Meetings B.E. 2563, Announcement of the Ministry of Digital Economy and Society on Security Standards of Meetings via Electronic Media B.E. 2563, whereby;

- ☐ The record date to determine the list of shareholders entitled to attend the shareholders' meeting shall be on 14 March 2025
- ☐ The share register shall be closed to suspend any share transfer for the right to attend the shareholders' meeting from.....until such meeting is adjourned.

4. Approval for capital increase/newly issued share allocation from relevant governmental agencies and conditions of such approval

- 4.1 The Company must obtain approval from the shareholders' meeting to proceed the decrease registered capital, change in a par value of shares, increase registered capital as well as approve other related matters;
- 4.2 The Company shall register the decrease of registered capital, change in a par value of shares, increase of registered capital as well as approve other related matters with the Department of Business Development, Ministry of Commerce;
- 4.3 The Company shall register the transfer restriction of convertible debentures issued and offered to no more than 10 specific investors within any 4-month period with the Securities and Exchange Commission; and
- 4.4 The Company will apply for permission from the Stock Exchange of Thailand to bring Newly issued ordinary shares issued to accommodate the exercise of conversion rights of convertible debentures issued and offered to specific investors pursuant to the resolution of EGM 3/2024 (according to Table 2.1) listed on the Stock Exchange of Thailand according to relevant regulations and rules.

5. Objectives of capital increase and plans for utilizing additional capital

Objectives and plans for the utilization of capital increase proceeds from the issuance and offering of newly issued convertible debenture to specific investors regarding to the resolution of the Extraordinary General Meeting No. 3/2024 held on 3 December 2024. The Company's objectives and plans for the use of such funds are as follows:

Expected sources of funds	Objective of utilizing proceeds	Estimated amount used (million Baht)	Period of utilization
The issuance and offering of newly issued convertible debentures to specific investors amount in not exceeding 915 million Baht (to be proposed for consideration and approval at the Extraordinary General Meeting of Shareholders No. 3/2024)	To be used as working capital and to enhance the Company's liquidity in business operations, strengthening and stabilizing the Company's financial position	366 million Baht	December 2024 – December 2026
	To settle the Company's debt	549 million Baht	December 2024 – December 2026
Total amount		915 million Baht	

However, the amount of funds and period of allocation can be adjusted in accordance to the circumstances of operation and appropriateness.

6. Benefits that the Company will receive from the capital increase/newly issued share allocation

The benefits that the Company will receive from the capital increase/newly issued share allocation regarding to the resolution of the Extraordinary General Meeting of Shareholders No. 3/2024 held on 3 December 2024.

- 6.1 The Company will have more liquidity from working capital receiving from the capital increase proceeds. This will help building financial strength to be used in business operations of the Company, by having enough money to operate and expand the Company's business in the future.
- 6.2 Prepare the Company to for business operations, by increasing the flexibility of the Company's capital structure and to have enough money to operate businesses now and in the future, including the expansion of the Company's business in the future, which will help Company to create a stable and sustainable income base in both the short and long term.
- 6.3 Help the Company to maintain its ability to meet its financial obligations, such as payment of various debts and interests, arising from normal business operations, thereby enhancing the ability to expand the additional investment which will result in the operation of the Company possess exponential growth in the future.

7. Benefits that the Shareholders will receive from the capital increase/ newly issued share allocation

The benefits that the Company will receive from the capital increase/newly issued share allocation regarding to the resolution of the Extraordinary General Meeting of Shareholders No. 3/2024 held on 3 December 2024.

- 7.1 Funds from this capital increase will strengthen the Company's financial structure, as well as to invest to expand the scope of business operation, which will enhance the Company's income and profits in the future. If the Company's operational results are better, the shareholders will receive benefits through receiving the Company's dividends according to the Company's dividend payment policy.
- 7.2 Convertible debenture holders who have exercised the conversion rights into ordinary shares of the Company will be entitled to receive dividends from the operations of the Company, right to attend shareholder meetings or other rights similar to the shareholders of the Company and their names will be appeared on the shareholder register book of the Company that has been registered with the Ministry of Commerce.
- 7.3 Company's Dividend Payment Policy

The Company has the policy to pay dividend each year at the rate of not less than 40 percent of the net profit deduction of all types of reserved fund as required in the Company's Articles of Association and as required by law. If unnecessary, the payment of such dividend shall not significantly affect the Company's normal business operation. Nevertheless, the dividend payment policy may be changed, depending on investment plan, necessity, and other suitable factors in the future.

8. Other details necessary for shareholders' decision making in the approval of the capital increase/newly issued share allocation

Dilution Effect

Since the Company has approved the issuance and allocation of newly issued ordinary shares and convertible debentures which are taken into consideration for the impact on shareholders (Dilution Effects) from the newly issued ordinary shares allocated to accommodate the exercise of the conversion rights of additional convertible debentures, amounting to 153,431,891 shares, the impact on the existing shareholders of the company can be summarized as follows

In the case where the full conversion rights of the convertible debentures are exercised, but there is no exercise of the warrants CHO-W4

- (1) Price Dilution can be calculated using the following formula

$$\text{Price Dilution} = (\text{Po} - \text{PE}) / \text{Po}$$

Where

Po = The existing share price, which is 0.20 Baht per share, based on the weighted average price of shares of the Company on the Stock Exchange of Thailand over the 15 consecutive trading days prior to the Board of Directors' Meeting held on 27 February 2025, to consider and approve the issuance of newly issued ordinary shares to accommodate the exercise of the conversion rights of convertible debentures to specific investors, from 5 February 2025 to 26 February 2025, The share price was adjusted after the par value was combined.

Pe = The conversion price of the convertible debentures, at 90% of the market price, is assumed to be Po, which is 0.18 Baht per share.

Qo = The number of existing shares, which is equal to 717,601,806 shares

Qe = The number of shares resulting from the conversion of convertible debentures, which the number of shares allocated to accommodate the conversion amounting to 153,431,891 shares

PE = The share price after the issuance of convertible debentures, where

$$PE = ((Po \times Qo) + (Pe \times Qe)) / (Qo + Qe)$$

Where

$$PE = ((0.20 \times 717,601,806) + (0.18 \times 153,431,891)) / (717,601,806 + 153,431,891)$$

$$PE = 0.1965 \text{ Baht per share}$$

$$\text{Price Dilution} = (Po - PE) / Po = (0.2000 - 0.1965) / 0.2000 = 1.76\%$$

(2) Control Dilution can be calculated using the following formula

$$\text{Control Dilution} = Qe / (Qo + Qe)$$

Where

Qo = The number of existing shares, which is equal to 717,601,806 shares

Qe = The number of shares resulting from the conversion of convertible debentures, which the number of shares allocated to accommodate the conversion amounting to 153,431,891 shares

$$\text{Control Dilution} = 153,431,891 / (717,601,806 + 153,431,891) = 17.62\%$$

In the case where the full conversion rights of the convertible debentures into ordinary shares of the Company are exercised, the Control Dilution for existing shareholders will be 17.62%

(3) Earnings Per Share Dilution or EPS. Dilution

The Company is unable to calculate the effect on profit sharing (Earning Per Share Dilution) due to the Company's operating deficit in 2024.

In the case where there is full exercise of conversion rights of the convertible debentures and full exercise of the warrants CHO-W4

(1) Price Dilution can be calculated using the following formula

$$\text{Price Dilution} = (P_o - P_E) / P_o$$

Where

P_o = The existing share price, which is 0.20 Baht per share, based on the weighted average price of shares of the Company on the Stock Exchange of Thailand over the 15 consecutive trading days prior to the Board of Directors' Meeting held on 27 February 2025, to consider and approve the issuance of newly issued shares to accommodate the exercise of the conversion rights of convertible debentures to specific investors, from 5 February 2025 to 26 February 2025, The share price was adjusted after the par value was combined.

P_e = The conversion price of the convertible debentures, at 90% of the market price, is assumed to be P_o , which is 0.18 Baht per share.

Q_o = The number of existing shares Including shares from the exercise of CHO-W4 rights, which is equal to 773,296,730 shares

Q_e = The number of shares resulting from the conversion of convertible debentures, which the number of shares allocated to accommodate the conversion amounting to 153,431,891 shares

P_E = The share price after the issuance of convertible debentures, where

$$P_E = ((P_o \times Q_o) + (P_e \times Q_e)) / (Q_o + Q_e)$$

Where

$$P_E = ((0.20 \times 773,296,730) + (0.18 \times 153,431,891)) / (773,296,730 + 153,431,891)$$

$$P_E = 0.1967 \text{ Baht per share}$$

$$\text{Price Dilution} = (P_o - P_E) / P_o = (0.2000 - 0.1967) / 0.2000 = 1.66 \%$$

(2) Control Dilution can be calculated using the following formula

$$\text{Control Dilution} = Q_e / (Q_o + Q_e)$$

Where

Q_o = The number of existing shares, which is equal to 773,296,730 shares

Q_e = The number of shares resulting from the conversion of convertible debentures, which the number of shares allocated to accommodate the conversion amounting to 153,431,891 shares

$$\text{Control Dilution} = 153,431,891 / (773,296,730 + 153,431,891) = 16.56 \%$$

In the case where the full conversion rights of the convertible debentures into ordinary shares of the Company are exercised, the Control Dilution for existing shareholders will be 16.56 %

(3) Earnings Per Share Dilution or EPS. Dilution

The Company is unable to calculate the effect on profit sharing (Earning Per Share Dilution) due to the Company's operating deficit in 2024.

Other details necessary for shareholders' decision making in the approval of the capital increase/newly issued share allocation regarding to the resolution of the Annual General Meeting of Shareholders 2025 held on 27 February 2025.

9. Time schedule of action in case the Board of Directors passes a resolution with the approval of the capital increase/newly issued share allocation

No.	Procedures of the Capital Increase	Date/Month/Year
1	Board of Directors' Meeting No. 3/2025	27 February 2025
2	Date to determine the list of shareholders entitled to attend the 2025 Annual General Meeting of Shareholders (Record Date)	14 March 2025
3	the 2025 Annual General Meeting of Shareholders	11 April 2025
4	Registration of the decrease of registered capital, change in a par value (by <u>combining share values</u> of the Company), increase of registered capital and amendment of the Memorandum of Association with the Department of Business Development, Ministry of Commerce	Within 14 days from the date of the Annual General Meeting of Shareholders 2025 approved
5	The due date for receiving payment for fractional shares resulting from the change in par value	Within 1 month from the date of registration of the change in par value with the Department of Business Development, Ministry of Commerce
6	Registration of the increase of paid- up capital with the Department of Business Development, Ministry of Commerce and the listing of newly issued shares as a listed securities on the Stock Exchange of Thailand	After the conversion of convertible debentures of the Company has been carried out.

The Company hereby certify that the information contained in this report form is correct and complete in all respects.

Cho Thavee Public Company Limited

(Mr. Suradech Taweesaengsakulthai)
Authorized Directors
President and Chief Executive Officer