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**Capital increase report form**  
**Singer Thailand Public Company Limited**  
**8 January 2019**

We, Singer Thailand Public Company Limited (**"The Company"**), hereby report the resolutions of the Board of Directors Meeting No.226, held on 8 January 2019 from 10.00-11.30 am., in respect of capital increase and share allotment as follows:

**1. Capital increase**

The Board of Directors Meeting has resolved to approve the capital increase in the amount of not exceeding Baht 432,000,000, by issuing ordinary shares not exceeding 432,000,000 shares with a par value of Baht 1.00 each, from Baht 270,000,000 to Baht 702,000,000. The details are as follows:

Type of capital increase	Type of share	Number of shares (shares)	Par value (THB/share)	Total (THB)
<input checked="" type="checkbox"/> Specifying the purpose of utilizing proceeds	Ordinary	432,000,000	1.00	432,000,000
	Preferred	-	-	-
<input type="checkbox"/> General mandate	Ordinary	-	-	-
	Preferred	-	-	-

**2. Allotment of new shares**

**2.1 Specifying the purpose of utilizing proceeds**

Allotted to	Number of shares (shares)	Ratio (old : new)	Offering price (THB/share)	Subscription and payment period	Remark
Existing shareholders - To reserve for share allotment to existing shareholders in proportion to their shareholding (Right Offering)	Not exceeding 216,000,000	5 existing shares : 4 new shares (or equal to 1.25 existing shares: 1 new share)	The offering price will have a discount, not lower than 10% but not higher than 20% of the market price	Remark 3	Remark 1-3

Existing shareholders -To reserve for exercising Warrants No.1 (SINGER-W1) which issued and offered to the existing shareholders who subscribed the new shares in proportion of their shareholding	Not exceeding 108,000,000	2 new ordinary shares : 1 unit of SINGER-W1	Free of charge	Remark 3	Remark 1-3
Existing shareholders -To reserve for exercising Warrants No.2 (SINGER-W2) which issued and offered to the existing shareholders who subscribed the new shares in proportion of their shareholding	Not exceeding 108,000,000	2 new ordinary shares : 1 unit of SINGER-W2	Free of charge	Remark 3	Remark 1-3
<b>Total</b>	<b>Not exceeding 432,000,000</b>				

**Remark:**

1. The Company shall issue and allocate newly issued ordinary shares not exceeding 432,000,000 shares in order to offer to the existing shareholders in proportion to their shareholding (Right Offering) and to reserve for the exercise of Warrants to purchase the Company's shares No. 1 ("SINGER-W1" or "Warrants") and Warrants to purchase the Company's shares No.2 ("SINGER-W2" or "Warrants") divided into:
  - (1) Allocation of not exceeding 216,000,000 shares with a par value of Baht 1.00 per share to the existing shareholders of the Company in proportion to their shareholding (Right Offering) at the ratio of 5 existing shares to 4 new shares. The offering price will have a discount not lower than 10% but not higher than 20% of the market price. In this regards, the Board of Directors or the Executive Committee and/or the person(s) entrusted by the Board of Directors or the Executive Committee shall be empowered to consider and determine the offering price later. The preliminary features of newly issued ordinary shares are shown in enclosure 4.
  - (2) Allocation of not exceeding 216,000,000 shares with a par value of Baht 1.00 per share to reserve for the exercise of SINGER-W1 in the amount of not exceeding 108,000,000 shares and SINGER-W2 in the amount of not exceeding 108,000,000 shares. These two warrants will be issued and offered to shareholders who subscribed newly issued ordinary shares and received the allocation of new ordinary shares offering to existing shareholders in proportion to their shareholding.

where

- 1.1 During the subscription period, the existing shareholders are entitled to subscribe the newly issued shares in excess of their proportionate entitlement (Excess Rights) at the same offering price. In this regard, the existing shareholders shall be allocated those shares subscribed in excess of their rights only if there are remaining shares after the allocation to all existing shareholders in proportion to their respective shareholdings. The offering of such remaining shares to each shareholder who submit their intention to subscribe ordinary shares in excess of their rights shall be allotted on a pro rata basis based on the shareholding of those existing shareholders who submit their intention to subscribe ordinary shares in excess of their rights. The process would be repeated until there are no remaining shares available or there is no shareholder intended to subscribe the new shares.
  - 1.2 In case the number of shares that the existing shareholders subscribe in excess of their rights are less than the number of shares remain from the proportionate allotment, the Company shall allot the remaining shares to the existing shareholders who subscribed for excess rights as specified in the subscription form and paid all fee of their excess rights.
  - 1.3 In case the number of shares that the existing shareholders subscribe in excess of their rights are greater than the number of shares remain from the proportionate allotment, the Company shall allot the remaining shares to each shareholder subscribe for excess rights on a pro rata basis which shall be based on the shareholding proportion. The process would be repeated until there are no remaining shares available. The Company will return the unallocated shares subscription payments to the shareholders without interest within 14 days from the subscription.
  - 1.4 If there are any shares remaining after the allocation as aforementioned, the Company shall further propose the Shareholders' Meeting to consider and approve the reduction of registered capital.
  - 1.5 The allotment of new shares to be subscribed in excess of rights mentioned above, shall not cause the excess rights subscribers to hold the Company's shares to reach or exceed the triggered point for Tender Offer, as prescribed in the Notification of the Capital Market Supervisory Board No. TorChor.12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers and in any manner that violates the restrictions on the holding of aliens as specified in the Company's Articles of Association which currently foreigners can hold no more than 49% of the total issued shares of the Company.
2. The Company shall issue Warrants to purchase the ordinary shares as follows:
- (1) Warrants to purchase ordinary shares of the Company No.1 ("SINGER-W1"), term of warrant 2 years, not exceeding 108,000,000 units in order to allocate to existing shareholders who subscribed newly issued ordinary shares and received the allocation of new ordinary shares offering to existing shareholders in proportion to their shareholding (Right Issue) and oversubscription (Excess Rights), in the ratio of 2 new shares: 1 unit of warrant, without charge, the exercise price equals to the weighted average market price 15 business days prior to the extraordinary shareholders' meeting No. 1/2019 plus an additional 20 percent. The preliminary features of SINGER-W1 are shown in enclosure 2.

- (2) Warrants to purchase ordinary shares of the Company No.2 ("SINGER-W2"), term of warrant 4 years, not exceeding 108,000,000 units in order to allocate to existing shareholders who subscribed newly issued ordinary shares and received the allocation of new ordinary shares offering to existing shareholders in proportion to their shareholding (Right Issue) and oversubscription (Excess Rights), in the ratio of 2 new shares: 1 unit of warrant, without charge, the exercise price equals to Baht 14.00. The preliminary features of SINGER-W2 are shown in enclosure 3.

where

- 2.1 Any fraction of remaining Warrants shall be disregarded, in case, there are remaining Warrants from allocation, the Company will further proceed to cancel those Warrants.
- 2.2 The shareholders who intend to subscribe new shares at their excess rights, they are entitled to receive Warrants according to the allocation of newly issued shares in excess of their rights.
3. The Board of Directors or the Executive Committee or the person(s) entrusted by the Board of Directors or the Executive Committee shall be empowered
- 3.1 To consider and determine the details with regards to the issuance of newly issued ordinary shares which including but not limited to the date fixed to determine the names of shareholders who entitle to subscribe for new ordinary shares (Record Date), subscription period, offering price, Warrant issuance date, First and last exercise date, exercise of warrant to purchase ordinary share, conditions necessary and relevant to the allocation and offering.
- 3.2 To correct words or texts in any related document such as minutes of meeting, memorandum, application form and/or take any action to comply with the Registrar request for the Company's capital register to the Department of Business Development, Ministry of Commerce
- 3.3 To execute the application and necessary supporting documents relevant to the issuance and allotment of the Right Offering shares and Warrants, including to contact and file such application and documents to the authorities or government agencies concerning the new share issuance and the listing of the new shares on the Stock Exchange of Thailand.
- 3.4 To take any other action which are deemed necessary and appropriate to the issuance and allotment of the Right Offering shares together with warrants.

## **2.2 The Company's plan in case where there is a fraction of shares remaining**

If there is a fraction of the newly issued ordinary shares resulting from the calculation pursuant to the allocation ratio described above (or from the allocation in excess of their rights), the Company shall disregard such fraction wholly.

### **3. Schedule for a shareholders' meeting to approve the capital increase/allotment**

The Extraordinary General Meeting of Shareholders No.1/2019 is scheduled to be held on 27 February 2019, 10.00 am., at CAT Telecom Tower, 30th floor, 72 Charoen Krung Road, Bangrak, Bangkok

<b>The Extraordinary General Meeting of Shareholders No. 1/2019</b>	
The date fixed to determine the names of shareholders who entitle to attend the Extraordinary General Shareholders' Meeting No.1/2019 (Record Date)	24 January 2019
The Extraordinary General Meeting of Shareholders No.1/2019	27 February 2019

### **4. The Progress/Approval of the capital increase/share allotment by relevant governmental agency and conditions thereto (if any)**

The Company shall register the capital increase and paid-up capital with Business Development Department, Ministry of Commerce, amend the Memorandum of Association of the Company with respect to the registered capital, and also apply for approval from the Stock Exchange of Thailand to accept its newly issued ordinary shares as listed securities for trading on the Stock Exchange of Thailand.

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

The proceeds from the offering will be used in the Company's and/or the subsidiaries business as follows:

- (1) To be used as a working capital in the Company's and/or the subsidiaries business and repay debt  
Estimated amount of 1,000 -1,200 Million Baht, the proceeds will be used within Q4/2019
- (2) To be used for expansion of the secured retail loan, and commercial loan  
Estimated amount of 300 Million Baht per year, the proceeds will be used during 2019 -2021
- (3) To be used for expansion of the personal loan, and car registration loan  
Estimated amount of 500 Million Baht per year, the proceeds will be used during 2019 -2021

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

This capital increase will strengthen the Company's financial structure, prepare the Company in terms of capital and financial liquidity in order to support further business expansion which will bring benefits and profits to the Company and/or the subsidiaries and create more value to the shareholders in the long term.

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

### **7.1 Dividend policy**

The dividend policy of the Company is to pay not more than 60 percent of the annual consolidated Net Profit after tax and after allocating for required legal and other reserves in any year. However, such dividend payments will also depend upon the current economic and business environment, the actual amount of Net Profits, after tax as well as future investment plans.

7.2 Subscribers of new shares issued for this capital increase will be entitled to receive dividends from the Company's business operations starting from the date that shareholders' name appear on the share registration book.

7.3 Warrant holders will be entitled to receive dividends once those holders exercise their Warrants to purchase the ordinary shares of the Company and the holder's names appear to be Company's shareholders with Department of Business Development, Ministry of Commerce.

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

-None-

## **9. Schedule of action if the board of directors passes a resolution approving the capital increase or allotment of new shares**

<b>Procedures of the capital increase</b>	<b>Date</b>
1. The Board of Directors' Meeting No.226 to approve the issuance and allocation of new shares	8 January 2019
2. The date fixed to determine the names of shareholders who entitle to attend the Extraordinary General Shareholders' Meeting No. 1/2019 (Record Date)	24 January 2019
3. The Extraordinary General Meeting of Shareholders No. 1/2019	27 February 2019
4. The date fixed to determine the names of shareholders who entitle to be subscribed the newly issued shares (Record Date)	To be determined after the EGM approved the capital increase
5. Subscription and payment period	To be determined after the EGM approved the capital increase
6. Registration of paid-up capital increase with the Ministry of Commerce	Within 14 days after the shareholders meeting approved the capital increase

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



(Mr. Kittipong Kanokvilairat)  
Chief Executive Officer



(Mrs. Nonglak Laksanapokin)  
Director

