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**CAPITAL INCREASE REPORT FORM**  
**CHAYO GROUP PUBLIC COMPANY LIMITED**

**March 11, 2025**

We, Chayo Group Public Company Limited (the “**Company**”), the office located at No. 44/543-544, Phahonyothin Road, Anusawari Sub-district, Bang Khen District, Bangkok, hereby report the resolutions of the Board of Directors’ Meeting No. 2/2025 held on March 11, 2025 from 10:00 a.m. in relation to the increase of the registered capital and the allocation of the newly issued ordinary shares as follows:

**1. Capital Increase**

The Board of Directors’ Meeting No. 2/2025 resolved to approve the increase of the Company’s registered capital by Baht 141,990,386 from the existing registered capital of Baht 625,454,962.50 to Baht 767,445,348.50 by issuing 283,980,772 newly issued ordinary shares with a par value of Baht 0.50 per share. Details of the capital increase are as follows:

Type of Capital Increase	Type of Shares	Number of Shares (Shares)	Par Value (Baht per Share)	Total (Baht)
<input checked="" type="checkbox"/> Specific purpose of utilizing the proceeds	Ordinary shares	170,261,744	0.50	85,130,872
<input checked="" type="checkbox"/> General mandate	Ordinary shares	113,719,028	0.50	56,859,514

**2. Allocation of the newly issued shares (Specific purpose of utilizing the proceeds)**

2.1 Details of the allocation

Allocated to	Number of Shares (Not exceeding)	Ratio (Existing: New)	Sale Price (Baht per Share)	Date and Time of Subscription and Share Payment	Remark
(1) The Company’s Existing Shareholders to accommodate the common stock dividend payment	31,272,566 shares	Allocation Ratio: 40 existing ordinary shares to 1 newly issued ordinary share	-	-	Please see Remark No. 1.1

Allocated to	Number of Shares (Not exceeding)	Ratio (Existing: New)	Sale Price (Baht per Share)	Date and Time of Subscription and Share Payment	Remark
(2) To accommodate the exercise of right under warrants to purchase the newly issued ordinary shares of Chayo Group Public Company Limited No.4 (CHAYO-W4) (the “ <b>CHAYO-W4 Warrants</b> ” or “ <b>Warrants</b> ”)	138,989,178 shares	<u>Allocation Ratio:</u> 9 newly issued ordinary shares to 1 unit of the Warrants <u>Exercise Ratio:</u> 1 unit of the Warrants to 1 newly issued ordinary share	<u>Exercise Price:</u> 2.50	The exercise of the rights to purchase the newly issued ordinary shares of the Company under the CHAYO-W4 Warrants shall be in accordance with the conditions on the exercise of the Warrants as stipulated in the Terms and Conditions Governing the Rights and Obligations of the Issuer and Holders of the Warrants to Purchase the Newly Issued Ordinary Shares of Chayo Group Public Company Limited No. 4 (CHAYO-W4) (the “ <b>Terms and Conditions</b> ”)	Please see Remark No. 1.2

## 2.2 General Mandate

Allocation to	Security Type	Number of Shares (Up to)	% of Paid-up Capital	Remarks
Existing Shareholders (RO)	Ordinary Shares	113,719,028 shares	10.00%	See remarks (RO and PP combined shall not exceed 10% of the paid-up capital)

Allocation to	Security Type	Number of Shares (Up to)	% of Paid-up Capital	Remarks
Private Placement (PP)	Ordinary Shares	113,719,028 shares	10.00%	See remarks (RO and PP combined shall not exceed 10% of the paid-up capital)

**Remark:**

1. The Board of Directors' Meeting No. 2/2025 held on March 11, 2025 approved to propose to the 2025 Annual General Meeting of Shareholders to consider and approve the increase of the Company's registered capital by Baht 141,990,386 from the existing registered capital of Baht 625,454,962.50 to Baht 767,445,348.50 by issuing and offering 283,980,772 newly issued ordinary shares with a par value of Baht 0.50 per share and the allocation of such newly issued ordinary shares, the details of which are as follows:

- 1.1 The allocation of not exceeding 31,272,566 newly issued ordinary shares with a par value of Baht 0.50 per share to accommodate stock dividend payment at the rate of 40 existing ordinary share per 1 ordinary share. Where the shareholder has share fraction derived from the allocation of stock dividend, the Company will pay such shareholder for the fraction in cash at the rate of THB 0.0125000 per share.

In this regard, the Company has set the date of May 6, 2025 as the date for determining the shareholders' right to receive the dividend (Record Date) and May 22, 2025 as the dividend payment date.

- 1.2 The allocation of not exceeding 138,989,178 newly issued ordinary shares with a par value of Baht 0.50 per share to accommodate the exercise of right under the CHAYO-W4 Warrants allocated to the existing shareholders of the Company on a pro rata basis to their respective shareholdings, at no cost, at an allocation ratio of 9 existing shares to 1 units of the CHAYO-W4 Warrants (any fractions derived from the calculation based on the allocation ratio shall be rounded down). The term of CHAYO-W4 Warrants shall be 2 years from the issuance date. The exercise ratio is 1 unit of the CHAYO-W4 Warrants to 1 ordinary shares at the exercise price of Baht 2.50 per share. A summary of the key features of the CHAYO-W4 Warrants is as set out in the Key Features of Warrants to Purchase the Newly Issued Ordinary Shares of Chayo Group Public Company Limited No.4 (CHAYO-W4) (Enclosure 1). In this regard, the Company has set the date of May 6, 2025 (Record date) as the date for determining the shareholders' right to be allocated CHAYO-W4 Warrants.
- 1.3 The allocation of not exceeding 113,719,028 newly issued ordinary shares with a par value of Baht 0.50 per share to accommodate the company's capital increase under the General Mandate. The details of the allocation of the newly issued ordinary shares are as follows:
  - Not exceed 113,719,028 shares (or equal to 10 percent of the Company' current paid-up capital to accommodate the capital increase through the General Mandate, calculated based on the paid-up registered capital of 568,595,136 baht) and allotment to existing shareholders and/or Private Placement (Total shall not exceed 10% of the company's paid-up capital.)

Including delegating authority to the Board of Directors has the power to carry out various activities to allocate new ordinary shares of the company as previously approved has the authority to determine and change rules, conditions, and other detail.  
Regarding the allocation of additional common shares under a General Mandate.

**In this regard, the increase of the registered capital is subjected to the approval from the 2025 Annual General Meeting of Shareholders which will be held on April 23, 2025.**

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

- 2.1 In the event that there is a fraction derived from the allocation of stock dividend, the Company will pay for the fraction in cash at the rate of THB 0.0125000 per share.
- 2.2 In the event that there is an adjustment to the exercise ratio upon the occurrence of event pursuant to the conditions concerning the right adjustment as stipulated in the Terms and Conditions resulting in a fraction of shares that will be allocated under the CHAYO-W4 Warrants, such fraction of shares shall be disregarded.
- 2.3 In the event that there is a fraction of shares derived from the calculation under the CHAYO-W4 Warrants's exercise ratio, such fraction of shares shall be disregarded.

3. **Schedule of the shareholders' meeting to approve the capital increase and the allocation of the newly issued shares**

The Company determined the date of the 2025 Annual General Meeting of Shareholders on April 23, 2025 at 10:00 a.m. through the Electronic Media (e-Meeting) and the date for determining the names of shareholders entitled to attend the 2025 Annual General Meeting of Shareholders (Record Date) on March 26, 2025.

4. **Application for approval of the capital increase/allocation of newly issued shares by the relevant governmental agencies and approval conditions**

- 4.1 The Company will register the increase of the registered capital and the amendment of the Memorandum of Association with the Department of Business Development, the Ministry of Commerce, within 14 days after the date on which the shareholders' meeting has approved the capital increase and the Company will register the amendment of the paid-up capital with the Department of Business Development, the Ministry of Commerce, within 14 days after the date on which the Company allocate the newly issued ordinary shares or the Company receives the entire share payment (as the case may be).
- 4.2 The Company will apply for approval from the Market for Alternative Investment ("SET") for listing the newly issued ordinary shares of the Company as follows:
  - 4.2.1 The newly issued ordinary shares allocated to the existing shareholders of the Company on a pro rata basis (as set out in table No. 2.1 (1));
  - 4.2.2 The warrants to purchase the newly issued ordinary shares of Chayo Group Public Company Limited No. 4 (CHAYO-W4) issued to the existing shareholders of the Company (Right Offering) (as set out in table No. 2.1 (2)); and
  - 4.2.3 The newly issued ordinary shares of the Company from the exercise of right under the CHAYO-W4 Warrants.
  - 4.2.4 The newly issued ordinary shares under the General Mandate allocated to existing shareholders and/or specific investors (as per Table 2.2).

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

5.1 The Company will issue and allocate the newly issued ordinary shares at the amount not exceeding 31,272,566 shares with a par value of Baht 0.50 per share to accommodate the common stock dividend payment in return to the shareholders of the Company.

5.2 The Company will issue and allocate the CHAYO-W4 Warrants at the amount not exceeding 138,989,178 units in order to enhance financial flexibility for future investment including an investment in purchasing and managing non-performing loan (NPL).

In addition, the Company intends to reward its shareholders, thus the Company will issue and allocate these warrants to the existing shareholders of the Company. Therefore, the shareholders receiving the CHAYO-W4 Warrants may exercise their rights to purchase the newly issued ordinary shares of the Company under the exercise terms or receive benefits as the holder of CHAYO-W4 warrants trading in the SET.

In this regard, the issuance of the CHAYO-W4 Warrants will cause the Company receiving fund in the amount of approximately THB 347.47 Million, provided that every warrant holder exercises their rights to purchase the newly issued ordinary shares of the Company.

5.3 The company will issue and allocate up to 113,719,028 newly issued ordinary shares under the General Mandate, with a par value of 0.50 baht per share, to be used as working capital for business operations and/or to support future investment expansion and/or for other purposes as deemed appropriate by the Board of Directors or the Executive Committee.

**6. Benefits which the Company will receive from the capital increase/allocation of newly issued shares**

6.1 Benefits which the Company will receive from the capital increase to accommodate the common stock dividend payment

- (a) to increase liquidity of the Company's shares;
- (b) to maintain liquidity of working capital of the Company;
- (c) to reward to the shareholders of the Company.

6.2 Benefits which the Company will receive from the capital increase to accommodate the exercise of the CHAYO-W4 Warrants

When the warrants holders exercise their rights under the CHAYO-W4 Warrants, the proceeds received from such exercise will strengthen the Company's financial position, enhance financial liquidity for future investment projects, and will be reserved as the working capital of the Company which will benefit to the Company's business in the future.

**7. Benefits which the shareholders will receive from the capital increase/allocation of newly issued shares**

7.1 Dividend policy

The Company has the dividend payment policy at the rate of not less than 40 percent of the net profit according to the Company's separate financial statements after deduction of corporate income tax and legal reserve as required by laws. In this regard, the dividend payment rate can be adjusted depending on the Company's investment plan, conditions and obligations under loan agreement or other related agreements (if any), financial position, operating results, and other related factors in relation to the Company. The Board of Directors may review and revise the dividend policy from time to time to be in accordance with business-growth plan of the group company in the future, working capital needed and other factors as they deem appropriate. However, the dividend payment shall not exceed the retained earnings in the Company's separate financial statements and shall be complied with the related laws.

## 7.2 Rights to Receive Dividend

The Company's shareholders who receive the stock dividend will be entitled to receive dividends from the Company's business operation after having been recorded as shareholders of the Company and the holders of the CHAYO-W4 Warrants will be entitled to receive dividends from the Company's business operation after having exercised their rights under the CHAYO-W4 Warrants to subscribe for the newly issued ordinary shares of the Company and having been recorded as shareholders of the Company.

- 7.3 The capital increase under the General Mandate will enhance the company's flexibility and efficiency in raising funds when additional capital is needed. It ensures the company has readily available financial resources for timely investments or business expansion. Additionally, it strengthens liquidity and improves the company's financial structure, making it more robust and stable. This, in turn, benefits the company and contributes to long-term returns for shareholders.

## 8. Other details necessary for shareholders' consideration and approval of the capital increase/allocation of newly issued shares

- 8.1 The issuance of newly issued shares to accommodate the stock dividend is the allocation to the existing shareholders of the Company on a pro rata basis to their respective shareholdings. Therefore, the calculation of effect to Price Dilution and to Control Dilution will not be required.

- 8.2 In the event that the CHAYO-W4 Warrants is fully exercised but the exerciser is not a shareholder of the Company. There might be the following effects to the shareholders of the Company:

### 8.2.1 Control dilution

In the event that the CHAYO-W4 Warrants are fully exercised but the warrant holders who exercise the Warrants are not the shareholders of the Company, the shareholding of the existing shareholders of the Company will be diluted by 10.89\* percent, compared to the shareholding before the issuance and allocation of the Warrants.

### Control Dilution

- = The number of shares reserved to accommodate the exercise of the Warrants / (the number of paid-up shares + the number of shares reserved to accommodate the exercise of the Warrants+ the number of stock dividend allocated this time)
- =  $138,989,178 / (1,137,190,272 + 138,989,178)$
- = Approximately of 10.89percent

### 8.2.2 Price Dilution

After the issuance and allocation of the CHAYO-W4 Warrants to the existing shareholders on a pro rata basis to their respective shareholdings (Rights Offering) and such warrant holders fully exercise their rights under the Warrants, the price per share will not be diluted since the exercise price after the allocation is higher than the market price prior to the allocation

Where the market price prior to the allocation is the volume-weighted average price of the Company's ordinary shares traded on the SET for 7 consecutive business days prior to March 11, 2025 which is the date that the Board of Directors' Meeting has been held and resolved to propose the agenda to the 2025 Annual General Meeting of Shareholders (price between February 28 – March 10, 2025, which is equivalent to THB 2.27 per share)

### 8.2.3 Earnings per Share Dilution

In the event that the CHAYO-W4 Warrants are fully exercised but the warrant holders who exercise the Warrants are not the shareholders of the Company, earnings per share will be diluted by 10.63\* percent, compared to the shareholding before the issuance and allocation of the Warrants, calculated by the following formula.

Earning per share dilution = (Pre-allocation earnings per share\* – Post-allocation earnings

= (0.206 – 0.184) / 0.206

= 10.63 percent

\*Pre-allocation earning per shares = Net profit / (Number of paid-up shares + Number of stock dividend allocated this time)

\*\*Post- allocation earning per shares = Net profit / ((Number of paid-up shares + Number of stock dividend allocated this time) + Number of shares reserved to accommodate the exercise of the Warrants))

\*\*\* The net profit calculated from the past 4 quarters amounts to THB 241,153,388.

## 9. **Schedule of actions in case the Board of Directors passes a resolution to approve the capital increase/allocation of newly issued shares:**

No.	Actions	Date/Month/Year
1.	The Board of Directors' Meeting No. 2/2025	March 11, 2025
2.	The date for determining the names of shareholders entitled to attend the 2025 Annual General Meeting of Shareholders (Record Date)	March 26, 2025

No.	Actions	Date/Month/Year
3.	The 2025 Annual General Meeting of Shareholders	April 23, 2025
4.	Registration of capital increase and the amendment of the Memorandum of Association of the Company with the Department of the Business Development, the Ministry of Commerce	Within 14 days from the date of the shareholders' meeting's resolution
5.	The date for determining the names of shareholders entitled to receive cash dividend, stock dividend (Record Date)	May 6, 2025
6.	Dividend payment date (both cash and common stock dividend)	Within May 22, 2025
7.	The date for determining the names of shareholders entitled to receive CHAYO-W4 Warrants (Record Date)	May 6, 2025
8.	Allocation of the CHAYO-W4 Warrants	May 15, 2025
9.	Registration of paid-up capital with the Department of the Business Development, the Ministry of Commerce	Within 14 days from the date on which the share payment is received in full
10.	Listing the newly issued ordinary shares of the Company on the SET	Will be informed accordingly
11.	Listing the CHAYO-W4 Warrants on the SET	Will be informed accordingly

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

Sincerely yours,

*-Signature-*

(Mr. Suksan Yasasin)

Director

*-Signature-*

(Mr. Kittit Tungswong)

Director