

Capital Increase Report Form
Wow Factor Public Company Limited
16 December 2022

We, Wow Factor Public Company Limited (the “**Company**”), hereby report on the resolutions of the Board of Directors’ Meeting No. 6/2022, held on 16 December 2022 in respect of the registered capital reduction and registered capital increase and the allotment of the newly issued ordinary shares as follows:

1. Capital Increase

The Board of Directors’ Meeting passed a resolution to propose the Extraordinary General Meeting No.1/2023 to consider approving the increase of the Company’s registered capital of THB 445,000,000 from the current registered capital of THB 1,139,498,713 to the new registered capital of THB 1,584,498,713 by issuing 445,000,000 new ordinary shares with a par value of THB 1.00 per share to offer to specific persons by way of private placement. In addition, the Meeting also resolved to propose to the shareholders’ meeting to consider and approve the amendment to Clause 4. of the Memorandum of Association to be in line with the capital increase in the following manner:

Capital Increase	Type of Shares	Amount of Shares (shares)	Par Value (THB per share)	Total (THB)
<input checked="" type="radio"/> Specific Purpose of Use of Proceeds	Ordinary Shares Preferred Shares	445,000,000	1.00	445,000,000
<input type="radio"/> (General Mandate)	Ordinary Shares Preferred Shares			

2. Allocation of New Shares

2.1 Specific Purpose of Use of Proceeds

Allocation to	Amount of Shares (shares)	Ratio (Old : New)	Offering Price (THB per share)	Remark
1. Mr. Sarayuth Leedumrongprasert	100,000,000	-	1.74	Please see remarks below.
2. Mr. Nattapong Seetavorarat	100,000,000	-	1.74	
3. Mr. Boon-Aue Chitthanom	80,000,000	-	1.74	
4. Mr. Kittipong Ploysuk	25,000,000	-	1.74	
5. Miss Kanokrat Wongpraphairot	20,000,000	-	1.74	
6. Mr. Apisit Honglawan	20,000,000	-	1.74	
7. Mr. Sarayut Rueangsuwan	20,000,000	-	1.74	
8. Mr. Chayandorn Pholprasit	20,000,000	-	1.74	
9. Mrs. Nawaporn Rattanachaikanon	15,000,000	-	1.74	
10. Mrs. Piyada Jirapojaporn	15,000,000	-	1.74	
11. Mr. Teera kittijirakul	10,000,000	-	1.74	
12. Miss Chatchalai Weerasakumpai	10,000,000	-	1.74	
13. Mr. Patipol Prawangsuk	10,000,000	-	1.74	
Total	445,000,000 shares			

Remark

1. The Board of Directors' Meeting passed a resolution to propose the Extraordinary General Meeting of Shareholders No.1/2023 to consider approving the allotment of the newly issued ordinary shares of the Company of not exceeding 445,000,000 shares with a par value of THB 1.00 per share by way of private placement to 13 persons (collectively referred to as the "Investors"). Such Investors are not connected persons of the Company according to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions (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 B.E. 2546 (2003) (as amended).

The issuance of new ordinary shares is an offering where the Board of Directors' Meeting of the Company passed a resolution to clearly specify the offering price and propose to the shareholders' meeting to determine the offering price at THB 1.74 per share with the total value of not exceeding THB 774,300,000, which is not considered an offering of new shares at a price lower than 90 percent of the market price pursuant to the requirements of the Capital Market Supervisory Board No. TorJor. 72/2558 Re: Approval for Listed Companies to Offer Newly Issued Shares through Private Placement dated 28 October 2015 (as amended) (the "Notification No. TorJor. 72/2558"). The "market price" is calculated based on the weighted average price of the Company's shares traded on the SET over a period of 15 consecutive business days prior to the date on which the Board of Directors' Meeting passes a resolution to propose the offering of new ordinary shares to the Investors to the shareholders' meeting for approval, which is a period between 24 November 2022 and 15 December 2022. The market price is THB 1.93 per share (Source: SETSMART from www.setsmart.com).
2. As the offering price of new ordinary shares issued and offered to the Investors is not lower than 90 percent of the market price as aforementioned, it is not considered a reason to adjust the right as stipulated in the Terms and Conditions Governing the Rights and Obligations of the Warrant Issuer and Warrant Holders of the Warrant of the Company ("Terms and Conditions of the Warrant"). Therefore, the Company is not obliged to adjust the exercise price and/or the exercise ratio of the Warrant of the Company.
3. If the offering price of the newly issued ordinary shares offered by way of private placement is lower than 90 percent of the market price prior to the date on which the SET accepts such newly issued ordinary shares as listed securities, the Company is obliged to prohibit the Investors from selling all of such newly issued ordinary shares within one year from the date on which the Company's newly issued ordinary shares are first traded on the SET (Silent Period). Upon a lapse of six months after the first trade date of the Company's newly issued ordinary shares, the Investors may gradually sell up to 25 percent of all locked-up shares in accordance with the requirements set out in the Notification of the Stock Exchange of Thailand Re: Rules, Conditions, and Procedures for Consideration of Application for Listing of Ordinary Shares or Preferred Shares for Capital Increase as Listed Securities B.E. 2558 (2015) dated 11 May 2015 (as amended).
4. The allotment of the shares as detailed above must not result in each of 13 Investors holding shares in the Company in the number that reaches or passes the trigger point requiring such Investors to make a tender offer as required under the Notification of the Capital Market Supervisory Board TorJor. 12/2554 re: Rules, Conditions, and Procedures for the Acquisition of Securities for Business Takeovers, or in violation of the foreign shareholding restriction as specified in the Articles of Association of the Company, which allows, foreigners to hold shares in the Company of not exceeding 49 percent of the

total sold shares of the Company. After this capital increase, no investor will be appointed as a director or executive of the company, and there are no conditions or agreements in place for this capital increase with the investors.

5. The Board of Directors' Meeting resolved to propose to the shareholders' meeting to consider and approve to authorize the Executive Committee, Chief Executive Officer or Acting Chief Executive Officer or any other persons who are authorized by the Executive Committee, Chief Executive Officer, or Acting Chief Executive Officer to have the power to take all action associated with the issuance, offering, allotment and subscription of the new ordinary shares, including the following:
 - (a) Determine and/or amend, adjust any details necessary for and relating to the allotment of the newly issued ordinary shares of the Company as deemed appropriate to extent that it is not contrary to or inconsistent with the relevant notifications, regulations, rules, and laws, as well as having the power to determine and amend the period of subscription and offering of the newly issued ordinary shares, and the payment method. The allotment and subscription period may be scheduled for one time or multiple times.
 - (b) Make contact, negotiate, execute, sign and amend any agreements, requests for approval, waiver requests, notices, and evidence necessary and relevant to the allotment of the Company's newly issued ordinary shares, including but not limited to the Shares Subscription Agreement, registration applications to be submitted to the Ministry of Commerce, communication and submission of such requests for approval, waiver requests, notices, documents and evidence to the Securities and Exchange Commission (the "SEC Office") , SET, or any government agencies or agencies involved in the amendment or change of the request or the wording of the documents as well as listing the newly issued ordinary shares as listed securities on the SET and
 - (c) Take any necessary and relevant actions to ensure the successful allotment of the Company's newly issued ordinary shares, including the selection of investors in the private placement and the appointment and assignment of other suitable persons to act as sub-appointees to take the above actions.
6. In addition, the Notification No. TorJor. 72/2558 provides that the Company shall complete the offering within the period as approved by the shareholders' meeting but not exceeding 3 months from the date on which the shareholders' meeting passes a resolution to approve the offering of newly issued shares, or complete the offering within 12 months from the date on which the shareholders' meeting passes a resolution to approve the offering of newly issued shares in the event where it is clearly specified by the resolution of the shareholders' meeting that after such 3-month period has ended, the Board of Directors or the person authorized by the Board of Directors shall determine the offering price based on the market price during the offering period.
7. The issuance of such newly issued ordinary shares must be approved by the shareholders' meeting of the Company and must also be approved by the Office of the SEC as prescribed in the Notification TorJor.72/2558 prior to the offering and allocation of the newly issued ordinary shares of the Company.

2.2 The Company's arrangements with any fraction of shares

As the Board of Directors' Meeting resolved to approve the allocation of shares to the Private Placement in full amount, therefore, there will be no case of having fractions of shares.

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

The Extraordinary General Meeting of Shareholders No.1/2023 is scheduled to be held on 17 February 2023 at 10.00 a.m. at through electronic media (E-EGM)

The share register shall be closed to suspend any share transfer for the right to attend the Shareholders' Meeting from..... until the Shareholders' Meeting is adjourned.

The record date to determine the list of shareholders entitled to attend the Shareholders' Meeting shall be 19 January 2023 (Record date)

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

4.1 The capital increase must be approved by not less than three-fourths of all votes of the shareholders present at the meeting and entitled to vote.

4.2 The Company shall obtain approval for the offering of the newly issued ordinary shares by way of private placement from the Office of the Securities and Exchange Commission as required in the Notification No. TorJor. 72/2558 prior to the offering the newly issued ordinary shares.

4.3 The Company shall register the registered capital decrease and capital increase and the change of its paid-up capital and the amendment of the Memorandum of Association with the Department of Business Development, Ministry of Commerce.

4.4 The Company shall apply for approval from the SET for listing of the newly issued ordinary shares as listed securities on the SET.

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

Objectives and Plan for Use of Proceeds	Amount	Timeframe
1. To repay the Company's existing debts that are used to fund its operations in the past including repayment of debts that may arise from	Approximately THB 610 million (Total debt from short term loans from third	Quarter 1 and 2 of 2023

Objectives and Plan for Use of Proceeds	Amount	Timeframe
<p>operations until the capital increase through private placement is successful.</p> <ul style="list-style-type: none"> ● Outstanding debt – short term loan from third party of THB 403 Million ● Potential debt from the operation from quarter 4/2022 and quarter 1/2022 in the estimate amount of THB 207 Million 	<p>parties THB 403 million, interest rate 6 - 15%, repayment period 31 December 2022 - 30 June 2023) (Reduction in debt as a result of the Company paying back some of the Due Debt from Working Capital of the Company and money obtained through the Sale of Shares of Domino Asia Pacific Co., Ltd.)</p>	
<p>2. To finance the Company's working capital</p>	<p>The remaining amount from the repayment of the Company existing debt</p>	<p>Year 2023</p>

Remark

1. In this regard, the use of such funds may be subject to change depending on the Company's current cash and liquid assets, operating results, cash flows, business plans, investment plans, other necessities and appropriateness. The Board is deemed appropriate taking into account the benefits for the Company and shareholders.
2. In this regard, after the completion of the capital increase and offering the newly issued ordinary shares to the private placement, the Company will receive the capital in the amount of THB 774,300,000 in which the Company expects such capital will be enough to repay the Company's existing debts arising from the past business

operation in order to reduce the interest rate, and the adjust of the financial ratio of the Company.

3. Details of the objectives for issuing new ordinary shares and plans for the use of funds can consider more in the Information memorandum on the allotment of newly issued ordinary shares in Wow Factor Public Company Limited through private placement (Enclosure 2)

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

- 6.1 The Company can raise funds within a short period time and reduce the investment burden of the existing shareholders in the capital increase. However, the existing shareholders will benefit from the capital that Company receives from raising funds to pay off the Company's debt to reduce the interest burden of the Company, business expansion in future including use of working capital to enhance liquidity. The Company can proceed with the offering of shares to the private placement immediately after the Company approved by the Extraordinary General Meeting of Shareholders No. 1/2023.
- 6.2 An increase in capital will improve the Company's source of funds. This will also strengthen the capital structure and the financial position of the Company to be stronger as well as increase operational efficiency in the Company's existing business.
- 6.3 According to the company's financial statements ending 30 September 2022, the Company has shareholders' equity of THB 370.77 million from the paid-up capital of THB 813.91 million or representing 45.55 percent of the paid-up capital of the Company, which is less than 50 percent of the Company's total paid-up capital as a result, the SET Post a C (Caution) sign on the Company's securities. This capital increase may aid in the resolution of the problem.
- 6.4 When compared to capital increase by way of public offering (Public Offering) which takes quite a long duration to prepare and must obtain permission from the relevant authorities. The Company cannot manage time accurately. The issuance and offering of newly issued ordinary shares to the existing shareholders in proportion to their respective shareholdings (Rights Offering) has limitations on the uncertainty of the amount of capital received. In addition, the Board of Directors considered that the issuance and offering of newly issued ordinary shares of the Company to a specific person (Private Placement) to a person with potential in finance have a stable financial position and is ready to pay the capital increase is an appropriate fund raising approach and consistent to the objectives of this capital increase, which will enable the Company to receive the required amount of funds in a short period to reduce the risk of funding that may arise from the current volatile economy.

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

7.1 The issuance of newly issued ordinary shares will increase the Company's working capital for use in business operations for paying off the Company's debt and expand the Company's investment, resulting in the Company's liquidity and strong financial position, as well as the ability to generate more income in the future.

7.2 Dividend Policy of the Company

The Company has a policy to pay dividends to the shareholders at the rate not less than 50 percent of net profit after deducting corporate income taxes excluding gain or loss from exchange rate that have not occurred yet. However, this depends on the investment plan and other relevant factors which the Board of Directors may consider reviewing or amend the dividend payment policy from time to time in order to meet the company's future business growth plans, investment needs and other factors as deemed appropriate. In this regard, such dividend payment will not exceed the retained earnings shown in the Company's financial statements.

7.3 After 13 Private Placement Investors have been allocated the newly issued ordinary shares and have been registered as shareholders of the Company, 13 Private Placement Investors will be entitled to receive the dividends when the Company declares dividends in the same manner as the Company's existing shareholders.

8. Other Details Necessity for the Shareholders' Decision on Approval of the Capital Increase/New Share Allocation

Please refer to the detail regarding the capital increase in the Information memorandum on the allotment of newly issued ordinary shares in Wow Factor Public Company Limited through private placement (Enclosure 2).

9. Schedule of action where the Board of Directors of the Company passes a resolution approving the capital increase or allotment of new shares

No.	Procedures	Date/Month/Year
1	The Board of Directors' Meeting No. 6/2022	16 December 2022

No.	Procedures	Date/Month/Year
2	Report the resolution of the Board of Directors' Meeting No. 6/2022	19 December 2022
3	Record Date to determine the list of shareholders entitled to attend the Extraordinary General Meeting of Shareholders No.1/2023	19 January 2023
4	Date of The Extraordinary General Meeting of Shareholders No.1/2023	17 February 2023
5	Registration of the registered capital increase with the Ministry of Commerce	Within 14 days from the date of the resolution of the Shareholders' Meeting
6	Offering for newly issued ordinary shares to a private placement	Within 3 months from the date of approval from the shareholders' meeting / within 12 months from the date on which the shareholders' meeting resolves to approve the offering of shares. In the event that the shareholders clearly resolve after the expiration of the 3 month period. The Board of Directors or the person assigned by the Board of Directors shall determine the offering price according to the market price during the offering period.
7	Registration of the change of the paid-up capital with the Ministry of Commerce	Within 14 days from the date the Company received payment for newly issued ordinary shares
8	Filing an application form to accept the newly issued ordinary shares issued and offered to the private placement (Private Placement) as listed securities on the Stock Exchange of Thailand.	Within 30 days the closing date of the offering of newly issued ordinary shares

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

Signed

-signed-

(Miss Saowanee Khaoubol)

Director / Deputy Chief Executive Officer and Acting Chief

Executive Officer

-Company's seal affixed-

Signed

-signed-

(Mr. TANAWAT UEASIRIPAN)

Director / Vice-President