

(F 53-4)

CAPITAL INCREASE REPORT FORM
WOW FACTOR PUBLIC COMPANY LIMITED

25 February 2022

We, Wow Factor Public Company Limited (the "Company"), hereby report the resolutions of the Board of Directors' Meeting No. 2/2022, held on 25 February 2022, regarding the capital increase and allocation of the newly issued ordinary shares as follows:

1. Capital Decrease and Capital Increase

The Board of Directors' Meeting has passed a resolution to propose to the 2022 Annual General Meeting of the Shareholders to approve the following matters:

- 1.1. To consider and approve the decrease of the Company's registered capital in the amount of THB 5,060,983 of the current registered capital of THB 1,144,559,696 to be THB 1,139,498,713 by cancelling ordinary shares of the Company, which had not been sold in the number of 5,060,983 shares at the par value of THB 1 per share;
- 1.2. To consider and approve the increase of the Company's registered capital in the amount of THB 180,869,643 from the current registered capital of THB 1,139,498,713 to be THB 1,320,368,356 by issuing newly ordinary share in the amount not exceeding 180,869,643 shares with the par value of THB 1 per share for issuance and allocation of the newly ordinary shares to the existing shareholders of the Company on a pro rata basis (Right Offering).

Details of the capital increase are as follow:

Type of Capital Increase	Type of Shares	Amount of Shares (Shares)	Par Value (THB per share)	Total (THB)
<input checked="" type="checkbox"/> Specific the purpose of utilizing the proceeds	Ordinary Shares	180,869,643	1	180,869,643
	Preferred Shares	-	-	-
<input type="checkbox"/> General Mandate	Ordinary Shares	-	-	-
	Preferred Shares	-	-	-

2. Allocation of Newly Issued Shares

2.1 Specific the purpose of utilizing the proceeds

Allocated to	Amount of Shares (Shares)	Ratio (Existing : New)	Offering Price (THB per share)	Date and Time of Share Subscription	Remark
The Existing Shareholders of the Company on Right Offering basis	the amount not exceeding 180,869,643	9 : 2	3.30	1 - 20 June 2022 (9.00-17.00 hrs.) (Except Saturdays and Sundays)	Pease refer to remarks

Remark:

- The Board of Directors' Meeting resolved to propose the Annual General Meeting of Shareholders to consider and approve the reduction of the Company's register capital in the amount of THB 5,060,983 from current registered capital of THB 1,144,559,696 to be THB 1,139,498,713 by canceling 5,060,983 authorized but unissued ordinary shares at the par value of THB 1 per share, and the amendment of the Company's Memorandum of Association Clause 4 (Registered Capital)
- The Board of Directors' Meeting resolved to propose the Annual General Meeting of Shareholders to consider and approve the increase of the Company's registered capital in the amount of THB 180,869,643 from the current registered capital of THB 1,139,498,713 to be THB 1,320,368,356 by issuing newly ordinary share in the amount not exceeding 180,869,643 shares with the par value of THB 1 per share, and the amendment of the Company's Memorandum of Association Clause 4 (Registered Capital)
- The Board of Directors' Meeting resolved to propose the Annual General Meeting of Shareholders to consider and approve the allocation of the Company's newly issued ordinary shares, in the amount not exceeding 180,869,643 shares with a par value of THB 1 per share to the existing shareholders of the Company in proportion to their shareholdings (Right Offering) at the offering price of THB 3.30 per share by an offer to sell in the ratio of 9 existing shares to 2 new shares, any fractions thereof shall be disregarded.

The Company has determined the offering price of such newly issued ordinary shares allocated to the Company's existing shareholders in proportion to their shareholding (Rights Offering) compared against the market price of the shares; the value of the offering price is lower than approximately 13.67 percent of the weighted average price of the ordinary shares

of the Company on the SET for the past period of not less than 15 consecutive business days prior to the date which the directors resolved a resolution to propose to the 2022 Annual General Meeting of the Shareholders, for approval of issuance and allocation of the Company's newly issued ordinary shares to the Company's existing shareholders in proportion to their shareholding (Rights Offering), which is period between 3 February 2022, to 24 February 2022, is equal to THB 3.822 per share (Source: SETSMART from www.setsmart.com).

Furthermore, the Board of Directors' meeting resolved to proposed the 2022 Annual General Meeting of the Shareholders to approve the Board of Directors and/or Chief Executive Officer and/or the person authorized by the Board of Directors and/or Chief Executive Officer to determine rules, conditions, and other details necessary for and in connection with the issuance and allocation of the newly ordinary shares as necessary and appropriate under the applicable laws, including but not limited to the determination of the date for the offering of newly issued ordinary shares and methods of payment of shares, where shareholders may oversubscribe for the newly issued ordinary shares (Oversubscription), provided that the existing shareholders who oversubscribe for such shares shall be allocated with shares for which they have oversubscribed only when there are any shares remaining from the full allocation thereof to the Company's existing shareholder who have subscribed for such shares, at the same subscription price for such shares, and any fraction thereof shall be disregarded.

The allocation of such shares shall proceed as follows:

1. Should there be any shares remaining from the first round of allocation be way of right offering, and the number of which is more than or equal to the number of shares oversubscribed by the existing shareholders, such remaining shares shall be allocated to all oversubscribers who have made payments therefore in full according to the number of their intended oversubscription.
2. Should there be any shares remaining from the first of allocation by way of offering and the number of which is less than the number of shares oversubscribed by the existing shareholders, such remaining shares shall be allocated to the oversubscribers in accordance with the following procedures:
 - 2.1 The allocation shall be based on the existing shareholding percentages of the respective oversubscribers be multiplying the existing shareholding

percentages by the number of remaining shares to arrive at the number of shares to be allocated to the respective oversubscribers, and any fraction thereof shall be disregarded, provided that the number of allocated shares shall not exceed the number of shares subscribed and paid by the respective shareholders; and

2.2 Should there still be any shares remaining after the allocation under No. 2.1, such remaining shares shall be allocated to the respective oversubscribers who have not yet received the allocation of shares in full according to their existing shareholding percentages, by multiplying the existing shareholding percentages by the number of remaining shares to arrive at the number of shares to be allocated to the respective oversubscribers and any fraction thereof shall be disregarded, provided that the number of allocated shares shall not exceed the number of shares subscribed and paid for by the respective shareholders. The allocation of shares to the oversubscribers under the procedure in this 2.2 shall proceed until there shall be no more shares left to be allocated.

Under no circumstances shall the allocation of the oversubscribed shares as herein above describe shall result in any oversubscribing shareholder's holding of the Company's shares to be increase up to or beyond the trigger point which will require the shareholder to make a tender offer as prescribed in the Notification of the Capital Market Supervisory Board No.TorJor. 12/2554 Re: Rules, Condition and Procedures for the Acquisition of Securities for Business Takeovers and in violation of the foreign limit as specified in the Company's Articles of Association. At present, the foreign shareholding ratio shall not exceed 49 percent of the total issued shares of the Company.

Furthermore, should there be any new ordinary shares remaining from the allocation of shares by way of right offering and oversubscription (Oversubscription), the Company shall proceed to reduce capital by canceling the new shares remaining from the offering accordingly.

The right to subscribe newly issued ordinary shares is still uncertain until approved by the Annual General Meeting of Shareholders for the year 2022.

3. Determination of the date for convening the shareholders' meeting to approve the increase of registered capital and allocation of newly issued shares

The date of the 2022 Annual General Meeting of Shareholders shall be convened on 25 April 2022, at 10.00 AM, the Company's head office meeting room via E-AGM and the date of listing the shareholders who are entitled to attend the 2022 Annual General Meeting of the Shareholders (Record Date) is on Friday 18 March 2022.

4. An application for a capital increase/allocation of shares to the relevant government agencies and conditions for applying for permission (if any)

- 4.1 Shareholders' meeting of the Company resolved to approve this capital reduction and capital increase with a vote of not less than three-fourth of the voted of the shareholders who attend the meeting and have the right to vote.
- 4.2 Allocation of newly issued shares to existing shareholders in proportion to their shareholding must be approved by the shareholders' meeting with a majority vote of the shareholders attending the meeting and casting their votes.
- 4.3 The Company shall register the decrease registered capital, the increase registered capital and amendment of the Memorandum of Association as well as the paid-up capital of the Company with the Department of Business Development, Ministry of Commerce.
- 4.4 The Company must apply for permission from SET in order to list the newly issued ordinary shares of the Company as the listed securities on SET.

5. Purpose of Capital Increase and plan for utilizing the proceeds received from the capital increase

The Company will issue and allocate newly ordinary shares, in the amount not exceeding 180,869,643 shares with a par value of THB 1 per share to the existing shareholders of the Company with specific purpose of utilizing the proceeds, i.e. to enhance its financial strengths, increase financial flexibility in proceeding with its future projects thereof as follows:

Plan for utilizing the proceeds	Approximate Amount (THB Million)
1. To settle the Company's loans	Not exceeding 300
2. To utilize as source of fund to support main business, additional business, related business and/or others investment	Not exceeding 50
3. To utilize as the working capital in business operation	Remaining balance

The above plan for utilizing the proceeds is subject to change the budget depending on necessities as the Board may deem appropriate for the best interests of the Company and its shareholders.

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

The Company shall utilize the proceeds received from the capital increase for loan payment and/or working capital in business operation and/or expansion on the investment of the Company in order to complete with other entrepreneur in the industry which cause the Company to gain higher proceeds and better performance and the shareholders to receive a long-term turnover.

7. Benefit which the shareholders will receive from capital increase/share allocation

7.1 The Company has a policy to pay the dividend not less than 50 percent of the net profit in the financial statements after corporate income tax, excluding unrealized foreign exchange gains and losses, subject to investment plan and other relevant factors. The Board of Directors may from time to time consider reviewing or amend the dividend payment policy in order to comply with the future business growth plan of the Company, requirement of the investment and other factors as deemed appropriate. Such dividend payment shall not exceed an accumulated in the financial statements of the Company.

7.2 The subscribers of the newly issued ordinary shares are entitled to receive dividends from the Company's business operation after registering the subscribers as a shareholder of the Company and the Company announce to pay the dividend, subject to laws and relevant regulation.

7.3 The capital increase will make the company's shares have better liquidity. As a result, it can attract more general investors to invest in the Company.

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

8.1 Control Dilution

In the case that all shareholders subscribe for the entire amount of newly issued ordinary shares, the existing shareholders' voting rights will not be affected except in the case where the existing shareholders do not exercise their rights to subscribe for the entire amount the newly issued ordinary shares proportionately but there are shareholders who subscribe for the newly issued ordinary shares in excess of the entitlement for offering newly issued shares. And there are no shares that have not been subscribe remaining at the end of offering time.

Existing shareholders' voting rights will be reduced by 18.18 percent. Formula for calculation is as follows:

$$\begin{aligned} \text{Control Dilution} &= \frac{\text{Number of shares offered for RO}}{\text{Number of paid-up shares} + \text{Number of shares offered for RO}} \\ \text{Control Dilution} &= \frac{180,869,643}{(813,913,390 + 180,869,643)} \\ &= 18.18 \text{ percent} \end{aligned}$$

8.2 Price Dilution

$$\begin{aligned} &= \frac{\text{Market price before offering} - \text{Market price after Offering}}{\text{Market price before offering}} \\ &= \frac{3.82 - 3.73}{3.82} \\ &= 2.36 \text{ Percent} \end{aligned}$$

8.3 Earnings per Share Dilution

There are no Earning per Share Dilution since the Company has a net loss from operation. Hence, the earning per share dilution will depend on the operating results at the time of the Company's issuance and offering of newly issued shares to the existing shareholders by way of the rights offering, which is expected to occur during the 2nd quarter of 2022, whereby the earnings per share dilution needs to copy on the most recent operating results at that time in the calculation.

Timeline in the case where the Board of Directors resolved to approve the increase of capital / allocation of the newly issued ordinary shares

No.	Activities	Date Month Year
1.	Board of Directors' Meeting No. 2/2565	25 February 2022
2.	Record Date for determining the name of shareholders who are entitled to attend the Annual General Meeting of Shareholders for the year 2022	18 March 2022
3.	The Annual General Meeting of Shareholders for the year 2022	25 April 2022
4.	Record Date for determining the list of shareholders who have the right to subscribe for newly issued shares in proportion to their shareholding (Right Offering)	5 May 2022
5.	Registered the decrease and increase of registered capital with Ministry of Commerce	Within 14 days from the date in which the shareholders pass the resolution
6.	Subscription period for the issuance and offering of shares to the existing shareholders in proportion to their shareholding. (Right Offering)	1 - 20 June 2022 (9.00-17.00 hrs.) (Except Saturday and Sunday)

No.	Activities	Date Month Year
7.	Register the amendment of paid-up capital with Ministry of Commerce	Within 14 days from the date in which the Company received the payment for newly issued ordinary shares

Remark: The aforementioned timeline may be amended pursuant to the preparation and permission from the related government authorities.

The Company hereby certifies that the information in this report is correct and complete in all respect.

Signature.....

(Mr. Sirutt Ratapaitoon)

Director/Chief Executive Officer

Signature.....

(Ms. Vimol Hanpanishkitkarn)

Director/Chief Financial Officer