

(F53-4)

Report Form for Capital Increase
PROEN Corp Public Company Limited
May 9, 2024

PROEN Corp Public Company Limited (“Company”), hereby report the resolution of the Board of Directors’ meeting No. 3/2024, dated May 9, 2024, at 14.00 relating to the capital increase and allotment of capital increase shares as follows:

1. Capital increase:

The Board of Directors has passed a resolution to propose for consideration and approval at the Extraordinary General Meeting of Shareholders No. 1/2024, the increase of the company's registered capital by 259,739,070.50 THB from the previously registered capital of 173,159,380.50 THB to total registered capital of 432,898,451.00 THB, through the issuance of ordinary shares not exceeding 519,478,141 shares with a par value of 0.50 baht per share. This is intended for offer to existing shareholders in proportion to their shareholding (Right Offering), not exceeding 346,318,761 shares, and to accommodate the exercise of rights under warrants to be allocated to existing shareholders who have reserved and received the allocation of additional ordinary shares offered to existing shareholders in proportion to their shareholding, not exceeding 173,159,380 shares. This constitutes a capital increase as follows:

Type of capital increase	Type of securities	Number of shares	Par value (THB/share)	Total (THB million)
<input checked="" type="checkbox"/> Specifying the purpose of utilizing the capital	Ordinary shares	Not exceeding 519,478,141	0.50	259,739,070.50
	Preferred shares	-	-	-
<input type="checkbox"/> General Mandate	Ordinary shares	-	-	-
	Preferred shares	-	-	-

2. Allotment of capital increase shares:

2.1 Specifying the purpose of utilizing capital.

Allotted to	Number of shares	Ratio (old : new)	Selling price (THB/share)	Subscription and payment period	Remark
Existing shareholders of the company in proportion to their	Not exceeding 346,318,761	1:1	1.00	June 8-12, 2024	Please consider the footnote below.

shareholding (Right Offering).					
To accommodate the exercise of rights under the second round of warrants to subscribe for ordinary shares of the company ("PROEN-W2 warrants"), to be allocated to existing shareholders of the company in proportion to their shareholding (Rights Offering).	Not exceeding 173,159,380	4:1	0.00	Notification will be provided subsequently.	Please consider the footnote below.
Total	Not exceeding 519,478,141				

Remark: At the Board Meeting No. 3/2024 held on May 9, 2024 was resolved to propose for consideration and approval at the Extraordinary General Meeting of Shareholders No. 1/2024, scheduled for June 12, 2024 the increase of the company's registered capital by 259,739,070.50 baht from the previously registered capital of 173,159,380.50 baht to total registered capital of 432,898,451.00 baht, through the issuance of ordinary shares totaling 519,478,141 shares with a par value of 0.50 baht per share. The details of the allocation of additional ordinary shares of capital are as follows:

1. Allocate additional ordinary shares not exceeding 346,318,761 shares, with a par value of 0.50 baht per share, for offering to the existing shareholders of the company in proportion to their respective shareholdings (Rights Offering), at a subscription price of 1.00 baht per share. If there are fractional shares resulting from the calculation based on the proportion of shares held by each shareholder, they shall be disregarded. The Record Date for shareholders entitled to receive the allocation and offer of additional ordinary shares of capital is set as June 19, 2024. However, the determination of rights to subscribe for shares and receive the allocation of additional capital shares remains uncertain until approval is obtained at the shareholders' meeting.

In the allocation of additional ordinary shares of capital to existing shareholders of the company in this Rights Offering, if there are remaining ordinary shares after the allocation to existing shareholders in proportion to their shareholding is completed in the first round, the company will allocate the remaining ordinary shares to existing shareholders who wish to subscribe for more than their proportionate rights at the same price as the shares allocated under the rights, with details as follows:

- (a) If there are remaining shares after the allocation to existing shareholders of the company in proportion to their shareholding (Rights Offering) in the first round is equal to or greater than the

shares that existing shareholders have subscribed for more than their proportionate rights, the company will allocate the remaining shares to those who have subscribed for more than their rights and have paid for all the subscribed shares above their rights, according to the number of shares each has committed to subscribe for more than their rights.

- (b) If there are remaining shares after the allocation to existing shareholders of the company in proportion to their shareholding (Rights Offering) in the first round is less than the shares that existing shareholders have subscribed for more than their proportionate rights, the company will allocate the remaining shares to those who have subscribed for more than their rights over the rights, according to the following steps:

(1) Allocation will be made according to the proportion of shares held by each oversubscribe by multiplying the proportion of shares held by each oversubscribe by the remaining number of shares. This will determine the number of shares each oversubscribe is entitled to receive in the event of any fractional shares, they shall be disregarded. The number of shares to be allocated shall not exceed the number of shares each shareholder has subscribed for and paid for.

(2) If there are remaining shares after allocation according to (b)(1), the remaining shares shall be allocated to oversubscribes who have not been fully allocated shares according to their proportionate shareholding. This will be determined by multiplying the proportion of shares held by each oversubscribe by the remaining number of shares. This will determine the number of shares each oversubscribe is entitled to receive in the event of any fractional shares, they shall be disregarded. The number of shares to be allocated shall not exceed the number of shares each shareholder has subscribed for and paid for. The allocation shall continue until there are no remaining shares after allocation.

In addition, the allocation of shares to existing shareholders of the company who have oversubscribed must not result in any shareholder (including individuals specified under Section 258 of the Securities and Exchange Act B.E. 2535 (as amended), collectively referred to as the shareholders) holding shares of the company in the following manner:

(a) In a manner that increases their holdings to or beyond the threshold requiring a Tender Offer as specified in the Securities and Exchange Commission's Announcement No. 12/2011 regarding the criteria, conditions, and procedures for holding securities to take control of operations (including any amendments) ("Announcement No. 12/2011"), unless the aforementioned shareholders have been exempted from making a Tender Offer for all securities of the company as specified in Announcement No. 12/2011; or

(b) In a manner that violates the foreign ownership restrictions specified in the company's articles of association.

Furthermore, if there are remaining ordinary shares from the allocation to existing shareholders of the company under the Rights Offering and the allocation to shareholders who have oversubscribed, the resolution

allows for the reduction of the company's registered capital by canceling the remaining portion of the additional ordinary shares offered for sale.

Additionally, approval is granted to propose to the shareholders' meeting to authorize the Board of Directors and/or the Management Committee and/or the Chief Executive Officer and/or any other persons appointed by the Board of Directors and/or the Management Committee and/or the Chief Executive Officer to undertake the following actions.

- (a) Specify the details of the allocation of additional ordinary shares for sale to existing shareholders of the company in proportion to their shareholding.
 - (b) Determine or amend the method of allocating additional ordinary shares, such as allocating in one or multiple tranches, the offer rate, the Record Date for shareholders entitled to receive the allocation, the date and time of booking and payment, the duration of the offer, the offer price, the payment method, and other details regarding the allocation and offer.
 - (c) Sign any application forms, requests for exemptions, letters of representation, or any relevant documents related to the allocation of additional ordinary shares, including communication and submission of documents to officials or representatives of relevant authorities, as well as the registration of the company's additional ordinary shares as registered securities on the Market for Alternative Investment – MAI.
 - (d) Undertake any necessary and related actions concerning the allocation of additional ordinary shares, including offering for sale to existing shareholders of the company in proportion to their shareholding, in compliance with applicable laws and regulations.
2. Allocate additional ordinary shares not exceed 173,159,380 at a par value of 0.50 Baht per share to accommodate the exercise of rights under the PROEN-W2 warrants, which will be allocated to the existing shareholders of the company after the completion of the capital increase according to the Rights Offering specified in item 1. The allocation ratio will be 4 existing ordinary shares per 1 unit of PROEN-W2 warrant, without consideration of monetary value. The Board of Directors will consider and announce the entitlement to receive allocations of PROEN-W2 warrants at the forthcoming meeting.
3. Delegate authority to the Board of Directors of the company, and/or the management committee, and/or the Chief Executive Officer, and/or any other persons appointed by the Board of Directors or the management committee, and/or the Chief Executive Officer, to determine, amend, supplement, and modify the conditions and details related to the allocation of the additional shares. They are empowered to undertake all necessary and appropriate actions related to the allocation of additional shares, including but not limited to providing information and submitting documents to the Securities and Exchange Commission, the Stock Exchange of Thailand, Thailand Securities Depository Co., Ltd., the Ministry of Commerce, or any other relevant agencies, as well as registering the additional ordinary shares as registered securities on Market for Alternative Investment – MAI.

2.1.1 Operations in the Case of Fractional Shares:

- (1) In the event of fractional shares resulting from the allocation of shares to shareholders in proportion to their respective holdings, the fractional shares shall be rounded down and disregarded.
- (2) When calculating the entitlement of each shareholder to receive PROEN-W2 warrants, if there are fractional ordinary shares resulting from the calculation based on the allocation ratio of PROEN-W2 warrants for each shareholder, the remaining fractional shares shall be rounded down and disregarded in their entirety.

2.2 General Mandate

Allocated to	Category of shares	No. of shares	Percentage per paid-up capital	Notes
The existing shareholders of the Company	Ordinary share	-	-	-
	Preferred shares	-	-	-
To certify the conversion/ exercise the right of the Warrants in buying new shares with transferable rights	Ordinary share	-	-	-
	Preferred shares	-	-	-
		-	-	-
Public Offering	Ordinary share	-	-	-
	Preferred shares	-	-	-
Private Placement	Ordinary share	-	-	-
	Preferred shares	-	-	-

3. Schedule for a shareholders' meeting to approve the capital increase / allotment of capital increase shares.

The Extraordinary General Meeting of Shareholders No. 1/2024 is scheduled to be held on June 12, 2024, at 14.00 hrs. through electronic means (E-EGM),

- Specifying the book-closing date to share transfers in order to determine the rights to attend this meeting from until the meeting has been duly convened.
- Specifying the list of shareholders with the rights to attend this meeting (Record date) on May 23, 2024.

4. Requesting permission the approval of the capital increase/ share allotment from a related government agency, and approval conditions (if any)

- 1) The Company must be approved by the Shareholders' meeting for the capital increase and the allocation of newly issued shares (a) to the existing shareholders proportionate to their shareholding structure, and (b) to accommodate the exercise of the right of the PROEN-W2 Warrants.
- 2) The Company must apply for registration of increase of capital, paid-up capital, and amendment of the Memorandum of Association to the Department of Business Development, Ministry of Commerce.
- 3) The Company must apply the SET to approve the listing of newly increased shares on the Market for Alternative Investment (MAI).
- 4) The Company must apply to the SET for approval to receive the PROEN-W2 Warrants, and the ordinary shares derived from the exercise of the PROEN-W2 Warrants to be listed on the Market for Alternative Investment (MAI) following the relevant rules and regulations.

5. Objectives of the capital increase and plans for utilizing the increased capital

The company aims to increase its capital for investment in the construction of a data center and a new office (OTT DC) and to repay convertible preferred shares to strengthen the financial position of the company. This initiative will result in an appropriate capital structure or financial ratio for the company. Furthermore, it will serve as working capital to ensure the company has sufficient funds to support its current and future operations effectively.

Objectives and plans	Amount (million baht)	Period
The Capital increase for existing shareholders of the company in proportion to their shareholding. (Right Offering) <ul style="list-style-type: none"> - In the event that shareholders exercise their rights to subscribe for additional shares in full, it is anticipated that the company will receive 346 million baht 		
1. Investment funds for construction of Data Center buildings and new office (OTT DC)	200 - 250	2024-2025
2. Repay the loan	100	2025
3. Working capital of the company and its subsidiaries	The remainder from objectives1 and 2.	2024-2025
the issuance of PROEN-W2 warrants <ul style="list-style-type: none"> - In the event that shareholders exercise their rights to convert the issuance of PROEN-W2 warrants in full, it is anticipated that the company will receive 173 million baht. 		

Objectives and plans	Amount (million baht)	Period
1. Used to increase flexibility in financial cost management of the company, including being utilized as working capital.	173	2026-2027

6. Benefits that the Company will receive from the capital increase/share allotment:

The issuance and offering of common shares to existing shareholders in proportion to their holdings, along with the issuance of PROEN-W2 warrants in this instance, will provide the company with funds for business expansion and working capital to enhance future operational performance and foster greater business growth potential. Additionally, it will bolster the financial strength and capital structure of the company.

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

The company maintains a dividend payment policy to shareholders at a rate of not less than 40 percent of net profits according to the financial statements of operations, after deducting corporate income tax and reserves as required by law, as well as other necessary and appropriate reserves. However, the distribution of such dividends depends on investment plans, business expansion of the company, and other necessary and appropriate factors in the future, without adversely affecting the company's normal business operations. The issuance of common shares through a Rights Offering and the issuance of PROEN-W2 warrants will contribute to strengthening the financial position of the company by (1) enhancing its liquidity and (2) providing capital for the company to expand its business operations, generating income for shareholders in the form of dividends in the future.

Shareholders who subscribe to the new common shares and become registered shareholders of the company will have their rights established. Additionally, shareholders who exercise their rights to purchase common shares according to the PROEN-W2 warrants will be entitled to receive dividends when the company declares dividend payments, similar to existing shareholders.

8. Other details necessary for shareholders' decision-making in the approval of the capital increase/share allotment:

- None -

9. The certification from the board regarding the capital increase.

If the directors of the company fail to fulfill their duties following the law, as well as the objectives and regulations of the company, along with the resolutions passed at the shareholders' meeting with honesty, integrity, and prudence in safeguarding the interests of the company regarding the capital increase through acts or omissions that constitute a breach of such duties and result in damage to the company, the company

has the right to seek compensation from those directors. However, if the company does not pursue such compensation, shareholders holding at least 5% of the total issued shares collectively have the right to notify the company to act. If the company fails to act upon such notification within one month from the date of receipt, those shareholders may file a claim for damages against the respective directors on behalf of the company under Section 85 of the Public Limited Companies Act B.E. 1992 (including subsequent amendments). Furthermore, if any act or omission by the directors constitutes a breach of duties following the law, objectives, and regulations of the company, as well as resolutions passed at the shareholders' meeting with honesty, integrity, and prudence in safeguarding the interests of the company regarding the capital increase, resulting in benefits to the directors, executives, or related parties without authorization, the company may sue the directors to hold them liable and reclaim the benefits for the company. Alternatively, shareholders holding and collectively exercising at least 5% of the total voting rights of the company may notify the company to take such actions. If the company fails to act upon such notification within one month from the date of receipt, those shareholders may exercise their right to demand the return of such benefits from the directors on behalf of the company under Section 89/1 of the Securities and Exchange Act B.E. 2535 (including subsequent amendments).

10. Time schedule in case the Board of Directors passes a resolution with the approval of the capital increase or allotment of new shares:


No.	Procedures	Date
1.	The Board of Directors' meeting No. 3/2024	May 9, 2024
2.	The list of shareholders entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2024 (Record Date)	May 23, 2024
3.	The Extraordinary General Meeting of Shareholders, No. 1/2024.	June 12, 2024
4.	Registering capital increase, amending the Memorandum of Association, and amending the Articles of Association with the Ministry of Commerce.	Within 14 days from the date of the Shareholders' meeting has approved the matters
5.	Designating the list of shareholders entitled to participate in the rights offering (Record Date).	June 19,2024
6.	The subscription period for the additional ordinary shares.	July 8-12, 2024
7.	The registration of changes in paid-up capital with the Ministry of Commerce.	Within 14 days from the date that the Company receives payment for the newly issued ordinary shares
8.	The common shares offered to existing shareholders in proportion to their shareholding have been registered on the Market for Alternative Investment (MAI)	Within 30 days from the end of offering period of

No.	Procedures	Date
		the newly issued ordinary shares
9.	The deadline for listing the names of shareholders entitled to receive PROEN-W2 rights allocation certificates.	To be later notified by the Company
10.	The issuance date of the PROEN-W2 Warrants	To be later notified by the Company
11.	Register the PROEN-W2 rights allocation certificates on the Market for Alternative Investment (MAI)	To be later notified by the Company

The company hereby certifies that the information contained in this report is accurate and complete in all respects.

Signed 

Mr. Kittipan Sri-Bua-lam
 The authorized board director

Signed 

Mr. Chaiyooth Srijabok
 The authorized board director

Remark: Please note that the authorized board directors shall sign their names along with affixing the company seal.