



GEL.CS.003/2565

March 01, 2022

Subject: Resolutions of the Board of Directors' Meeting regarding the schedule of the Annual General Meeting of Shareholders for the year 2022 and no dividend payment, the increase of registered capital, the issuance of warrants to purchase the Company's ordinary shares, and the acquisition of assets in the future.

Attention: Director and Manager
The Stock Exchange of Thailand

Enclosure: 1. Capital Increase Report Form (F53-4)
2. Summary of Features of Warrants to Purchase Ordinary Shares of the Company
3. Information Memorandum on the Allocation of the Newly-Issued Shares

General Engineering Public Company Limited (the "Company") would like to inform that the Board of Directors' Meeting No. 2/2022, convened on 28 February 2022, made significant resolutions as follows:

1. Approved the financial statements for the year 2021 ended 31 December 2021, which have been audited by a certified public accountant and approved to propose to the Annual General Meeting of Shareholders to consider certifying the financial statements for the year 2021 ended 31 December 2021, as well as to acknowledge the auditor's report.
2. Approved to propose the following matters to the general meeting of shareholders for further consideration and approval.
 - 2.1. No allocation of net profit as a statutory reserve for the operating results 2021
 - 2.2. No dividend payment for the operating results 2021Because the Company had a loss from operations for the year 2021
3. Approved the meeting agenda, date, time, and method for the Annual General Meeting of Shareholders 2022 on Friday, April 29, 2022, at 2:30 p.m. which is a meeting via electronic media according to the Emergency Decree on Electronic Conferencing B.E. 2563 and other laws and regulations related, and delegate powers to the Board of Directors or the authorized director to act on behalf of the Company or Chief Executive Officer or a person assigned by the Board of Directors or the authorized director to act on behalf of the Company, authorized to change, amend the date, time and other details related to the arrangement of the Annual General Meeting of Shareholders for the year 2022 as appropriate by



considering the benefits and/or impacts on the company as important. The agenda for the meeting is as follows:

- Agenda 1 Matters that the Chairman informed the meeting
- Agenda 2 To consider and certify the minutes of the Annual General Meeting of Shareholders 2021
- Agenda 3 To consider and acknowledge the Company's operating results for the year 2021
- Agenda 4 To consider and approve the statement of financial position and income statement for the year ended 31 December 2021
- Agenda 5 To consider and approve the omission of net profit allocation as a statutory reserve and omit from paying dividends from the Company's operating results for the year 2021
- Agenda 6 To consider and approve the appointment of directors to replace those who have retired by rotation
- Agenda 7 To consider and approve the determination of the Board of Directors' remuneration, Audit Committee, and other committees for the year 2022
- Agenda 8 To consider and approve the appointment of auditors and determine the audit fees of the Company and its subsidiaries for the year 2022
- Agenda 9 To consider and approve the Company's registered capital increase and amendments to the Company's Memorandum of Association Clause 4 (Registered Capital) to comply with the Company's registered capital increase.
- Agenda 10 To consider and approve the issuance of warrants to purchase ordinary shares of Company No. 5 ("GEL-W5 warrants") to be allocated to the existing shareholders of the Company who subscribed and received the allotment of new ordinary shares issued and offered to the existing shareholders in proportion to their shareholdings (Rights Offering)
- Agenda 11 To consider and approve the allocation of the newly issued ordinary shares to reserve for the allocation of the newly issued ordinary shares to the existing shareholders in proportion to their shareholdings (Rights Offering)
- Agenda 12 To consider and approve the allocation of newly issued ordinary shares to reserve for the exercise of the warrants to purchase ordinary shares of Company No. 5 ("GEL-W5 warrants") to be allocated to the existing shareholders who subscribed and received the allotment of new ordinary shares issued and offered to the existing shareholders in proportion to their shareholdings (Rights Offering)
- Agenda 13 To consider and approve the amendment of the Company's Articles of Association
- Agenda 14 Other matters (if any)

- 4. Approved to propose that the Annual General Meeting of Shareholders 2022 to consider and approve the increase in the registered capital from the existing registered capital of THB 4,588,195,610.65 to THB 6,882,293,415.55 by issuing of newly-issued ordinary shares in the amount of 2,698,938,594 shares, with



a par value of THB 0.85 per share, totaling THB 2,294,097,804.90, in order to accommodate: (1) the allocation of newly-issued ordinary shares to the existing shareholders proportionate to their respective shareholdings (Right Offering); and (2) the exercise of the warrants to purchase the newly-issued ordinary shares of the Company No. 5 (the "GEL-W5 Warrants") for the allocation to the Company's existing shareholders who have subscribed and have been allocated for the issued and offered of newly-issued ordinary shares proportionate to their respective shareholdings (Rights Offering), as well as to approve the amendment of the Company's Memorandum of Association Clause 4 (Registered Capital) to be in line with the Company's registered capital increase.

In addition, to approve the appointment of the Company's Board of Directors, the authorized directors, or the person delegated by the Company's Board of Directors or by the authorized directors, to have the power to register amendments to the Memorandum of Association at the Department of Business Development, Ministry of Commerce and to undertake other necessary action, in accordance with the registrar's order so as to complete the registration.

(Please see further details in Capital Increase Report Form (F53-4) in Enclosure 1)

5. Approved to propose to the Annual General Meeting of Shareholders 2022 to consider and approve the issuance of GEL-W5 Warrants in the amount not exceeding 899,646,198 units for the allocation to the Company's existing shareholders who have subscribed and have been allocated for the issued and offered of newly-issued ordinary shares proportionate to their respective shareholding (Rights Offering) (the details are described in Clause 5), at the allocation ratio of 2 newly-ordinary shares to 1 unit of the GEL-W5 Warrants without value (the offering price of Warrants per unit is THB 0) and the exercise price to subscribe the shares is THB 0.50 per share, and the exercise period is within 3 years. In the case where the calculation of the allocation of the GEL-W5 Warrants results in fractions of shares, the fraction shall be rounded down.

(Please see the Summary of Features of Warrants to Purchase Ordinary Shares of the Company in Enclosure 2)

6. Approved to propose to the Annual General Meeting of Shareholders 2022 to consider and approve the allocation of the newly-issued ordinary share in the amount of not more than 1,799,292,396 shares, with a par value of THB 0.85 per share, for sale to the Company's existing shareholders proportionate to their respective shareholding (Rights Offering). The allocation ratio shall be 3 existing ordinary shares to 1 newly-issued ordinary share. The offering price per share is THB 0.23, with fractions of shares being rounded down.

To determine the offering price of newly-issued ordinary shares to the Company's existing shareholders in proportion to their respective shareholdings (Rights Offering) above, the Company has determined the



offering price in accordance with the market price of the Company's shares by specifying a discount of approximately 42 percent of the weighted average price on the Stock Exchange of Thailand (the "SET") retrospectively for 7 consecutive business days. This shall occur prior the date of the Board of Directors' resolution to propose an agenda regarding the increase of registered capital to the Annual General Meeting of Shareholders 2022 on 28 February 2022 (i.e., between 9 - 18 February 2022), which is equal to THB 0.40 (information from the SET).

The shareholders may subscribe for the newly-issued ordinary shares in excess of their rights (oversubscription), provided that the oversubscribing shareholders shall be entitled to the oversubscription shares only after there are shares remaining from the allocation to the existing shareholders who subscribe for the shares in accordance with their rights.

In allocating the newly-issued ordinary shares to the existing shareholders proportionating to their respective shareholdings (Rights Offering), in the case where there are newly-issued ordinary shares remaining from the first allocation to the existing shareholders proportionate to their respective shareholdings (Rights Offering), the Company shall allocate such remaining shares to the existing shareholders wishing to oversubscribe, at the same offering price as the shares which are allocated in accordance with the rights. This includes the existing shareholders proportionate to their respective shareholdings wishing to oversubscribe who are connected persons of the Company with details as follows:

- (a) In the case where the number of shares remaining from the first allocation to the existing shareholders proportionate to their respective shareholdings (Rights Offering) is higher than or equivalent to the number of shares oversubscribed by the existing shareholders, the Company shall allocate the shares in a number proportionating to the existing shareholding of each oversubscribing shareholder by multiplying the shareholding of each oversubscribing existing shareholder with the number of the remaining shares, resulting in the number of shares to which each oversubscribing shareholder is entitled to. In the case of a fraction of a share, the fraction shall be rounded down. In this regard, the number of shares under the allocation shall not exceed the number of shares for which each shareholder subscribed and paid. The Company shall conduct the allocation with respect of allocation of newly issued ordinary shares to those who subscribe exceeding their rights, the Company will proceed to allocate the remaining shares until the subscribing existing shareholder have oversubscribed and paid for the subscription for such shares in full..
- (b) In the case where the number of shares remaining from the first-round allocation to the existing shareholders proportionate to their respective shareholdings (Rights Offering) is lower than the number of shares oversubscribed by the existing shareholders, the Company shall allocate the shares in a number proportionating to the existing shareholding of each oversubscribing



shareholder by multiplying the shareholding of each oversubscribing existing shareholder with the number of the remaining shares, resulting in the number of shares to which each oversubscribing shareholder is entitled to. In the case of a fraction of a share, the fraction shall be rounded down. In this regard, the number of shares under the allocation shall not exceed the number of shares for which each shareholder subscribed and paid. The Company shall conduct the allocation with respect to the oversubscription in accordance with the procedures under this clause until there are no shares remaining from the allocation.

In the case where there are newly-issued ordinary shares remaining from the allocation to the existing shareholders proportionate to their respective shareholdings (Rights Offering), the allocation to the shareholders who oversubscribed (oversubscription), and allocation to accommodate the exercise of the warrants to purchase the newly-issued ordinary shares of the Company No. 5 (the "GEL-W5 Warrants"), the Company shall proceed to reduce the registered capital by cutting off the remaining newly-issued ordinary shares from the offering.

In this regard, the Company may reserve the right not to offer the newly-issued ordinary shares to any existing shareholders of the Company if it causes the Company to comply with the laws of foreign country; or it does not comply with the rules, procedures or conditions specified in the offering or allocation of newly issued ordinary shares.

In addition, the allocation of shares to the existing shareholders of the company, who oversubscribe in any case must not cause any shareholder (including persons under Section 258 of the Securities and Exchange Act B.E. 2535) holding shares of the Company in the following manner:

- (a) In a manner that increases to or crosses the point where a tender offer is required as prescribed in the Notification of the Capital Market Supervisory Board No. TorJor.12/2554, Re: Rules, Conditions, and Procedures for the Acquisition of Securities for Business Takeovers ("Notification No. TorJor. 12/2554") (Unless such shareholder is exempted from making a tender offer for all securities of the business as specified in the Notification No. TorJor. 12/2554) or;
- (b) In a manner that violates the foreign shareholding restrictions as stipulated in the Company's Articles of Association

In addition, the Board of Director's meeting scheduled 10 May 2022, as the date to record the names of the shareholders who are entitled to the allocation and offer for sale of the newly-issued ordinary shares proportionate to their respective shareholdings (Record Date). The Board of Director's meeting also scheduled the subscription period for the Company's newly-issued ordinary shares on 27 May 2022 to 2 June 2022 (total of 5 business days, note 28 and 29 May 2022 are holidays). However, the subscription



and allocation of newly-issued ordinary shares, and allocation warrants to purchase the newly-issued ordinary shares of the Company No. 5, are subject to change, until an approval from the AGM has been granted.

In allocating the newly-issued ordinary shares to the Company's existing shareholders proportionate to their respective shareholdings (Rights Offering), the Company's Board of Directors, the authorized directors, or the person delegated by the Company's Board of Directors or by the authorized directors shall have the authority to take following actions:

- (a) To consider and determine the details of the allocation of the newly-issued ordinary shares for the purpose of offering for sale to the existing shareholders proportionate to their respective shareholdings to be in compliance with the laws and regulations;
- (b) To determine or alter the details of the allocation, such as whether the newly-issued ordinary shares shall be allocated on one occasion or more, or any alterations to the offering period, allocation ratio, offering price, payment method, or any other details with respect to the allocation and the offer for sale, e.g., changing of the Record Date for the allocation of the newly-issued ordinary shares;
- (c) To execute application forms for approvals, waivers, notices, as well as any documentation relevant to the allocation of the newly-issued ordinary shares, including to contact and file the documentation with the officials or representatives of the relevant agencies, the listing of the newly-issued ordinary shares on the SET, as well as to undertake any act necessary for and relevant to the allocation of the newly-issued ordinary shares for the purpose of offering for sale to the existing shareholders proportionate to their respective shareholdings in compliance with the applicable laws; and
- (d) To register the amendment of paid-up capital with the Department of Business Development, Ministry of Commerce and has the power to take any necessary actions to comply with the registrar's order for the completion of registration process.
- (e) Take any action necessary and in connection with the allocation of such newly issued ordinary shares under the terms of the relevant laws.

Please see further details in the Capital Increase Report Form (F53-4) in Enclosures 1 and the Information Memorandum on the Allocation of the Newly-Issued Shares in Enclosures 3.

7. The Company approved the allocation of not exceeding 899,646,198 newly-issued ordinary shares, at the par value of THB 0.85 per share, in order to be reserved for the exercise of GEL-W5 Warrants to be allocated to the existing shareholders of the Company, who have subscribed and have been allocated for the issued and offered of newly-issued ordinary shares proportionate to their respective shareholdings (Rights Offering), at the allocation ratio of 2 new ordinary share to 1 of the GEL-W5 Warrants, without value (i.e., offering price of Warrants per unit is THB 0).



In the proceeding of the allocation of newly issued ordinary shares to be reserved for the exercise of the GEL-W5 Warrants, the Company's Board of Directors, the authorized directors, or the person delegated by the Company's Board of Directors or by the authorized directors shall determine or change the details and conditions necessary for and/or in connection with the issuance and the allocation the GEL-W5 Warrants in all respects under the terms of the relevant laws and within the framework of the approval of the AGM whereby the details are including but not limited to:

- (a) The preparation of the terms and conditions of the GEL-W5 Warrants, including the details with respect to the allocation of the GEL-W5 Warrants thereof;

Providing information, contacting, preparing, executing, delivering, filing any documents necessary for or relevant to the issuance and the allocation of the GEL-W5 Warrants with the Office of the Securities and Exchange Commission, the SET, Thailand Securities Depository Co., Ltd., the Ministry of Commerce, and any other relevant agencies or persons;

- (b) The listing of the ordinary shares from the exercise of the GEL-W5 Warrants on the SET;
- (c) The appointment of the sub-authorized person to undertake any act for the purpose of the completion of the issuance and allocation of the GEL-W5 Warrants; and
- (d) Registering the amendment of paid-up capital with the Department of Business Development, Ministry of Commerce and being authorized to have the power to take any necessary actions to comply with the registrar's order for the completion of registration process.
- (e) Take any action necessary and relevant to the issuance and allocation of GEL-W5 Warrants to be accomplished in all respects under the terms of the relevant laws.

Please see further details in the Summary of Features of the GEL-W5 Warrants in Enclosures 2.

- 8. Approved to propose to the Annual General Meeting of Shareholders 2022 to consider and approve the amendment of the Articles of Association of the Company.
- 9. Approval the renewal of the put option of Nippon Concrete Industries Co., Ltd. ("NC") that NC has the put option right to sell its shares, which shareholding 17.5%, in General Nippon Concrete Industries Co., Ltd (The Company's subsidiary) for another 2 years. However, this transaction is an acquisition of assets in the future. It depends on NC, whether or not NC will exercise its right according to the terms specified in Joint Venture.

In this regard, the Company has set the date for determining the names of shareholders who are entitled to attend the Annual General Meeting of Shareholders 2022 (Record Date) on 22 March 2022. And the



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Company will disclose the Notice of the Annual General Meeting of Shareholders for the year 2022 together with the documents attached in both Thai and English via the Company's website. www.gel.co.th, under the heading "Investor Relations" which can be viewed from 29 March 2022. The notice of the Annual General Meeting of Shareholders for the year 2022 together with the original documents attached, will be delivered to all shareholders by registered mail according to the list of shareholders as of the closing date of the share registration book to suspend the transfer of shares for the right to attend the meeting.

Please be informed accordingly.

Yours Sincerely,

General Engineering Public Company Limited

-Signed-

Mr. Wuttichai Sresthabutra

Director



(F 53-4)

Enclosure 1

Capital Increase Report Form
General Engineering Public Company Limited
01 March 2022

General Engineering Public Company Limited (the “Company”) would like to report the resolutions passed by the Board of Directors’ Meeting No. 2/2022, convened on 28 February 2022 with respect to the capital increase, and the allocation of the newly-issued ordinary shares, as follows:

1. Capital Increase

The Board of Directors Meeting resolved to propose to the AGM 2022 to consider and approve the increase in the registered capital from the existing registered capital of THB 4,588,195,610.65 to THB 6,882,293,415.55 by issuing of newly-ordinary shares in the amount of up to 2,698,938,594 shares, with a par value of THB 0.85 per share, totaling THB 2,294,097,804.9, in accordance with the following manner:

Type of Capital Increase	Type of Shares	Number of Shares	Par Value (THB/Share)	Total (THB)
<input checked="" type="checkbox"/> Specifying the purpose of proceeds utilization	Ordinary	2,698,938,594	0.85	2,294,097,804.90
	Preference	-	-	-
<input type="checkbox"/> General Mandate	Ordinary	-	-	-
	Preference	-	-	-

2. Allocation of the newly-issued ordinary shares**2.1 Form to specify the purpose of utilizing funds**

Allocated to	Number of Shares	Ratio (Old: new)	Offering Price (THB/share)	Subscription and Payment Period	Note
Existing shareholders of the Company (proportionating to their respective shareholdings (Rights Offering))	not over 1,799,292,396 shares	3 existing ordinary shares to 1 newly- issued ordinary share	0.23	27 May 2022 to 2 June 2022 (Note 28 and 29 May 2022 are holidays)	Please consider Notes 1-4.
General Public	-	-	-	-	-



Allocated to	Number of Shares	Ratio (Old: new)	Offering Price (THB/share)	Subscription and Payment Period	Note
Others	-	-	-	-	-
To reserve for the exercise of the warrants to purchase the ordinary shares of the Company No. 5 (the "GEL-W5 Warrants") and to allocate to the existing shareholders of the Company who have been subscribed and have been allocated the newly-issued ordinary shares proportionate to their respective shareholdings (Rights Offering)	Not over 899,646,198 shares	2 newly-ordinary shares: 1 unit of the GEL-W5 Warrants	0.00 The warrants GEL-W5 have the right to purchase ordinary shares equal to 0.50 Baht per 1 share.	The exercise of the right to purchase the newly-issued ordinary shares of the Company under the GEL-W5 Warrants shall be in accordance with terms and conditions governing the rights and obligations of the issuer of GEL-W5 Warrants. ("Terms and Conditions")	Please consider Notes 5-6.

Note:

- 1) The allocation of the newly-issued ordinary share in the amount of up to 11,799,292,396 shares, with a par value of THB 0.85 per share, to offer to the Company's existing shareholders proportionating to their respective shareholdings (Rights Offering). The allocation ratio shall be 3 existing ordinary shares to 1 newly-issued ordinary share. The offering price per share is THB 0.23, with fractions of shares being rounded down.
- 2) Scheduled 10 May 2022, as the date to record the names of the shareholders who are entitled to the allocation and offer for sale of the newly-issued ordinary shares proportionate to their respective shareholdings (Record Date). And scheduled the subscription period for the Company's newly-issued ordinary shares on 27 May 2022 to 2 June 2022 (total of 5 business days, note 28 and 29 May 2022 are holidays). However, the subscription and allocation of newly-issued ordinary shares, and allocation warrants to purchase the newly-issued ordinary shares of the Company No. 5, are subject to change, until an approval from the AGM has been granted.
- 3) The shareholders may subscribe for the newly-issued ordinary shares in excess of their rights (oversubscription), provided that the oversubscribing shareholders shall be entitled to the oversubscription shares only after there are shares remaining from the allocation to the existing shareholders who subscribe for the shares in accordance with their rights.



In allocating the newly-issued ordinary shares to the existing shareholders proportionate to their respective shareholdings (Rights Offering), in the case where there are newly-issued ordinary shares remaining from the first round of allocation to the existing shareholders proportionate to their respective shareholdings (Rights Offering), the Company shall allocate such remaining shares to the existing shareholders wishing to oversubscribe, at the same offering price as the shares which are allocated in accordance with the rights. This includes the existing shareholders proportionate to their respective shareholdings wishing to oversubscribe who are connected persons of the Company with details as follows:

- (a) In the case where the number of shares remaining from the first allocation to the existing shareholders proportionate to their respective shareholdings (Rights Offering) is higher than or equivalent to the number of shares oversubscribed by the existing shareholders, the Company shall allocate the shares in a number proportionating to the existing shareholding of each oversubscribing shareholder by multiplying the shareholding of each oversubscribing existing shareholder with the number of the remaining shares, resulting in the number of shares to which each oversubscribing shareholder is entitled to. In the case of a fraction of a share, the fraction shall be rounded down. In this regard, the number of shares under the allocation shall not exceed the number of shares for which each shareholder subscribed and paid. The Company shall conduct the allocation with respect of allocation of newly issued ordinary shares to those who subscribe exceeding their rights, the Company will proceed to allocate the remaining shares until the subscribing existing shareholder have oversubscribed and paid for the subscription for such shares in full.
- (b) In the case where the number of shares remaining from the first-round allocation to the existing shareholders proportionate to their respective shareholdings (Rights Offering) is lower than the number of shares oversubscribed by the existing shareholders, the Company shall allocate the shares in a number proportionating to the existing shareholding of each oversubscribing shareholder by multiplying the shareholding of each oversubscribing existing shareholder with the number of the remaining shares, resulting in the number of shares to which each oversubscribing shareholder is entitled to. In the case of a fraction of a share, the fraction shall be rounded down. In this regard, the number of shares under the allocation shall not exceed the number of shares for which each shareholder subscribed and paid. The Company shall conduct the allocation with respect to the oversubscription in accordance with the procedures under this clause until there are no shares remaining from the allocation.

In the case where there are newly-issued ordinary shares remaining from the allocation to the existing shareholders proportionate to their respective shareholdings (Rights Offering), the allocation to the shareholders who oversubscribed (oversubscription), and allocation to accommodate the exercise of the warrants to purchase the newly-issued ordinary shares of the Company No. 5 (the "GEL-W5 Warrants"), the Company shall proceed to reduce the registered capital by cutting off the remaining newly-issued ordinary shares from the offering.



In this regard, the Company may reserve the right not to offer the newly-issued ordinary shares to any existing shareholders of the Company if it causes the Company to comply with the laws of foreign country; or it does not comply with the rules, procedures or conditions specified in the offering or allocation of newly issued ordinary shares.

In addition, the allocation of shares to the existing shareholders of the company, who oversubscribe in any case must not cause any shareholder (including persons under Section 258 of the Securities and Exchange Act B.E. 2535) holding shares of the Company in the following manner:

- (a) In a manner that increases to or crosses the point where a tender offer is required as prescribed in the Notification of the Capital Market Supervisory Board No. TorJor.12/2554, Re: Rules, Conditions, and Procedures for the Acquisition of Securities for Business Takeovers ("Notification No. TorJor. 12/2554") (Unless such shareholder is exempted from making a tender offer for all securities of the business as specified in the Notification No. TorJor. 12/2554) or;
 - (b) In a manner that violates the foreign shareholding restrictions as stipulated in the Company's Articles of Association.
- 4) In allocating the newly-issued ordinary shares to the Company's existing shareholders proportionate to their respective shareholdings (Rights Offering), the Company's Board of Directors, the authorized directors, or the person delegated by the Company's Board of Directors or by the authorized directors shall have the authority to take following actions:
- (a) To consider and determine the details of the allocation of the newly-issued ordinary shares for the purpose of offering for sale to the existing shareholders proportionate to their respective shareholdings to be in compliance with the laws and regulations;
 - (b) To determine or alter the details of the allocation, such as whether the newly-issued ordinary shares shall be allocated on one occasion or more, or any alterations to the offering period, allocation ratio, offering price, payment method, or any other details with respect to the allocation and the offer for sale, e.g., changing of the Record Date for the allocation of the newly-issued ordinary shares;
 - (c) To execute application forms for approvals, waivers, notices, as well as any documentation relevant to the allocation of the newly-issued ordinary shares, including to contact and file the documentation with the officials or representatives of the relevant agencies, the listing of the newly-issued ordinary shares on the SET, as well as to undertake any act necessary for and relevant to the allocation of the newly-issued ordinary shares for the purpose of offering for sale to the existing shareholders proportionate to their respective shareholdings in compliance with the applicable laws; and



- (d) To register the amendment of paid-up capital with the Department of Business Development, Ministry of Commerce and has the power to take any necessary actions to comply with the registrar's order for the completion of registration process.
 - (e) Take any action necessary and in connection with the allocation of such newly issued ordinary shares under the terms of the relevant laws.
- 5) the allocation of not exceeding 899,646,198 newly-issued ordinary shares, at the par value of THB 0.85 per share, in order to be reserved for the exercise of GEL-W5 Warrants to be allocated to the existing shareholders of the Company, who have subscribed and have been allocated for the issued and offered of newly-issued ordinary shares proportionate to their respective shareholdings (Rights Offering), at the allocation ratio of 2 new ordinary share to 1 of the GEL-W5 Warrants, without value (i.e., offering price of Warrants per unit is THB 0).
- 6) In the proceeding of the allocation of newly issued ordinary shares to be reserved for the exercise of the GEL-W5 Warrants, the Company's Board of Directors, the authorized directors, or the person delegated by the Company's Board of Directors or by the authorized directors shall determine or change the details and conditions necessary for and/or in connection with the issuance and the allocation the GEL-W5 Warrants in all respects under the terms of the relevant laws and within the framework of the approval of the AGM whereby the details are including but not limited to:
- (a) The preparation of the terms and conditions of the GEL-W5 Warrants, including the details with respect to the allocation of the GEL-W5 Warrants thereof;
 - (b) Providing information, contacting, preparing, executing, delivering, filing any documents necessary for or relevant to the issuance and the allocation of the GEL-W5 Warrants with the Office of the Securities and Exchange Commission, the SET, Thailand Securities Depository Co., Ltd., the Ministry of Commerce, and any other relevant agencies or persons;
 - (c) The listing of the ordinary shares from the exercise of the GEL-W5 Warrants on the SET;
 - (d) The appointment of the sub-authorized person to undertake any act for the purpose of the completion of the issuance and allocation of the GEL-W5 Warrants; and
 - (e) Registering the amendment of paid-up capital with the Department of Business Development, Ministry of Commerce and being authorized to have the power to take any necessary actions to comply with the registrar's order for the completion of registration process.
 - (f) Take any action necessary and relevant to the issuance and allocation of GEL-W5 Warrants to be accomplished in all respects under the terms of the relevant laws.

2.2 General Mandate

None



3. Scheduling of the shareholders meeting to seek approval for the capital increase and the allocation of the newly-issued shares

The Annual General Meeting of Shareholders 2022 is scheduled to be convened on 29 April 2022, at 14.30 hrs. via the electronic meeting by specifying the names of shareholders who have the right to attend the shareholders' meeting (Record Date) on March 22, 2022.

4. Application to the relevant government agency for its approval of the capital increase / the allocation of the newly-issued shares and the conditions thereto

- 4.1 The company will proceed to apply for registration of an increase in registered capital and paid-up capital including amendments to the Memorandum of Association relating to the increase of registered capital to the Department of Business Development Ministry of Commerce.
- 4.2 The company will apply to the Stock Exchange of Thailand. ("SET") to request approval for the listing of newly issued ordinary shares as listed securities on the SET and enter trading on the Stock Exchange of Thailand.
- 4.3 The company will apply the SET. To request approval to accept the GEL-W5 Warrants and the ordinary shares arising from the exercise of the GEL-W5 Warrants as listed securities on the Stock Exchange of Thailand when the rights under the warrants are exercised following relevant regulations and rules.

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

- 5.1 If all the newly issued ordinary shares that the Company issued and offered to the existing shareholders in proportion to their respective shareholdings (Rights Offering) at this time are fully subscribed. The company will get funds of approximately 413,837,251 Baht and the company plans to use the money for the following purposes;
 1. To use as working capital and to enhance the company's financial liquidity to support the operations in the core business, including the expansion of the company's business in the future. The company has expanded to accept more government projects which will help the Company to build a stable and sustainable income base in both the short and long term. The company has a backlog as of December 31, 2021, of 3,820 million Baht and is expected to generate revenue shortly to double with a proportion of use of funds from the capital increase of 30-50 percent to carry out this objective.
 2. For paying debts the company and/or its subsidiaries to financial institutions to reduce the burden of financial costs with a proportion of use of funds from the capital increase of 20-40 percent to carry out this objective.
 3. For the purpose of increasing a new capital on one of the subsidiaries in order for the subsidiary to expand its business with a proportion of use of funds from the capital increase of 15-30 percent to carry out this objective

However, the aforementioned money utilization plan is subject to change depending on the operating results, cash flow, business plan, received money from the capital increase, necessity, and another suitability as the Board of Directors deems appropriate which will take into account the benefits of the company and the shareholders as important.



For the issuance of newly issued ordinary shares to support the exercise of the warrants under GEL-W5, if the shareholders exercise their rights to purchase the newly issued ordinary shares under the GEL-W5 Warrants in full, the Company will get the funds of approximately 449,823,099 Baht. The Company plans to use the proceeds that have been exercised to purchase such capital increase shares to be used as working capital for the Company's operations and/or to reserve for future debt repayment of the company and/or its subsidiaries and/or for the Company's investment and/or future subsidiaries. However, the number of shares subscribed for newly issued ordinary shares and the exercise of rights to purchase newly issued ordinary shares under GEL-W5 Warrants and the actual payment may be less than the number of shares the Company intends to offer. This may cause the company to receive less money than the aforementioned Baht. In that case, The Company's capital increase utilization plan may differ from the above-mentioned utilization plan.

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

This capital increase will help the company have better financial liquidity and sufficient capital for normal operations in its core business, including the expansion of the company's business in the future, which will increase your chances of generating revenue and possibly a good profit for the company in the future. In addition, it helps reduce the financial cost of the company and is good for the company's business operations. And it is beneficial to the company in enhancing the stability of the cash flow and financial position of the company. This will cause the company to have a lower debt-to-equity ratio and also help to enhance the financial liquidity of the company. In this regard, the capital increase from the issuance and offering of newly issued shares will result in a better overall financial status of the company that will result in the company having a stable financial position.

Please consider additional details in the Information Memorandum on the Allocation of Newly Issued Ordinary Shares in Enclosure 3.

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

The company will use the money received from this capital increase to support the expansion of the company's business and used it as working capital within the business which will give the company the ability to generate more revenue and profitability and helps create added value for shareholders from the income and profits received and positively affect the value of the company's shares in the future.

8. Other details necessary for the shareholders to consider in support of their decision to approve the capital increase / the allocation of the newly-issued shares

Please see additional information in the Information Memorandum on the Allocation of the Newly-Issued Shares in Enclosure 3.



9. Schedule of the capital increase/ the allocation of the newly-issued shares are approved by the Board of Directors

No.	Procedures	Date / Month / Year
1	Board of Directors' Meeting of the Company No. 2/2022 resolved on the capital increase and the allocation of the newly-issued ordinary shares	February 28, 2022
2	The date to record the names of the shareholders who are entitled to attend the AGM 2022 (Record Date)	March 22, 2022
3	The Annual General Meeting of Shareholders Year 2022	29 April 2022
4	Registered of resolutions: capital increase and amendment to the Memorandum of Association with the Ministry of Commerce.	Within 14 days from the date on which approval is granted by the shareholders meeting
5	Record Date for the right to subscribe for newly issued shares	May 10, 2022
6	Subscription period for the newly-issued ordinary shares	27 May 2022 to 2 June 2022 (total of 5 business days, note 28 and 29 May 2022 are holidays)
7	Registration of increase in the paid-up capital with the Ministry of Commerce	Within 14 days after the end of the subscription period
8	The listing of capital increase shares on the stock exchange	The Company will inform later

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

Yours Sincerely,

General Engineering Public Company Limited

-Signed-

Mr. Wuttichai Sresthabutra

Director



**Summary of Features of Warrants to Purchase Ordinary Shares of
General Engineering Public Company Limited No. 5 (GEL-W5)**

1. Preliminary details of the warrants

Securities issuer and offeror	General Engineering Public Company Limited
Name of Securities offered for sale	Warrants to Purchase Newly-issued Ordinary Shares of General Engineering Public Company Limited No.5 (GEL-W5) (the "Warrants")
Type	Registered certificate and transferable
Number of warrants issued and offered for sale	Not exceeding 899,646,198 units
Number of shares reserved to accommodate the exercise of the warrants	Not exceeding 899,646,198 shares (at the par value of THB 0.85) equivalent to 11.11 percent of the total issued shares of the Company after the offer for sale of the newly-issued ordinary shares to the existing shareholders in proportion to 1,799,292,396 shares.
Offering method / Allocation ratio	<p>The allocation of the Warrants to the existing shareholders who are entitled to the allocation of the newly-issued shares issued and offered for sale to the existing shareholders proportionate to their respective shareholdings (Rights Offering), at the ratio of 2 newly-issued ordinary shares to 1 unit of the Warrant.</p> <p>In this regard, in the case where there are fractions of the Warrants from the calculation of the allocation, the fraction shall be rounded down. The Warrants remained from the allocation will be cancelled by the Company; therefore, the remaining Warrants will be proportionate to the allocated portion.</p>
Offering price per unit	THB 0 per unit
Exercise ratio	1 unit of the Warrants is entitled to purchase 1 newly-issued ordinary share with the exception for the case of the adjustment of rights in accordance with the adjustment conditions.



Exercise price	THB 0.50 per share with the exception of the case of the adjustment of rights in accordance with the adjustment conditions.
Term of the Warrants	3 years from the issuance date of the Warrants
Exercise period	The last business day of June and December throughout the term of the warrants, if such date is a holiday, it has to postpone to the previous business day. The first exercise date is on June 30, 2022, and the last exercise date is the last business day of the 3-year maturity date from the issuance date.
Period for notification of intention to exercise	<p>The warrant holders who wish to exercise their rights to purchase the ordinary shares of the Company shall notify their intentions between 9:00 a.m. - 3:00 p.m. within the period of 5 business days prior to each exercise date.</p> <p>For the last exercise date, the warrant holders who wish to exercise their rights to purchase the ordinary shares of the Company shall notify their intentions to exercise the Warrants to purchase ordinary shares at least 15 business days prior to the last exercise date.</p>
Irrevocability of the notice of intention to exercise the Warrants	The intention to exercise the Warrants may not be revoked after the warrant holders notify their intentions to purchase the ordinary shares under the Warrants.
Secondary market of the Warrants	The Company will file an application to list the Warrants as listed securities on the Stock Exchange of Thailand (the "SET").
Secondary market of the ordinary shares issued from the exercise of the Warrants	The Company will list the ordinary shares issued from the exercise of the Warrants as the listed securities on the SET.
Reasons to issue new shares to accommodate the adjustment of rights	The Company will adjust the exercise price and/or the exercise ratio in accordance with the conditions on the adjustment of rights upon the occurrence of any of the events stipulated in the terms and conditions of the Warrants as prescribed in Clause 11(4) (b) (of the Notification of the Capital Market Supervisory Board No. TorChor. 34/2551 Re: Application for and Approval of Offer for Sale of Newly-Issued Warrants and Newly Issued



	<p>Underlying Shares or any similar circumstances, such as:</p> <p>(a) The par value of the Company's shares is changed due to a reverse share split or a share split;</p> <p>(b) The Company offers for sale the newly-issued shares at the price lower than the market price;</p> <p>(c) The Company offers for sale the convertible debentures or the warrants at the price lower than the market price;</p> <p>(d) The Company, wholly or partially, pays the dividend in a form of newly-issued shares to the shareholders;</p> <p>(e) The Company pays the dividend in cash in an amount exceeding which is specified under the terms and conditions; and</p> <p>(f) Any other circumstances similar to (a) to (e) which may prejudice the interests or returns to which the holders of the Warrants are entitled upon the exercise of the Warrants.</p>
Warrants registrar	Thailand Securities Depository Co., Ltd. or any person appointed as the registrar of the Warrants in place of Thailand Securities Depository Co., Ltd.
Other conditions	<p>The Company's Board of Directors, the authorized directors, or the person delegated by the Company's Board of Directors or by the authorized directors shall determine or change the details and conditions necessary for and/or in connection with the issuance and the allocation the GEL-W5 Warrants in all respects under the terms of the relevant laws and within the framework of the approval of the AGM whereby the details are including but not limited to:</p> <p>(a) The preparation of the terms and conditions of the GEL-W5 Warrants, including the details with respect to the allocation of the GEL-W5 Warrants thereof;</p> <p>(b) To provide information, contact, prepare, execute, deliver, file any documents necessary for or relevant to the issuance and the allocation of the GEL-W5 Warrants with the Office of the Securities and Exchange</p>



	<p>Commission, the SET, Thailand Securities Depository Co., Ltd., the Ministry of Commerce, and any other relevant agencies or persons;</p> <p>(c) The listing of the ordinary shares from the exercise of the GEL-W5 Warrants on the Stock Exchange;</p> <p>(d) The appointment of the sub-authorized person to undertake any act for the purpose of the completion of the issuance and allocation of the GEL-W5 Warrants; and</p> <p>(e) Register the change of paid-up capital with the Department of Business Development, Ministry of Commerce and has the power to take any necessary actions to comply with the registrar's order for the completion of registration process.</p>
Objectives of the issuance of the Warrants and the benefits that the Company shall receive from the allocation of the newly-issued shares	The Company plans to use the proceeds that have been exercised to purchase such capital increase shares as working capital for the Company's operations and/or to reserve for future payment of debts of the Company and/or its subsidiaries and/or for the investment of the Company and/or its subsidiaries in the future.

2. Impacts from the issuance and allocation of the Warrants

Please consider the impact on shareholders outlined in the Information Memorandum on the Allocation the Newly-issued Shares in Enclosure 3.



**Information Memorandum on the Allocation of Newly-Issued Ordinary Shares of
General Engineering Public Company Limited**

The Board of Directors' Meeting No. 2/2022 of General Engineering Public Company Limited (the "Company"), convened on 28 February 2022, to propose to the AGM 2022 to consider and approve the increase in registered capital of the Company, from the existing registered capital of THB 4,588,195,610.65 to THB 6,882,293,415.55, by issuing 2,698,938,594 newly-issued ordinary shares, at the par value of THB 0.85 per share, totaling THB 2,294,097,804.90, in order to reserve for (1) the allocation of newly-issued ordinary shares to the existing shareholders proportionate to their respective shareholdings (**Right Offering**); and (2) the exercise of the warrants to purchase the newly-issued ordinary shares of the Company No. 5 (**the "GEL-W5 Warrants"**) for the allocation to the Company's existing shareholders who have subscribed and have been allocated for the issued and offered of newly-issued ordinary shares proportionating to their respective shareholdings (Rights Offering).

In this regard, as the issuance and offering of the newly-issued ordinary shares is a material business, the Company prepared the Information Memorandum which is necessary for the shareholders' decision-making, having the details as follows:

1. Details of the offering of the newly-issued shares

The Company shall allocate: the newly-issued ordinary shares to offer for sale to the Company's existing shareholders proportionate to their respective shareholdings (Right Offering); and the newly-issued ordinary shares to be reserved for the exercise of the GEL-W5 Warrants for the allocation of the newly-issued ordinary shares issued and offered for sale to the Company's existing shareholders proportionate to their respective shareholdings (Right Offering), in accordance with the following details:

- 1.1 To allocate not exceeding 1,799,292,936 newly-issued ordinary shares, at the par value of THB 0.85 per share, to offer for sale to the Company's existing shareholders proportionate to their respective shareholdings (Right Offering), at the allocation ratio of 3 existing ordinary shares to 1 newly issued ordinary share with an offering price of 0.23 Baht per share, in which the fraction shall be rounded down.

To determine the offering price of newly-issued ordinary shares to the Company's existing shareholders in proportion to their respective shareholdings (Rights Offering) above, the Company has determined the offering price in accordance with the market price of the Company's shares by specifying a discount of approximately 42 percent of the weighted average price on the Stock Exchange of Thailand (the "SET") retrospectively for 7



consecutive business days. This shall occur prior the date of the Board of Directors' resolution to propose an agenda regarding the increase of registered capital to the AGM 2022 on 28 February 2022 (i.e., between 9 - 18 February 2022), which is equal to THB 0.40 (information from the SET).

The shareholders may subscribe for the newly-issued ordinary shares in excess of their rights (oversubscription), provided that the oversubscribing shareholders shall be entitled to the oversubscription shares only after there are shares remaining from the allocation to the existing shareholders who subscribe for the shares in accordance with their rights.

In allocating the newly-issued ordinary shares to the existing shareholders proportionating to their respective shareholdings (Rights Offering), in the case where there are newly-issued ordinary shares remaining from the first allocation to the existing shareholders proportionate to their respective shareholdings (Rights Offering), the Company shall allocate such remaining shares to the existing shareholders wishing to oversubscribe, at the same offering price as the shares which are allocated in accordance with the rights. This includes the existing shareholders proportionate to their respective shareholdings wishing to oversubscribe who are connected persons of the Company with details as follows:

- (a) In the case where the number of shares remaining from the first allocation to the existing shareholders proportionate to their respective shareholdings (Rights Offering) is higher than or equivalent to the number of shares oversubscribed by the existing shareholders, the Company shall allocate the shares in a number proportionating to the existing shareholding of each oversubscribing shareholder by multiplying the shareholding of each oversubscribing existing shareholder with the number of the remaining shares, resulting in the number of shares to which each oversubscribing shareholder is entitled to. In the case of a fraction of a share, the fraction shall be rounded down. In this regard, the number of shares under the allocation shall not exceed the number of shares for which each shareholder subscribed and paid. The Company shall conduct the allocation with respect of allocation of newly issued ordinary shares to those who subscribe exceeding their rights, the Company will proceed to allocate the remaining shares until the subscribing existing shareholder have oversubscribed and paid for the subscription for such shares in full.
- (b) In the case where the number of shares remaining from the first-round allocation to the existing shareholders proportionate to their respective shareholdings (Rights Offering) is lower than the number of shares oversubscribed by the existing shareholders, the Company shall allocate the shares in a number proportionating to the existing shareholding of each oversubscribing shareholder by multiplying the shareholding of each oversubscribing existing shareholder with the number of the



remaining shares, resulting in the number of shares to which each oversubscribing shareholder is entitled to. In the case of a fraction of a share, the fraction shall be rounded down. In this regard, the number of shares under the allocation shall not exceed the number of shares for which each shareholder subscribed and paid. The Company shall conduct the allocation with respect to the oversubscription in accordance with the procedures under this clause until there are no shares remaining from the allocation.

In the case where there are newly-issued ordinary shares remaining from the allocation to the existing shareholders proportionate to their respective shareholdings (Rights Offering), the allocation to the shareholders who oversubscribed (oversubscription), and allocation to accommodate the exercise of the warrants to purchase the newly-issued ordinary shares of the Company No. 5 (the "GEL-W5 Warrants"), the Company shall proceed to reduce the registered capital by cutting off the remaining newly-issued ordinary shares from the offering.

In this regard, the Company may reserve the right not to offer the newly-issued ordinary shares to any existing shareholders of the Company if it causes the Company to comply with the laws of foreign country; or it does not comply with the rules, procedures or conditions specified in the offering or allocation of newly issued ordinary shares.

In addition, the allocation of shares to the existing shareholders of the company, who oversubscribe in any case must not cause any shareholder (including persons under Section 258 of the Securities and Exchange Act B.E. 2535) holding shares of the Company in the following manner:

- (a) In a manner that increases to or crosses the point where a tender offer is required as prescribed in the Notification of the Capital Market Supervisory Board No. TorJor.12/2554, Re: Rules, Conditions, and Procedures for the Acquisition of Securities for Business Takeovers ("Notification No. TorJor. 12/2554") (Unless such shareholder is exempted from making a tender offer for all securities of the business as specified in the Notification No. TorJor. 12/2554) or;
- (b) In a manner that violates the foreign shareholding restrictions as stipulated in the Company's Articles of Association

In allocating the newly-issued ordinary shares to the Company's existing shareholders proportionate to their respective shareholdings (Rights Offering), the Company's Board of Directors, the authorized directors, or the person delegated by the Company's Board of Directors or by the authorized directors shall have the authority to take following actions:



- (a) To consider and determine the details of the allocation of the newly-issued ordinary shares for the purpose of offering for sale to the existing shareholders proportionate to their respective shareholdings to be in compliance with the laws and regulations;
- (b) To determine or alter the details of the allocation, such as whether the newly-issued ordinary shares shall be allocated on one occasion or more, or any alterations to the offering period, allocation ratio, offering price, payment method, or any other details with respect to the allocation and the offer for sale, e.g., changing of the Record Date for the allocation of the newly-issued ordinary shares;
- (c) To execute application forms for approvals, waivers, notices, as well as any documentation relevant to the allocation of the newly-issued ordinary shares, including to contact and file the documentation with the officials or representatives of the relevant agencies, the listing of the newly-issued ordinary shares on the SET, as well as to undertake any act necessary for and relevant to the allocation of the newly-issued ordinary shares for the purpose of offering for sale to the existing shareholders proportionate to their respective shareholdings in compliance with the applicable laws; and
- (d) To register the amendment of paid-up capital with the Department of Business Development, Ministry of Commerce and has the power to take any necessary actions to comply with the registrar's order for the completion of registration process.
- (e) Take any action necessary and in connection with the allocation of such newly issued ordinary shares under the terms of the relevant laws.

- 1.2 To allocate not exceeding 899,646,198 newly-issued ordinary shares, at the par value of THB 0.85 per share, in order to be reserved for the exercise of GEL-W5 Warrants to be allocated to the existing shareholders of the Company, who have subscribed and have been allocated for the issued and offered of newly-issued ordinary shares proportionate to their respective shareholdings (Rights Offering), at the allocation ratio of 2 new ordinary share to 1 of the GEL-W5 Warrants, without value (i.e., offering price of Warrants per unit is THB 0).

In the proceeding of the allocation of newly issued ordinary shares to be reserved for the exercise of the GEL-W5 Warrants, the Company's Board of Directors, the authorized directors, or the person delegated by the Company's Board of Directors or by the authorized directors shall determine or change the details and conditions necessary for and/or in connection with the issuance and the allocation the GEL-W5 Warrants in all respects under the terms of the relevant laws and within the framework of the approval of the AGM whereby the details are including but not limited to:

- (a) The preparation of the terms and conditions of the GEL-W5 Warrants, including the details with respect to the allocation of the GEL-W5 Warrants thereof;



- (b) Providing information, contacting, preparing, executing, delivering, filing any documents necessary for or relevant to the issuance and the allocation of the GEL-W5 Warrants with the Office of the Securities and Exchange Commission, the SET, Thailand Securities Depository Co., Ltd., the Ministry of Commerce, and any other relevant agencies or persons;
- (c) The listing of the ordinary shares from the exercise of the GEL-W5 Warrants on the SET;
- (d) The appointment of the sub-authorized person to undertake any act for the purpose of the completion of the issuance and allocation of the GEL-W5 Warrants; and
- (e) Registering the amendment of paid-up capital with the Department of Business Development, Ministry of Commerce and being authorized to have the power to take any necessary actions to comply with the registrar's order for the completion of registration process.

2. Objectives of the issuance of the newly-issued ordinary shares and the plan to use the proceeds derived from the issuance

- 2.1 If all the newly issued ordinary shares that the Company issued and offered to the existing shareholders in proportion to their respective shareholdings (Rights Offering) at this time are fully subscribed. The company will get funds of approximately 413,837,251 Baht and the company plans to use the money for the following purposes;
- 1. To use as working capital and to enhance the company's financial liquidity to support the operations in the core business, including the expansion of the company's business in the future. The company has expanded to accept more government projects which will help the Company to build a stable and sustainable income base in both the short and long term. The company has a backlog as of December 31, 2021, of 3,820 million Baht and is expected to generate revenue shortly to double with a proportion of use of funds from the capital increase of 30-50 percent to carry out this objective.
 - 2. For paying debts the company and/or its subsidiaries to financial institutions to reduce the burden of financial costs with a proportion of use of funds from the capital increase of 20-40 percent to carry out this objective.
 - 3. For the purpose of increasing a new capital on one of the subsidiaries in order for the subsidiary to expand its business with a proportion of use of funds from the capital increase of 15-30 percent to carry out this objective.

However, the aforementioned money utilization plan is subject to change depending on the operating results, cash flow, business plan, received money from the capital increase, necessity, and another suitability as the Board of Directors deems appropriate which will take into account the benefits of the company and the shareholders as important.



2.2 For the issuance of newly issued ordinary shares to support the exercise of the warrants under GEL-W5, if the shareholders exercise their rights to purchase the newly issued ordinary shares under the GEL-W5 Warrants in full, the Company will get the funds of approximately 449,823,099 Baht. The Company plans to use the proceeds that have been exercised to purchase such capital increase shares to be used as working capital for the Company's operations and/or to reserve for future debt repayment of the company and/or its subsidiaries and/or for the Company's investment and/or subsidiaries in the future.

2.3 However, the number of shares subscribed for newly issued ordinary shares and the exercise of rights to purchase newly issued ordinary shares under GEL-W5 Warrants and the actual payment may be less than the number of shares the Company intends to offer. This may cause the company to receive less money than the aforementioned Baht. In that case, The Company's capital increase utilization plan may differ from the above-mentioned utilization plan.

3. Effects to the shareholders from the offering of the newly-issued ordinary shares

Effect on the issuance and offering of the newly-issued ordinary shares proportionate to their respective shareholdings (Right Offering) along with the warrants to purchase ordinary shares of the Company at the same time, having the details as follows:

3.1 Price Dilution

- After the issuance and offering the newly-issued ordinary shares to Rights Offering but before the issuance and offering the GEL-W5 Warrants: there will be the price dilution on the Company's shares approximately 11 percent, with the following formula:

$$\begin{aligned} &= \frac{\text{Market price before offering} - \text{Market price after offering}}{\text{Market price before offering}} \\ &= \frac{0.40 - 0.36}{0.40} \\ &= 11\% \end{aligned}$$

The market price after the offering the newly-issued ordinary shares to Rights Offering, equivalent to:

$$\begin{aligned} &= \frac{(\text{Market price} \times \text{Paid-up shares}) + (\text{RO offering price} \times \text{Number of shares to be issued to RO})}{(\text{Paid-up shares} + \text{Number of shares to be issued to RO})} \\ &= \frac{(0.40 \times 5,397,877,189) + (0.23 \times 1,799,292,396)}{(5,397,877,189 + 1,799,292,396)} \\ &= 0.36 \end{aligned}$$



Remark: Market price equals to the weighted average of the Company's shares trading for 7 consecutive trading days before the date of Board of Director 'meeting No. 2/2022, convened on 28 February 2022 (i.e., between 9 - 18 February 2022) (Information from the SET) equivalent to THB 0.40.

- After the issuance of the GEL-W5 Warrants: there will be price dilution approximately 6 percent

$$= \frac{\text{Market price before offering} - \text{Market price after offering}}{\text{Market price before offering}}$$

$$= \frac{0.40 - 0.37}{0.40}$$

$$= 6\%$$

Market price after the allocation of the newly-issued ordinary shares to RO, equivalent to:

$$= \frac{(\text{Market price} \times \text{Paid-up shares}) + (\text{RO offering price} \times \text{Number of shares to be issued RO}) + (\text{Exercise price for the GEL-W5} \times \text{Number of accommodated share for the GEL-W5})}{(\text{Paid-up shares} + \text{Number of shares to be allocated to RO} + \text{Number of accommodated shares for the GEL-W5})}$$

$$= \frac{(0.40 * 5,397,877,189) + (0.23 * 1,799,292,396) + (0.5 * 899,646,198)}{(5,397,877,189 + 1,799,292,396 + 899,646,198)}$$

$$= 0.37$$

Remark: Market price equals to the weighted average of the Company's shares trading for 7 consecutive trading days before the date of Board of Director 'meeting No. 2/2022, convened on 28 February 2022 (i.e., between 9 - 18 February 2022) (Information from the SET) equivalent to THB 0.40.

3.2 Control Dilution

- In case that all shareholders subscribe for the newly-issued ordinary shares in proportion of their respective shareholding and exercise the GEL-W5 Warrant, there will be no control dilution and the existing shareholders will not have impact from control dilution. In case that all shareholders have not subscribed for the newly-issued ordinary shares, the Company shall proceed with capital reduction by reducing the remaining shares from the allocation, resulting in the paid-up shares remain unchanged and will not impact to the control dilution.
- In case that the warrant holders exercise their rights to purchase the newly-issued ordinary shares under the warrants in full amount but such warrants holders are not the existing shareholders, this will impact to the control dilution of the existing



shareholders, whereby the control dilution of the existing shareholders will decrease approximately 11.11 percent comparing with the shareholding before the issuance of the warrants, with the following formula:

$$\begin{aligned}
 &= \frac{\text{Accommodated shares that issued and offered for the GEL-W5}}{\text{Paid-up capital + Number of shares to be issued to RO + Number of accommodated shares for the GEL-W5}} \\
 &= \frac{899,646,195}{5,397,877,189 + 1,799,292,396 + 899,646,195} \\
 &= 11.11 \%
 \end{aligned}$$

3.3 Earnings Per Share Dilution-EPS

- In case that all existing shareholders subscribe for the newly-issued ordinary shares proportion of their respective shareholding but have not exercised their right to purchase the newly-issued ordinary shares under the GEL-W5 Warrants in full amount, there will be earning per share dilution to the existing shareholders from the number of shares to be issued and allocated to the Right Offering only, representing to 25.00 percent, with the following formula:

$$= \frac{\text{EPS before offering} - \text{EPS after offering}}{\text{EPS before offering}}$$

Whereas, EPS before offering

$$\begin{aligned}
 &= \frac{\text{Net profit}}{\text{Paid-up shares}} \\
 &= \frac{(-65,138,626)}{5,397,877,189} \\
 &= \text{THB } (-0.012) \text{ per share}
 \end{aligned}$$

Whereas, EPS after offering

$$\begin{aligned}
 &= \frac{\text{Net profit}}{\text{Paid-up shares + Number of shares to be allocated to RO}} \\
 &= \frac{(-65,138,626)}{5,397,877,189 + 1,799,292,396} \\
 &= \text{THB } (-0.009) \text{ per share}
 \end{aligned}$$

EPS Dilution

$$\begin{aligned}
 &= \frac{(-0.012) - (-0.009)}{(-0.012)} \\
 &= 25.00\%
 \end{aligned}$$



Remark: Net profit is calculated from the financial statements for Q3/2021 ended September 30, 2021.

- In case that all existing shareholders subscribe for the newly-issued ordinary shares in proportion of their respective shareholding and the warrant holders have exercised their right under warrants in full amount, there will be earning per share dilution to the existing shareholders of 33.33 percent, when comparing with the total number of shares sold of the Company in present.

$$= \frac{\text{EPS before offering} - \text{EPS after offering}}{\text{EPS before offering}}$$

Whereas, EPS before offering

$$= \frac{\text{Net profit}}{\text{Paid-up shares}}$$

$$= \frac{(-65,138,626)}{5,397,877,189}$$

$$= \text{THB } (-0.012) \text{ per share}$$

Whereas, EPS after offering

$$= \frac{\text{Net profit}}{\text{Paid-up shares} + \text{Number of shares to be allocated to RO} + \text{Number of shares accommodated for the GEL-W5}}$$

$$= \frac{(-65,138,626)}{5,397,877,189 + 1,799,292,396 + 899,646,198}$$

$$= \text{THB } (-0.008) \text{ per share}$$

EPS Dilution

$$= \frac{(-0.012) - (-0.008)}{(-0.012)}$$

$$= 33.33\%$$

Remark: Net profit is calculated from the financial statements for Q3/2021 ended September 30, 2021.

- The existing shareholders will have impact from the earning per share dilution of 11.11 percent comparing with the total number of sold shares of the Company before the exercise of warrants, but after the issuance and offering of the newly-issued ordinary shares to the Right Offering, with the following formula:



$$= \frac{\text{EPS before offering} - \text{EPS after offering}}{\text{EPS before offering}}$$

Whereas, EPS before offering

$$\begin{aligned} &= \frac{\text{Net profit}}{\text{Paid-up shares} + \text{Number of shares to be allocated to RO}} \\ &= \frac{(-65,138,626)}{5,397,877,189 + 1,799,292,396} \\ &= \text{THB } (-0.009) \text{ per share} \end{aligned}$$

Whereas, EPS after offering

$$\begin{aligned} &= \frac{\text{Net profit}}{\text{Paid-up shares} + \text{Number of shares to be allocated to RO} + \text{Number of accommodated shares for the GEL-W5}} \\ &= \frac{(-65,138,626)}{5,397,877,189 + 1,799,292,396 + 899,646,198} \\ &= \text{THB } (-0.008) \text{ per share} \end{aligned}$$

EPS Dilution

$$\begin{aligned} &= \frac{(-0.009) - (-0.008)}{(-0.009)} \\ &= 11.11\% \end{aligned}$$

4. Opinions of the Board of Directors on the capital increase or the offering for the existing shareholders proportionate to their respective shareholdings (Rights Offering)

4.1 Rationale and necessity for the capital increase

The Board of Directors is of the opinion that it is necessary for the Company to increase its registered capital and issue the newly-issued ordinary shares to offer for sale to the existing shareholders proportionate to their respective shareholdings (Right Offering) together with the newly-issued ordinary shares to be reserved for the exercise of the GEL-W5 Warrants to allocate to the Company's existing shareholders who have subscribed and have been allocated for the issued and offered of newly-issued ordinary shares proportionate to their respective shareholdings (Rights Offering). This is due to the Company plans to use the proceeds derived from the offering of the newly-issued ordinary shares for the purpose according to the details mentioned in Clause 2 above. In addition, the offering of the newly-issued ordinary shares to the Company's existing shareholders proportionate to their respective shareholdings shall be their rights to participate in the share subscription and their rights to receive returns from the Company's operational result in the future.

**4.2 Feasibility of the plan to use the proceeds derived from the offering of shares**

The Company plans to complete the issuance and offering of shares to the existing shareholders proportionate to their respective shareholdings (Right Offering), including the receipt of the proceed derived therefrom, by the end of 2022. The Company will use the proceeds derived from the capital increase for the purpose according to the details mentioned in Clause 2 above.

4.3 Reasonableness of the capital increase, plans to use the proceeds derived from the offering of shares, and projects to be operated, including the sufficiency of the sources of funds

The Board of Directors is of the opinion that the issuance and offering of the newly-issued ordinary shares to the shareholders proportionate to their respective shareholdings (Right Offering), together with the newly-issued ordinary shares to be reserved for the exercise rights of the GEL-W5 Warrants to be allocated to the Company's existing shareholders, who have subscribed and have been allocated for the issued and offered of newly-issued ordinary shares proportionate to their respective shareholdings (Rights Offering) are appropriate, reasonable and for the best benefit of the Company and all shareholders. This due to the Company plans to use the proceeds from fundraising for the purpose in accordance with the details specified in Clause 2 above.

If all the newly issued ordinary shares that the company has issued and offered for sale at this time are fully subscribed, the company will get funds of approximately 413,837,251 Baht which is sufficient capital to carry out the business as planned according to the details mentioned in item 2 above.

4.4 Potential impact which may occur to the business operation of the Company, as well as its financial positions, and operational results, due to the capital increase and the plan to use the proceeds or Company's projects

The Board of Directors is of the opinion that the issuance and offering of the newly-issued ordinary shares to the shareholders proportionate to their shareholdings (Right Offering), together with the newly-issued ordinary shares to be reserved for the exercise rights of the GEL-W5 Warrants to be allocated to the Company's existing shareholders, who have subscribed and have been allocated for the issued and offered of newly-issued ordinary shares proportionate to their respective shareholdings (Rights Offering) is the implementation of the Company's funding source plan. The Company, hence, will utilize the proceeds derived from the capital increase for the purpose according to the details mentioned in Clause 2. The implementation as previously mentioned will be beneficial to the Company's business operations, as well as strengthen the cash flow and financial position of the Company. This will also reduce the Company's debt to equity ratio and helps



to enhance the Company's financial liquidity. In addition, the capital increase from the issuance and offering of the newly-issued ordinary shares will result in a better overall financial status and have a stable financial position.

5. Representations of the Board of Directors regarding the capital increase

In the case that the directors of the Company do not comply with the laws, the objectives, the articles of association of the Company, and the resolution of the meeting of shareholders in loyalty and care to preserve the interest of the Company on matters relating to the increase of registered capital, resulting that the performance of any act or nonperformance of any act which fails to comply with the aforementioned duties and causes damages to the Company, the Company may claim compensation from the directors. In the case where the Company fails to make such claim, any one or more shareholders holding shares amounting to not less than 5 percent of the total number of issued shares of the Company may notify the Company requesting the Company to make such a claim. If the Company fails to take action as directed by the said shareholders, such shareholders may bring a suit to the court to claim compensation on behalf of the Company in accordance with Section 85 of the Public Company Limited Act B.E. 2535 (including any amendment thereto). In addition, in the case where the director acts or omits to act in such a way that does not comply with the laws, the objectives, the articles of association and the resolution of the meeting of shareholders with due care and loyalty to preserve the interest of the Company on the matters relating to the increase of registered capital, resulting that the director, the executive or the related person to obtain undue benefits, the Company may bring an action against the director for disgorgement of such benefits to the Company. In this regard, a shareholder or shareholders who hold shares and have the right to vote amounting to not less than 5 percent of the total number of voting rights of the Company may notify the Company requesting the Company to bring the aforementioned action and if the Company fails to proceed as requested within 1 month from the date of the notice, such shareholder or shareholders may bring an action for disgorgement of benefits on behalf of the Company in accordance to Section 89/18 of the Securities and Exchange Act B.E. 2535 (including any amendment thereto).

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

Please be informed accordingly.

Yours Sincerely,

General Engineering Public Company Limited

-Signed-

Mr. Wuttichai Sresthabutra

Director