

Information Memorandum in relation to the Allotment and Offering of Newly Issued Ordinary Shares to Investors in Private Placement

The Board of Directors' Meeting of JCK International Public Company Limited (the "Company") No. 2/2020, held on February 28, 2020, has resolved to approve for submission to the Shareholders' meeting for consideration and approval of the allotment of newly issued ordinary shares of the Company in the amount not exceeding 214,703,414 shares, with the par value of Baht 1.00 per share for offering in entirety or in portions for offering in lots from time to time to investors in private placement categorized under the Notification of the Capital Market Supervisory Board No. Tor Jor. 72/2558 Re: Approval for the Listed Companies to Offer Newly Issued Shares to Investors in Private Placement which such persons are not connected persons of the Company, whereby the Board of Directors of the Company shall have the authority to determine the offering price of the shares at the best market price in accordance with the market condition during the offering period.

Therefore, the Company has prepared the Information Memorandum in relation to the Allotment and Offering of Newly Issued Ordinary Shares to Investors in Private Placement which consists of the important information effected to the decision of shareholders for consideration and approval of the increase of registered capital of the Company and the allotment and offering of newly issued ordinary shares to investors in private placement as follows:

1. Details of offering of newly issued ordinary shares to investors in private placement

The Board of Directors' Meeting of the Company No. 2/2020 has resolved to approve for the allotment of capital increased ordinary shares of the Company in the amount not exceeding 214,703,414 shares, with the par value of Baht 1.00 per share for offering in entirety or in portions for offering in lots from time to time to investors in private placement categorized under the Notification of the Capital Market Supervisory Board No. Tor Jor. 72/2558 Re: Approval for the Listed Companies to Offer Newly Issued Shares to Investors in Private Placement, whereby the Board of Directors shall have the authority to determine the offering price of the shares at the best market price in accordance with the market condition during the offering period to the investor(s) and shall not lower than one of the following price:

(1) The weighted average of share price trading on the Stock Exchange of Thailand retroactively for not less than seven consecutive trading days but not exceeding fifteen consecutive trading days prior to the determination date of the offering price of such shares in each time ("Market Price"), whereby such weighted average of share price is required to use the average price of shares trading in each day. Provide that, the determination date of offering price is required to backward not exceeding 3 trading days prior to the first date of offering shares to the investor(s). However, the Board of Directors of the Company may determine the discount on the offering price but shall not exceed 10% of such Market Price.

(2) The price which is determined by the process applicable to investors institution intending to purchase the newly issued ordinary shares of the Company at the Book Building method surveyed by the securities company.

In this regard, the Board of Directors shall offer the entire shares to be completed within the period not exceeding 12 months from the date of the Shareholders' meeting of the Company resolving the approval of such offering shares.

For the allotment and offering of capital increase ordinary shares of the Company above, the Board of Directors shall have the authorities to consider the fixing of other details regarding the allotment and offering of capital increase ordinary shares, such as searching of investors in private placement; fixing of the terms, conditions and details regarding the allotment and offering of capital increase ordinary

shares and/or allot newly issued ordinary shares as consideration for the acquisition; negotiation, entry into agreement and execution of relevant documents and agreements regarding the allotment and offering of capital increased ordinary shares; and execution of applications for permission and necessary and relevant evidence regarding such allotment and offering of capital increased ordinary shares, including determining other conditions and details in issuing and offering of such increased shares as deemed appropriate, as well as the authority to correct wording or contents for minutes of shareholders' meeting or Memorandum of Association and/or others application and/or the various actions necessary in compliance with the order of Registrar in relation to the registration of registered capital increase and paid-up capital with Department of Business Development, Ministry of Commerce from time to time in accordance with the payments of the subscriber(s) in each time, including listing the increased shares in the Stock Exchange of Thailand and submission of information and documents to the Securities and Exchange Commission, the Stock Exchange of Thailand, Ministry of Commerce or other relevant authorities.

The allocation of newly issued ordinary shares to investors in private placement above in any case shall not enable any investors to hold the Company's shares in an increasing nature reaching or crossing the point where a tender offer must be made, as prescribed in the Notification of the Capital Market Supervisory Board No. Tor Jor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers, or in violation of the foreign limit as specified in the Company's Articles of Association.

2. Objectives of issuance of capital increase shares and plans for utilizing the capital increase fund

To reserve for the payment of short-term debt and/or to be the working capital of the Company and/or to be the investment fund in businesses of the Company and subsidiaries at the present and to expand new projects, the Company expects that the capital received from the capital increase at this time will help strengthen the financial stability of the Company and when combined with the Company's existing assets and the revenue generated from the current business operations of the Company, it will enable the Company to achieve its objectives and its specified plans for utilizing the fund.

3. Effect to existing shareholders which may occur from the offering of newly issued ordinary shares to investors in private placement

Effects to existing shareholders which may occur from the offering of newly issued ordinary shares to investors in private placement are as follows:

(1) Price Dilution

The Price Dilution could not yet be calculated since the offering price is not determined to investors in private placement, whereby the Board of Directors shall have the authority to determine the offering price of the shares at the best market price in accordance with the market condition during the offering period to the investors. However, if calculated from an offering price to investors in private placement with 10% discount from the market price of the Company's shares, it will be Baht 0.75 per share (the market price of the Company's shares was calculated retroactively from weighted average price of the Company's shares trading in the Stock Exchange of Thailand 15 days prior to the date that the Board of Directors has approved to increase the registered capital which are between the date of February 6, 2020 – February 27, 2020 which is Baht 0.83 per share (information from SETSMART)). The Price Dilution will be as follows:

$$= \frac{(\text{Market price before offering} - \text{Market price after offering}^*)}{\text{Market price before offering}}$$

By which

$$\begin{aligned} * \text{Market price after offering to PP} &= \frac{(\text{Market price} \times \text{Paid-up shares}) + (\text{PP price} \times \text{Shares offering to PP})}{(\text{Paid-up shares} + \text{Shares offering to PP})} \end{aligned}$$

$$= \frac{(0.83 \times 2,147,034,141) + (0.75 \times 214,703,414)}{2,147,034,141 + 214,703,414}$$

$$= 0.82 \text{ Baht/share}$$

$$= \frac{(0.83 - 0.82)}{0.83}$$

$$= 1.20\%$$

Therefore, if calculated from the offering price to investors via private placement at Baht 0.75 per share, the price dilution will be 1.20 %

(2) Control Dilution

$$\begin{aligned} &= \frac{\text{Shares offering to PP}}{(\text{Paid-up shares} + \text{Shares offering to PP})} \\ &= \frac{214,703,414}{(2,147,034,141 + 214,703,414)} \\ &= 9.09\% \end{aligned}$$

Therefore, the offering of newly issued ordinary shares to investors via private placement will cause the control dilution at 9.09%

4. Opinion of the Board of Directors of the Company

(1) Reason and necessity of capital increase

The Board of Directors is of the opinion that the capital increase and the allotment of the said capital increase shares to investors in private placement will expand the capital base of the Company which will help strengthen the Company's financial strength and stability, as well as enhance the liquidity of the Company including these shall make the Company has lower financial cost. The proceeds to be gained can be used to monetize the investment and develop the Company which will generate returns for the Company and its shareholders in the future. The Company needs to reserve capital for developing projects of the Company and its subsidiaries and/or repayment debt and/or for working capital. Period of the allotment of newly issued ordinary shares to investors in private placement is short and fast. Also, it can be expected the amount of money to be received is more certain than the offering of newly issued ordinary shares to the existing shareholders. Therefore, the offering of some of the capital increase shares to investors in private placement who have potential for capital will allow the Company to receive the required amount of funding and be able to raise funds within a short period of time and it does not create much burden to the existing shareholders.

(2) Feasibility of plans for utilizing the fund received from the offering shares

The Board of Directors is of the opinion that if the Company can allocate the said capital increase shares to investors in private placement within a short period of time, it will enable the Company to effectively achieve its objective of this capital increase pursuant to financial plan that was specified, which will benefit the business of the Company. However, the Company will use the capital raising plan from the investors in private placement as a reserve channel to raise funds for developing the projects of the Company and its subsidiaries and/or repayment debt and/or use as working capital. Thus, the Board of Directors will consider the allocation of capital increase above on the necessity of using the capital, potential impact on the existing shareholders and the benefits that the Company and the shareholders will receive in the future, for instance.

(3) Reasonableness of the capital increase, plans for utilizing the fund received from the offering shares and project to be operated including sufficiency of source of fund

The Board of Directors is of the opinion that the Company currently has to borrow money from financial institutions and through fundraising by issuing various types of debt securities, resulting that the Company has huge amount of outstanding interest and fees and other relevant cost. The capital increase and the allotment of the said capital increase shares to investors in private placement will reduce financial cost and strengthen the Company's financial stability and to have readiness in carrying out the objectives mentioned above effectively. The Company expects that the amount to be received from the capital increase to investors in private placement will allow the Company to have sufficient capital to run the business and develop the projects of the Company and its subsidiaries as planned.

(4) Expected effect incurred to the business operation of the Company, financial status and performance results of the Company due to the capital increase and operation in accordance with the utilizing plan or project


The Board of Directors is of the opinion that the capital increase and the allotment of the said capital increase shares to investors in private placement will be beneficial to the business operation of the Company and will help strengthen the Company's financial strength and stability, and to enhance the liquidity of the Company, and to lower the Company's financial cost. This will also enable the expansion in the investment and the business operation of the Company and its subsidiaries, which shall affect the Company's growth in the future. In addition, the capital increase will assist in reducing debt to equity ratio which will create more effectiveness in borrowing for the Company in the future.

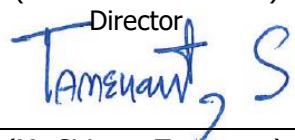
5. Certification of the Board of Directors of the Company regarding the capital increase

In the case where the directors of the Company do not perform their duty with honesty and care to preserve the benefit of the Company in relation to the capital increase, and if such omission of performance causes damage to the Company, the shareholders are entitled to file a lawsuit to claim for damages from such director on behalf of the Company as specified in Section 85 of the Public Limited Company Act B.E. 2535. In addition, if such omission of performance causes a director or his/her related person to obtain undue benefit, the shareholders shall be entitled to file a lawsuit to reclaim for benefits from such director on behalf of the Company as specified in Section 89/18 of the Securities and Exchanges Act B.E. 2535.

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



Signature  Authorized Company Director
(Mr.Anukul Ubonnuch)
Director

Signature  Authorized Company Director
(Ms.Siriporn Tamenant)
Director