



T ENGINEERING  
CORPORATION PCL

บริษัท ที เอ็นจิเนียริ่ง คอร์ปอเรชั่น จำกัด (มหาชน)  
T Engineering Corporation Public Company Limited



242,244 ถนนกรุงธนบุรี แขวงคลองตันใต้ เขตคลองสาน กรุงเทพฯ 10600 โทรศัพท์ : 02-018-7190-8 แฟกซ์ : 02-018-7199 ทะเบียนเลขที่ : 0107548000501  
242,244 Krung Thonburi Road, Khlong Ton Sai, Khlong San, Bangkok 10600 Tel : 02-018-7190-8 Fax : 02-018-7199 Tax ID : 0107548000501

No.IR.019/2021

August 20, 2021

**Subject:** Issuance and Offering of Newly Issued Ordinary Shares to Specific Investors on a Private Placement Basis, Entering into the Connected Transaction, Appointment of the Independent Financial Advisor, Increase of Registered Capital, Amendment of Memorandum of Association, Allocation of the Newly Issued Ordinary Shares to Specific Investors on a Private Placement Basis, Change of the Company's Name, Amendment of Memorandum of Association, Change of the Company's Articles of Association and Convening the Extraordinary General Meeting of Shareholders No. 1/2021 (1<sup>st</sup> amendment)

**To:** The President  
The Stock Exchange of Thailand

**Enclosure:** 1. Information Memorandum on Offering of Newly Issued Ordinary Shares through a Private Placement and Connected Transaction of T Engineering Corporation Public Company Limited  
2. Capital Increase Report Form (F53-4)

T Engineering Corporation Public Company Limited (the "**Company**") would like to notify significant resolutions of the board of directors' meeting of the Company No. 5/2021, held on August 20, 2021, at 16.30 hrs., as follows:

1. Approved to propose to the shareholders' meeting consider and approve the issuance and offering of not exceeding 54,044,000,000 newly issued ordinary shares of the Company with a par value of THB 1.00 per share to specific investors on a private placement basis, equivalent to 83.15 percent of the total issued and paid-up shares of the Company (after the PP Transactions) at the offering price of THB 0.02 per share, totaling THB 1,080,880,000, to five investors (the "**Investors**") as detailed below (collectively, the "**PP Transactions**");
  - 1.1 The issuance and offering of 51,994,000,000 newly issued ordinary shares with a par value of THB 1.00 to Mrs. Panicha Dau ("**Mrs. Panicha**"), equivalent to 80.00 percent of the total issued and paid-up shares of the Company (after the PP Transactions), at the offering price of THB 0.02 per share, totaling THB 1,039,880,000 (the "**Issuance and Offering of Newly Issued Ordinary Shares to Mrs. Panicha**"). Mrs. Panicha will be entitled to nominate the candidates to be elected as directors of the Company in the number of more than half of total number of directors, and to nominate the candidates to be appointed as the executives of the Company, where such process is expected to be completed within the fourth quarter of 2021.<sup>1</sup>

<sup>1</sup> the Issuance and Offering of Newly Issued Ordinary Shares to Mrs. Panicha is considered as the offering and issuance of the newly issued ordinary shares to a connected person because Mrs. Panicha will be a controlling person of the Company and her spouse, i.e., Mr. David Van Dau will be a director of the Company after the acquisition of the Company's newly issued ordinary shares.



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In this regard, as after the acquisition of the Company’s newly issued ordinary shares, Mrs. Panicha’s shareholding in the Company will be equivalent to 80.00 percent of the total issued and paid-up shares of the Company (after the PP Transactions) which exceeds 75 percent of the total voting rights of the Company, Mrs. Panicha, therefore, is required to make a tender offer for all securities of the Company pursuant to the Notification of the Capital Market Supervisory Board No Thor.Jor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (as amended) (“**Notification No. Thor.Jor. 12/2554**”) where the tender offer will take place after the Company has issued and allocated the newly issued ordinary shares to Mrs. Panicha and the registration of the paid-up capital in respect of the ordinary shares issued and allocated to Mrs. Panicha has been completed, where the Company expects that Mrs. Panicha will commence a tender offer within the fourth quarter of 2021. In this regard, as the Notification No. Thor.Jor. 12/2554 specifies that the tender offer price for shares shall not be less than the highest price paid for shares which have been acquired by the tender offeror and his/her related party specified in Section 258, including persons acting in concert with such persons, during the period of 90 days prior to the date on which the offer document is submitted, in other words, the tender offer price will not be lower than the offering price, offered to the specific investors on a private placement basis this time;

- 1.2 The issuance and offering of 300,000,000 newly issued ordinary shares with a par value of THB 1.00 to Miss Titima Thanakornyothin (“**Miss Titima**”), equivalent to 0.46 percent of the total issued and paid-up shares of the Company (after the PP Transactions), at the offering price of THB 0.02 per share, totaling THB 6,000,000 (the “**Issuance and Offering of Newly Issued Ordinary Shares to Miss Titima**”)<sup>2</sup>;
- 1.3 The issuance and offering of 250,000,000 newly issued ordinary shares with a par value of THB 1.00 to Mr. Chaiyod Chirabowornkul (“**Mr. Chaiyod**”), equivalent to 0.38 percent of the total issued and paid-up shares of the Company (after the PP Transactions), at the offering price of THB 0.02 per share, totaling THB 5,000,000 (the “**Issuance and Offering of Newly Issued Ordinary Shares to Mr. Chaiyod**”)<sup>3</sup>
- 1.4 The issuance and offering of 1,200,000,000 newly issued ordinary shares with a par value of THB 1.00 to Mr. Adisorn J.Jitcharoenchai (“**Mr. Adisorn**”), equivalent to 1.85 percent of the total issued and paid-up shares of the Company (after the PP Transactions), at the offering price of THB 0.02 per share, totaling THB 24,000,000; and
- 1.5 The issuance and offering of 300,000,000 newly issued ordinary shares with a par value of THB 1.00 to Mr. Kittishote Haritaworn (“**Mr. Kittishote**”), equivalent to 0.46 percent of the total issued and paid-up shares of the Company (after the PP Transactions), at the offering price of THB 0.02 per share, totaling THB 6,000,000.

<sup>2</sup> the Issuance and Offering of Newly Issued Ordinary Shares to Miss Titima is considered as the offering and issuance of the newly issued ordinary shares to a connected person because Miss Titima will be a director and an independent director of the Company after the acquisition of the Company’s newly issued ordinary shares.

<sup>3</sup> the Issuance and Offering of Newly Issued Ordinary Shares to Mr. Chaiyod is considered as the offering and issuance of the newly issued ordinary shares to a connected person because Mr. Chaiyod will be a director and the chief executive officer of the Company after the acquisition of the Company’s newly issued ordinary shares.



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The offering price of the newly issued ordinary shares is based on the negotiations between the Company and the Investors, which is higher than the fair value of such shares appraised by the financial advisor of the Company. However, as the Company sustains an accumulated loss in its standalone financial statements as of June 30, 2021, in the amount of THB 1,515.95 million, resulting in the Company being able to issue and offer its newly issued ordinary shares at the offering price lower than the par value of the Company upon being approved by the shareholders' meeting pursuant to Section 52 of the Public Limited Companies Act B.E. 2535 (A.D. 1992) (as amended).

In this regard, the volume weighted average price of the Company's shares traded on the Stock Exchange of Thailand (the "SET") for the past 15 consecutive business days prior to the date on which the board of directors' meeting of the Company resolved to propose to the shareholders' meeting to consider and approve the offering of newly issued shares to specific investors on a private placement basis, i.e. from July 29, 2021 to August 19, 2021, is equivalent to THB 0.091 per share. The offering price of the newly issued ordinary shares at THB 0.02 per share is lower than 90 percent of the market price as it is discounted from the market price at the rate of 78.02 percent. Therefore, the PP Transactions are considered as the issuance and offering of the newly issued shares to specific investors on a private placement basis at specific offering price, which shall be determined by the resolution of the shareholders' meeting, at the price lower than 90 percent of the market price pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 72/2558 Re: Approval for Listed Companies to Offer Newly Issued Shares through Private Placement (as amended) (the "PP Notification"). Consequently, the PP Transactions shall be approved by a vote of not less than three-fourths of the total votes of shareholders attending the meeting and having the right to vote, excluding the votes of shareholders having an interest on the PP Transactions<sup>4</sup>, and there is no shareholder(s) holding, in aggregate, at least 10 percent of the total votes of the shareholders attending the meeting and having the right to vote, exercising their veto rights to object the private placement offering. Furthermore, an approval of the Office of Securities and Exchange Commission (the "Office of the SEC") is required prior to the offering of the newly issued shares.

In addition, should the offering price of the newly issued ordinary shares to five Investors under the PP Transactions is lower than 90 percent of the market price of the Company's shares prior to the SET's approval to accept such newly issued ordinary shares as listed securities, the Company shall be obliged to prohibit all Investors from selling all shares which have been allocated to them under the PP Transactions for a period of one year from the date on which such shares commence trading on the SET. Upon the lapse of six months after the Company's newly issued ordinary shares have started trading on the SET, the Investors may gradually sell up to 25 percent of all such locked-up shares, in accordance with the requirements set out in the Notification of the Stock Exchange of Thailand Re: Rules, Conditions and Procedures for Consideration of Application for Listing of Ordinary Shares or Preferred Shares for Capital Increase as Listed Securities B.E. 2558 (A.D. 2015) (as amended) (the "Notification on Rules, Conditions and Procedures for Consideration of the Application for Ordinary Shares for Capital Increase as Listed Securities")

<sup>4</sup> No shareholder of the Company has an interest on the PP Transactions.



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In this regard, the additional details of the PP Transactions and conditions of the capital increase in respect of the offering of the newly issued ordinary shares of the Company are set out in the Information Memorandum on Offering of Newly Issued Ordinary Shares through a Private Placement and Connected Transaction of T Engineering Corporation Public Company Limited (Enclosure 1) and the Capital Increase Report Form (F53-4) (Enclosure 2);

2. Approved to propose to the shareholders' meeting consider and approve the Issuance and Offering of Newly Issued Ordinary Shares to (1) Mrs. Panicha, (2) Miss Titima, and (3) Mr. Chaiyod which constitutes a connected transaction of the Company, i.e., (1) Mrs. Panicha will be a controlling person of the Company and her spouse, i.e., Mr. David Van Dau will be a director of the Company (2) Miss Titima will be a director and an independent director of the Company, and (3) Mr. Chaiyod will be a director and the chief executive officer of the Company. Therefore, the Issuance and Offering of Newly Issued Ordinary Shares to such three Investors is considered as a connected transaction pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (A.D. 2003) (as amended) (the "**Connected Transaction Notifications**"). Size of the connected transaction of each connected person, i.e., (1) Mrs. Panicha and her spouse, i.e., Mr. David Van Dau (2) Miss Titima and (3) Mr. Chaiyod is equivalent to 737.75 percent, 4.26 percent and 3.55 percent, respectively, of the net tangible assets (NTA) of the Company in the reviewed financial statements of the Company ending June 30, 2021. Size of each connected transaction of all 3 Investors is more than THB 20,000,000 and more than three percent of total net tangible asset of the Company. The Company, therefore, is required to proceed as follows:
  - 1) to disclose information memorandum regarding the connected transaction pursuant to the Connected Transaction Notifications. The details of which are set out in the Information Memorandum on Offering of Newly Issued Ordinary Shares through a Private Placement and Connected Transaction of T Engineering Corporation Public Company Limited (Enclosure 1);
  - 2) to convene a shareholders' meeting of the Company to approve the connected transactions which is required an affirmative vote of not less than three-fourths of the votes of shareholders attending the meeting and having the right to vote, excluding the votes of shareholders having an interest on the transactions<sup>5</sup>; and
  - 3) to appoint an independent financial advisor (IFA) to give an opinion on the connected transactions. In this regard, the Company appointed Country Group Securities Public Company Limited as the independent financial advisor (IFA) of the Company to give an opinion on these connected transactions.

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<sup>5</sup> No shareholder of the Company has an interest on the PP Transactions.



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In this regard, the Company did not enter into any connected transaction with such three Investors or their related persons or close relatives within the past six months prior to the entry into these transactions.

The additional information in relation to the connected transaction is set out in the Information Memorandum on Offering of Newly Issued Ordinary Shares through a Private Placement and Connected Transaction of T Engineering Corporation Public Company Limited (Enclosure 1);

3. Approved the appointment of Country Group Securities Public Company Limited as the independent financial advisor (IFA) of the Company to give an opinion on the Issuance and Offering of Newly Issued Ordinary Shares to (1) Mrs. Panicha, (2) Miss Titima, and (3) Mr. Chaiyod which are the offering of newly issued shares to specific investors on a private placement basis, constituting the connected transactions of the Company;
4. Approved to propose to the shareholders' meeting consider and approve the increase of the Company's registered capital of THB 54,044,000,000 from the existing registered capital of THB 10,948,438,156 to THB 64,992,438,156 by issuing of not exceeding 54,044,000,000 newly issued ordinary shares, with a par value of THB 1.00 per share, to accommodate the issuance and offering of newly issued ordinary shares to specific investors on a private placement basis, as detailed in the Capital Increase Report Form (F53-4) (Enclosure 2);
5. Approved to propose to the shareholders' meeting consider and approve the amendment to Clause 4. of the memorandum of association of the Company to be in line with the increase of the Company's registered capital;
6. Approved to propose to the shareholders' meeting consider and approve the allocation of not exceeding 54,044,000,000 newly issued ordinary shares with a par value of THB 1.00 per share as follows:
  - (1) The allocation of not exceeding 51,994,000,000 newly issued ordinary shares of the Company, with a par value of THB 1.00 per share, to Mrs. Panicha, who is a connected person of the Company, equivalent to 80.00 percent of the total issued and paid-up shares (after the PP Transactions), at the offering price of THB 0.02 per share, totaling THB 1,039,880,000;
  - (2) The allocation of not exceeding 300,000,000 newly issued ordinary shares of the Company, with a par value of THB 1.00 per share, to Miss Titima, who is a connected person of the Company, equivalent to 0.46 percent of the total issued and paid-up shares (after the PP Transactions), at the offering price of THB 0.02 per share, totaling THB 6,000,000;
  - (3) The allocation of not exceeding 250,000,000 newly issued ordinary shares of the Company, with a par value of THB 1.00 per share, to Mr. Chaiyod, who is a connected person of the Company, equivalent to 0.38 percent of the total issued and paid-up shares (after the PP Transactions), at the offering price of THB 0.02 per share, totaling THB 5,000,000;



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- (4) The allocation of not exceeding 1,200,000,000 newly issued ordinary shares of the Company, with a par value of THB 1.00 per share, to Mr. Adisorn, equivalent to 1.85 percent of the total issued and paid-up shares (after the PP Transactions), at the offering price of THB 0.02 per share, totaling THB 24,000,000; and
- (5) The allocation of not exceeding 300,000,000 newly issued ordinary shares of the Company, with a par value of THB 1.00 per share, to Mr. Kittishote, equivalent to 0.46 percent of the total issued and paid-up shares (after the PP Transactions), at the offering price of THB 0.02 per share, totaling THB 6,000,000.

The allocation of the newly issued ordinary shares of the Company to (1) Mrs. Panicha, (2) Miss Titima, (3) Mr. Chaiyod, (4) Mr. Adisorn, and (5) Mr. Kittishote are considered as the offering of the newly issued shares at the low price pursuant to the PP Notification. Therefore, after the Company has obtained an approval of the extraordinary general meeting of shareholders for the offering of the newly issued ordinary shares to the foregoing Investors, the Company shall obtain an approval of the Office of the SEC for the offering of the newly issued ordinary shares to the specific investors on a private placement basis pursuant to the PP Notification prior to the offering of the newly issued ordinary shares to (1) Mrs. Panicha, (2) Miss Titima, (3) Mr. Chaiyod (4) Mr. Adisorn, and (5) Mr. Kittishote.

In addition, should the offering price of the newly issued ordinary shares to five Investors under the PP Transactions is lower than 90 percent of the market price of the Company's shares prior to the SET's approval to accept such newly issued ordinary shares as listed securities, the Company shall be obliged to prohibit all Investors from selling all shares which have been allocated to them under the PP Transactions for a period of one year from the date on which such shares commence trading on the SET. Upon the lapse of six months after the Company's newly issued ordinary shares have started trading on the SET, the Investors may gradually sell up to 25 percent of all such locked-up shares, in accordance with the requirements set out in the Notification on Rules, Conditions and Procedures for Consideration of the Application for Ordinary Shares for Capital Increase as Listed Securities.

Moreover, it is approved to propose to the shareholders' meeting consider the delegation of authority to the Board of Directors and/or the Managing Director and/or Mr. Tradsin Chonggussayakul and/or any person(s) authorized by the Board of Directors and/or the Managing Director and/or Mr. Tradsin Chonggussayakul to consider and determine other details necessary for and relevant to the issuance and offering of the newly issued ordinary shares of the Company.



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7. Approved to propose to the shareholders' meeting consider and approve the change of the Company's name and the Company's seal, and amendment to Clause 1. of the Company's memorandum of association to be in line with the change of the Company's name as follows:

	<u>Thai Name</u>	<u>English Name</u>
<b>From</b>	บริษัท ที เอ็นจิเนียริ่ง คอร์ปอเรชั่น จำกัด (มหาชน)	T Engineering Corporation Public Company Limited
<b>To</b>	บริษัท พีเอสจี คอร์ปอเรชั่น จำกัด (มหาชน)	PSG Corporation Public Company Limited

In this regard, once the Company has obtained approval of the extraordinary general meeting of shareholders for the change of the Company's name, the Company will proceed to change the Company's securities symbol to be in line with the change of the Company's name in accordance with the relevant rules and regulations.

Furthermore, the change of the Company's name and securities symbol are subject to the completion of subscription of the newly issued ordinary shares by Mrs. Panicha.

8. Approved to propose to the shareholders' meeting consider and approve the amendment to the Company's articles of association in Articles 1. and 2. of Chapter 1 – General, concerning the Company's name, and in Article 44. of Chapter 7 – Miscellaneous, concerning the Company's seal, to be in line with the change of the Company's name;
9. Approved the convening of the extraordinary general meeting of shareholders no. 1/2021 on October 12, 2021, at 10.00 hrs., via electronic means (E-AGM), to consider the following agenda items:
- Agenda 1 To consider and adopt the Minutes of the Annual General Meeting of Shareholders for the year 2021;
- Agenda 2 To consider and approve the issuance and offering of newly issued ordinary shares of the Company to the investors which is an offering of newly issued shares to specific investors on a private placement basis;
- Agenda 3 To consider and approve the issuance and offering of newly issued ordinary shares to certain investors which is a connected transaction of the Company;



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- Agenda 4 To consider and approve the increase of the Company's registered capital of THB 54,044,000,000 from the existing registered capital of THB 10,948,438,156 to THB 64,992,438,156 by issuing of not exceeding 54,044,000,000 newly issued ordinary shares, with a par value of THB 1.00 per share;
- Agenda 5 To consider and approve the amendment to Clause 4. of the memorandum of association of the Company to be in line with the increase of the Company's registered capital;
- Agenda 6 To consider and approve the allocation of the newly issued ordinary shares of the Company to investors which is an issuance and offering of newly issued ordinary shares to specific investors on a private placement basis
- Agenda 7 To consider and approve the change of the Company's name, the amendment to Clause 1. of the memorandum of association of the Company, and the amendment of the articles of association of the Company to be in line with the change of the Company's name
- Agenda 8 To consider other matters (if any).

In this regard, as the agenda items 2 to 6 are related, the consideration of the agenda items 2 to 6 are conditional upon each other, whereby any of the said agenda items are not approved by the shareholders' meeting, it shall be deemed that the approval of any previous agenda items are cancelled, and there shall be no further consideration on the relevant subsequent agenda items, and the agenda items 2 to 6 shall be deemed unapproved by the shareholders' meeting.

Moreover, the board of directors resolved to approve that the date for determining the names of shareholders entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2021 (Record Date) would be on September 3, 2021.

Please be informed accordingly.

Sincerely yours,

(Mr. Pitsanu Vichitcholchai)  
Chief Executive Officer  
T Engineering Corporation Public Company Limited



**Information Memorandum on Offering of Newly Issued Ordinary Shares through  
a Private Placement and Connected Transaction of T Engineering  
Corporation Public Company Limited**

The board of directors' meeting of T Engineering Corporation Public Company Limited (the "**Company**") No. 5/2021, held on August 20, 2021, has passed the resolution to propose to the shareholders' meeting consider and approve the issuance and offering of not exceeding 54,044,000,000 newly issued ordinary shares of the Company with a par value of THB 1.00 per share to specific investors on a private placement basis, equivalent to 83.15 percent of the total issued and paid-up shares of the Company (after the capital increase registration) at the offering price of THB 0.02 per share, where the Company will receive the proceeds from the fund raising in total of THB 1,080,880,000. The Company shall use such proceeds as capital for the bidding and construction of a construction project, as well as working capital in its business operations. In this regard, the Company has sought five investors who are suitable and have interest to invest in the newly issued ordinary shares of the Company (the "**Investors**") as detailed below (collectively, the "**PP Transactions**");

- 1.1 The issuance and offering of 51,994,000,000 newly issued ordinary shares with a par value of THB 1.00 to Mrs. Panicha Dau ("**Mrs. Panicha**"), a connected person of the Company<sup>1</sup>, equivalent to 80.00 percent of the total issued and paid-up shares of the Company (after the PP Transactions), at the offering price of THB 0.02 per share, totaling THB 1,039,880,000 (the "**Issuance and Offering of Newly Issued Ordinary Shares to Mrs. Panicha**"). Mrs. Panicha will be entitled to nominate the candidates to be elected as directors of the Company in the number of more than half of total number of directors, and to nominate the candidates to be appointed as the executives of the Company, where such process is expected to be completed within the fourth quarter of 2021.

In this regard, as after the acquisition of the Company's newly issued ordinary shares, Mrs. Panicha's shareholding in the Company will be equivalent to 80.00 percent of the total issued and paid-up shares of the Company (after the PP Transactions) which exceeds 75 percent of the total voting rights of the Company, Mrs. Panicha, therefore, is required to make a tender offer for all securities of the Company pursuant to the Notification of the Capital Market Supervisory Board No Thor.Jor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (as amended) ("**Notification No. Thor.Jor. 12/2554**") where the tender offer will take place after the Company has issued and allocated the newly issued ordinary shares to Mrs. Panicha and the registration of the paid-up capital in respect of the ordinary shares issued and allocated to Mrs. Panicha has been completed, where the Company expects that Mrs. Panicha will commence a tender offer within the fourth quarter of 2021. In this regard, as the Notification No. Thor.Jor. 12/2554 specifies that the tender offer price for shares shall not be less than the highest price paid for shares which have been acquired by the tender offeror and his/her related party specified in Section 258, including persons acting in concert with such persons, during the period of 90 days prior to the date on which the offer document is submitted, in other words, the tender offer price will not be lower than the offering price, offered to the specific investors on a private placement basis this time;

- 1.2 The issuance and offering of 300,000,000 newly issued ordinary shares with a par value of THB 1.00 to Miss Titima Thanakornyothin ("**Miss Titima**"), a connected person of the Company<sup>2</sup>, equivalent to 0.46 percent of the total issued and paid-up shares of the Company (after the PP Transactions), at the offering price of THB 0.02 per share, totaling THB 6,000,000 (the "**Issuance and Offering of Newly Issued Ordinary Shares to Miss Titima**");

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<sup>1</sup> After the acquisition of the Company's newly issued ordinary shares, Mrs. Panicha will be a controlling person of the Company and her spouse will be nominated as a director of the Company.

<sup>2</sup> After the acquisition of the Company's newly issued ordinary shares, Miss Titima will be a director and an independent director of the Company.

- 1.3 The issuance and offering of 250,000,000 newly issued ordinary shares with a par value of THB 1.00 to Mr. Chaiyod Chirabowornkul (“**Mr. Chaiyod**”), a connected person of the Company<sup>3</sup>, equivalent to 0.38 percent of the total issued and paid-up shares of the Company (after the PP Transactions), at the offering price of THB 0.02 per share, totaling THB 5,000,000 (the “**Issuance and Offering of Newly Issued Ordinary Shares to Mr. Chaiyod**”);
- 1.4 The issuance and offering of 1,200,000,000 newly issued ordinary shares with a par value of THB 1.00 to Mr. Adisorn J.Jitcharoenchai (“**Mr. Adisorn**”), equivalent to 1.85 percent of the total issued and paid-up shares of the Company (after the PP Transactions), at the offering price of THB 0.02 per share, totaling THB 24,000,000; and
- 1.5 The issuance and offering of 300,000,000 newly issued ordinary shares with a par value of THB 1.00 to Mr. Kittishote Haritaworn (“**Mr. Kittishote**”), equivalent to 0.46 percent of the total issued and paid-up shares of the Company (after the PP Transactions), at the offering price of THB 0.02 per share, totaling THB 6,000,000.

The offering price of the newly issued ordinary shares is based on the negotiations between the Company and the Investors, which is higher than the fair value of such shares appraised by the financial advisor of the Company. However, as the Company sustains an accumulated loss in its standalone financial statements as of June 30, 2021, in the amount of THB 1,515.95 million, resulting in the Company being able to issue and offer its newly issued ordinary shares at the offering price lower than the par value of the Company upon being approved by the shareholders’ meeting pursuant to Section 52 of the Public Limited Companies Act B.E. 2535 (A.D. 1992) (as amended) (the “**PLC Act**”)

In this regard, the volume weighted average price of the Company’s shares traded on the Stock Exchange of Thailand (the “**SET**”) for the past 15 consecutive business days prior to the date on which the board of directors’ meeting of the Company resolved to propose to the shareholders’ meeting to consider and approve the offering of newly issued shares to specific investors on a private placement basis, i.e. from July 29, 2021 to August 19, 2021, is equivalent to THB 0.091 per share. The offering price of the newly issued ordinary shares at THB 0.02 per share is lower than 90 percent of the market price as it is discounted from the market price at the rate of 78.02 percent. Therefore, the PP Transactions are considered as the issuance and offering of the newly issued shares to specific investors on a private placement basis at specific offering price, which shall be determined by the resolution of the shareholders’ meeting, at the price lower than 90 percent of the market price pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 72/2558 Re: Approval for Listed Companies to Offer Newly Issued Shares through Private Placement (as amended) (the “**PP Notification**”). Consequently, the PP Transactions shall be approved by a vote of not less than three-fourths of the total votes of shareholders attending the meeting and having the right to vote, excluding the votes of shareholders having an interest on the PP Transactions, and there is no shareholder(s) holding, in aggregate, at least 10 percent of the total votes of the shareholders attending the meeting and having the right to vote, exercising their veto rights to object the private placement offering. Furthermore, an approval of the Office of Securities and Exchange Commission (the “**Office of the SEC**”) is required prior to the offering of the newly issued shares.

In addition, should the offering price of the newly issued ordinary shares to the five Investors under the PP Transactions is lower than 90 percent of the market price of the Company’s shares prior to the SET’s approval to accept such newly issued ordinary shares as listed securities, the Company shall

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<sup>3</sup> After the acquisition of the Company’s newly issued ordinary shares, Mr. Chaiyod will be a director and the chief executive officer of the Company

be obliged to prohibit all Investors from selling all shares which have been allocated to them under the PP Transactions for a period of one year from the date on which such shares commence trading on the SET. Upon the lapse of six months after the Company's newly issued ordinary shares have started trading on the SET, the Investors may gradually sell up to 25 percent of all such locked-up shares, in accordance with the requirements set out in the Notification of the Stock Exchange of Thailand Re: Rules, Conditions and Procedures for Consideration of Application for Listing of Ordinary Shares or Preferred Shares for Capital Increase as Listed Securities B.E. 2558 (A.D. 2015) (as amended) (the "**Notification on Rules, Conditions and Procedures for Consideration of the Application for Ordinary Shares for Capital Increase as Listed Securities**")

In this regard, as certain Investors will be controlling person or will be nominated to be elected as directors and/or executives of the Company (as the case maybe), i.e., (1) Mrs. Panicha will be a controlling person of the Company and her spouse, i.e., Mr. David Van Dau will be a director of the Company (2) Miss Titima will be a director and an independent director of the Company, and (3) Mr. Chaiyod will be a director and the chief executive officer of the Company. Therefore, the Issuance and Offering of Newly Issued Ordinary Shares to such three Investors is considered as connected transactions pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (A.D. 2003) (as amended) (the "**Connected Transaction Notifications**"). Size of the connected transaction of each connected person, i.e., (1) Mrs. Panicha and her spouse, i.e., Mr. David Van Dau (2) Miss Titima and (3) Mr. Chaiyod is equivalent to 737.75 percent, 4.26 percent and 3.55 percent, respectively, of the net tangible assets (NTA) of the Company in the reviewed financial statements of the Company ending June 30, 2021. Size of each connected transaction of all three Investors is more than THB 20,000,000 and more than three percent of total net tangible asset of the Company. The Company, therefore, is required to obtain an approval from the shareholders' meeting of the Company on the connected transactions with a vote of not less than three-fourths of the votes of shareholders attending the meeting and having the right to vote, excluding the votes of shareholders having an interest on the transactions.

Therefore, to enter into the PP Transactions, the Company is required to proceed as follow:

- 1) to disclose information memorandum regarding the issuance and offering of the newly issued ordinary shares to specific investors on a private placement basis and disclose information memorandum regarding the connected transaction in accordance with the PP Notification and the Connected Transaction Notifications.
- 2) to convene a shareholders' meeting of the Company to approve the issuance and allocation of the newly issued ordinary shares to specific investors on a private placement basis with a vote of not less than three-fourths of the total votes of shareholders attending the meeting and having the right to vote, excluding the votes of shareholders having an interest on the transactions<sup>4</sup>, and there is no shareholder(s) holding, in aggregate, at least 10 percent of the total votes of the shareholders attending the meeting and having the right to vote, exercising their veto rights to object the private placement offering.
- 3) to convene a shareholders' meeting of the Company to approve the connected transactions which is required an affirmative vote of not less than three-fourths of the total votes of shareholders attending the meeting and having the right to vote, excluding the votes of shareholders having an interest on the transactions<sup>5</sup>.

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<sup>4</sup> No shareholder of the Company has an interest on the PP Transactions

<sup>5</sup> No shareholder of the Company has an interest on the PP Transactions

- 4) to appoint an independent financial advisor (IFA) to give an opinion on the issuance and allocation of newly issued ordinary shares which constitutes the connected transactions. In this regard, the Company appointed Country Group Securities Public Company Limited as the independent financial advisor (IFA) of the Company to give an opinion on entering into these connected transactions.
- 5) to submit an application to obtain the approval from the Office of the SEC to offer the newly issued shares to the specific investors on a private placement basis.

The Company would like to notify the information memorandum regarding the issuance and offering of the newly issued ordinary shares through private placement and the connected transaction, together with necessary information for shareholders' decision as detailed as follows:

**1. Date / Month / Year of the Transaction**

After the board of directors' meeting has resolved to approve the entering into the PP Transactions, the Company shall sign the Share Subscription Agreement between the Company (as Company) and Mrs. Panicha (as Investor), and each of the other 4 Investors, namely Miss Titima, Mr. Chaiyod, Mr. Adisorn and Mr. Kittishote shall execute a subscription letter for the Company's newly issued ordinary shares, subject to the key conditions as described in Clause 3.2 of this document. In this connection, the Company shall convene the Extraordinary General Meeting of Shareholders No. 1/2021 on October 12, 2021 and the PP Transactions are expected to be completed by the fourth quarter of 2021.

**2. Contractual Parties and Relationship with the Company**

- Issuer** : The Company
- Persons being offered with shares** :
1. Mrs. Panicha will be offered 51,994,000,000 newly issued ordinary shares, equivalent to 80.00 percent of the total issued shares (after the PP Transactions);
  2. Miss Titima will be offered 300,000,000 newly issued ordinary shares, equivalent to 0.46 percent of the total issued shares (after the PP Transactions);
  3. Mr. Chaiyod will be offered 250,000,000 newly issued ordinary shares, equivalent to 0.38 percent of the total issued shares (after the PP Transactions);
  4. Mr. Adisorn will be offered 1,200,000,000 newly issued ordinary shares, equivalent to 1.85 percent of the total issued shares (after the PP Transactions);
  5. Mr. Kittishote will be offered 300,000,000 newly issued ordinary shares, equivalent to 0.46 percent of the total issued shares (after the PP Transactions).
- Relationship with the Company** : The five Investors never have any relationship constituting connected persons with the Company prior to the entering into the PP Transactions. However, after the entering into the PP Transactions:

1. Mrs. Panicha will be a controlling person, holding more than 50 percent of shares in the Company, and her spouse, i.e., Mr. David Van Dau, will be a director of the Company. Thus, Mrs. Panicha is a connected person of the Company under the Connected Transaction Notifications.
2. Miss Titima will be a director and an independent director of the Company. Thus, Miss Titima is a connected person of the Company under the Connected Transaction Notifications.
3. Mr. Chaiyod will be a director and the chief executive officer of the Company. Thus, Mr. Chaiyod is a connected person of the Company under the Connected Transaction Notifications.

**Relationship with the Company's directors, executives or major shareholders** : All Investors have no relationship constituting connected persons with directors, executives and major shareholders of the Company.

### **3. Characteristics of the Transaction**

#### **3.1 Information of Specific Persons (As of August 20, 2021)**

##### **3.1.1 Mrs. Panicha Dau**

**Name** : Mrs. Panicha Dau

**Address** : 98/70 Moo 3, Tambon Bang Kaew, Amphoe Bang Phli, Samut Prakan Province 10540

**Profession/Experience** : Present Director and a direct and indirect major shareholder holding 50 percent in Cloud Property Management Co., Ltd., which operates the investment business

Present Director of CPM Residences Co., Ltd., which operates the business of real property leasing

##### **3.1.2 Miss Titima Thanakornyothin**

**Name** : Miss Titima Thanakornyothin

**Address** : 11/45 Narasiri Bangna, Bangna-Trad Road, Tambon Bang Phli Yai, Amphoe Bang Phli, Samut Prakan Province

**Profession/Experience** : Present Director of Emporis Co., Ltd., which operates the business of real property leasing

2010 – 2018 Vice Board Chairperson, Chairperson of the Executive Committee and director of BCEL KT Securities Co., Ltd., which operates the securities company business

2009 - 2018 Chief of Institutional Business of KT ZMICO Securities Co., Ltd., which operates the securities company business

**3.1.3 Mr. Chaiyod Chirabowornkul**

**Name** : Mr. Chaiyod Jirabawornkul

**Address** : 39/302 Moo 11, Tambon Bang Kaew, Amphoe Bang Phli, Samut Prakan Province

**Profession/Experience** : Present Director of The White Space Co., Ltd., which operates the business of telecommunications network service provider

2015 - 2021 Director and Chief Executive Officer of The White Space Co., Ltd., which operates the business of telecommunications network service provider

2020 Secretary to the Commission on Communication, Telecommunications and Digital Economy and Society, National Assembly of Thailand

2007 – 2015 Executive Director of Total Access Communication Public Company Limited, which operates the business of telecommunications network service provider.

2011 – 2015 Chief Customer Officer of Total Access Communication Public Company Limited, which operates the business of telecommunications network service provider

**3.1.4 Mr. Adisorn J.Jitcharoenchai**

**Name** : Mr. Adisorn J.Jitcharoenchai

**Address** : No. 5, Phetkasem 92, Bang Khae Nuae Sub-District, Bang Khae District, Bangkok

**Profession/Experience** : Present Chief Marketing Officer of AP Qglass Co., Ltd, which operates the business of glass brick and mirror import

**3.1.5 Mr. Kittishote Haritaworn**

**Name** : Mr. Kittishote Haritaworn

**Address** : 69/32, Phayathai Road, Thanon Phayathai Sub-District, Ratchathewi District, Bangkok 10400

**Profession/Experience** : Present managing director of KH Property Co., Ltd. which operates the business of real estate leasing and employee sourcing for private, state enterprise and governmental sector

**3.2 Conditions for the Entry of the Transactions and Details of the Offering**

**3.2.1 Conditions for the Issuance and Offering of Newly Issued Ordinary Shares to Mrs. Panicha**

Mrs. Panicha (as share subscriber) has entered into the Share Subscription Agreement where the significant conditions precedent for the subscription of the newly issued ordinary shares shall be summarized as follows:

1. There shall be no events which may give rise to material adverse impact on the Company's business, assets, revenue, profit or loss, liabilities, management, legal status, (financial or operational or other) conditions, shareholders' equity, operating results or business prospects, from the execution date of the Share Subscription Agreement for the Company's newly issued ordinary shares.
2. The PP Transactions shall have been approved by the Company's shareholders' meeting.
3. The Company shall have obtained approval for offering of its newly issued ordinary shares by way of private placement from the Office of the SEC as specified in the PP Notification.
4. The shareholders' meeting of the Company shall have approved the change of the Company's name
5. The Company shall have obtained approval from the relevant financial institution(s) (as lender) for change of its major shareholders, directors, executives and authorized signatory directors.
6. The board of directors' meeting of the Company shall have approved the appointment of new director(s) according to Mrs. Panicha's right to nominate director(s) as specified in the Share Subscription Agreement.

**3.2.2 Conditions for the Issuance and Offering of Newly Issued Ordinary Shares to Miss Titima, Mr. Chaiyod, Mr. Adisorn and Mr. Kittishote**

Miss Titima, Mr. Chaiyod, Mr. Adisorn and Mr. Kittishote each have entered into a subscription letter for the Company's newly issued ordinary shares where the significant conditions precedent shall be summarized that the PP Transactions shall have been approved by the Company's shareholders' meeting, the Company shall have obtained approval for offering of its newly issued ordinary shares by way of private placement from the Office of the SEC and there shall be no events which may give rise to material adverse impact on the Company's business, assets, revenue, profit or loss, liabilities, management, legal status, (financial or operational or other) conditions, shareholders' equity, operating results or business prospects.

**3.2.3 Details of PP Transactions**

The Company will issue and offer not exceeding 54,044,000,000 newly issued ordinary shares of the Company with a par value of THB 1.00 per share to specific persons (Private Placement), equivalent to 83.15 percent of the total issued and paid-up shares of the Company (the PP Transactions), totaling THB 1,080,880,000, as detailed below:

<b>Specific Persons</b>	<b>Maximum number of shares offering</b>	<b>Offering price</b>	<b>Shareholding ratio prior to entry of the transaction (as of March 22, 2021)</b>	<b>Shareholding ratio after PP Transactions</b>
Mrs. Panicha	51,994,000,000 shares	THB 0.02 per share, totaling THB 1,039,880,000	None	80.00 percent
Miss Titima	300,000,000 shares	THB 0.02 per share, totaling THB 6,000,000	None	0.46 percent
Mr. Chaiyod	250,000,000 shares	THB 0.02 per share, totaling THB 5,000,000	None	0.38 percent
Mr. Adisorn	1,200,000,000 shares	THB 0.02 per share, totaling THB 24,000,000	None	1.85 percent
Mr. Kittishote	300,000,000 shares	THB 0.02 per share, totaling THB 6,000,000	None	0.46 percent

In addition, the Company expects the PP Transactions to be completed within the fourth quarter of 2021. However, if there is any material change, the Company will notify the same to shareholders and/or propose such matter to the shareholders' meeting for consideration as required by laws (as the case may be). After completion of the PP Transactions, Mrs. Panicha will hold 51,994,000,000 shares of the Company, equivalent to 80.00 percent of the total voting rights of the Company which would trigger Mrs. Panicha's obligation to make a tender offer pursuant to the Notification No. Thor.Jor. 12/2554 where the tender offer will take place after the Company has issued and allocated the newly issued ordinary shares to Mrs. Panicha and the registration of the paid-up capital in respect of the ordinary shares issued and allocated to Mrs. Panicha has been completed, where the Company expects that Mrs. Panicha will commence a tender offer within the fourth quarter of 2021. In this regard, as the Notification No. Thor.Jor. 12/2554 specifies that the tender offer price for shares shall not be less than the highest price paid for shares which have been acquired by the tender offeror and his/her related party specified in Section 258, including persons acting in concert with such persons, during the period of 90 days prior to the date on which the offer document is submitted, in other words, the tender offer price will not be lower than the offering price, offered to the specific investors on a private placement basis this time.

### **3.3 Basis Used to Determine the Offering Price, Market Price and Appropriateness of the Offering Price**

The price of newly issued ordinary shares offered to the Investors is based on the negotiations between the Company and the Investors, which is higher than the fair value of such shares. The Company's financial advisor is of the view that the method of valuation of the fair value which is suitable for the Company is the book value method and the adjusted book value method, which reflect the real values of assets and liabilities of the Company and are justifiable for the valuation of such business which continues to sustain an operating loss without any projects capable of generating revenue in the future. As of June 30, 2021, the Company's book value and adjusted book value are equal to THB 0.0131 per share and THB 0.0127 per share, respectively. The price of newly issued ordinary shares offered to the Investors represents an offering price of shares by way of private placement which is clearly fixed with a discount exceeding 10 percent of the market price.



However, this offering price of newly issued ordinary shares this time is lower than the Company's par value as the Company sustains an accumulated loss in its standalone financial statements as of June 30, 2021, in the amount of THB 1,515.95 million, and as such, the Company is entitled to issue and offer its newly issued ordinary shares at the offering price lower than the par value of the Company upon being granted approval from the shareholders' meeting pursuant to Section 52 of the PLC Act.

Given that the PP Transactions represent the offering of newly issued ordinary shares with a discount exceeding 10 percent of the market price under the PP Notification, such transaction requires approval by resolution of the Shareholders' Meeting with a vote of not less than three-fourths of the total votes of shareholders attending the meeting and having the right to vote, excluding the votes of shareholders having an interest on the Transactions, and there is no shareholder(s) holding, in aggregate, at least 10 percent of the total votes of the shareholders attending the meeting and having the right to vote, exercising their veto rights to object the private placement offering. Furthermore, an approval of the Office of the SEC is required prior to the offering of the newly issued shares.

In addition, should the offering price of the newly issued ordinary shares to the five Investors under the PP Transactions is lower than 90 percent of the market price of the Company's shares prior to the SET's approval to accept such newly issued ordinary shares as listed securities, the Company shall be obliged to prohibit all Investors from selling all shares which have been allocated to them under the PP Transaction for a period of one year from the date on which such shares commence trading on the SET. Upon the lapse of six months after the Company's newly issued ordinary shares have started trading on the SET, the Investors may gradually sell up to 25 percent of all such locked-up shares, in accordance with the requirements set out in the Notification on Rules, Conditions and Procedures for Consideration of the Application for Ordinary Shares for Capital Increase as Listed Securities.

### **3.4 The Connected Transaction Size**

The Issuance and Offering of Newly Issued Ordinary Shares to (1) Mrs. Panicha has a total value of THB 1,039,880,000, (2) Miss Titima has a total value of THB 6,000,000 and (3) Mr. Chaiyod has a total value of THB 5,000,000, respectively, which are equivalent to 737.75 percent, 4.26 percent and 3.55 percent, respectively, of the net tangible assets (NTA) of the Company in the reviewed financial statements of the Company ending June 30, 2021. Size of each connected transaction of all three Investors is more than THB 20,000,000 and more than three percent of total net tangible asset of the Company. Such transactions is, therefore, considered as a connected transaction pursuant to the Connected Transaction Notifications which requires the Company to disclose the information memorandum regarding the connected transaction and obtain approval by resolution of the Shareholders' Meeting with a vote of not less than three-fourths of the total votes of shareholders attending the meeting and having the right to vote, excluding the votes of shareholders having an interest on the Transactions, including the appointment of the independent financial advisor (IFA) to give an opinion on the connected transaction and deliver his opinion to the Office of the SEC, the SET and shareholders of the Company.

In this regard, the Company did not enter into any connected transaction with such three Investors or their related persons or close relatives within the past six months prior to the entry into these transactions.

#### **4. Objectives of the Issuance and Offering of Newly Issued Ordinary Shares and Plans for Utilizing Proceeds**

##### **4.1 Objectives of the Issuance and Offering of Newly Issued Ordinary Shares**

Since the second quarter of the year 2018, the Company was posted with “C” mark due to the fact that its shareholders’ equity was less than 50 percent of its paid-up capital, and given its continued operating loss for several years, the sources of financing were subject to restrictions, thereby resulting in liquidity problems which affected its ability to operate the business. Besides, since 2020, the 2019 coronavirus pandemic (COVID-19) has affected the Company in various aspects and caused its operations to fail to proceed as planned. Various projects for which the Company was bidding were suspended, called off or postponed. As a result, the Company currently has only 1 construction project which remains incomplete. Upon reviewing the Company’s liquidity status in parallel, despite the unqualified opinion on its financial statements, the Company’s auditor has pointed out regarding significant uncertainty of the Company’s capability to operate as a going concern since 2020. According to the Company’s financial statements for the period ended June 30, 2021, its shareholders’ equity was THB 143.19 million, with revenue of merely THB 10.63 million and net loss of THB 31.37 million. Therefore, it is necessary for the Company to increase its registered capital, which under the current circumstances, the offering of newly issued ordinary shares by way of private placement is more suitable than the rights offering to the existing shareholders. This is because the offering of newly issued ordinary shares by way of private placement will enable the Company to derive proceeds from the capital increase in sufficient amount with certainty within a limited period of time. This offering of newly issued ordinary shares by way of private placement represent an offering of newly issued shares to such persons and/or business partners with available funds, experience and/or potential to assist the Company to restore its ability to operate business, and enhance the Company’s competitiveness, both short-term and long-term, and to bring about new business opportunities for the Company to improve its performance and successfully resolve the problems regarding the qualifications to maintain its status as a listed company on the SET.

##### **4.2 Plans for Utilizing Proceeds and Feasibility of the Plans for Utilizing Proceeds**

The Company shall use such proceeds from the offering of newly issued ordinary shares by way of private placement on this occasion in the total amount of approximately THB 1,080,880,000 as capital for construction business, bidding and working capital in its business operations, and also as funds for improvement of the information technology and software (IT & Software) systems of the Company’s office, as follows:

Plan for Use of Proceeds	Details of the Plan for Use of Proceeds
1. Capital for construction projects during 2021 – 2023	Approximately THB 970 million shall be used to support bidding and as working capital for construction work both in Thailand and abroad comprising:  1.1 Capital as security deposit for financial institutions’ guarantee for bidding for projects and contract works, e.g., Bond Guarantee; and  1.2 Working capital for construction projects for which the Company is bidding.
2. Working capital for its	Approximately THB 110.88 million shall be used as working capital in its internal affairs in general, including for development

business operations	and restructuring of its internal operations, software and information technology system upgrade to increase efficiency, and office improvements, as well as expenses for staff and operations under various contracts to which the Company is a party.
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**5. Information Related to Potential Effects from Capital Increase**

**5.2 Potential Effects from Capital Increase**

The effects that may arise to the existing shareholders from the offering and allocation of newly issued ordinary shares to specific persons are as detailed as follows:

**5.1.1 Price Dilution after the Offering of the Newly Issued Ordinary Shares to Specific Persons (Private Placement)**

$$\begin{aligned} &= \frac{\text{Market price before offering} - \text{Market price after offering}}{\text{Market price before offering}} \times 100 \\ &= \frac{0.091 - 0.030}{0.091} \times 100 \\ &= 67.03 \text{ percent} \end{aligned}$$

whereby the market price after offering

$$\begin{aligned} &= \frac{(\text{Market price} \times \text{Number of paid-up shares}) + (\text{Offering price} \times \text{Number of shares offered this time})}{(\text{Number of paid-up shares} + \text{Number of shares offered this time})} \\ &= \frac{(0.091 \times 10,948,438,156) + (0.020 \times 54,044,000,000)}{10,948,438,156 + 54,044,000,000} \\ &= \text{THB 0.030 per share} \end{aligned}$$

**5.1.2 Earning per Share Dilution after the Offering of the Newly Issued Ordinary Shares to Specific Persons (Private Placement)**

There is no earning per share dilution as the Company has accumulative lost for the 12 months ended as of June 30, 2021.

**5.1.3 Control Dilution after the Offering of the Newly Issued Ordinary Shares to Specific Persons (Private Placement)**

$$\begin{aligned} &= \frac{\text{(Number of offered shares this time)}}{\text{(Number of paid-up shares} + \text{Number of offered shares this time)}} \\ &= \frac{(54,044,000,000)}{(10,948,438,156 + 54,044,000,000)} \\ &= 83.15 \text{ percent} \end{aligned}$$

**5.2 Worthiness to the Shareholders Compared with Impact to Earnings per Share Dilution or Control Dilution**

Upon comparing the shareholders' benefits deriving from the PP Transactions to the impact on the shareholders' profit sharing or voting rights as described above, the Company is of the view that such offering of newly issued ordinary shares will be more beneficial to the shareholders than the impact on the diluted share price or the shareholders' voting rights. This is because the Company significantly lacks capital and liquidity as a result of its continued operating loss for several years and impending legal proceedings, not to mention the financial institutions' suspension of credit facilities or letters of guarantee to the Company. In this regard, the fundraising to secure sufficient funds and the potential investors will help enable the Company to restore its business operations or improve its liquidity, to overcome its crisis and to recover its business operations from construction business once again, which will help increase the share value to the Company's shareholders, and may successfully resolve the problems regarding the qualifications to maintain its status as a listed company on the SET. Therefore, the offering of newly issued ordinary shares will be beneficial to the Company and its shareholders and serves as an assurance for the shareholders and general investors.

**6. Connected Person and Scope of Conflict of Interest**

**6.1 Mrs. Panicha Dau**

Mrs. Panicha is a connected person of the Company pursuant to the Connected Transaction Notifications as Mrs. Panicha will be a controlling person, holding more than 50 percent of shares in the Company, and her spouse, i.e., Mr. David Van Dau will be a director of the Company after the PP Transactions as detailed in Section 2 of this document.

**6.2 Miss Titima Thanakornyothin**

Miss Titima is a connected person of the Company pursuant to the Connected Transaction Notifications as Miss Titima will be a director and an independent director of the Company after the PP Transactions as detailed in Section 2 of this document.

**6.3 Mr. Chaiyod Chirabowornkul**

Mr. Chaiyod is a connected person of the Company pursuant to the Connected Transaction Notifications as Mr. Chaiyod will be a director and the chief executive officer of the Company after the PP Transactions as detailed in Section 2 of this document.

**6.4 Mr. Adisorn J.Jitcharoenchai**

Mr. Adisorn is not a connected person of the Company

**6.5 Mr. Kittishote Haritaworn**

Mr. Kittishote is not a connected person of the Company

**7. Directors Having an Interest and/or Being a Connected Person in this Transaction**

-None-

**8. Opinion of the Board of Directors on the Entry of PP Transactions**

**8.1 Rationale and Necessity for the Offering of Newly Issued Ordinary Shares to Specific Persons**

The offering of newly issued ordinary shares by way of private placement will shorten the fundraising period and ensure a successful fundraising. The Company is required to offer its newly issued ordinary shares to resolve the issue of its capability to operate as a going concern, as described in the auditor's report on the Company's financial statements, and the qualifications to maintain its status as a listed company on the SET in the long run, and to improve its liquidity in the construction business operations. This is because at present, the Company is restricted in terms of the sources of financing as a result of its continued operating loss for several years and impending legal proceedings, let alone the financial institutions' suspension of credit facilities or letters of guarantee to the Company, thereby resulting in adverse impact on the Company's working capital in its business operations.

**8.2 Feasibility of Plans for Utilizing Proceeds**

The Company shall use such proceeds from the offering of newly issued ordinary shares by way of private placement on this occasion in the total amount of approximately THB 1,080,880,000 as capital for construction business, bidding and working capital in its business operations. With such proceeds to be derived by the Company, coupled with experiences of the Company and the Investors being offered of newly issued ordinary shares by way of private placement on this occasion, the Company will have potential, reliability and prospects for successful bidding and award of construction work, and also have sufficient funds for use as working capital in its business operations for improvement of the information technology and software (IT & Software) systems of the Company's office, as described in Clause 4.2 of this document.

Therefore, the Company's plan for use of proceeds above is justifiable and adequate for the Company's resumption of the construction bidding.

**8.3 Reasonableness of the Capital Increase**

The board of directors is of the view that this registered capital increase is justifiable because such capital increase will help improve its liquidity and potential for business operations, and enable the Company to resolve the issue of its capability to operate as a going concern, as per the auditor's report on the Company's financial statements, and the qualifications to maintain its status as a listed company on the SET in the long run, according to the reasons and justifications as hereinabove described. In this regard, the offering of newly issued ordinary shares will be beneficial to the Company, its shareholders, customers and counterparts, and serves as an assurance to the shareholders and general investors.

Furthermore, all Investors are potential investors with available funds, and such Investors who will serve as directors or executives also have relevant experience and expertise to increase business prospects for the Company, and as such, all Investors are qualified and capable of investing, as described in Clause 8.8 of this document.

**8.4 Impact on the Company's Financial Status from the Capital Increase and the Implementation of the Plan for Utilizing Proceeds**

After completion of the PP Transactions, the Company's capital structure will be strengthened, in other words, the Company's shareholders' equity will be increased against the declining liabilities, and the Company will have the working capital for its business operations, which will help improve its operating results.

## **8.5 Appropriateness of the Value of the Offering Price**

The board of directors view that the price of newly issued ordinary shares under the PP Transactions is justifiable because the offering price is higher than the fair value of shares as appraised by the Company's financial advisor by way of the book value method at the price of THB 0.0131 per share as of June 30, 2021, and the adjusted book value method as of June 30, 2021 at the price of THB 0.0127 per share. These methods reflect the real values of assets and liabilities of the Company, and are justifiable for the valuation of such business which continues to sustain an operating loss without any projects capable of generating revenue in the future. Such price is determined in such manner to protect the interests of the Company and all shareholders.

## **8.6 Rationale for the Determination of Offering Price**

Such offering price is based on the negotiations between the Company and the Investors, taking into account the financial advisor's opinion that the method of valuation of the fair value which is suitable for the Company is the book value method and the adjusted book value method, which reflect the real values of assets and liabilities of the Company, and are justifiable for the valuation of such business which continues to sustain an operating loss without any projects capable of generating revenue in the future. As of June 30, 2021, the Company's book value and adjusted book value are equal to THB 0.0131 per share and THB 0.0127 per share, respectively.

## **8.7 Appropriateness of the Transaction Comparing to the Transaction with the Same Nature with an Independent Third Party who is not a Connected Person**

The board of directors is of the view that the offering of newly issued ordinary shares to Mrs. Panicha, Miss Titima and Mr. Chaiyod, as connected persons, is comparable to the execution of such transaction with independent third parties since the offering price of newly issued ordinary shares is the same. Moreover, such share offering will help strengthen the Company's financial status and such offering price of newly issued shares is based on the negotiations between the Company and the Investors, based on the fair value of shares as appraised by the Company's financial advisor. The board of directors thus considers that such transaction will be beneficial to the Company and fair to its shareholders.

## **8.8 All Five Investors have Experience Beneficial to or Supportive of the Company's Business**

Each of the Investors whom the Company considers issuing newly issued shares in this PP Transactions is suitable as follows:

### **8.8.1 Mrs. Panicha Dau**

Mrs. Panicha is an investor with available funds and good financial standing for investment, which will help improve the Company's financial liquidity. At present, Mrs. Panicha is a director of Cloud Property Management Co., Ltd., which operates the investment business, and CPM Residences Co., Ltd., which operates the business of real property leasing, and a major shareholder, directly and indirectly, holding 50 percent of Cloud Property Management Co., Ltd.

Mrs. Panicha and Mr. David Van Dau, as spouse and person under Section 258 to be nominated for appointment as the Company's directors, are business persons capable of promoting business prospects and reference, both in Lao People's Democratic Republic and in Thailand, to the Company in the future, and are holding all shares in PT Sole Company Limited, which operates the business of investment in various types of businesses both in Thailand and in Lao People's Democratic Republic, e.g., hydropower and renewable power projects, food and beverage business, and telecommunications business.

After this capital increase, Mr. David Van Dau, as person under Section 258 of Mrs. Panicha, will be nominated for appointment as the Company's director and involved in management

and policy-making for the Company's operations. Mr. David Van Dau has know-how, expertise and experience in management and strategies in various businesses, e.g., real estate, construction, energy and investment businesses. At present, Mr. David Van Dau is the Chief Executive Officer of PT Sole Company Limited, holds directorship in CK Power Public Company Limited, a listed company on the SET, and is a director and executive director of Southeast Asia Energy Co., Ltd., Luang Prabang Power Co., Ltd. and Nam Ngum 2 Power Co., Ltd.

#### **8.8.2 Miss Titima Thanakornyothin**

Miss Titima has available funds and acts as investment specialist and consultant in Thailand for over 30 years and in ASEAN countries in the Greater Mekong Subregion, i.e., Cambodia, Lao, Myanmar and Vietnam (CLMV) for over 10 years, in both infrastructure projects and capital market development in Lao. Her major achievements and experiences include acting as consultant on listing of EdL-Gen Public Company Limited on the Lao Securities Exchange (LSX); consultant to the Securities and Exchange Commission Office of the Lao PDR, and the Lao Securities Exchange in the development of the custody service system. Formerly, she was Vice Board Chairperson, Chairperson of the Executive Committee and director of BCEL KT Securities Co., Ltd., and Chief of Institutional Business of KT ZMICO Securities Co., Ltd., providing consultation services to Thai and foreign investors regarding investments in the Lao People's Democratic Republic and CLMV.

Miss Titima received a master's degree in business administration from Sasin School of Management, Chulalongkorn University, and a bachelor's degree in business administration from Northeastern University, USA. She is knowledgeable in finance and investment and has been certified as Chartered Financial Analysts (CFA).

#### **8.8.3 Mr. Chaiyod Chirabowornkul**

Mr. Chaiyod has available funds and potential to be involved in the policy-making for the Company's operations, with experience and know-how in engineering management, expertise in management and strategic planning in large scale companies for over 20 years. Mr. Chaiyod is currently a director of The White Space Co., Ltd., which operates the business of telecommunications network service provider, and was Chief Executive Officer of The White Space Co., Ltd. during 2015 – 2021. In addition, he was an executive director and Chief Customer Officer of Total Access Communication Public Company Limited, a listed company on the SET.

Mr. Chaiyod received a doctorate degree in philosophy (business administration) from Kasetsart University, a master's degree in engineering management from University of Missouri-Rolla, USA, and a master's degree in electrical engineering from Louisiana State University, USA.

#### **8.8.4 Mr. Adisorn J.Jitcharoenchai**

Mr. Adisorn has available funds and operates the business of import and trading of construction materials, and as such, is capable of providing advice to the Company regarding tentative prices and costs of construction materials and introducing potential counterparts for the Company. Mr. Adisorn is a passive investor without any involvement in management.

#### **8.8.5 Mr. Kittishote Haritaworn**

Mr. Kittishote has available funds and operates the business of employee sourcing catered to the needs of private, state enterprise and governmental sectors. He is able to provide advice to the Company regarding employee sourcing in the Company's business operations. Mr. Kittishote is a passive investor without any involvement in management.

**8.9 The Company's benefits from the Investors relative to the offering of newly issued shares at a low price to such persons, taking into account impact on the Company's costs and financial position from the offering of newly issued shares according to the financial reporting standards on share-based payments**

This offering of newly issued shares by way of private placement determines the price from negotiations between the Company and the Investors, which is higher than the fair value of shares appraised by the Company's financial advisor since the market price of the Company's shares does not reflect the fair value of shares from the fact that 1) the liquidity of the Company's securities trading is materially low, i.e., the Company's securities trading volume is relatively small as compared to the number of shares over the past 1 year, namely with the average daily trading volume of 30 million shares from 10,948 million shares in the Company; (2) the market price of the Company's shares rose in 2021 against the financial position and operating results of the Company which continues to sustain an operating loss. The Company's financial advisor views that the fair value of shares should be justified based on the book value method and the adjusted book value method as of June 30, 2021.

In this regard, the offering price of the newly issued shares this time is higher than the fair value of the shares appraised by the Company's financial advisor and the Company has no objective to issue and offer shares as compensation to the Investors. Therefore, the PP Transactions are not required to record any share-based payments according to the financial reporting standards. The Company will benefit from the capital increase by resolving the issue of its capability to operate as a going concern and to resolve the problems regarding the qualifications to maintain its status as a listed company on the SET, and to improve its business performance, with sufficient funds available for business operations. In this regard, this offering of newly issued ordinary shares is worthwhile considering the benefits to be derived by the Company.

**9. Certification of Directors**

The board of directors certifies that the board of directors has performed its duty with honesty and fiduciary to preserve the Company's benefits in relation to the capital increase and it has carefully reviewed Mrs. Panicha, Miss Titima, Mr. Chaiyod, Mr. Adisorn and Mr. Kittishote's information and viewed that the said persons would be able to bring benefits to and have a potential to invest in the Company. However, in the case that a director's performance of duty 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 PLC Act. In addition, in the case that such performance of duty causes a director or his/her related person to obtain any undue benefit, the shareholders shall be entitled to file a lawsuit to claim for restitution of such benefit from such director on behalf of the Company pursuant to Section 89/18 of the Securities and Exchanges Act B.E. 2535 (as amended).

**10. Opinion of the Audit Committee and/or the Director Which is Different from the Board of Directors' Opinion**

-None-



(F 53-4)

**Capital Increase Report Form**  
**T Engineering Corporation Public Company Limited**  
**August 20, 2021**

We, T Engineering Corporation Public Company Limited (the “**Company**”), hereby report that the board of directors’ meeting No. 5/2021 held on August 20, 2021 has passed the resolutions in respect of the Company’s capital increase and the allocation of the newly issued shares as follows:

**1. Capital Increase**

The board of directors’ meeting resolved to propose to the extraordinary general meeting of shareholders no. 1/2021 to consider and approve the increase of the Company’s registered capital from THB 10,948,438,156 to THB 64,992,438,156 by issuing not exceeding 54,044,000,000 newly issued ordinary shares with a par value of THB 1.00 per share, totaling THB 54,044,000,000.

The details of which are as follows:

Type of capital increase	Type of shares	Number of share (Shares)	Par value (THB/share)	Total (THB)
<input checked="" type="checkbox"/> Specific purpose for using the proceeds	Ordinary	54,044,000,000	1.00	54,044,000,000
<input type="checkbox"/> General Mandate	-	-	-	-

**2. Allocation of the Newly Issued Shares**

**2.1 Specific purpose for using the proceeds**

Allocated to	Number of shares (shares)	Ratio (Existing : New)	Subscription price (THB/share)	Date and time of subscription and payment of subscription price	Remark
1. Mrs. Panicha Dau (“ <b>Mrs. Panicha</b> ”)	51,994,000,000	-	0.02	After obtaining an approval from the Office of the Securities and Exchange	Please see further details as remarked below

Allocated to	Number of shares (shares)	Ratio (Existing : New)	Subscription price (THB/share)	Date and time of subscription and payment of subscription price	Remark
				Commission (the “ <b>Office of the SEC</b> ”) which is expected to be completed within the 4 <sup>th</sup> quarter of 2021	
2. Miss Titima Thanakornyothin (“ <b>Miss Titima</b> ”)	300,000,000	-	0.02	After obtaining an approval from the Office of the SEC which is expected to be completed within the 4 <sup>th</sup> quarter of 2021	Please see further details as remarked below
3. Mr. Chaiyod Chirabowornkul (“ <b>Mr. Chaiyod</b> ”)	250,000,000	-	0.02	After obtaining an approval from the Office of the SEC which is expected to be completed within the 4 <sup>th</sup> quarter of 2021	Please see further details as remarked below
4. Mr. Adisorn J.Jitcharoenchai (“ <b>Mr. Adisorn</b> ”)	1,200,000,000	-	0.02	After obtaining an approval from the	Please see further details as

Allocated to	Number of shares (shares)	Ratio (Existing : New)	Subscription price (THB/share)	Date and time of subscription and payment of subscription price	Remark
				Office of the SEC which is expected to be completed within the 4 <sup>th</sup> quarter of 2021	remarked below
5. Mr. Kittishote Haritaworn (“Mr. Kittishote”)	300,000,000	-	0.02	After obtaining an approval from the Office of the SEC which is expected to be completed within the 4 <sup>th</sup> quarter of 2021	Please see further details as remarked below

Remarks

1. The board of directors’ meeting no. 5/2021, held on August 20, 2021, resolved to propose to the extraordinary general meeting of shareholders no. 1/2021 to consider and approve the allocation of the newly issued ordinary shares of the Company to five investors (the “**Investors**”) as follows (collectively, the “**PP Transactions**”):
  - 1) The allocation of newly issued ordinary shares to the persons specified in items 1. – 5. of the above table are in accordance with the details set out in the Information Memorandum on Offering of Newly Issued Ordinary Shares through a Private Placement and Connected Transaction of T Engineering Corporation Public Company Limited (Enclosure 1)
  - 2) The allocation of newly issued shares to the persons specified in items 1 -3 of the above table is the connected transactions of the Company under the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (as amended) (A.D. 2003)

(as amended). Details of which are set out in the Information Memorandum on Offering of Newly Issued Ordinary Shares through a Private Placement and Connected Transaction of T Engineering Corporation Public Company Limited (Enclosure 1)

In this regard, the offering price of the aforementioned newly issued ordinary shares to specific investors on a private placement basis will be considered and specifically determined by the shareholders' meeting, and it is lower than 90 percent of the market price. In determining the market price, the Company uses the volume weighted average price of the Company's ordinary shares traded on the Stock Exchange of Thailand ("SET") for the past 15 consecutive business days prior to the date on which the board of directors' meeting of the Company resolved to propose to the shareholders' meeting to consider and approve the said offering of newly issued ordinary shares, i.e. from July 29, 2021 to August 19, 2021, which is equivalent to THB 0.91 per share (information from SETSMART as shown in www.setsmart.com) ("**Market Price**"). The offering price of each newly issued ordinary share of THB 0.2 per share is 78.02 percent discount from market price, which is lower than 90 percent of the market price and shall be considered as the offering of newly issued shares at the price of lower than 90 percent of the Market Price pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 72/2558 Re: Approval for Listed Companies to offer Newly Issued Shares through private placement (as amended) (the "**PP Notification**"). Therefore, the PP Transactions shall be approved by the resolution of the shareholders' meeting with an affirmative vote of not less than three-fourths of the total votes of shareholders attending the meeting and having the right to vote, excluding the votes of shareholders having an interest on the PP Transactions, and there is no shareholder(s) holding, in aggregate, at least 10 percent of the total votes of the shareholders attending the meeting and having the right to vote, exercising their veto rights to object the private placement offering. Furthermore, an approval of the Office of the SEC prior to the offering of newly issued shares is required.

2. In the allocation of the Company's newly issued ordinary shares, the board of directors and/or the managing director and/or Mr. Tradsin Chonggussayakul and/or any person(s) authorized by the board of directors and/or the managing director and/or Mr. Tradsin Chonggussayakul shall be authorized to consider and determine any details necessary for and relevant to the allocation of the aforementioned newly issued ordinary shares, including, but not limited to:
  - (1) one or more rounds of allocation of the newly issued ordinary shares, determination of the offering date and payment details, conditions and other details relevant to the issuance and offering of such newly issued ordinary shares;
  - (2) the participation in negotiations, the entering into any agreements and the execution of any relevant documents and agreements, including taking any actions necessary for and relevant to the allocation of the newly issued ordinary shares, which includes, but not limited to, memorandum of understandings and/or shares subscription agreements and/or any other documents necessary for and relevant to the shares subscription agreements;
  - (3) signing any applications, waivers, and any other documents and evidence necessary for and relevant to the issuance and offering of newly issued ordinary shares, including contacting and submitting such applications, documents and evidence to the governmental agencies or relevant agencies, and listing the Company's newly issued ordinary shares on the SET;

- (4) the amendment or adding of any necessary and appropriated information to follow the orders of the governmental agencies of relevant agencies; and
  - (5) taking any other actions necessary for and relevant to the issuance, the offering, the allocation, and the subscription of the newly issued ordinary shares as deemed appropriate to complete the issuance and allocation of the Company's newly issued shares to the specific investors on a private placement basis under the scope as authorized by the shareholders' meeting.
3. After Mrs. Panicha acquires shares under the PP Transactions, Mrs. Panicha will be holding 80.00 percent of the total issued and paid-up shares in the Company, which is exceeding 75 percent of the total voting rights of the Company. Therefore, Mrs. Panicha is required to make a tender offer for all securities of the Company pursuant to the Notification of the Capital Market Supervisory Board No Thor.Jor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (as amended), where the tender offer will take place after the Company has issued and allocated the newly issued ordinary shares to Mrs. Panicha and the registration of the paid-up capital in respect of the ordinary shares issued and allocated to Mrs. Panicha has been completed, where the Company expects that Mrs. Panicha will commence a tender offer within the fourth quarter of 2021. In this regard, as the Notification No. Thor.Jor. 12/2554 specifies that the tender offer price for shares shall not be less than the highest price paid for shares which have been acquired by the tender offeror and his/her related party specified in Section 258, including persons acting in concert with such persons, during the period of 90 days prior to the date on which the offer document is submitted, in other words, the tender offer price will not be lower than the offering price, offered to the specific investors on a private placement basis this time.
4. Should this offering price of newly issued ordinary shares to the five Investors under the PP Transactions is lower than 90 percent of the market price of the Company's shares prior to the SET's order to accept such newly issued ordinary shares as listed securities, the Company shall be obliged to prohibit all Investors allocated with the newly issued ordinary shares on this occasion from selling all shares from the PP Transactions within 1 year from the date on which such shares start trading on the SET. The Investors may gradually sell up to 25 percent of all locked-up shares after the lapse of 6 months from the date on which such shares start trading on the SET, subject to the requirements as set out in the Notification of the Stock Exchange of Thailand Re: Rules, Conditions and Procedures for Consideration of Application for Listing of Ordinary Shares or Preferred Shares for Capital Increase as Listed Securities B.E. 2558 (2015) (as amended).

## **2.2 Actions to be Taken by the Company in case of a Fraction of Shares**

-None-

## **2.3 Details of the Subscriber of the Newly Issued Ordinary Shares through Private Placement**

The relationship with the Company and the general information of the specific investors are as detailed in Clause 2 and 3.1 of the Information Memorandum on Offering of Newly Issued Ordinary Shares through a Private Placement and Connected Transaction of T Engineering Corporation Public Company Limited (Enclosure 1)

**3. Schedule for the Extraordinary General Shareholders' Meeting to Approve the Capital Increase and the Allocation of Newly Issued Shares**

The Extraordinary General Meeting of Shareholders No. 1/2021 is scheduled to be held on October 12, 2021, at 10.00 hrs. via electronic means and the date for determining the names of shareholders entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2021 (Record Date) is scheduled on September 3, 2021.

**4. Approval of the Capital Increase/Share Allocation by the Relevant Governmental Agencies and Conditions thereto (if any)**

- 4.1 The Company will register the increase of the registered capital and the amendment to the paid-up capital with the Department of Business Development under the Ministry of Commerce.
- 4.2 The Company is required to obtain an approval for the offering of newly issued ordinary shares through the private placement from the Office of the SEC according to the PP Notification.
- 4.3 The Company will apply for an approval from the SET to accept the newly issued ordinary shares as securities listed and traded on the SET.

**5. Purposes of the Capital Increase and Use of Proceeds**

The Company issue and offer not exceeding 54,044,000,000 newly issued ordinary shares with a par value of THB 1.00 per share to the Investors, at the offering price of THB 0.02 per share to fund the construction business, bidding and working capital in its domestic and overseas business operations, and also as funds for improvement of the information technology and software (IT & Software) systems and the Company's office as detailed in the Clause 4.2 of the Information Memorandum on Offering of Newly Issued Ordinary Shares through a Private Placement and Connected Transaction of T Engineering Corporation Public Company Limited (Enclosure 1)

**6. Benefits from the Capital Increase/Share Allocation to the Company**

The offering of newly issued ordinary shares to specific investors by way of private placement will shorten the fundraising period and ensure a successful fundraising. The Company is required to offer its newly issued ordinary shares to resolve the issue of its capability to operate as a going concern, as described in the auditor's report on the Company's financial statements, and the qualifications to maintain its status as a listed company on the SET in the long run, and to improve its liquidity in its construction business operations. This is because at present, the Company is restricted in terms of the sources of financing as a result of its continued operating loss for several years and impending legal proceedings, let alone the financial institutions' suspension of credit facilities or letters of guarantee to the Company, thereby resulting in adverse impact on the Company's working capital in its business operations. Therefore, the issuance of newly issued ordinary shares will be beneficial to the Company and its shareholders, and will gain confidence from its shareholders and general investors.

**7. Benefits from the Capital Increase/Share Allocation to the Shareholders**

**7.1 Dividend policy**

The Company's dividend policy is to pay at least 50 percent of the net profit after Tax and legal reserve, subject to the result of the business operation of the Company, Company's extension plan, liquidity, necessary, and other factors deem appropriated by the board of directors, provided that it shall be for the best interest of the shareholders.

**7.2 Right to receive dividends**

The subscribers of the newly issued shares shall be entitled to receive dividends from the Company's business operations from the date on which the subscribers are registered as the Company's shareholders, provided that they must have been recorded as shareholders in the shareholder register book of the Company, and the dividend payments must have been announced by the Company in accordance with the relevant laws, rules, and regulations.

**7.3 Others**

-None-

**8. Other Details Necessary for the Shareholders to Make Informed Decisions in the Approval of the Capital Increase and the Newly Issued Shares Allocation**

**8.1. The Potential Effects to the Shareholders from the Issuance and Offering of Newly Issued Shares on a Private Placement Basis**

The effects that may arise to the existing shareholders from the offering and allocation of newly issued ordinary shares are as detailed as follows:

(a) **Price Dilution Effects**

$$\begin{aligned} &= \frac{\text{market price before offering} - \text{market price after offering}}{\text{market price before offering}} \times 100 \\ &= \frac{0.091 - 0.030}{0.091} \\ &= 67.03 \text{ percent} \end{aligned}$$

whereby the market price after offering is:

$$\begin{aligned} &= \frac{(\text{market price} \times \text{number of paid-up shares}) + (\text{offering price} \times \text{number of shares offered this time})}{(\text{number of paid-up shares} + \text{number of shares offered this time})} \\ &= \frac{(0.091 \times 10,948,438,156) + (0.020 \times 54,044,000,000)}{10,948,438,156 + 54,044,000,000} \\ &= \text{THB 0.030 per share} \end{aligned}$$

**(b) Earnings per Share Dilution (EPS) Effects**

There is no earning per share dilution as the Company has accumulative lost for the 12 months ended as of June 30, 2021

**(c) Control Dilution Effects**

$$\begin{aligned} & \text{(number of offered shares this time)} \\ = & \frac{\text{(number of paid-up shares + number of offered shares this time)}}{\text{(54,044,000,000)}} \\ = & \frac{\text{(10,948,438,156+54,044,000,000)}}{\text{83.15 percent}} \end{aligned}$$

After Mrs. Panicha acquires shares under the PP Transactions, Mrs. Panicha will be holding 80.00 percent of the total issued and paid-up shares of the Company which is exceeding 75 percent of the total voting rights of the Company. Therefore, Mrs. Panicha is required to make a tender offer for all securities of the Company pursuant to the Notification of the Capital Market Supervisory Board No Thor.Jor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (as amended), where the tender offer will take place after the Company has issued and allocated the newly issued ordinary shares to Mrs. Panicha including registered the paid-up capital in respect of the ordinary shares issued and allocated to Mrs. Panicha, where the Company expects that Mrs. Panicha will commence a tender offer within the fourth quarter of 2021. In this regard, as the Notification No. Thor.Jor. 12/2554 specifies that the tender offer price for shares shall not be less than the highest price paid for shares which have been acquired by the tender offeror and his/her related party specified in Section 258, including persons acting in concert with such persons, during the period of 90 days prior to the date on which the offer document is submitted, in other words, the tender offer price will not be lower than the offering price, offered to the specific investors on a private placement basis this time.

**8.2. Other Necessary Details for Shareholders**

The subscription of the newly issued ordinary shares by each Investor is subject to each Investor's decision, and there is no shareholders agreement requiring shareholders to subscribe newly issued shares in accordance with their respective shareholding.



**9. Schedule of Actions after the Board of Directors Resolved to Proposed to the Extraordinary General Meeting of Shareholders No. 1/2021 to Consider and Approve the Capital Increase/Allocation of the Newly Issued Shares**

No.	Procedure	Date
1	The board of directors' meeting no. 5/2021	August 20, 2021
2	The date for determining the names of shareholders entitled to attend the extraordinary general meeting of shareholders No. 1/2021 (Record Date)	September 3, 2021
3	The extraordinary general meeting of shareholders no. 1/2021	October 12, 2021
4	Registration of the increase of the registered capital with the Ministry of Commerce	Within 14 days after the shareholder's meeting approves the increase of the registered capital
5	The offering of newly issued ordinary shares to specific investors on a private placement basis	After obtaining the approval from the Office of the SEC but no later than three months after the shareholder's meeting has approved the transaction, which is expected to be completed in the 4 <sup>th</sup> quarter of 2021
6	Registration of the paid-up capital in respect of the offering of newly issued shares to specific investors with the Ministry of Commerce	Within 14 days after the end of the offering period

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

Signed

\_\_\_\_\_  
(Mr. Pitsanu Vichitcholchai)  
Chief Executive Officer

Signed

\_\_\_\_\_  
(Miss Pathamakorn Buranasin)  
Managing Director