

Ref. AIT/16 - 710

5 October 2016

Subject : Share allocation under a general mandate to the existing shareholders

To : President  
The Stock Exchange of Thailand

Enclosures : Report on issuance and allotment of new shares under a general mandate (F53-4-1)

Thai Factory Development Public Company Limited (the "Company") hereby notifies the resolution of the Board of Directors Meeting No. 10/2016 held on 5 October 2016, had approved important agendas about share allocation under general mandate to the existing shareholders. The details of the resolution are as follows:

According to the Company had approved from the Extraordinary General Meeting of Shareholders No. 1/2016 held on 27 June 2016 to allot and offer issued ordinary shares of the Company under a general mandate in an amount not exceeding 385,000,000 shares to the existing shareholders of the Company and authorized the Board of Directors and/or the Executive Committee and/or Executive Chairman and/or Managing Director and/or the person(s) who is authorized by the Board of Directors and/or the Executive Committee and/or Executive Chairman and/or Managing Director consider the allocation and offering in same time or to separate into partial for offering in lots from time to time and have right to take any actions necessary as appropriate regarding to the offering of such issued ordinary shares e.g. set XR date, objectives of new ordinary shares offering, offering price, subscription period, allotment ratio, allotment method and the payment process, etc., including change of the subscription period and payment and determining other conditions and details in issuing and offering of such increased shares as deemed appropriate, including the authority to correct wording or contents for minutes of shareholders' meeting or Memorandum of Association and/or others application and/or the various actions necessary in compliance with the order of Registrar in relation to the registration of registered capital increase with Department of Business Development, Ministry of Commerce from time to time in accordance with the payments of the subscriber(s) in each time, including listing the increased shares in the Stock Exchange of Thailand and submission of information and documents to the Securities and Exchange Commission, the Stock Exchange of Thailand, Ministry of Commerce or other relevant authorities.

The Board of Directors Meeting No. 10/2016 had approved the allotment of the issued ordinary shares in an amount not exceeding 385,000,000 shares to the existing shareholders in proportion to each existing shareholder's shareholding. (Details are shown in Enclosures 1 : Report on issuance and allotment of new shares under a general mandate (F53-4-1)) Summary of the Conditions of allocation of issued ordinary shares as follows;

Ratio (existing shares : New shares)	:	3.34 existing shares : 1 new share (fractions will be discarded)
Offering price	:	2.00 Baht per share
Par value per share	:	1.00 Baht
Subscription period and payment period for issued ordinary shares	:	13 - 19 December 2016
Process of the allocation of issued ordinary share	:	The Company shall allocate issued ordinary shares to the existing shareholders of the Company in proportion to each existing shareholder's shareholding.

In case there is remaining unsubscribed ordinary shares from the subscription by the existing shareholders on a prorata basis or any remaining ordinary shares for any reasons, the existing shareholders shall be entitled to subscribe for the additional ordinary shares exceeding their rights at the same offering price. Therefore Executive Chairman and/or Managing Director and/or the person(s) who is authorized by Executive Chairman and/or Managing Director shall be authorized to determine the allotment and offering the remaining unsubscribed ordinary shares to the existing shareholders who subscribed and paid for ordinary shares exceeding their rights in accordance with the following conditions:

- (A) In case the remaining unsubscribed ordinary shares are less than the ordinary shares expressed to be subscribed by existing shareholders, they shall be allocated to each existing shareholder, who intends to subscribe additional ordinary shares exceeding their rights. The allocation for each shareholder is equal to the proportion of the ordinary shares of the existing shareholders who intend to subscribe additional ordinary shares exceeding their rights. In this regards, the above allocation procedure shall be repeated until there is no remain unallocated right, which deems appropriate by the Board of Directors or person(s) who is authorized by the Board of Directors. Within 14 days from the last day of the subscription period, the Company shall refund the subscription amount for the ordinary shares that have not been additionally allocated to the existing shareholders as mentioned above without interest.
- (B) In case the numbers of remaining unsubscribed ordinary shares are greater than the ordinary shares expressed to be subscribed by existing shareholders, they shall be allocated to all existing shareholders who intend to subscribe for additional ordinary shares exceeding their rights and have fully paid the subscription amount.

In the case of the issued ordinary shares remaining from the allotment to the existing shareholders of the Company at this time, the Company will continue to allocate the issued ordinary shares to the existing shareholders of the Company in the next time.

Therefore, the Board of Directors Meeting has determined the list of shareholders entitled to subscribe for the issued ordinary shares of the Company at this time (Record Date) on 23 November 2016 and collecting the list of shareholders in accordance with Section 225 of the Stock Exchange and Securities Act B.E.2535 by closing the share register book on 24 November 2016.

Please be informed accordingly.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "S. Pinprayong".

(Ms. Siriporn Pinprayong)  
Company Secretary

(F 53-4-1)

**Report on issuance and allotment of new shares under a general mandate**  
**Thai Factory Development Public Company Limited**  
**5 October 2016**

We, Thai Factory Development Public Company Limited hereby report of the resolution of the Board of Directors No. 10/2016, held on 5 October 2016 from 2.00 p.m. to 4.30 p.m. in respect of a share allotment under a general mandate as follows:

**1. Number of new shares under a general mandate that has been previously issued before this allocation:**

The meeting of the Extraordinary Shareholder No. 1/2016, held on 27 June 2016 has passed a resolution approving the capital increase under a general mandate as follows:-

The meeting of the board of directors no....., held on ..... has passed a resolution approving the allotment of capital increase under a general mandate no.....which results for the allocation of share outstanding as follows:-

Allotted to	Type of share	Number (shares)	Note
Existing Shareholders	Ordinary shares	385,000,000	-
General Public	Ordinary shares		-
Specific Persons	Ordinary shares		-

**2. Issuance and allotment of new shares under a general mandate (No. 1) :**

2.1 The details of issuance and allotment are as follows:-

Allotted to	Type of share	Number (shares)	Ratio (old : new)	Offering price (Baht/share)	Subscription and payment period	Note
Existing shareholders	Ordinary shares	385,000,000	3.34 : 1	2.00	13 – 19 December 2016	-
General public	Ordinary shares	-	-	-	-	-
Specific persons	Ordinary shares	-	-	-	-	-

2.2 The Company's plan in case where there is a fraction of shares remaining  
 - Disregarded -

**3. Remaining of new share under a general mandate:**

<b>Allotted to</b>	<b>Type of share</b>	<b>Number (shares)</b>	<b>Note</b>
Existing shareholders	Ordinary shares	-	-
General public	Ordinary shares	-	-
Specific persons	Ordinary shares	-	-

- The last date for allocation new shares under a general mandate is the date that the Company set the Annual General Meeting of Shareholders 2017.

**4. Schedule of the share register to right the capital allotment**

- The share register will be closed for share transfer in order to determine the right to share-purchase the capital increase from .....
- The share register will be recorded for share transfer in order to determine the right to share-purchase the capital increase (record date) on 23 November 2016. Also, 24 November 2016 will be the book-closing date on which the shareholder list as specified in section 225 of the Security Act shall be complied (one business day after record date).

**5. The Progress of the capital increase/share allotment by relevant governmental agency and conditions thereto (if any)**

- None -

**6. Objectives of the capital increase and plans for utilizing proceeds received from the capital increase**

- 6.1 Use as working capital at amount of 470 Million Baht
- 6.2 Use for repayment of short-term loan at amount of 300 Million Baht

**7. Benefits which the Company will receive from the capital increase/share allotment:**

- 7.1 To enhance liquidity of fund of the company and use as working capital.
- 7.2 Have sufficient capital to support the expansion of the company's business that is currently available.
- 7.3 Recapitalizations to appropriate and reduce the risk of funding from loan as well as reduces financial costs which will improve the performance of the Company.
- 7.4 Strengthens the financial position of the Company and increase the potential for borrowing in the future.

**8. Benefits which the shareholders will receive from the capital increase/share allotment:**

- 8.1 Dividend policy
- The Company has a dividend policy of distributing not less than 60 percent of the Company's net profit after corporate income taxes. Moreover, the Board of Directors has the authority to approve interim dividend payments except the Company still has accumulated loss or the Board of Directors and/or shareholders of the Company have reasons and necessary to omission of dividend payment or pay at a lower rate than specified.
- 8.2 The right to receive payment of the subscription of newly ordinary shares in this time.

At the present, the Company still has retained loss which makes the Company shall not pay dividend but in the future if the Company could compensate retained loss then the Company could pay dividend to shareholders as stipulate in law.

8.3 Part of funds will use to pay loan for reduce the financial cost of the Company and the rest the Company will use as working capital in the present business. These will make the Company's ability to generate revenue and better profit, and a positive impact on the Company's share price.


**9. Other details necessary for shareholders to approve the capital increase/share allotment:**

From the Company's paid-up shares at the present equal to 1,283,501,405 shares, it calculate by ratio 3.34 old shares per 1 newly ordinary share, these will allot to the existing shareholders in the total amount of 384,281,858 shares and will have remaining shares 718,142 shares which is allotted to the existing shareholders who subscribed exceed their rights in case of the existing shareholders subscribed exceed their rights more than ordinary shares that prepared 384,281,858 shares.

**10. Schedule of action regarding the issuance and allotment the new shares under the general mandate:**

No.	Procedures of the capital increase	Date/Month/Year
1	The date of the meeting of the Board of Directors for considering approve the offering and allotment ordinary shares to the existing shareholders	5 October 2016
2	Report resolution of the Board of Directors Meeting to the Stock Exchange of Thailand	5 October 2016
3	Record Date which the shareholders have the right to subscribe issued ordinary shares	23 November 2016
4	Register book closing date for collecting list of shareholders to have right to subscribe issued ordinary shares	24 November 2016
5	The subscription and payment period for purchasing of issued ordinary shares	13-19 December 2016

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

Signed  authorized director  
 (Mr. Gumpol Tiyarat)  
 Managing Director