

(F 53-4)

Capital Increase Report Form

Vintcom Technology Public Company Limited

February 22, 2021

We, Vintcom Technology Public Company Limited (“the Company”), hereby report the resolution of the Board of Directors’ Meeting No. 1/2021, held on February 21, 2021 during 10.00 - 12.00 hrs., in respect of a capital increase and allotment of newly issued shares as follows:

1. Capital increase

The Board of Directors’ meeting resolved to propose the 2021 Annual General Meeting of Shareholders to consider and approve the increase of the Company’s registered capital in an amount of Baht 3,502,600 from the current registered capital of Baht 150,000,000 to be the new registered capital of Baht 153,502,600 by issuance of 7,005,200 new ordinary shares with a par value of Baht 0.50 per share, the details of which are as follows:

Type of capital increase	Type of share	No. of shares (shares)	Par value (Baht/share)	Total (Baht)
<input checked="" type="checkbox"/> Specifying the purpose of utilizing proceeds	Ordinary share	7,005,200	0.50	3,502,600
	Preferred share	-	-	
<input type="checkbox"/> General mandate	Ordinary share	-	-	-
	Preferred share	-	-	-

2. Allotment of newly issued shares

2.1 Specifying the purpose of utilizing proceeds

Allotted to	No. of shares (shares)	Ratio (existing : new)	Selling price (Baht/share)	Subscription and payment period	Remark
Private placement to 1. WPS Co., Ltd. (“WPS”); and 2. WPS MSSP Ltd. (“WPS MSSP”)	7,005,200	-	5.71	After obtaining approval from the Office of the Securities and Exchange Commission for the offering of newly issued shares through private placement	Please refer to Remark 1 and 2.

Remark:

- The Board of Directors’ Meeting No. 1/2021 resolved to propose the 2021 Annual General Meeting of Shareholders of the Company to consider and approve the issue and offering of 7,005,200 new ordinary shares of the Company with a par value of Baht 0.50 per share through private placement to two specific investors, namely WPS and WPS MSSP which are not the connected persons of the Company, at the offering price of Baht 5.71 per share. Details of the share allotment are as follows:

	Name	No. of shares allotted		Offering price (Baht/share)	Total offering value (Baht)
		No. of shares (shares)	As % of paid-up capital after capital increase		
1.	WPS	3,572,700	1.16%	5.71	20,400,117
2.	WPS MSSP	3,432,500	1.12%	5.71	19,599,575
	Total	7,005,200	2.28%		39,999,692

The said offering price of the Company's newly issued ordinary shares through private placement is a price for which the shareholders' meeting of the Company has resolved on clear determination of the offering price at Baht 5.71 per share, which is a price not lower than 90% of the market price in accordance with the regulations under 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 dated October 28, 2015 (as amended) ("**Notification No. TorChor. 72/2558**"). The market price for the offering of newly issued ordinary shares of the Company is calculated based on the weighted average price of the Company's shares traded on the Stock Exchange of Thailand ("**SET**") during 15 consecutive business days before the date on which the Board of Directors' meeting of the Company resolved to propose such shareholders' meeting to consider and approve the issue and offering of new ordinary shares of the Company through private placement (i.e. between January 29, 2021 and February 19, 2021), which is equal to Baht 5.71 per share.

However, the issue and offering of the Company's new ordinary shares is subject to the approval of its shareholders' meeting with required affirmative votes of not less than three-fourths of the total number of votes of the shareholders who attend the meeting and have the right to vote, excluding votes of the shareholders who have an interest. Moreover, prior to such offering of its newly issued shares, the Company must obtain the approval for offering of newly issued securities through private placement from the Office of the Securities and Exchange Commission ("**SEC**") according to the Notification No. TorChor. 72/2558.

2. The Board of Directors' Meeting No. 1/2021 resolved to propose the shareholders' meeting of the Company to consider and approve the authorization of the Board of Directors or the Executive Committee or the Managing Director or the person designated by the Board of Directors or by the Executive Committee or by the Managing Director as the authorized person to perform any acts in relation to the issue, offering for sale, allotment and subscription for such newly issued ordinary shares of the Company, including the following acts:
 - (1) Consideration and determination of any other details related to the issue and offering of the Company's new ordinary shares through private placement, including, but not limited to, determination of the offering period and other relevant conditions and details in order to comply with the laws, rules and regulations governing the issue and offering for sale of securities.
 - (2) Determination and change of the date of share subscription and date of offering for sale of the newly issued ordinary shares, the share payment, and other conditions and details related to the subscription and offering for sale of such newly issued ordinary shares.

- (3) Signing, amendment, change, contact or filling of information in the documents and applications for approval together with evidence necessary for and relevant to the issue, offering for sale, allotment, subscription and delivery of such newly issued ordinary shares, including the contact with and submission of the applications, documents and evidence to the Ministry of Commerce, the SEC, the SET, government agencies or other related agencies and the listing of the Company's newly issued ordinary shares on the SET, with the authority to perform any other necessary and appropriate acts to ensure that the issue, offering for sale and allotment of the Company's newly issued ordinary shares through private placement could be accomplished.
- (4) Registration of the amendment to the Memorandum of Association with the Department of Business Development, Ministry of Commerce, with the authority to perform all necessary acts according to the order of the Registrar to ensure that the said registration could be completed. In this regard, it is required that the Company must complete the offering for sale of its shares within the period approved by the shareholders' meeting, but not more than three months from the date on which the shareholders' meeting resolves to approve the said offering of newly issued ordinary shares of the Company; or that the Company must complete the offering for sale of its shares within 12 months from the date on which the shareholders' meeting resolves to approve the said offering of newly issued ordinary shares of the Company in the case where the shareholders' meeting explicitly passes a resolution that, upon a lapse of such three-month period, the Board of Directors or the person designated by the Board of Directors shall determine the offering price based on the market price during the offering period in accordance with the provisions set forth in the Notification No. TorChor. 72/2558.

2.2 Action to be taken by the Company in case there are fractions of shares

None, because the Company will allot its newly issued ordinary shares for offering to WPS and WPS MSSP in the amount specified above only.

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

The 2021 Annual General Meeting of Shareholders is scheduled for April 29, 2021 at 14.00 hrs. by organizing the meeting through Electronic Media (E-AGM) in accordance with the Emergency Decree On Electronic Meetings, B.E. 2563 (2020) and other laws and relevant regulations, and

- The date fixed for closing of the register book for share transfer suspension to determine the names of shareholders who are entitled to attend the shareholders' meeting is from until such shareholders' meeting has been finished.
- The record date to determine the names of shareholders who are entitled to attend the 2021 Annual General Meeting of Shareholders is March 8, 2021.

4. Approval of the capital increase/share allotment by relevant governmental agency and conditions thereon

- 4.1 The Company must obtain the approval for offering of its newly issued shares through private placement from the Office of the Securities and Exchange Commission according to the Notification No. TorChor. 72/2558.
- 4.2 The Company must register the increase of the registered capital, amend the Memorandum of Association, and register the increase of the paid-up capital with the Department of Business Development, Ministry of Commerce.
- 4.3 The Company must apply for the approval of the Stock Exchange of Thailand to list its ordinary shares newly issued and offered through private placement on the Stock Exchange of Thailand.

5. Objectives of the capital increase and use of capital increase fund

The Company will issue its new ordinary shares for offering to WPS and WPS MSSP with the objective to be part of the payment for the ordinary shares of I-SECURE Co., Ltd. ("I-SECURE") acquired by the Company as per the approval given by the Extraordinary General Meeting of Shareholders of the Company No. 1/2018, held on October 12, 2018, for the Company to purchase the entire ordinary shares of I-SECURE from Mr. Pong Trakulthong and WPS (collectively called "**the Sellers**") in an amount of 400,000 shares with a par value of Baht 100 per share, representing 100% of I-SECURE's paid-up capital. As at the signing date of such shares sale and purchase agreement (October 17, 2018), I-SECURE had WPS and WPS MSSP as its major shareholders holding 51% and 49% of I-SECURE's paid-up capital respectively. The Company will pay the price of such I-SECURE shares to the Sellers or the persons designated by the Sellers either (1) wholly in cash or (2) in shares newly issued by the Company worth not more than Baht 40 million to WPS and WPS MSSP in proportion to their shareholding in I-SECURE as mentioned above, at the offering price of such newly issued shares of the Company which is equal to the market price during the period of the said offering of the Company's newly issued shares and in cash for the remainder.

The purchase price for I-SECURE shares is Baht 300,852,722.60. Payment of the purchase price for I-SECURE shares is divided into three installments as follows:

(1) Installment 1 of Baht 115,000,000 payable totally in cash on the sale and purchase completion date, which was already paid by the Company wholly in cash on October 17, 2018;

(2) Installment 2 of Baht 84,282,486.90 payable totally in cash, based on I-SECURE's actual net profit in 2019 duly audited by its auditor, which is equal to Baht 26,384,181 calculated using the following formula:

$$\text{Amount payable in Installment 2} = (26,384,181 \times 9.8) + 25,000,000^{1/} - 115,000,000^{2/}) \times 50\% = 84,282,486.90$$

Installment 2 was already paid by the Company wholly in cash on November 27, 2020; and

(3) Installment 3 of Baht 101,570,235.70 based on the average of I-SECURE's actual net profit in 2019 and 2020 duly audited by its auditor, which is equal to Baht 26,384,181 and Baht 29,912,293 respectively calculated using the following formula:

$$\text{Amount payable in Installment 3} = ((26,384,181 + 29,912,293) / 2) \times 9.8) + 25,000,000^{1/} - 115,000,000^{2/} - 84,282,486.90^{3/} = 101,570,235.70$$

Remark: ^{1/} The premium based on P/E multiple of 9.8 times

^{2/} The amount already paid in Installment 1

^{3/} The amount already paid in Installment 2

Installment 3 will be paid either totally in cash or in shares newly issued by the Company worth not more than Baht 40 million and in cash for the remainder.

After the acquisition of the entire shares in I-SECURE by the Company on October 17, 2018, I-SECURE has become the Company's subsidiary and the Company is still obligated to pay the third installment (final installment) of the payment for I-SECURE shares. For this, the Company will make the payment in shares newly issued in the amount of 7,005,200 shares with a par value of Baht 0.50 per share at the offering price of Baht 5.71 per share, making up a total value of Baht 39,999,692, and in cash for the remainder of Baht 61,570,543.70, which was already paid by the Company on March 25, 2021.

6. Benefits which the Company will receive from the capital increase/the allotment of newly issued shares

The capital increase and allotment of the Company's newly issued ordinary shares for private placement is one of the options for payment of the consideration for I-SECURE shares in the third installment (final installment), instead of making such payment wholly in cash, in a total amount of Baht 101,570,235.70. The Company is allowed to pay for such consideration partly in shares newly issued by the Company worth not more than Baht 39,999,692 and in cash for the remaining Baht 61,570,543.70, which was already paid by the Company on March 25, 2021.

The issue and offering of the Company's 7,005,200 new ordinary shares with a par value of Baht 0.50 per share at the offering price of Baht 5.71 per share or a total value of Baht 39,999,692 as part of such share payment will help to reduce the Company's burden on cash payment by the amount equal to value of the said offering of its newly issued ordinary shares. As such, the Company will have a sufficient source of fund available for share payment of I-SECURE shares and will be able to better manage its financial liquidity and reserve cash available for use as working capital in its business operation. This also may helps to reduce the burden on additional borrowing or fund mobilization from the existing shareholders to meet such share payment. Moreover, this capital increase will help to expand the Company's capital base and shareholders' equity.

7. Benefits which shareholders will receive from the capital increase/the allotment of newly issued shares

The shareholders will obtain benefits from the Company's investment in I-SECURE which has currently become a subsidiary of the Company. Over the past years, the investment in I-SECURE shares has provided the Company with the opportunity to diversify its business into the computer and network security monitoring services and enabled the Company to recognize revenues and net profit of I-SECURE as part of its consolidated financial statements. It is expected that I-SECURE will further bring good operating results to the Company in the long term and create the opportunity to receive a favorable return on such investment, which will have a positive impact on the Company's value and its share value together with benefit from dividend receivable in the future. Besides, the offering of the Company's newly issued ordinary shares through private placement at the market price will not have any price dilution effect on the Company's existing shareholders.

8. Any other information necessary for the shareholders' decision in order to approve the capital increase/the allotment of newly issued shares

In the event that the offering price of shares through private placement this time is lower than 90% of the market price (the market price refers to the weighted average price of the Company's shares traded on the SET during a period of at least seven consecutive business days but not more than 15 consecutive business days before the first date of such offering of the Company's newly issued ordinary shares) before the SET's approval of those newly issued shares as listed securities, the Company has duty to prohibit WPS and WPS MSSP from selling the Company's shares, which they have acquired from such offering, within a period of one year from the commencement date of trading of the Company's newly issued ordinary shares. After a lapse of six months from such commencement date of trading of the Company's newly issued ordinary shares, WPS and WPS MSSP can sell an amount of 25% of the total number of those lock-up shares, which is in conformity with the regulations under the SET Notification Re: Rules, Conditions and Procedures Governing the Listing of Ordinary Shares or Preferred Shares Issued for Capital Increase B.E. 2558 dated May 11, 2015.

Please refer to more details in the Information Memorandum on Issue and Offering of New Ordinary Shares of the Company through Private Placement (Enclosure 6).

9. Timeline of procedures where the Board of Directors of the Company passes a resolution approving the capital increase/the allotment of newly issued shares

Procedures	Date
1. The Board of Directors' Meeting No. 1/2021 to approve the capital increase and the allotment of newly issued ordinary shares through private placement	February 21, 2021
2. Record date to determine the names of shareholders who are entitled to attend the 2021 Annual General Meeting of Shareholders	March 8, 2021
3. The 2021 Annual General Meeting of Shareholders	April 29, 2021
4. Registration of the increase of the registered capital and amendment to the Memorandum of Association to be consistent with the capital increase with the Department of Business Development, Ministry of Commerce	Within 14 days from the date of approval by the shareholders' meeting
5. Filing of the application for approval of the offering of newly issued ordinary shares through private placement to the SEC	Within 14 days from the date of approval by the shareholders' meeting
6. Offering of newly issued ordinary shares through private placement	After completion of the procedures in 1 - 5 above and the SEC giving approval of the offering of the Company's newly issued ordinary shares through private placement. It is expected that the Company will offer its newly issued ordinary

