



**Capital Increase Report Form**  
**North East Rubber Public Company Limited**  
**February 29, 2024**

North East Rubber Public Company Limited (“The Company”), hereby report the resolutions of the Board of Directors’ Meeting No.2/2024 held on February 29, 2024 from 15.00 p.m. to 17.00 p.m. in respect of a capital increase/share allotment as follows;

**1. Capital Decrease and Increase**

**1.1 Capital Decrease**

The Board of Directors Meeting resolved to approve for decreasing to reduce the registered capital of the company from the original 1,004,733,945.00 Baht to a new registered capital. 923,894,874.00 Baht by eliminating 161,678,142 ordinary shares that have not yet been issued for sale, which are shares that issued to support the issuance and offering of additional ordinary shares under the general mandate (General Mandate) approved by the general meeting of shareholders for the year 2023 amount to 161,467,890 shares. The shares remaining from those issued to support the exercise of warrants (NER-W1) whose exercise period has maturity, amounting to 210,252 shares.

**1.2 Capital Increase**

The Board of Directors Meeting resolved to propose to consider and approve a resolution on the capital increase as detail below.

- The increase of registered capital of the Company by 153,982,479 Baht from the former registered capital of 923,894,874 Baht to a new registered capital of 1,077,877,353 Baht by issued new ordinary share amounting 307,964,958 shares with a par value of 0.50 Baht per share.

Type of Capital Increase	Type of Share	Number (Unit)	Par Value (Baht per share)	Total Value (Baht)
1. Issuance of warrants to existing shareholder no.2 (NER-W2)	Ordinary share	307,964,958	0.50	153,982,479
2. General Mandate	Ordinary share	-	-	-

**2. Allotment of Newly issued shares**

The Board of Directors’ Meeting has approved the allotment of ordinary share not exceeding of 307,964,958 shares with a par value of 0.50 Baht per share, totaling 153,982,479 Baht as detailed below;



2.1 The purpose of utilizing proceeds

Allotted to	Number (Unit)	Ratio (old: new)	Sale price (Baht per unit)	Subscription and payment period	Remarks
To support the exercising rights of warrants for purchase of ordinary shares no.2 (NER-W2)	307,964,958	- The ratio of 6 existing shares to 1 unit of warrant - The exercise ratio is 1 unit of warrant having the right to purchase 1 new share.	Free of charge (Exercise price 5.50 Baht per unit)	Details as in attachment 1	Details as in attachment 1

Remark:

<sup>1/</sup> The Board of Directors Meeting No.2/2024, held on February 29, 2024, approved to propose to the Annual General Meeting of Shareholders for 2024 which will be held on April 10, 2024 for approval The company will issue and allocate not more than 307,964,958 units of NER-W2 warrants to the existing shareholders of the company according to the shareholding proportion (Rights Offering) at the price of 0 baht per unit (without charge) at the rate of 6 existing shares to 1 warrant.

In this regard, the Board of directors or any person delegated by the Board of directors shall have an authority to consider and specify the detail which is necessary regarding the issuance and offering of warrants for purchase of ordinary shares (NER-W2) including but not limited to (1) consider, determine, amend and add the details and other conditions which are necessary related to the issuance and offering of warrants for purchase of ordinary shares (NER-W2) as prescribed by law or as the part deemed not necessary e.g. date, time, procedure of issuance and offering of capital increase ordinary shares and procedure of right regarding warrant (2) negotiation, entering into agreement and execution of agreements and relevant documents and performing any actions regarding allocation of warrants for purchase of ordinary shares (NER-W2) (3) execution of applications for approval and necessary and relevant evidence regarding such an allocation of warrants for purchase of ordinary shares, including the contacting and submission of applications for such approval, documents and evidence to relevant authorities or agencies, the listing of such capital increase ordinary shares on the Stock Exchange of Thailand and (4) Perform any actions necessary for the allocation of warrants for purchase of ordinary shares.



2.1.1 Company operations In calculating the rights to be allocated Warrants NER-W2 of each shareholder If there is a fraction from the calculation according to the allocation ratio mentioned above Round off

### 3. Schedule for shareholders meeting to approve the capital increase/allotment

The Annual General Meeting of Shareholders for year 2024 will be held on April 10, 2024 at 10.00 a.m. at meeting room, 1 st floor, 398 Moo.4 Kokma Sub District Prakhonchai District Buriram 31140. The Meeting will be set in the form of Hybrid Meeting, Physical and Electronic meeting system (E-AGM).

The Board of Directors' Meeting has set the record date for specifying the list of the shareholders who have the rights to attend the Annual General Meeting of Shareholder on **March 15, 2024**.

### 4. Approval of the capital increase/share allotment by relevant governmental agency and conditions thereto (if any)

- 4.1 The approval from Annual General Meeting of Shareholders for the year 2024
- 4.2 The Company shall register the increase of registered capital and paid-up capital with the Department of Business Development, Ministry of Commerce.
- 4.3 The Company shall conduct the related filings to the Stock Exchange Market for registering Warrants NER-W1 to be allotted to the existing shareholders and the ordinary shares to be reserved for exercising of warrants NER-W2 as listed securities for the purpose of trade in the Stock Exchange of Thailand (SET).

### 5. Objective of the capital increase and plans for utilizing proceeds from the capital increase

The Company shall seek for funds resource according to the continuous expansion of Company's business including investment plan in the future. Therefore, the Company shall issue the capital increases ordinary shares to increase liquidity and working capital to the Company as well as to support a strengthen of the company's capital base in order to readiness for future investments. The future projects shall acquire more revenue and it is expected which shall affected in better profitability and shall benefit the Company and its shareholders.

### 6. Benefits which the Company will receive from the capital increase/share allotment

The capital increase will provide the company with liquidity and working capital increase in order to expand the business potential as well as help the company financially stronger. This will result in benefit to the Company and its shareholders in the long term.



**7. Benefit which shareholders will received from the capital increase/share allotment of newly issued shares**

According to the Company's financial strength and high potential to increase profit, this shall result the Company's performance which will be beneficial enterprise values to shareholders as follows:

- 7.1 The Company has the dividend payment policy for shareholders at the payout rate of 40 percent of net profit after deduction of legal reserves. There will be no signification effect, if there is no necessary event and the dividend payment has no effect on the Company's profit.
- 7.2 The warrants' holder who exercises the right to purchase new ordinary shares of the Company will become the Company's shareholder upon the completion of registration of the Company's paid-up capital with the Department of Business Development.

**8. Other details necessary for shareholders' consideration in approving the capital increase/ allotment of newly issued shares.**

- None -

**9. Schedule of actions where the Board of Directors of the Company passed the resolution approving the capital increase or allotment of new shares:**

No.	Proceedings	Date
1	The date of the Board of Directors' Meeting No. 2/2024	February 29 ,2024
2	The date to determine shareholders entitled to attend the Annual General Meeting (Record Date)	March 15 ,2024
3	The date of the Annual General Meeting of Shareholders for year 2024	April 10 ,2024
4	The record date for specifying the list of shareholders who have the right to receive this warrant for purchase of ordinary shares no.2 (NER-W2)	April 23 ,2024
5	The Registration of resolution on capital increase at Ministry of Commerce	Within 14 days after AGM approved

The company certifies that the information contained in this report is accurate and complete in all respects

Sincerely yours,

Signature ..... Director with authority to sign on behalf of the company  
 (Mr.Chuwit Jungtanasonboon)



Signature ..... Director with authority to sign on behalf of the company  
 (Mr.Sakchai Jongstapongpun)