

**Information of Begistics Public Company Limited ("Company")**  
**Re: Allocation of newly issued ordinary shares to existing shareholders**

According to the Board of Directors' meeting of Begistics Public Company Limited ("Company") No. 6/2019 on May 14, 2019 ("Board of Directors Meeting") resolved to propose to the meeting. Extraordinary General Meeting of Shareholders No. 1/2019 Friday 26 July 2019 ("Shareholders' Meeting") To consider and approve the increase of the registered capital of the Company from 883,340,850.84 baht to 1,757,131,698.04 baht by issuing new ordinary shares 1,284,986,540 shares at par value of 0.68 baht per share as follows:

Increase Capital	1,757,131,698.04 Baht	2,584,017,203 Shares
Separated By		
- Allocated to existing shareholders (Right Offering)	592,796,735.40 Baht	871,759,905 Shares
- Support the exercise of the conversion rights of the warrants to purchase ordinary shares of the Company No.5 (B-W5) issued to the existing shareholders	197,598,911.80 Baht	290,586,635 Shares
- Support the right adjustment of warrants B-W4	21,902,800.00 Baht	32,210,000 Shares
- Support the right adjustment of warrants B-W3	61,492,400.00 Baht	90,430,000 Shares

By allocating such newly issued ordinary shares for offering to the shareholders in accordance with the existing shares of the company, the shareholding of each shareholder at the ratio of 1 existing share to 1 new ordinary share at the offering price of 0.33 baht per share ("The offering price of shares to the shareholders in proportion") which the existing shareholders have the right to subscribe for the newly issued ordinary shares in excess of their rights.

The details related to the offering of the newly issued ordinary shares to the existing shareholders in proportion to the shareholding appear in the Capital Increase Report Form (F53-4) (Attachment 2) and information regarding the allocation. Capital increase ordinary shares to the existing shareholders of this issue.

**1. Details of issuance and offering**

Allocate not more than 871,759,905 newly issued ordinary shares of the Company at a par value of Baht 0.68 per share to the existing shareholders in proportion to their shareholding (Rights Offering) at the ratio of 1 ordinary share per 1 new ordinary share At the offering price of 0.33 baht per share. 592,796,735.40 baht and the date for the subscription of the newly issued ordinary shares of the company for offering during the period 26-30 August 2019 (including 5 working days). Increase capital according to shareholding ratio (Record Date) on August 6, 2019.

The existing shareholders can subscribe for the newly issued ordinary shares in excess of their rights. The shares that have subscribed for shares in excess of the rights will be allocated to shareholders who subscribe for more than the rights after the allocation of the newly issued ordinary shares to all shareholders who subscribe according to their rights. First round only In the event that there are remaining shares from the allocation to the existing shareholders in proportion to the first round The Company will allocate the remaining ordinary shares to shareholders who wish to subscribe for the newly issued ordinary shares in excess of the proportion of shareholding. By allocating such newly issued ordinary shares The Company will allocate the remaining shares until there are no additional ordinary shares remaining from the allocation. Or until no shareholder wishes to subscribe for such newly issued ordinary shares anymore.

The allocation of newly issued ordinary shares to shareholders who subscribe for shares in excess of their rights shall not cause non-Thai shareholders to hold shares more than 49 percent of the paid-up capital of the company. And must not cause any shareholder who subscribes to the newly issued

ordinary shares in excess of rights or across the point of making a tender offer as prescribed in the Notification of the Capital Market Supervisory Board No.TorChor. 12/2554, Re: Rules, Conditions and Procedures for Entry Hold securities for business domination.

However, the issuance and offering of the newly issued ordinary shares to the existing shareholders is still uncertain until approved by the Extraordinary General Meeting of Shareholders No. 1/2019 of the Company.

## 2. The purpose of the capital increase and the use of additional funds

At present, the company operates a port service business and domestic transportation service business. The company provides berth services to domestic cargo ships and bulk carriers. The customer can use the company's warehouse service to be a warehouse for sorting and packing products before importing - exporting to other countries through other ports. The company also provides land transportation services from the Berth of The Company to the customer's location and transportation services for industrial customers in nearby areas cargo handling service including other services related, such as Customs clearance, Crane rental service and logistics services, etc. The main income of the Company currently comes from the domestic transportation service business. In 2018, revenue from the logistics service business accounts for 54 percent. Revenue from the service business Domestic transportation accounts for approximately 38 percent of total revenue, while revenue from port services accounts for about 8 percent of total revenue.

Offering of newly issued ordinary shares to existing shareholders The Company will receive the total amount of 287,680,768.65 baht which the company plans to use the proceeds from the capital increase to expand the service in the same business and new business as follows:

The Company will expand the business line further. At present, the company is studying the investment project in the energy business. Because it is seen as an industry that has good growth in the future, has demand for continuous growth and is also the extension of the B2E (Begistics to Energy) plan. Including investing in Beyond Capital Company Limited (a subsidiary company) to take advantage of the cash flow that has generated revenue Profits and maximum benefits for the company as well as working capital in the main business with expansion with estimates of the use of capital increase as follows:

No.	Purpose of using money	Proportion of use of funds from capital increase (percent)	Time to use the capital increase
1.	Invest in businesses that are studying energy projects. Which is not a business that the company currently operates, namely transportation, port, logistics and factoring	43	2019-2021
2.	Invest in transportation business	14	2019-2021
3.	Invest in port business	5	2019-2021
4.	Invest in Beyond Capital Company Limited (subsidiary)	17	2019-2021
5.	Invest to support future business expansion	13	2019-2021
6.	Working capital	8	
	<b>Total</b>	<b>100</b>	

In this regard, the company plans to use the remaining funds from the offering of the newly issued ordinary shares at the amount of 177.22 million baht and the remaining money from the sale of land in the amount of 122.78 million baht. Use of funds No. 1 through 6. As mentioned above and when the capital increase according to the objective 1 to objective 5, remaining to be able to be used with the objective 6. The remaining amount And if the capital increase above is not fully allocated for the purpose The Company has guidelines for finding additional funding sources from financial institutions and various capital groups.

### 3. Effects to the shareholders from the rights offering of shares

Effects to existing shareholders that may arise from the capital increase, such as the reduction of the market price (Price Dilution), the impact on the voting rights of the existing shareholders (Control Dilution) and the reduction of profit share (Earnings Per Share Dilution) by dividing into 2 cases which are as follows:

Case 1: In the case that the existing shareholders subscribe to all RO ordinary shares and B-W5 warrants, other persons are the holders of the rights on the whole amount.

Case 2: In the case that the existing shareholders do not subscribe for the RO ordinary shares, both the amount and the B-W5 warrants, the other person will exercise the rights in the whole amount.

#### 3.1. Effects to the stock price of the company (Price Dilution)

$$= \frac{(\text{Market Price Before Offering}^* - \text{Market Price After Offering}^{**})}{(\text{Market Price Before Offering})}$$

Case 1

$$= \frac{(0.59 - 0.44)}{0.59}$$

$$= 25.42\%$$

Case 2

$$= \frac{(0.59 - 0.44)}{0.59}$$

$$= 25.42\%$$

\* Market Price Before Offering = Weighted average price of the Company's shares in the period of 15 business days prior to the Board of Directors' Meeting dated 14 May 2019, that is between 19 April 2019 to 13 May 2019, equals to 0.59 per share.

$$\text{**Market Price After Offering} = \frac{(\text{Market Price} \times \text{Existing Paid-up Shares}) + (\text{Offering Price} \times \text{Total Offering Shares})}{(\text{Existing Paid-up Shares} + \text{Total Offering Shares})}$$

$$= \frac{(0.59 \times 871,759,905) + (0.33 \times 871,759,905) + (0.35 \times 290,586,635)}{(871,759,905 + 871,759,905 + 290,586,635)}$$

$$= 0.44 \text{ Baht per share}$$

#### 3.2. Effects to voting rights of shareholders (Control Dilution)

$$= \frac{\text{Total Offering Shares B-W5}}{(\text{Existing Paid-up Shares} + \text{Total Offering Shares RO} + \text{B-W5})}$$

<u>Case 1</u>			290,586,635
=			(871,759,905+871,759,905+290,586,635)
	=	14.28%	
<u>Case 2</u>			290,586,635
=			(871,759,905+290,586,635)
	=	25%	

### 3.3. Effects to Earning Share Dilution (Earning Dilution)

The offer for sale of shares at this time has no impact on profit sharing. Because the company has net loss.

### 4. Opinion of the Board of Directors

The Board of Directors' Meeting No. 6/2019 on May 14, 2019, there were 6 directors attending the meeting from the total number of directors, 9 persons, which constituted a quorum in accordance with the company's regulations. In the total number of directors attending the meeting, there are 2 independent directors attending the meeting from the total number of 4 independent directors who have an opinion on the capital increase and the offering of the newly issued ordinary shares to the existing shareholders. And the issuance and offering of warrants to purchase the newly issued ordinary shares of the Company No. 5 (B-W5) as follows:

#### 4.1. Rationale and necessity for the capital increase

The Board of Directors is of the opinion that the capital increase will increase the liquidity of the company. At present, the company plans to expand the business line further. At present, the company is studying the investment project in the energy business. Because it is seen as an industry with good growth in the future, with demand continuing to grow and also being the extension of the B2E (Begistics to Energy) plan. Including customs clearance services and international cargo management which the Board of Directors has considered that the Company will have more revenue which such investment is necessary to use additional investment. The Company therefore considered the offering of the newly issued ordinary shares to the existing shareholders in proportion to their shareholding. And granting existing shareholders the rights to subscribe for shares exceeding their rights. Together with the offering of warrants to purchase the newly issued ordinary shares No. 5 (B-W5).

#### 4.2. Feasibility of the plan for utilizing the proceeds

The Board of Directors considered that the plan to use the Company's capital increase to invest in expanding the business line further. At present, the company is studying the investment project in the energy business. Because it is seen as an industry that has good growth in the future, has demand for continuous growth and also continues to extend the B2E (Begistics to Energy) plan and expand the domestic transportation service business which is the company's original business. And expanding the Custom Clearance and Freight Forward services in the Non-Vessel Operation Common Carrier: NVOCC is appropriate and feasible. The Board of Directors considered that the expansion of the land transport business is the same business which the company has expertise and already has a customer base. In addition, the fact that Millcon has entered into a business alliance and the use of the company's transportation service will enable the company to secure income. And can expand the business to other new customers for the customs clearance business. At present, the company provides such services to some customers. And already have a business

license, therefore able to immediately expand the business Moreover, such businesses do not need to invest in fixed assets. Therefore can proceed immediately which will help the company to increase revenue and liquidity.

#### **4.3. Reasonableness of the capital increase, plan to utilize the proceeds, and projects to be operated, including sufficiency of the sources of funds**

The Board of Directors is of the opinion that the capital increase and the plan for use of funds at this time are reasonable and consistent with the demand for capital of the company. The company has studied the feasibility and appropriateness of the financial and investment of the project appropriately and prudently. By funding for additional business line expansion at present, the company is in the process of studying the investment project in the energy business to be used as investment in ordinary shares of the business studied and approved according to the transaction size by the Capital Market Supervisory Board No.Tor.Chor. Criteria for making significant transactions that are considered as acquisition or disposal of assets, requiring listed companies to comply with the regulations of the Stock Exchange of Thailand. The plan for the land transport business, it will be used as a down payment. Purchase trucks, semi-trailers and 6-wheel trucks to support the expansion of Lazada. The company carefully selects suitable vendors. For the funds used to improve the port and warehouse is to improve the property and equipment to be able to support the service in the future. In terms of working capital for customs clearance services and being an international transportation manager The Board of Directors considered that although such business is not necessary to invest in fixed assets but through customs clearance for the product, it requires a lot of working capital. In addition, for other projects that is the investment in the project supporting the main business of the company, such as improving the work system of the company The Board of Directors has considered that the time frame and investment value are appropriate.

#### **4.4. Effect on the business operation, financial position and Company performance**

Increasing capital will benefit the company in the short term, which will help the company to improve its liquidity. With the increase in working capital for new businesses, the company will have a liquidity ratio of 3.48 times (information as of December 31, 2018) is 5.88 times

For medium and long term impacts The Company will be able to increase the potential of land transport services. And provide customs clearance services and freight forwarding to provide comprehensive logistics services which will help the Company to increase revenue it also has Millcon as a strategic partner which can help support the Company. Both in terms of management knowledge from directors to be submitted to supervise financial support including supporting the use of services between each other The Millcon Group has businesses and the volume of transactions continues to grow. Therefore increasing the demand for logistics services of the Company

### **5. The right to claim damages in case the director does not comply with Fiduciary Duty**

In the case that the directors of the Company do not perform their duties with honesty and carefully protect the interests of the Company in matters relating to the capital increase if the failure to perform such duties causes damage to the Company, The Company can claim compensation from that director. But if the company does not claim such compensation Shareholders holding shares of not less than 5 percent of the total issued shares will notify the Company to make a claim and if the Company does not proceed as informed by the shareholders such shareholders can file a claim for compensation from the said director on behalf of the Company in accordance with Section 85 of the Public Company Limited

Act. Benefit wrongfully Shareholders holding shares of not less than 5 percent of the total issued shares will notify the Company to file a lawsuit to call the directors responsible for returning such benefits to the Company. If the Company does not proceed as requested by the shareholders within 1 month from the date of notification such shareholders can exercise the right to sue for the benefit from that director in lieu of the Company under Section 89/18 of the Securities and Exchange Act BE 2535 (and with amendments).

Sincerely yours,

A handwritten signature in blue ink, appearing to be 'Thitisak Skulkroo', written in a cursive style.

(Mr. Thitisak Skulkroo)

Chairman of the Executive Committee