

No. PPM 015/2016

September 28, 2016

Subject The Issuance and offering of the Newly Issued Shares through Private Placement and the Extraordinary General Meeting Shareholders No.1/2016 (5th amendment)

To President
The Stock Exchange of Thailand

Attachment

1. Information Memorandum on the Issuance and Offering of the Newly Issued Shares through Private Placement
2. Capital Increase Report

The Board of Directors' Meeting of Porn Prom Metal Public Company Limited (the "Company") No.5/2016, held on September 28, 2016 at conference room, Porn Prom Building 2, No. 229 Nakhonratchasrima Road, Dusit, Bangkok has passed the resolutions as follows:

1. Resolved to propose to the Extraordinary General Meeting of Shareholders No.1/2016 for the consideration and approval of the capital reduction from 240,000,000 baht to 239,999,972 baht due to the remaining 56 ordinary shares from the allocation for the Company's warrant (PPM-W1) by eliminating the unsubscribed shares and for consideration and approval for the amendments of No.4 of the Company's Memorandum of Association to be in accordance with the capital reduction. The Board of Directors' Meeting has also passed the resolutions approving the delegations of authorities in relevant areas as deemed appropriate.
2. Resolved to propose to the Extraordinary General Meeting of Shareholders No.1/2016 for the consideration and approval of the capital increase from 239,999,972 baht to 280,559,972 baht and for consideration and approval of the amendments of No.4 of the Company's Memorandum of Association to be in accordance with the capital increase. The capital increase is divided as follows:
 - Increase registered capital by issuing 80,000,000 newly issued ordinary shares at the par value at 0.50 baht per share for the allotment to Mr. Suppachak Trairatanobhas (PP Investor)
 - Increase registered capital by issuing 1,120,000 newly issued ordinary shares at the par value at 0.50 baht per share to accommodate the rights adjustment of the Company's warrants PPM-W1 as a result of rights adjustment specified by Notification of PPM-W1 rights adjustment dated May 3, 2016 pertaining dividend payout ratio, and by Notification of PPM-W1 rights adjustment dated June 2, 2016 pertaining change in par value.

However, this capital increase for private placement does not adhere to the conditions for the right adjustment of the Company's warrants PPM-W1.

3. Resolved to propose to the Extraordinary General Meeting of Shareholders No.1/2016 for the consideration and approval for the allocation of 80,000,000 newly issued ordinary shares at the par value at 0.50 baht per share to the specific investor, namely Mr. Suppachak Trairatanobhas by private placement. The offering price of the aforementioned shares is 2.46 baht per share with the total offering value of 196,800,000 baht. The offering price is 9.23 percent discounted from the market price of the Company's shares at 2.71 baht, assuming that the market price is equal to a weighted average price of the Company's share traded on MAI during the 15 consecutive trading days prior to the date which the Board of Directors' Meeting passed the resolutions to proposed to the shareholders' meeting for the consideration and approval of the capital increase. In addition, the Board of Directors' Meeting has also passed the resolutions approving the delegations of authorities in relation to the issuance, the offering, and the allocation of the mentioned newly issued shares as deemed appropriate. Details of the allocation are as shown on the information Memorandum on Issuance and Offering of the Newly Issued Shares through Private Placement (Attachment No.1). Should the offering price be lower than 90 percent of the market price of the Company's shares traded 7-15 days prior to the first trading date of the newly issued shares, the PP investor is prohibited from selling his shares for the period of one year from the first trading date (Silent Period). Upon the expiry of six months period of the prescribed time, the PP investor will be allowed to sell 25 percent of the total amount of shares prohibited for sale. In addition, the Company resolved to propose the allotment of 1,120,000 newly issued ordinary shares issued at 0.50 par value to accommodate the rights adjustment of the Company's warrant PPM-W1.
4. Resolved that the Extraordinary General Meeting of Shareholders No.1/2016 be held on November 16, 2016 at 2.00 p.m., at Porn Prom Metal Public Company Limited, No. 229 Nakhonratchasrima Road, Dusit, Bangkok. The agendas are as follows :
 - 1) To certify a minutes of the 2016 Annual General Meeting of Shareholders
 - 2) To consider the capital reduction from 240,000,000 baht to 239,999,972 baht due to the remaining 56 ordinary shares from the allocation for the Company's warrant (PPM-W1) by eliminating the unsubscribed shares, to consider the amendments of No.4 of the Company's Memorandum of Association to be in accordance with the capital reduction, and to approve the delegations of authorities in relevant areas as deemed appropriate.
 - 3) To consider the capital increase from 239,999,972 baht to 280,559,972 baht as follows:

- 3.1 Increase registered capital by issuing 80,000,000 newly issued ordinary shares at the par value at 0.50 baht per share and allot to Mr. Suppachak Trairatanobhas (PP Investor)
 - 3.2 Increase registered capital by issuing 1,120,000 newly issued ordinary shares at the par value at 0.50 baht per share to accommodate the rights adjustment of the Company's warrants PPM-W1.
 - 3.3 The amendments of No.4 of the Company's Memorandum of Association to be in accordance with the capital increase.
- 4) To consider and approve the allocation of newly issued ordinary shares as follows:
 - 4.1 To sell to the specific investor through Private Placement
 - 4.2 To accommodate rights adjustment of the Company's warrants PPM-W1
 - 5) Other matters (if any)
5. To define October 13, 2016, as the Record Date for determining the shareholders who are entitled to attend of the Extraordinary General Meeting of Shareholders No.1/2016, and to define October 14, 2016 as the closing date of share register book for gathering the shareholders' name under section 225 of the Securities and Exchange Act.

Please be informed accordingly.

Sincerely yours,

(Mrs. Kanokkorn Tankaisorn)

Deputy Managing Director

(F53-4)

Capital Increase Report
Porn Prom Metal Public Company Limited
September 28, 2016

Porn Prom Metal Public Company Limited (the “Company”), hereby report on the resolution of the Board of Directors’ Meeting No.5/2016, held on September 28, 2016, relating to a capital increase share allotment as follows :

1. Capital Increase

The Board of Directors’ Meeting has passed a resolution approving the increase of Company’s registered capital from 239,999,972 baht to 280,559,972 baht by issuing 81,120,000 ordinary shares issued at a par value of 0.50 baht per share, totaling 40,560,000 baht. The details of the capital increase are as follows:

Type	Type of Share	Number of Shares (Shares)	Par Value (Baht/share)	Total (Baht)
<input checked="" type="checkbox"/> Specifying the purpose of utilizing proceeds	Ordinary Shares	81,120,000	0.50	80,559,860
<input type="checkbox"/> General Mandate				

2. The Allotment of New Shares

The Board of Directors’ Meeting has passed a resolution approving the allotment of 81,120,000 ordinary shares issued at a par value at 0.50 baht per share, totaling 40,560,000 baht. Details are as follows:

Allotted to	Number of Shares	Ratio (old : new)	Offering Price (Baht/share)	Subscription and payment period	Note
1. Specific Investor (Private Placement), Mr. Suppachak Trairatanobhas	80,000,000	N/A	2.46	Please see remark no.3	-
2. Accommodate rights adjustment of PPM-W1	1,120,000	N/A	N/A	-	-

Remarks:

1. The details of the specific investors are as follows :

1) Name	Mr. Suppachak Trairatanobhas
Nationality	Thai
Address	17/282 Moo 14 Bang Plee Yai, Samutprakarn
Occupation	Business man
Work Experience	- CEO, QTC Global Power Co., Ltd. - Managing Director, PrimeStreet Advisory Thailand - Managing Director, Cambridge Capital - Managing Director of Siam Alpha Equity PTE Singapore
Relationship to the Company	Not a connected person of the Company and has no other relationship with the Company

2. The price is determined using the fixed price approved by the shareholders which is not lower than 90 percent of the market price, as specified by the Notification of the Capital Market Supervisory Board TorJor. 72/2558 Re: the Approval for the Private Placement of Listed Companies. Nevertheless, should the offering price be lower than 90 percent of the market price of the Company's shares traded 7-15 days prior to the first trading date of the newly issued shares, the PP investor is prohibited from selling his shares for the period of one year from the first trading date (Silent Period). Upon the expiry of six months period of the prescribed time, the PP investor will be allowed to sell 25 percent of the total amount of shares prohibited for sale.
3. The date and time of the subscription and payment period of the newly issued shares shall be determined later on by Mr. Chamnarn Pornpilailuck or person(s) authorized by Mr. Chamnarn Pornpilailuck, who shall have authorization to consider and decide on matters related to entering into the joint investment, and have authorization to (1) negotiate, make agreements, and sign the documents and contracts related to the issuance and offering of ordinary shares through private placement (2) sign applications and necessary documents in relation to the issuance and offering of ordinary shares through private placement, including contracting and submitting any applications, waiver letters, other documents or evidences to the government agencies or other offices and (3) take other actions necessary for and related to the issuance and offering of ordinary shares through private placement.

3. Schedule for Extraordinary General Meeting of Shareholders to Approve the Capital Increase/Share Allotment

The Extraordinary General Meeting of Shareholders No.1/2016 of the Company is scheduled to be held on November 16, 2016 at 2.00 p.m., at Porn Prom Metal Public Company Limited, No. 229 Nakhonratchasima Road, Dusit. Details are as follows:

- The share register will be closed to share transfers in order to determine the right to attend this meeting from – until the meeting has been duly convened.
- The share register will be recorded for share transfer in order to determine the right to attend the Extraordinary General Meeting of Shareholders on October 13, 2016 (Record Date), and October 14, 2016 (the next business day from the record date) will be the book-closing date, on which the shareholder list as specified in section 225 (as amended) of the Securities and Exchange Act shall be complied.

4. The Approval of the Capital Increase/Share Allotment by Relevant Governmental Agency and Conditions Thereto (If Any)

- 4.1 The Company shall receive the Shareholders' Meeting approval for the issuance and offering of ordinary shares through private placement with a resolution of not less than three-fourth of the total votes of shareholders who attend the meeting and entitled to vote.
- 4.2 The Company shall receive an approval from the Securities and Exchange Commission ("the SEC") for the issuance and offering of ordinary shares through private placement.
- 4.3 The Company shall register the company increase, paid-up capital, and the amendment to the Memorandum of Association with the Department of Business Development, the Ministry of Commerce.
- 4.4 The Company shall apply for approval from the Stock Exchange of Thailand on listing the new ordinary shares on the Market for Alternative Investment ("MAI")

5. Objectives of the Capital Increase and Plans for Utilizing Proceeds Received from the Capital Increase

- 5.1 To increase liquidity and reduce financial cost for Porn Prom Metal Public Company Limited.

Porn Prom Metal Public Company Limited manufactures and distributes metal products for various industries. The Company's products include copper and brass strips, sheets, tubes, stainless steel and steel wire, aluminum coils and sheets, and stainless steel coils and sheets. The Company also provides some metal products for construction projects such as copper tube and insulation. The Company plans to use the proceeds of approximately 20-50 million baht to repay short-term loans immediately after receiving the proceeds from the

capital increase to increase its funding ability for the production expansion of both subsidiaries as well as other potential future projects.

5.2 To expand production capacity of the Company's subsidiaries to increase their competitiveness

(1) Premium Flexible Packaging Co., Ltd. (PFP), in which the Company currently holds approximately 99 percent shares, manufactures flexible packaging products and distributes to various industries such as food processors, cosmetics manufacturers, pharmaceutical manufacturing companies, and consumer products manufacturers. Flexible packaging products are currently in demand and is in highly competitive industry. To increase its competitiveness, the company plans to uses the proceeds to invest in new machines as well as to repay existing raw materials debt of approximately 50 million baht to increase its liquidity and increase production capacity. The plan is expected to commence during the fourth quarter of 2016.

(2) Solar PPM Co., Ltd. (SPPM), in which the Company currently holds approximately 60 percent shares, manufactures and installs solar photovoltaic panels. Solar power is one of the growing alternative energy solutions with an increasing industry competition. As a result, the company plans to spend approximately 120 million baht to increase its capacity to meet with the growing demand. The plan is expected to commence during the third quarter of 2017.

In addition to the objectives of the utilizing plan for the proceeds mentioned above, the Company is also currently studying for Solar Rooftop project. The project type is EPC + F (Engineering Procurement Construction + Finance) in which the Company will be invest for construction and collect revenue from the amount of electricity generated that sell to the factory owner. The financing structure is expected to be 80 equity:20 loan, where the amount of equity required is approximately 40-100 million baht.

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

To prepares the financial objectives discussed in Section 5 and will increase the liquidity of business operations, which will increase potential for expansion and support the operations of the Company.

7. Benefits which shareholders will receive from the capital increase/share allotment

The Company has financial strength resulting the completion in business plan and this benefit to the shareholders.

The shareholders will be allotted increase ordinary share capital, have the right on dividend and right to attend the meeting with right of vote: The Company has policy to pay the dividend to the shareholders at rate 30 percent of the net profit of each year but considering the performance and investment plan of the Company at that time as well.

8. Other details necessary for shareholders to approve the capital increase/share allotment

Please see details in the information Memorandum on the Issuance and Offering of Ordinary Shares through private placement in making decision on approving the capital increase/share allotment.

9. Schedule of actions if the board of directors passes a resolution approving the capital increase/allotment of new shares:

No	Procedures of the capital increase	Date/Month/Year
1.	The Board of Directors' Meeting No.5/2016 to approve the issuance and offering of ordinary shares through private placement, the capital increase, the amendment to the memorandum of association and the allotment of the newly issued ordinary shares	September 28, 2016
2	The date on which the recorded shareholders shall have the rights to attend the extraordinary general meeting of shareholders No.1/2016 (Record Date)	October 13, 2016
3	The closing date on which the name list of shareholders is compiled under section 225 of the Securities and Exchange	October 14, 2016
4.	The Extraordinary General Meeting of Shareholders No.1/2016	November 16, 2016
5	The date of registration of the EGM resolution on capital increase with Department of Business Development, the Ministry of Commerce	Within 14 days from the EGM
6	Subscription period for the private placement	After receiving the approval from the SEC

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

Please be informed accordingly.

Sincerely yours,

(Mrs. Kanokkorn Tankaisorn)

Deputy Managing Director