

(F53-4)

Capital Increase Report Form
Samart Digital Public Company Limited
March 14, 2024

Samart Digital Public Company Limited (“Company”) hereby inform the resolutions of the Board of Directors Meeting No. 2/2024, held on March 14, 2024 regarding the capital decrease, capital increase, and allocation of newly issued shares as follows:

1. Capital Decrease and Capital Increase

1.1 Capital Decrease

The Board of Directors’ Meeting approved to propose to the 2024 Annual General Meeting of Shareholders to consider and approve the decrease of the Company’s registered capital at the amount of Baht 1,744,330,251.20 from the registered capital of Baht 5,065,958,253.40 to the new registered capital of Baht 3,321,628,002.20 by canceling 17,443,302,512 unissued shares with par value of Baht 0.10 per share, which are the remaining shares allocated to accommodate (1) the conversion rights of the Convertible Debentures issued and offered according to the resolution of the Extraordinary Meeting of Shareholders No. 1/2022 on March 18, 2022 at the amount of 360,952,106 shares and (2) the allocation to the existing shareholders in proportion to their shareholding (Right Offering) according to the resolution of the Extraordinary Meeting of Shareholders No. 1/2023 on November 28, 2023 at the amount of 17,082,350,406 shares.

1.2 Capital Increase

The Board of Directors’ Meeting approved to propose to the 2024 Annual General Meeting of Shareholders to consider and approve the increase of the Company’s registered capital by Baht 499,279,708.00 from the existing registered capital of Baht 3,321,628,002.20 to the new registered capital of Baht 3,820,907,710.20 by issuing, not exceeding, 4,992,797,080 newly issued ordinary shares at the par value of Baht 0.10 per share to accommodate the conversion rights of the Convertible Debentures by private placement to Advance Opportunities Fund (“AO Fund”) and Advance Opportunities Fund 1 (“AO Fund 1”) in addition to the resolution of the 2023 Annual General Meeting of Shareholders on April 27, 2023 and the Extraordinary General Meeting of Shareholders No. 1/2023 on November 28, 2023 with the same Terms and Conditions of the Convertible Debentures as approved by the resolution of the said shareholders’ meeting. The details are as follows:

Capital Increase	Type of securities	Number of shares (shares)	Par value (Baht per share)	Total (Baht)
<input checked="" type="checkbox"/> Specifying the purpose of utilizing funds	Ordinary Preferred	4,992,797,080 -	0.10 -	499,279,708.00 -
<input type="checkbox"/> General Mandate	Ordinary Preferred	- -	- -	- -

- Specifying the purpose of utilizing the capital: please fill in all of the following items except item No. 2.2
- General Mandate: please fill in only items No.2.2, No.3, and No.4

2. Allocation of Newly Issued Shares

2.1 Specifying the purpose of utilizing funds

Allocated To	Number of Shares (Shares)	Ratio (Old: New)	Selling Price (Baht Per Share)	Subscription and payment period	Remarks
To accommodate the conversion rights of the Convertible Debentures by private placement to AO Fund and AO Fund 1 in addition to the resolution of the 2023 AGM on April 27, 2023 and the EGM No. 1/2023 on November 28, 2023	Not exceeding 4,992,797,080	Conversion ratio is equal to the principal amount of the convertible debenture to be converted divided by the conversion price	Not less than 90% of the market price (conversion price)	The Company will specify later, please consider the remarks below	Please consider the following remarks.

Remarks:

1. AO Fund and AO Fund 1 are both Open-ended Funds, which limits its exemption of liability in the Cayman Islands. AO Fund and AO Fund 1 are both structured as mutual funds regulated by the Monetary Authority of the Cayman Islands. AO Fund and AO Fund 1 have a medium to long term investment objective by using financial instruments to financially support small and medium-sized companies listed on the Stock Exchange of Thailand. AO Fund and AO Fund 1's investment strategy is to provide funding to different companies to be used as working capital, for expansion, for merger, as stipulated in debt restructuring. In addition, AO Fund and AO Fund 1 are both funds that have invested in convertible bonds issued and sold by more than 13 companies listed on the Stock Exchange in Thailand since 2011.

Zico Asset Management Private Limited ("**ZICOAM**") is a fund manager of AO Fund and AO Fund 1 which is registered in Singapore and is an Asset Management Company registered with the Monetary Authority of Singapore. ZICOAM has been appointed by AO Fund and AO Fund 1 to be the fund manager and appraiser of all types of investments of AO Fund and AO Fund 1. Therefore, AO Fund and AO Fund 1 is an Institutional Investor pursuant to the Clause 5 (10) of the Notification of the Securities and Exchange Commission No. Kor.Jor. 39/2564 Re: Determination of the Definitions of Institutional Investor, Ultra-high Net Worth Investor and High Net Worth Investor.

2. The Board of Directors approved to propose to the 2024 Annual General Meeting of Shareholders to consider and approve the allocation of the newly issued ordinary shares, whether once or several times, in the amount of not exceeding 4,992,797,080 shares with the par value of Baht 0.10 per share to accommodate the conversion rights of the Convertible Debentures by private placement to AO Fund and AO Fund 1 in addition to the resolution of the 2023 Annual General Meeting of Shareholders on April 27, 2023 and the Extraordinary General Meeting of Shareholders No. 1/2023 on November 28, 2023 with the same Terms and Conditions of the Convertible Debentures as approved by the resolution of the said shareholders' meeting.

The Conversion Price is not less than 90 percent of the weighted average price of the Company's shares trading on the Stock Exchange of Thailand for not less than 7 consecutive business days but not exceeding 15 consecutive business days prior to the date that the Debenture holders exercise their conversion rights. Therefore, it does not meet the criteria to prohibit the sale of shares within 1 year from the date of receiving the convertible securities (Silent Period). The Company may determine the conversion price of convertible debentures lower than the par value of the Company, but not less than Baht 0.01 per share, which has been approved by the 2023 Annual General Meeting of Shareholders on April 27, 2023 and the Extraordinary General Meeting of Shareholders No. 1/2023 on November 28, 2023.

The weighted average price is calculated from the volume weighted average price of the Company's shares for each consecutive business days (Floating Conversion Price). The market price approved by the 2023 Annual General Meeting of Shareholders on April 27, 2023 and the Extraordinary General Meeting of Shareholders No. 1/2023 on November 28, 2023 will be calculated with two digit decimals and three digit decimals, respectively. While the conversion price will be calculated with three digit decimals.

In this regard, the allocation of newly issued ordinary shares to accommodate the exercise of conversion rights of the convertible debentures, when combined with the number of shares allocated to accommodate the exercise of all convertible securities of the Company in the amount of 2,646,572,764 shares, which shall result in the total amount of 7,639,369,844 shares, representing 24.99% of all issued shares.

2.1.1 Company Procedures in the case of fractional shares

In the case of fractional shares as a result of converting the Convertible Debentures into ordinary shares, disregard such fractions.

2.2 General Mandate

Allocated to	Type of Securities	Number of shares	Percentage of paid-up capital ^{1/}	Remarks
Existing Shareholders	Ordinary	-	-	-
	Preferred	-	-	-
To accommodate the conversion/exercise of the transferable warrants	Ordinary	-	-	-
	Preferred	-	-	-
Public Offering	Ordinary	-	-	-
	Preferred	-	-	-
Private Placement	Ordinary	-	-	-
	Preferred	-	-	-

^{1/} The percentage of the paid-up capital as of the date of the Board of Directors' Meeting resolved to increase the Company's capital increase by way of General Mandate.

3. Schedule for the Shareholders' Meeting to Approve the Capital Increase and Allocation of Issued Shares

Schedule of the 2024 Annual General Meeting of Shareholders on April 25, 2024 at 9.00 a.m. at the Meeting Room, 16th Floor, Software Park Building, 99/20 Moo 4, Chaengwattana Road, Klong Gluar, Pak-Kred, Nonthaburi 11120.

- The record date to determine the list of shareholders entitled to attend the 2024 Annual General Meeting of Shareholders on March 29, 2024.
- The share register shall be closed to suspend any share transfer for the right to attend the Extraordinary Shareholders' Meeting from.....until the shareholders' meeting is adjourned.

4. Approval for capital increase/share allocation from relevant governmental agencies and conditions of such approval

- 4.1 Approved by the shareholders' meeting to proceed with the decrease and increase of the registered capital, including other related matters;
- 4.2 The Company shall register the decrease and increase of registered capital, as well as the amendment to the Memorandum of Association with the Department of Business Development, Ministry of Commerce;
- 4.3 The Company shall apply for approval from the Stock Exchange of Thailand for the listing of the newly issued ordinary shares as listed securities on the Stock Exchange of Thailand.

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

The issuance of the Convertible Debentures, according to the resolution of the 2023 Annual General Meeting of Shareholders on April 27, 2023 at the amount of Baht 160 million and the Extraordinary General Meeting of Shareholders No. 1/2023 on November 28, 2023 at the amount of Baht 650 million, is intended to repay the Company's loans and to be used as working capital and liquidity of the Company's business in order to increase the strength and stability of the Company's financial position, and support normal operations in the core business and related businesses, the extension and expansion of the Company's business in the future, including investing in various projects and as a source of funds for future investment plans. This will enable the Company to build a stable and sustainable income base in both the short and long term.

The capital increase in this time is to allocate additional ordinary shares to accommodate the conversion rights of the Convertible Debentures issued and offered according to the resolution of the said shareholders' meeting.

6. Benefits that the Company will receive from the capital increase/share allocation

- 6.1 The reduction of financial cost by using the received fund to repay loans
- 6.2 The Company will have more liquidity as the capital increase will be used as working capital. This will help strengthen its financial position and stabilize the Company's business, by having enough money to operate and expand the Company's business in the future
- 6.3 Prepare the Company to for business operations, by increasing the flexibility of the Company's capital structure and to have enough money to operate businesses now and in the future, including the expansion of the Company's business. This will enable the Company to create a stable and sustainable income base in both the short and long term.
- 6.4 The Company will be able to enhance its financial position and stability for normal operations in its core businesses, related business, and the improvement of the Company's business as a whole.
- 6.5 Helps the Company maintain its ability to meet financial obligations, such as the payment of various debts, including interest, arising from normal business operations which enhances the ability expand the Company's investment portfolio, which will affect the Company's potential to grow in the future.

7. Benefits that the Shareholders will receive from the capital increase/share allocation

- 7.1 Funds from this capital increase will strengthen the Company's financial structure, as well as to invest, which will enhance the Company's income and profits in the future. If the Company's operational results are better, the shareholders will receive benefits through receiving the Company's dividends according to the Company's dividend payment policy.
- 7.2 The convertible debenture holder who exercise his/her right to convert into the Company's ordinary shares will be entitled to receive dividends from their operations, right to attend the shareholders' meeting, or other rights as the

shareholders of the Company, starting from when there is an exercise of right to convert the convertible debentures of the Company to the Company's ordinary shares and his/her name is in the Company's shareholders' register that have been registered with the Ministry of Commerce.

7.3 Company's Dividend Payment Policy

The Company has a policy to pay dividends each year at the rate of not less than 50% of net profit after legal reserves as stated in the Company's Articles of Association. However, the dividend payment may change from time to time depending on other suitability investment plans in the future.

7.4 Shareholders' Rights

Convertible Debenture holders who have exercised their rights to convert into ordinary shares of the Company will be a shareholder of the Company only when the Company has registered the name of the subscriber in the Company's share book and the Company has already registered the amendment of paid-up capital to the Department of Business Development. This includes the right to attend shareholders' meetings and the right to receive dividends.

8. Other details necessary for shareholders' decision making in the approval of the capital increase/share allocation

In consideration of the impacts on the Company's shareholders, it will be taken into consideration the impact of the Convertible Debentures in case the Company issued and offered Convertible Debentures to investors. In this regard, two aspects of the impacts on the shareholders of the Company will be taken into consideration, which are, impact to the market price of shares (Price Dilution) and impact to the voting rights of existing shareholders (Control Dilution), with details as follows:

(1) Price Dilution

Price Dilution can be calculated from the following formula:

Price Dilution = $(P_o - P_e) / P_o$ Whereas;

P_o = The existing share price, which is 0.0479 Baht per share, is based on the weighted average price of the Company's shares listed on the Stock Exchange of Thailand for the past 15 consecutive business days prior to the date on which the Board of Directors resolved to propose the agenda to the 2024 Annual General Meeting of Shareholders to consider and approve the issuance of newly issued ordinary shares to accommodate the conversion of convertible debentures to a private placement, which is between February 21, 2024 and March 13, 2024.

P_e = The conversion price of convertible debentures at 90% of the market price assuming equal to P_o , which is 0.0431 Baht per share.

P_e = share price after the offering of convertible debentures, where;

$P_e = ((P_o \times Q_o) + (P_e \times Q_e)) / (Q_o + Q_e)$

Q_o = Existing shares, which equal to 30,569,707,258 shares

Q_e = Number of shares arising from the conversion of convertible debentures which number of shares allocated to accommodate the conversion amounts to 4,992,797,080 shares. Therefore

$P_e = (0.0479 \times 30,569,707,258) + (0.0431 \times 4,992,797,080) / (30,569,707,258 + 4,992,797,080) = 0.0472$ Baht per shares

Price Dilution = $(P_o - P_e) / P_o = (0.0479 - 0.0472) / 0.0479 = 1.46\%$

In the event that the convertible debentures are fully exercised into ordinary shares of the Company, will affect the stock's market price by 1.46%, which is the case when the Company issued and offered the most convertible debentures at the conversion price equal to 90% of the P_o .

(2) Control Dilution

Control Dilution can be calculated from the following formula:

Control Dilution = $Q_e / (Q_o + Q_e)$ Whereas;

Q_o = Existing shares, which equal to 30,569,707,258 shares

Q_e = Number of shares arising from the conversion of convertible debentures which number of shares allocated to accommodate the conversion amounts to 4,992,797,080 shares.

Control Dilution = $4,992,797,080 / (30,569,707,258 + 4,992,797,080) = 14.04\%$

In the event that the convertible debentures are fully exercised into ordinary shares of the Company, the control dilution of the shareholders will be 14.04%.

9. Time schedule of action in case the Board of Directors passes a resolution with the approval of the capital increase/share allocation

No.	Procedures of the Capital Increase	Date/Month/Year
1	Board of Directors' Meeting No. 2/2024	March 14, 2024
2	Date to determine the list of shareholders entitled to attend the 2024 Annual General Meeting of Shareholders (Record Date)	March 29, 2024
3	The 2024 Annual General Meeting of Shareholders	April 25, 2024
4	Registration of the decrease and increase of registered capital and amendment of the Memorandum of Association with the Department of Business Development, Ministry of Commerce	Within 14 days from the date of the 2024 Annual General Meeting of Shareholders resolved to approve the decrease and increase of registered capital
5	Issuance and offering date of convertible debentures through private placement	Determined after obtaining approval from the 2024 Annual General Meeting of Shareholders
6	Registration of the amendment of paid-up capital with the Department of Business Development, Ministry of Commerce and the listing of newly issued shares as a listed securities on the Stock Exchange of Thailand	After the Convertible debentures of the Company right is exercised and within 14 days from the date that the Company receives full payment of the newly issued ordinary shares.

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

Samart Digital Public Company Limited



(Mr. Watchai Vilailuck)
Director



(Miss Boonrut Mongkolratanakorn)
Director