

SDC 096/24

August 22, 2024

Subject: Plan in solving "CB" Caution

To: The President
The Stock Exchange of Thailand

Samart Digital Public Company Limited arranged the Public Presentation for providing information to investors and concerning persons on August 22, 2024, at 11.00 a.m., at Hall of Fame, Mezzanine floor, Software Park Building, 99/41 Moo 4, Chaengwattana Road, Klong Gluar, Pak Kred, Nonthaburi 11120. The Public Presentation was held because the Company's security was posted "CB" Caution as the shareholders' equity from the financial statement for the three months and six months ended June 30, 2024 is less than 50% of paid-up capital.

The COVID-19 pandemic has affected many businesses and industries, especially the Chipset and Semiconductor industry that the manufacturers are unable to produce enough products to meet the demand. As a result of preventive measures and control the outbreak of COVID-19 of each country that require work from home and online education including the emergence of new technologies such as electric cars, 5G technology, it has caused the increase in demand of electronic devices. There is a mismatch between production capacity and demand, significantly affect the financial position performance and current and future cash flows of the Company and its subsidiaries. Especially the income from the Digital Network business that did not meet the target due to the delay in sales and installation of communication network equipment. Therefore, the Company has set guidelines for solving problems and developing strategies both in business and financial as follows:

Business Measure

- Focus on providing services in many industrial groups, such as Government Customers, Disaster Prevention and Mitigation, Energy and Utilities Business, etc.
- Manage the work system including cost control in various aspects to be more efficient.

Financial Measure

- 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 approved the issuance and offering of the convertible debentures of the Company of not exceeding Baht 160,000,000 and Baht 650,000,000 by way of private placement to Advance Opportunities Fund and Advance Opportunities Fund 1. Currently, the Company offered and issued the Convertible Debentures totaling Baht 60,000,000 and Baht 80,000,000, respectively. The Debenture holders exercised their conversion rights totaling Baht 60,000,000 and Baht 67,000,000, respectively. The remaining convertible debentures of Baht 13,000,000 has not been exercised.
- The 2024 Annual General Meeting of Shareholders on April 25, 2024 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. On May 17, 2024, the Company allocated 62,291,549 ordinary shares to accommodate the conversion rights of the Convertible Debentures issued in accordance with the resolution of the 2023 AGM on April 27, 2023, remaining 4,930,505,531 ordinary shares to accommodate the conversion rights of the Convertible Debentures issued in accordance with the resolution of the EGM No. 1/2023 on November 28, 2023.

The Company intends to proceed with its highest capability continuously to achieve the goals and target approved by the Board of Directors.

Please be informed accordingly.

On behalf of Samart Digital Public Company Limited

- Signature -

(Miss Boonrut Mongkolratanakorn)
Director and Company Secretary
Samart Digital Public Company Limited

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