(Translation)

SDC 034/22

February 10, 2022

Subject: Notification of the issuance and offering of the newly issued convertible debentures of the Company to Investors by way of private placement, amendment of the Company's objectives and schedule of the EGM No.1/2022

To: The President
The Stock Exchange of Thailand

Attachment:
1. Summary of the Important Terms and Conditions of the Convertible Debentures
2. Capital Increase Report (F 53-4)

Samart Digital Public Company Limited ("Company") would like to inform the resolution of the Board of Directors' Meeting No. 1/2022 held on February 10, 2022 as follows:

1. Approved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022 to consider and approve the decrease of the Company's registered capital of Baht 182,122,044.40 from Baht 1,675,917,022.50 to the new registered capital of Baht 1,493,794,978.10 by reduction of 1,821,220,444 ordinary shares with the par value of Baht 0.10 remaining from the reserve for the conversion rights of the Convertible Debentures approved by the EGM No. 1/2021.

2. Approved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022 to consider and approve the amendment to Clause 4 of the Company's Memorandum of Association to be in line with the decrease of the Company's registered capital as follows:

"Clause 4	Registered Capital	:	Baht 1,493,794,978.10	(One billion, four hundred and ninety-three million, seven hundred and ninety-four thousand, nine hundred and seventy-eight Baht and ten satang)
	Divided into	:	14,937,949,781 shares	(Fourteen billion, nine hundred and thirty-seven million, nine hundred and forty-nine thousand, seven hundred and eighty-one shares)
	Par Value	:	Baht 0.10	(Ten Satang)
	Classified as			
	Ordinary shares	:	14,937,949,781 shares	(Fourteen billion, nine hundred and thirty-seven million, nine hundred and forty-nine thousand, seven hundred and eighty-one shares)
	Preference shares	:	- shares	(- shares)"

3. Approved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022 to consider and approve the issuance and offering of newly issued convertible debenture of the Company ("**Convertible Debentures"**) with the total offering value of not exceeding Baht 1,000,000,000 by private placement to Advance Opportunities Fund ("**AO Fund"**) and Advance Opportunities Fund 1 ("**AO Fund 1"**), which are not connected persons to the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions and Notification of the Board of Directors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning Connected Transactions B.E. 2546 (referred collectively as "**Connected Transaction Notifications"**). However, the conversion price of the Convertible Debentures must not be lower than 90% of the market price whereas the market price is calculated based on 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 more than 15 consecutive business days prior to the day the debenture holders exercise their conversion rights. The weighted

average price is calculated from the closing price weighted by the trading volume of each consecutive business days in accordance with the rules prescribed in the Notification of the Capital Market Supervisory Board No. TorJor. 17/2561 Re: Application for and Approval of the Offering for Sale of Newly Issued Debt Instruments and the Notification of the Office of the Securities and Exchange Commission No. SorJor. 39/2551 Re: Calculation of Offering Price of Securities and Determination of Market Price for Consideration of an Offer for Sale of Newly Issued Shares at a Low Price (collectively, "**Notification No. TorJor. 17/2561 and Announcement No. SorJor. 39/2551").** However, if the conversion price calculated above is lower than the current par value of the Company's shares, the Company shall issue additional compensation shares in a manner that affect the calculation of all shares to be issued at par value are to be in accordance with the conversion price. Details are shown in the Summary of Important Terms and Conditions of the Convertible Debentures of Samart Digital Public Company Limited (**Attachment 1**).

In this regard, the Board of Directors' Meeting is of the opinion to propose to the shareholders' meeting to consider and approve to authorize the Board of Directors and/or authorized director and/or Chief Executive Officer and Managing Director and/or persons appointed by the Board of Directors, authorized director, or Chief Executive Officer and Managing Director to determine the details, amend, or take any actions as necessary for and in relation to the issuance and offering of the Convertible Debentures in order to comply with the laws, including, but not limited to the power to proceed with the following actions:

(1) To determine or amend the details, methods and other conditions in relation to the issuance and offering of the Convertible Debentures as appropriate either in one time or several times, including but not limited to the terms and conditions of the Convertible Debentures, issue date, par value, offering price, number of ordinary shares to be issued in order to reserve for the conversion of the Convertible Debentures, interest rate, calculation and method of interest payment, conversion price, conversion ratio, conversion period, redemption price, redemption period, last day of conversion period, allocation method, or determination of any event requiring the Company to issue additional underlying shares to accommodate a change of the exercise of the conversion right, and conditions of adjustment of conversion rights. However, the Board of Directors and/or authorized director and/or Chief Executive Officer and Managing Director and/or persons appointed by the Board of Directors, authorized director, or Chief Executive Officer and Managing Director, as an attorney, will determine the best convertible price according to the market conditions during the period when the debenture holders will exercise their conversion rights, to maintain the best interest of the Company and shareholders as a whole.
(2) To appoint advisors and other persons (e.g. financial advisor and legal advisor) related to contacting and providing information as well as filing documents, registration documents, waiver documents, and evidence with the relevant authorities or any other events in relation to the issuance and offering of the Convertible Debentures as appropriate;
(3) To negotiate, agree, enter into, amend, add, execute any agreements, applications for approval, waiver, evidence, disclosure, sale report, and other documents necessary for and in relation to the issuance, offering, and allocation of the Convertible Debentures, the allocation of newly issued shares in order to accommodate for the exercise of the conversion right of the Convertible Debentures, as well as contacting, filing, amending, adding, and executing the applications for approval, waiver, evidence, disclosure, sale report, and other documents, with the Securities and Exchange Commission of Thailand, the Stock Exchange of Thailand, government agencies, and/or other relevant authorities in relation to the issuance, offering, and allocation of the Convertible Debentures and the listing of the newly issued ordinary shares from the exercise of the conversion right of the Convertible Debentures as listed securities on the Stock Exchange of Thailand; and
(4) To perform any actions as necessary and appropriate for and in relation to the issuance, the offering, and the allocation of the Convertible Debentures in order to ensure the successful completion of the actions specified above.

4. Approved to propose the Extraordinary General Meeting of Shareholders No. 1/2022 to consider and approve the increase of the Company's registered capital by Baht 221,302,959.70 from the existing registered capital of Baht 1,493,794,978.10 to the new registered capital of Baht 1,715,097,937.80 by issuing 2,213,029,597 newly issued ordinary shares at the par value of Baht 0.10 to accommodate the conversion rights of the Convertible Debentures, as detailed in the Capital Increase Form (F53-4) (**Attachment 2**).

5. Approved to propose the Extraordinary General Meeting of Shareholders No. 1/2022 to consider and approve the amendment of Clause 4 of the Company's Memorandum of Association to reflect the increase of the Company's registered capital, as follows:

"Clause 4	Registered Capital	1,715,097,937.80	Baht	(One billion, seven hundred and fifteen million, ninety-seven thousand, nine hundred and thirty-seven Baht and eighty Satang)
	Equivalent to:	17,150,979,378	shares	(Seventeen hundred and one hundred fifty million, nine hundred and seventy nine thousand, three hundred and seventy eight shares)
	Par value:	0.10	Baht	(Ten Satang)
	Consisting of:			
	Ordinary share:	17,150,979,378	shares	(Seventeen hundred and one hundred fifty million, nine hundred and seventy nine thousand, three hundred and seventy eight shares)
	Preferred share:	-	shares	(- shares)"

In this regard, the Board of Directors resolved to propose the Extraordinary General Meeting of Shareholders No. 1/2022 to consider and approve to authorize the Board of Directors and/or authorized director and/or Chief Executive Officer and Managing Director and/or persons appointed by the Board of Directors, authorized director, or Chief Executive Officer and Managing Director to consider and specify the details and conditions of such capital increase, as well as correcting misspelling words or phrases in the minutes of shareholders' meeting, memorandum of association, and/or various registration forms and/or other proceedings stipulated by the registrar in the registration of capital increase and memorandum of association amendment with the Ministry of Commerce, Department of Business Development and the submission of evidence documents to the Office of the Securities and Exchange Commission, Stock Exchange of Thailand, or other related agencies.

6. Approved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022 to consider and approve the allocation of the newly issued ordinary shares, whether once or several times, not exceeding, 2,213,029,597 shares with the par value of Baht 0.10 per share (the number of shares accommodated for this offering of convertible debentures is 2,213,029,597 shares and the number of shares accommodated for existing Warrant is 1,731,043,303 shares. The total number of shares accommodated for the convertible debentures and existing Warrant are 3,944,072,900 shares, which is equivalent to 23.00% of all paid-up shares of the Company after completion of the registration of paid-up capital on the assumption that all convertible debentures & warrants are fully exercise), to accommodate the conversion rights of the Convertible Debentures issued and offered to AO Fund and AO Fund 1, which are not connected persons to the Company in accordance with the Connected Transaction Notifications. However, the conversion price of the Convertible Debentures must not be lower than 90% of the market price whereas the market price is calculated based on 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 more than 15 consecutive business days prior to the day the debenture holders exercise their conversion rights. The weighted average price is calculated from the closing price weighted by the trading volume of each consecutive business days in accordance with Notification No. TorJor. 17/2561 and Announcement No. SorJor. 39/2551. However, if the conversion price calculated above is lower than the current par value of the Company's shares, the Company shall issue additional compensation shares in a manner that affect the calculation of all shares to be issued at par value to be in accordance with the conversion price. Details are shown in the Summary of Important Terms and Conditions of the Convertible Debentures of Samart Digital Public Company Limited (**Attachment 1)** and Capital Increase Report Form (F53-4) (**Attachment 2).**

7. Approved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022 to consider and approve the amendment of the Company's objectives clause 23 as follows:

Clause 23 To carry on the trade, production, import and export or acquisition otherwise, utilization, service, retail, wholesale, installment sale or any other sale, and fixing of <u>radio communication equipment</u>, mobile phone, pager, all kinds of telecommunication equipment, computer, product of computer program, system and equipment of software and hardware, electronic devices, radio and television, office and home equipment including related equipment, <u>battery</u>, accessory and spare part thereof;

In this regard, the Board of Directors resolved to propose the Extraordinary General Meeting of Shareholders No. 1/2022 to consider and approve the delegation of powers to the Chief Executive Officer or the person assigned by the Chief Executive Officer has the authority to consider amendments, additions, or improvements to the wording of the objectives, including having the power to take any action as necessary and in connection with such action as it deems appropriate and to comply with the law regulations and interpretation of relevant government agencies including in accordance with the advice or order of the Registrar or an official for the purpose of completing the registration of the amendment.

8. Approved to schedule the Extraordinary General Meeting of Shareholders No. 1/2022 to be held on March 18, 2022, during 10.00 hrs. at Meeting Room, 16th Floor, Software Park Building, 99/20 Moo 4, Chaengwattana Road, Klong Gluar, Pak-Kred, Nonthaburi 11120, to consider to following agendas:

Agenda 1 To acknowledge the Minutes of the Extraordinary General Meeting of Shareholders No. 1/2021.
Agenda 2 To consider and approve the decrease of the Company's registered capital and the amendment of clause 4 of the Company's Memorandum of Association to reflect the decrease of the Company's registered capital.
Agenda 3 To consider and approve the issuance and offering of the newly issued Convertible Debentures to investors by private placement.
Agenda 4 To consider and approve the increase of the Company's registered capital and the amendment of clause 4 of the Company's Memorandum of Association to reflect the increase of the Company's registered capital.
Agenda 5 To consider and approve the allocation of the newly issued ordinary shares to accommodate the exercise of conversion rights of the Convertible Debentures.
Agenda 6 To consider and approve the amendment of the Company's objectives clause 23.
Agenda 7 Consider other matters (if any)

In addition, due to the spread of the Corona Virus 19 (COVID-19), the Board of Directors approved to authorize the Board of Directors and/or authorized director and/or Chief Executive Officer and Managing Director and/or persons appointed by the Board of Directors, authorized director, or Chief Executive Officer and Managing Director to proceed with any action in relation to notifying the Extraordinary General Meeting of Shareholders No. 1/2022, including the issuance of the Notice of the Extraordinary General Meeting of Shareholders No. 1/2022, determining and amending of the date, time, place, and other details as necessary or appropriate.

9. Approved to schedule the date to determine the list of shareholders who are entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2022 (Record Date) on February 24, 2022 and appoints the power of attorney to the Board of Directors and/or authorized director and/or Chief Executive Officer and Managing Director and/or persons appointed by the Board of Directors, authorized director, or Chief Executive Officer and Managing Director to consider and approve the amendment and/or changing of the Record Date and agendas of the Extraordinary Meeting of Shareholders No. 1/2022, including the time, location, and method of the Extraordinary Meeting of Shareholders No. 1/2022 as deemed appropriate, by considering the benefits and impact on the shareholders with utmost importance.

Please be informed accordingly.

On behalf of Samart Digital Public Company Limited

- Signature –

(Mr.Watchai Vilailuck)
Chief Executive Officer
Samart Digital Public Company Limited

Corporate Secretary
Tel.: 02-502-6871 / 02-502-6766
Fax: 02-502-6361
E-Mail: CorporateSecretary@samartdigital.com

Summary of Important Terms and Conditions of the Convertible Debentures of Samart Digital Public Company Limited

Heading	Details
Convertible Debentures Issuer	Samart Digital Public Company Limited ("**Company**")
Type of Convertible Debentures	Convertible Debentures with the conversion right to convert into the Company's ordinary shares, senior and unsecured (Senior Unsecured Convertible Debentures) ("**Convertible Debentures**").
Currency	Baht
Total amount of principal of the Convertible Debentures	Not exceeding 1,000,000,000 Baht divided into 3 tranches, as follows: (1) Convertible Debentures Tranche 1 has the value of not more than Baht 200 million divided into 20 sets, Baht 10.0 million per set. (2) Convertible Debentures Tranche 2 has the value of not more than Baht 250 million divided into 25 sets, Baht 10.0 million per set. (3) Convertible Debentures Tranche 3 has the value of not more than Baht 250 million divided into 25 sets, Baht 10.0 million per set. (4) Convertible Debentures Tranche 4 has the value of not more than Baht 250 million divided into 15 sets, Baht 20.0 million per set.
Conditions of the Issuance of Convertible Debentures	The Company will gradually issue the Convertible Debentures by tranche, each tranche, respectively. In each issuance of the tranche of Convertible Debentures, the Company will gradually issue each set in each tranche according to the Company's financial needs. The issuance of convertible debentures is subject to the completion of the conditions precedent which are: Permission from the Securities and Exchange Commission and other relevant agencies, including the terms and conditions of the Convertible Debentures. However, the timeframe of the conversion is within 3 year after shareholder's meeting approved the issuance. If the Company did not issue all the Convertible Debentures within 3 year, the Company may request a resolution of the shareholders' meeting to issue the unissued convertible debentures according to the Company's financial needs.
Interest Rate	0.50 percent per annum, provided that the interest will be paid on a quarterly basis from the date the Convertible Debentures was issued.
Maturity Period	3 years after the issuance of each Tranche
Payback Condition	Repay in lump sum after each due date of the specific Tranche according to the

Heading	Details
	terms and conditions of the Convertible Debenture. In such, for each Tranche the maturity period is 3 years after the issuance.
Redeem Rights before Due Date	The Convertible Debentures holders may or may not have rights to redeem the Convertible Debentures before due date and/or the Convertible Debentures issuer may or may not have rights to redeem the Convertible Debentures before due date too. The redemption has to be followed by the terms and conditions of certain convertible debentures aligned with rules, regulations, laws and/or permissions from related authorized Governmental Bodies.
Conversion Ratio	Principle amount of the Convertible Debentures divided by the conversion price.
Conversion price (origin and appropriateness of pricing or conversion rates)	Not lower than 90% of the market price, therefore it is not considered an offer for sale of newly issued shares at a price lower than the market price as prescribed in the Notification of the Capital Market Supervisory Board No. TorJor. 72/2558 Re: Approval of the issuance of newly issued shares to private placement ("**Notification No. TorJor. 72/2558**"). "Market Price" is calculated from the weighted average price of the Company's shares traded in the Stock Exchange of Thailand for at least 7 consecutive business days, but not more than 15 consecutive business days prior to the date the convertible bond holder exercises the right to convert the bonds. The weighted average price is calculated from the traded volume weighted closing price for each consecutive business days ("**Floating Conversion Price**") in accordance with Notification No. TorJor. 17/2561 and Announcement No. SorJor. 39/2551. However, if the above-calculated conversion price is lower than the current par value of the Company's shares, the Company shall issue additional compensation shares in a manner that complies with the calculation of all shares to be issued at par value, which are subjected to the conversion price. Remarks: o If the ordinary shares resulted from the exercise of conversion rights of the Convertible Debentures has a conversion price of less than 90% of the market price at the date of conversion (the market price is calculated based on the weighted average price of the Company's shares traded on the Stock Exchange of Thailand for not less than 7 consecutive business days, but not more than 15 consecutive business days prior to the date that the convertible bond holders exercise their conversion rights. The weighted average price is calculated from the closing price weighted by the trading volume of each consecutive business days). The Company has the duty to prohibit AO Fund and AO Fund 1 ("**Investors**") from exercising such conversion rights within 1 year from the date the investors receive such convertible securities (Silent Period). After the date

Heading	Details
	the investor receives the convertible securities for a period of 6 months, the investors will be able to gradually sell the prohibited shares in the amount of 25% of the total number of shares prohibited in accordance with the rules prescribed in the Notification of the Stock Exchange of Thailand Re: Rules, Conditions and Procedures for Consideration of the Request for Ordinary Shares or Preferred Shares as for the capital increase as listed securities B.E. 2558 dated May 11, 2015 (as amended). o In the case that the accommodating shares are insufficient, the Company will follow the guideline in the topic "The event that the Company has to issue new shares to accommodate the change in the exercise of conversion rights".
Conversion Period	The Convertible Debentures holders may exercise their conversion rights of the Convertible Debentures every day until the close of business hours 1 week prior to the Convertible Debenture maturity date.
Number of ordinary shares accommodated for conversion	**In the case that all existing warrants are converted (which shareholders already approves last EGM)** 2,213,029,597 shares (equivalent to 12.90% of all the Company's paid-up shares of the Company after completion of the registration of paid-up capital on the assumption that all convertible debentures are fully exercise) **Remarks:** The number of shares accommodated for this offering of convertible debentures is 2,213,029,597 shares and the number of shares accommodated for existing Warrant is 1,731,043,303 shares. The total number of shares accommodated for the convertible debentures and existing Warrant are 3,944,072,900 shares, which is equivalent to 23.00 % of all paid-up shares of the Company after completion of the registration of paid-up capital on the assumption that all convertible debentures are fully exercise.
Secondary market for ordinary shares as a result of the conversion	The Company shall arrange to list the ordinary shares issued as a result of the conversion on the Stock Exchange of Thailand or any exchange that the Company's securities are listed on.
Restrictions on transfer of the Convertible Debentures	As this issuance and offering of the Convertible Debentures is considered as an offering to no more than 10 specific investors within 4-month period as specified in the Notification of the Capital Market Supervisory Board No. TorJor. 17/2561 Re: Application for and Approval of the Offering for Sale of Newly Issued Debt Instruments ("**Notification No. TorJor. 17/2561**"). Therefore, the transfer of the Convertible Debentures to any person at any time throughout its tenure shall not

Heading	Details
	cause the number of the holders to exceed 10 specific investors within 4 month period, provided that the number of the holders shall be calculated from actual investors holding the Convertible Debentures on private placement basis (whether such investors hold the newly issued convertible debentures or receive the convertible debenture from the transfer by any existing Convertible Debentures holders), except by way of inheritance.
Allocation Method	Allocated by private placement, once or several times, to Advance Opportunities Fund (AO Fund) and Advance Opportunities Fund 1 (AO Fund 1), who are investors pursuant to Clause 4 (10) of the Notification of the Securities and Exchange Commission KorJor. 4/2560 Re: Determination of the Definitions of Institutional Investor, Ultra-high Net Worth Investor and High Net Worth Investor. This offering of the Convertible Debentures is in accordance with Clauses 43 and 56 of the Notification No. TorJor. 17/2561.
The event that the Company has to issue new shares to accommodate the change in the exercise of conversion rights	The Company may register the increase in capital to accommodate the conversion by the resolution of shareholders' meeting or compensate in cash to the Convertible Debentures holder in regards with the terms and conditions of the Convertible Debentures.
Impact on Shareholders	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: **<u>In the case that all existing warrants are converted (which shareholders already approves last EGM)</u>** (1) Price Dilution can be calculated from the following formula: Price Dilution = (Po – PE) / Po Whereas, Po = Existing share price which is equivalent to Baht 0.5243 per share, calculated based on the weighted average price of the Company's shares trading on the Stock Exchange of Thailand for 15 consecutive business days prior to the date the Board of Directors' Meeting resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022 to consider and approve the issuance of the newly issued ordinary shares to accommodate for the exercise of the Convertible Debentures' conversion rights by private placement during the period from January 11, 2022 to January 31, 2022.

Heading	Details
	Pe = Conversion Price of Convertible Debentures, 90% of the market price assumed to be equal to Po which is equivalent to Baht 0.4719 per share PE = Share price after the issuance of Convertible Debentures, Whereas, PE = ((Po x Qo) = (Pe x Qe)) / (Qo + Qe) Qo = Number of existing shares which is equivalent to 14,937,949,781 shares Qe = Number of shares arising from the exercise of conversion right of the Convertible Debentures, number of ordinary shares reserved for conversion of 2,213,029,597 shares Therefore, PE = (0.5243 x 14,937,949,781) + (0.4719 x 2,213,029,597) / (14,937,949,781 + 2,213,029,597) PE = 0.5175 Baht per share Price Dilution = (Po – PE) / Po) = (0.5243 – 0.5175) / 0.5243 = 1.29% In case that all convertible debentures are fully exercised, the impact to the market price of the shares will be 1.29% which incurred from issuing convertible debentures at 90% of Po. **In the case that all existing warrants are converted (which shareholders already approves last EGM)** (2) Control Dilution can be calculated from the following formula: Control Dilution = Qe / (Qo + Qe) Whereas, Qo = Number of existing shares which is equivalent to 14,937,949,781 shares Qe = Number of shares arising from the exercise of conversion right of the Convertible Debentures, number of ordinary shares reserved for conversion of 2,213,029,597 shares Control Dilution = 2,213,029,597 / (14,937,949,781 + 2,213,029,597) = 12.90% In case that all convertible debentures are fully exercised, the shareholders of the Company will be diluted of its shareholding (Control Dilution) at the rate of 12.90%.

Heading	Details
Other Information	The details described above are the summary of the terms and conditions of the Convertible Debentures and are still subject to change. Further relevant details will be stipulated in the terms and conditions of the Convertible Debentures.
Objectives of issuing convertible debentures and plans for utilizing proceeds	Please consider the objectives of issuing convertible debentures and plans for utilizing proceeds as detailed in the Capital Increase Report Form (F53-4) (Attachment 2)
Board of Directors' Opinions	
Reason, necessity, and suitability for the issuance and offering of convertible debentures, including analyzing the Company's ability to repay shareholders who do not exercise their conversion rights at maturity date.	The Board of Directors is of the opinion that fundraising by issuing and offering convertible debentures is a good choice to increase the Company's capital, to increase liquidity, and for fast fundraising to adapt to the rapidly changing stock market and environment conditions. This will benefit the Company's business operations in order to increase its financial liquidity and to expand investments when the Company has a need in a timely manner. It also helps to reduce the financial cost of the Company in the event that the capital increase is used to pay off debts, including increasing the stability and sustainability of the financial position of the Company, which will undoubtedly strengthen and stabilize the Company's financial position. It also restructures the appropriateness of the Company's capital structure. The Company can use the money to generate income from investments and business development of the Company and/or invest in new businesses that are related to or supports the business that is currently operating. This will generate returns for the company and shareholders in the future. In addition, this fundraising will also benefit the company and shareholders. Details are shown in the Capital Increase Report Form (Attachment 2). However, in the event that the Company has issued convertible debentures and the convertible debenture holders do not exercise their convertible rights at maturity date, the Company expects that its future cash flow should be sufficient for business operations, if business conditions return to normal. In addition, if necessary, the Company may issue and offer newly issued ordinary shares to shareholders or private placement, which is another solution. However, the Company will consider the appropriateness during that particular time and decide again.
Possibility of the plan for utilizing funds	The Company expects to proceed with the issuance and offering of newly issued shares to investors as well as to receive money from the sale of such newly issued shares within 1 year from the date that the shareholders' meeting approved to issue and offer for sale the newly issued shares. However, if the Company does not receive money from this capital increase, the Company may lose the opportunity to expand its business according to the Company's business plan.

Heading	Details
Expected impacts on the Company's business operations, including its financial position and operating results due to the capital increase	Increasing the Company's registered capital by issuing convertible debentures will strengthen both its financial structure and increase its financial flexibility to invest in future projects. Therefore, such capital increase will not adversely affect the business operation, financial position, and performance of the Company.
Directors' Testimonials	In the case that the directors of the Company fails to perform their duties with honesty and diligence to protect the interest of the Company with regards to this capital increase, if such failure to perform duties causes damage, shareholders can sue for damages from the said director on behalf of the Company in accordance with Section 85 of the Public Company Act B.E. 2535 and if the performance of such duties causes the Board of Directors or any person involved to wrongful gains, shareholders can use the right to sue to recover benefits from that director instead, in accordance with Section 89/18 of the Securities and Exchange Act B.E. 2535 (as amended).

(F53-4)

Capital Increase Report Form
Samart Digital Public Company Limited
February 10, 2022

Samart Digital Public Company Limited ("**Company**") hereby report the resolution of the Board of Directors' Meeting No. 1/2022 held on February 10, 2022 in regards to the capital increase, and allocation of such shares as follows:

1. Capital Decrease / Capital Increase

At present, the Company has its registered capital of Baht 1,675,917,022.50 and fully paid-up capital of Baht 1,320,690,647.80.

1.1 Capital Decrease

The Board of Directors' Meeting resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022 to consider and approve the decrease of the Company's registered capital of Baht 182,122,044.40 from Baht 1,675,917,022.50 to the new registered capital of Baht 1,493,794,978.10 by reduction of 1,821,220,444 ordinary shares with the par value of Baht 0.10.

1.2 Capital Increase

The Board of Directors' Meeting resolved to propose the Extraordinary General Meeting of Shareholders No. 1/2022 to consider and approve the increase of the Company's registered capital by Baht 221,302,959.70 from the existing registered capital of Baht 1,493,794,978.10 to the new registered capital of Baht 1,715,097,937.80 by issuing, not exceeding, 2,213,029,597 newly issued ordinary shares at the par value of Baht 0.10 to accommodate the conversion rights of the Convertible Debentures, with details as follows:

Type of Capital Increase	Type of Securities	Number of shares	Par value (Baht/share)	Total (Baht)
☑ Specifying the purpose of utilizing the capital	Ordinary Preferred	2,213,029,597 -	0.10 -	221,302,959.70 -
☐ 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 capital increase shares

2.1 Specifying the purpose of utilizing the capital

Allocated to	Number of shares	Ratio (old : new)	Selling price (THB/share)	Subscription and payment period	Remark
To accommodate to exercise of conversion rights for the Convertible Debentures offered to Advance Opportunities Fund ("**AO Fund**") and Advance Opportunities Fund 1 ("**AO Fund 1**") (Please consider remarks no. 1)	Not exceeding 2,213,029,597 shares	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 remarks below, no. 2 – 4, and the Summary of Important Terms and Conditions of the Convertible Debentures, Attachment 1.

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 20 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 1to 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 Clause 4(10) of the Notification of the Securities and Exchange Commission No. KorJor. 4/2560 Re: Determination of the Definitions of Institutional Investor, Ultra-high Net Worth Investor and High Net Worth Investor, and this offer for sale of the Convertible Debentures by private placement is in accordance with Clauses 43 and 56 of the Notification No. TorJor. 17/2561.

2. The Board of Directors' Meeting approved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022 to consider and approve the issuance and offering of newly issued convertible debenture of the Company ("**Convertible Debentures**") by determining the total offered value of, not exceeding, Baht 1,000,000,000 by private placement to Advance Opportunities Fund ("**AO Fund**") and Advance Opportunities Fund 1 ("**AO Fund 1**"), which are not connected persons to the Company in accordance to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions and Notification of the Board of Directors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning Connected Transactions B.E. 2546 (referred collectively as "**Connected Transaction Notifications**"). However, the conversion price of the Convertible Debentures must

not be lower than 90 of the market price whereas the market price is calculated based on 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 more than 15 consecutive business days prior to the day the debenture holders exercise their conversion rights. The weighted average price is calculated from the closing price weighted by the trading volume of each consecutive business days in accordance with the rules prescribed in the Notification of the Capital Market Supervisory Board No. TorJor. 17/2561 Re: Application for and Approval of the Offering for Sale of Newly Issued Debt Instruments and the Notification of the Office of the Securities and Exchange Commission No. SorJor. 39/2551 Re: Calculation of Offering Price of Securities and Determination of Market Price for Consideration of an Offer for Sale of Newly Issued Shares at a Low Price (collectively, "**Notification No. TorJor. 17/2561 and Announcement No. SorJor. 39/2551**"). However, if the conversion price calculated above is lower than the current par value of the Company's shares, the Company shall issue additional compensation shares in a manner that affect the calculation of all shares to be issued at par value to be in accordance with the conversion price. Details are shown in the Summary of Important Terms and Conditions of the Convertible Debentures of Samart Digital Public Company Limited (**Attachment 1**).

In this regard, the Board of Directors' Meeting is of the opinion to propose to the shareholders' meeting to consider and approve to authorize the Board of Directors and/or authorized director and/or Chief Executive Officer and Managing Director and/or persons appointed by the Board of Directors, authorized director, or Chief Executive Officer and Managing Director to determine the details, amend, or take any actions as necessary for and in relation to the issuance and offering of the Convertible Debentures in order to comply with the laws, including, but not limited to the power to proceed with the following actions:

(1) To determine or amend the details, methods and other conditions in relation to the issuance and offering of the Convertible Debentures as appropriate either in one time or several times, including but not limited to the terms and conditions of the Convertible Debentures, issue date, par value, offering price, number of ordinary shares to be issued in order to reserve for the conversion of the Convertible Debentures, interest rate, calculation and method of interest payment, conversion price, conversion ratio, conversion period, redemption price, redemption period, last day of conversion period, allocation method, or determination of any event requiring the Company to issue additional underlying shares to accommodate a change of the exercise of the conversion right, and the conditions of adjustment of conversion rights. However, the Board of Directors and/or authorized director and/or Chief Executive Officer and Managing Director and/or persons appointed by the Board of Directors, authorized director, or Chief Executive Officer and Managing Director, as an attorney, will determine the best convertible price according to the market conditions during the period when the debenture holders will exercise their conversion rights, to maintain the best interest of the Company and shareholders as a whole.

(2) To appoint advisors and other persons (e.g. financial advisor and legal advisor) related to contacting and providing information as well as filing documents, registration documents, waiver documents, and evidence with the relevant authorities or any other events in relation to the issuance and offering of the Convertible Debentures as appropriate;

(3) To negotiate, agree, enter into, amend, add, execute any agreements, applications for approval, waiver, evidence, disclosure, sale report, and other documents necessary for and in relation to the issuance, offering, and allocation of the Convertible Debentures, the allocation of newly issued shares in order to accommodate for the exercise of the conversion right of the Convertible Debentures, as well as contacting, filing, amending, adding, and executing the applications for approval, waiver, evidence,

disclosure, sale report, and other documents, with the Securities and Exchange Commission of Thailand, the Stock Exchange of Thailand, government agencies, and/or other relevant authorities in relation to the issuance, offering, and allocation of the Convertible Debentures and the listing of the newly issued ordinary shares from the exercise of the conversion right of the Convertible Debentures as listed securities on the Stock Exchange of Thailand; and

(4) To perform any actions as necessary and appropriate for and in relation to the issuance, the offering, and the allocation of the Convertible Debentures in order to ensure the successful completion of the actions specified above.

3. The Board of Directors' Meeting approved to propose the Extraordinary General Meeting of Shareholders No. 1/2022 to consider and approve the increase of the Company's registered capital by Baht 221,302,959.70 from the existing registered capital of Baht 1,493,794,978.10 to the new registered capital of Baht 1,715,097,937.80 by issuing, not exceeding, 2,213,029,597 newly issued ordinary shares at the par value of Baht 0.10 to accommodate the conversion rights of the Convertible Debentures.

4. The Board of Directors' Meeting approved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022 to consider and approve the allocation of the newly issued ordinary shares, whether once or several times, not exceeding, 2,213,029,597 shares with the par value of Baht 0.10 per share (the number of shares accommodated for this offering of convertible debentures is 2,213,029,597 shares and the number of shares accommodated for existing Warrant is 1,731,043,303 shares. The total number of shares accommodated for the convertible debentures and existing Warrant are 3,944,072,900 shares, which is equivalent to 23.00% of all paid-up shares of the Company after completion of the registration of paid-up capital on the assumption that all convertible debentures & warrants are fully exercise), to accommodate the conversion rights of the Convertible Debentures issued and offered to AO Fund and AO Fund 1, which are not connected persons to the Company in accordance to the Connected Transaction Notifications. However, the conversion price of the Convertible Debentures must not be lower than 90% of the market price whereas the market price is calculated based on 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 more than 15 consecutive business days prior to the day the debenture holders exercise their conversion rights. The weighted average price is calculated from the closing price weighted by the trading volume of each consecutive business days in accordance with Notification No. TorJor. 17/2561 and Announcement No. SorJor. 39/2551. However, if the conversion price calculated above is lower than the current par value of the Company's shares, the Company shall issue additional compensation shares in a manner that affect the calculation of all shares to be issued at par value to be in accordance with the conversion price. Details are shown in the Summary of Important Terms and Conditions of the Convertible Debentures of Samart Digital Public Company Limited (**Attachment 1**)

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 a shareholders' meeting to approve the capital increase/allocation of capital increase shares

Schedule the Extraordinary General Meeting of Shareholders No. 1/2022 to be held on March 18, 2022, during 10.00 hrs. at Meeting Room, 16th Floor, Software Park Building, 99/20 Moo 4, Chaengwattana Road, Klong Gluar, Pak-Kred, Nonthaburi 11120, whereby:

☑ The record date to determine the list of shareholders entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2021 shall be on February 24, 2022.

☐ 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 authorities and conditions of such approval

a. The Company shall register the increase of its registered capital and paid-up capital, as well as the amendment to the Memorandum of Association with the Department of Business Development, Ministry of Commerce within 14 days from the date on which the Extraordinary General Meeting of the Shareholders No. 1/2022 resolves to approve the capital increase and the amendment of the Company's Memorandum and of Association;

b. The Company shall register the transfer restriction of the issued and offered Convertible Debentures, which limits the transfer of the Convertible Debentures to no more than 10 specific investors within a 4-month period with the Securities and Exchange Commission;

c. The Company shall apply for approval from the Stock Exchange of Thailand for the listing of the newly-issued ordinary shares as listed securities in the Stock Exchange of Thailand in accordance to the rules and regulations related to the Stock Exchange of Thailand after the Convertible Debentures' holder has converted the Convertible Debentures into the Company's ordinary shares (in the case of such exercise).

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

The Company's objective to raise funds by issuing and offering convertible debentures issued to AO Fund and AO Fund 1. The purpose of such fund raising is stated below, in which the estimated amount of funds to be used does not exceed Baht 1,000,000,000 within the period of 6-12 months, are detailed as follows:

Objective to utilizing proceeds	Estimated amount used (Baht)	Period of utilization
1. 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.	Not exceeding Baht 1,000,000,000	Within 6-12 months
2. To 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.		
3. To be used as debt repayment.		

However, the amount of funds and period of allocation can be adjusted in accordance to the circumstances of the business and suitability.

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

a. The Company will have more liquidity as the capital increase will be used as working capital. This will help strengthen its financial position, to prepare the Company for business operations, and stabilize the Company's business, by having enough money to operate and expand the Company's business in the future. This will enable the Company to create a stable and sustainable income base on both the short and long term.

b. To increase business competitiveness to prepare for other business opportunities in the upcoming future including the expansion of core businesses and related businesses in the future. This will enable the Company to build a stable and sustainable income base in both the short and long term.

c. 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 issuance of convertible debentures 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 good, 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.

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

For other details necessary for the shareholders' decision in regards to the capital increase/ allocation, please consider the details in the Summary of Important Terms and Conditions of the Convertible Debentures of Samart Digital Public Company Limited (**Attachment 1**).

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. 1/2022	February 10, 2022
2	Date to determine the list of shareholders who has the right to attend the Extraordinary General Meeting of Shareholders No. 1/2022 (Record Date)	February 24, 2022
3	Extraordinary General Meeting of Shareholders No. 1/2022	March 18, 2022
4	Registration of the registered capital increase and amendment of the Memorandum of Association with the Department of Business Development, Ministry of Commerce	Within 14 days from the date of the Extraordinary General Meeting of Shareholders No. 1/2022 approval of the registered capital increase.
5	Proceed with the offering and allocation of newly issued ordinary convertible debentures to private investors (Private Placement)	Determined after the approval from the Extraordinary General Meeting of Shareholders No. 1/2022

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