(Translation)

SDC 004/23

January 6, 2023

Subject: Issuance and offering of the Convertible Debentures No. 13

To: The President
The Stock Exchange of Thailand

Attachment: Summary of the Important Terms and Conditions of the Convertible Debentures

The Extraordinary General Meeting of Shareholders No.1/2022 of Samart Digital Public Company Limited, held on March 18, 2022, approved the issuance and offering of the newly issued convertible debentures of the Company of not exceeding Baht 1,000 million by private placement to non-related persons namely Advance Opportunities Fund ("AO Fund") and Advance Opportunities Fund 1 ("AO Fund 1"). The Convertible Debentures can issue from time to time until the total amount of not exceeding Baht 1,000 million. Please see details in the Summary of the Important Terms and Conditions of the Convertible Debentures.

The Company would like to inform that the Company has offered and issued the Convertible Debentures No. 13 pursuant to Convertible Debentures Agreement at the amount of Baht 5 million to AO Fund and Baht 5 million to AO Fund 1 totaling Baht 10 million on January 6, 2023. The issued Convertible Debentures will mature on June 6, 2025 unless the Debenture holders exercise their conversion rights before the maturity date.

Please be informed accordingly.

Yours faithfully,

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

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Attachment
Summary of the Important Terms and Conditions of the Convertible Debentures
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 Baht 1,000,000,000 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 million per set. (2) Convertible Debentures Tranche 2 has the value of not more than Baht 250 million divided into 25 sets, Baht 10 million per set. (3) Convertible Debentures Tranche 3 has the value of not more than Baht 250 million divided into 25 sets, Baht 10 million per set. (4) Convertible Debentures Tranche 4 has the value of not more than Baht 300 million divided into 15 sets, Baht 20 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

Heading	Details
Payback Condition	Repay in lump sum after each due date of the specific Tranche according to the 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 on 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 debenture holders exercise their conversion rights. 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**”) in accordance with Notification No. TorJor. 17/2561 and Announcement No. SorJor. 39/2551. The market price will be calculated with two digit decimals while the conversion price will be calculated with three digit decimals. 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

Heading	Details
	exercise their conversion rights. The weighted average price is calculated from the closing price or volume weighted average price of the Company's shares for 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 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 (including the amendment). 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	**<u>In the case that all existing warrants are converted (which shareholders already approves last EGM)</u>** 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 and warrants are fully exercised) **<u>Remarks:</u>** The number of shares accommodated for this offering of convertible debentures are 2,213,029,597 shares and the number of shares accommodated for warrants are 1,731,043,303 shares. The total number of shares accommodated for the convertible debentures and warrants 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 and warrants are fully exercised.
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.

Heading	Details
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 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,

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	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. 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. **<u>In the case that all existing warrants are converted (which shareholders already approves last EGM)</u>** (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

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	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%.
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)
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.

Heading	Details
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.
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 (including the amendment).