

(F 53-4)

Capital Increase Report Form
Samart Telcoms Public Company Limited
Date 23 February 2021

We, Samart Telcoms Public Company Limited (“**the Company**”), hereby report on the resolution of Board of Directors Meeting No.1/2021, held on 23 February 2021 from 1.30 p.m. to 3.00 p.m., regarding the capital increase and allocation of newly issued ordinary shares as follows:

1. Capital Decrease

The Board of Directors Meeting passed a resolution approving to propose to the 2021 Annual General Meeting of Shareholder to consider and approve the decrease of the Company’s registered capital of THB 120,000,000.00 from the existing registered capital THB 738,000,000.00 to the registered capital of THB 618,000,000.00 by cancelling the unissued registered shares of the Company, which is the ordinary shares in the amount of 120,000,000 shares with a par value of THB 1.00 which is the remaining shares from the allocation to be offered to the private placement.

2. Capital Increase

The Board of Directors Meeting passed a resolution approving to propose to the 2021 Annual General Meeting of Shareholder to consider and approve the increase of the Company’s registered capital of THB 103,000,000.00 from the existing registered capital THB 618,000,000.00 to the registered capital of THB 721,000,000.00 by issuing not exceeding 130,000,000 newly issued ordinary shares with a par value of THB 1.00 to be reserved for the exercise of the warrants to purchase issued ordinary shares of Samart Telcoms Public Company Limited No.1 (the “**Warrant No. 1**” or “**SAMTEL-W1**”) in the following manner:

Type of capital increase	Type of share	Number of Shares (Shares)	Par value (Baht per Share)	Total (Baht)
<input checked="" type="checkbox"/> Specifying the purpose of Utilizing proceeds	Ordinary Preferred	<u>Up to 103,000,000</u>	<u>1.00</u>	<u>103,000,000.00</u>
<input type="checkbox"/> General Mandate	Ordinary Preferred			

If specifying the purpose of utilizing proceeds, all of the following items must be filled out, except item No. 22.

If under a general mandate, only items No. 2.2, No. 3 and No. 4 need to be filled out.

3. Allotment of Newly Issued Share

3.1 Specifying the purpose of utilizing proceeds

Allotted for	Number of Shares (Shares)	Ratio (Existing : New)	Offering Price (Baht per Share)	Subscription and Payment Period	Note
Existing shareholders	-	-	-	-	-
General public	-	-	-	-	-
Other persons (specify)	-	-	-	-	-
To accommodate the exercise of SAMTEL-W1	Up to 103,000,000 shares	6 existing ordinary shares for 1 unit of SAMTEL-W1	At no cost	After being approved by the Annual General Meeting of Shareholders for the year 2021, the offering will be completed within 1 year from the date of the resolution of the shareholders' meeting. By the Board of Directors has approved to authorize Board of Directors and / or Executive Committee and / or the Executive Chairman and / or the President or the person assigned by the Board of Directors and / or the Executive Committee or the Executive Chairman or the President to determine the date of issuance of the warrants when the Company is approved by the Annual General Meeting of Shareholders for the year 2021. The Company expects to issue and allocate SAMTEL-W1 in May 2021.	Please see remark below.

Remarks:

The Board of Directors Meeting No. 1/2021 held on February 23, 2021 resolved to approve a proposal to the Annual General Shareholders' Meeting 2021 to be held on 27 April 2021 to consider approving as follows:

1. Approve the decrease of the Company's registered capital of THB 120,000,000.00 from the existing registered capital THB 738,000,000.00 to the registered capital of THB 618,000,000.00 by cancelling the unissued registered shares of the Company, which is the ordinary shares in the amount of 120,000,000 shares with a par value of THB 1.00 which is the remaining shares from the allocation to be offered to the private placement.
2. Approve the issuance and offering of SAMTEL-W1 of not exceeding 103,000,000 units (or 16.67 percent of the Company's paid-up capital as of the date of the Board of Directors' Meeting No.1/2021 held on February 23, 2021) to be allocated to the existing shareholders of the Company in the Right Offering without charge (offering price of THB 0 per unit) in a ratio of 6 ordinary shares to 1 unit of SAMTEL-W1 (fractions of which will be rounded down), with a term of warrant not more than 3 year from the issuance date, having an exercise ration of 1 unit of warrant to 1 newly issued ordinary share at an exercise price of THB 12.00 per share (except for the adjustment of the rights).
3. Approve the increase of the Company's registered capital of THB 103,000,000.00 from the existing registered capital THB 618,000,000.00 to the registered capital of THB 721,000,000.00 by issuing not exceeding 130,000,000 newly issued ordinary shares with a par value of THB 1.00 to be reserved for the exercise of the warrants to purchase the Company's ordinary shares No. 1 (SAMTEL-W1) to the Right Offering.
4. Approve the allocation of the Company's newly issued ordinary shares of not exceeding 103,000,000 shares with par value of THB 1.00 to be reserved for the exercise of SAMTEL-W1 (or 16.67 percent of the Company's paid-up capital as of the date of the Board of Directors' Meeting No.1/2021 held on February 23, 2021) to be issued and offered to the existing shareholders of the Company in the Right Offering without charge (offering price of THB 0 per unit) in a ratio of 6 ordinary shares to 1 unit of SAMTEL-W1 (fractions of which will be rounded down), with a term of warrant not more than 3 year from the issuance date, having an exercise ration of 1 unit of warrant to 1 newly issued ordinary share at an exercise price of THB 12.00 per share (except for the adjustment of the rights)

3.1.1 The Company's plan in case of fractional shares

In calculation of SAMTEL-W1 allocation for each shareholder, if a fraction is resulted, such fraction shall be rounded down. For instance, in case of a shareholder holding 22 shares, such 22 shares are divided by 6 as of the calculation under the allocation ratio which will be equal to 3.67 (22 divided by 6). In this regard, the fractions of 0.67 will be rounded down and 3 units of SAMTEL-W1 will be allocated to such shareholder.

3.2 General Mandate

Type of Capital Increase	Type of Share	Number of Shares	Percentage per Paid-up Shares ^{1/}	Remarks
Existing shareholders	Ordinary Shares	.....	.....	.....
	Preferred Shares	.....	.....	.....
	To support the conversion / exercising of warrants from the capital increase that has transferable rights	.....	.....	.....
Public	Ordinary Shares	.....	.....	.....
	Preferred Shares	.....	.....	.....
	Private Placement	.....	.....	.....
Private Placement	Ordinary Shares	.....	.....	.....
	Preferred Shares	.....	.....	.....
	Preferred Shares	.....	.....	.....

^{1/} Percentage of paid-up capital on the date that the Board of Directors resolves to increase capital under a general mandate.

4. Schedule for a shareholders' meeting to approve the capital increase/allotment

The Annual General Shareholders' Meeting 2021 is scheduled to be held on 27 April 2021 at 01.00 p.m. at the meeting room, 16th floor, Software Park Building, No. 99/20 Moo 4, Chaengwattana Road, Klong Kluea, Pak Kret, Nonthaburi 11120 where:

- The share register will be closed to share transfers in order to determine the right to attend this meeting from _____ until the meeting has been duly convened.
- The share register will be recorded for share transfer in order to determine the entitlement to attend this meeting on March 17, 2021.

5. Approval of the capital increase/share allotment by relevant governmental agency and conditions thereto (if any)

The Company shall register the capital increase and amendment of the Memorandum of Association and paid-up capital with Department of Business Development, Ministry of Commerce.

6. Objectives of the capital increase and plans for utilizing proceeds received from the issuance and offering of SAMTEL-W1 to existing shareholders

- 6.1 Objectives and plans to use capital from the capital increase to be reserved for the issuance and offering of SAMTEL-W1 to the existing shareholders
- 6.1.1 To reserve for the exercise of the SAMTEL-W1 allocated to the existing shareholders in proportion to the number of shares held by each shareholder (Right Offering).
- 6.1.2 In the event that the Warrants No.1 are exercised in full amount, the Company will be able to raise approximately Baht 1,236.00 million, whereby the Company plans to use the proceeds from the exercise of the Warrants No.1 to acquired such additional shares to prepare and strengthen the Company's financial strength. To provide the Company with financial flexibility to carry out future projects including investing in the energy business, travel business and basic infrastructure both at inbound and abroad. And to reserve money for the Company's working capital when the Warrants No.1 are exercised to purchase the Company's ordinary shares under the SAMTEL-W1.

However, if the Company receives less money from the capital increase than expected, the plan to use the funds received from the capital increase may change from the foregoing.

- 6.1.3 The Company intends to provide returns to the shareholders of the Company, therefore, the Company will issue and allocate warrants this time to the shareholders of the Company. The shareholders who have been allocated the warrants can exercise their rights to purchase the newly issued ordinary shares of the Company upon the expiration of the exercise period or receive returns from the warrants on the Stock Exchange of Thailand.

The funds obtained from the exercise of SAMTEL-W1 are only one of the tools for managing the cash flow of the Company. The Company can obtain financing from borrowing or raising capital in various ways in order to have sufficient funding sources for the Company's business operations.

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

Benefits that the Company will received from the capital increase to be reserved for the issuance and offering of SAMTEL-W1 to the existing shareholders are:

- 7.1 To prepare and strengthen the financial strength of the Company to provide the Company with financial flexibility to carry out future projects including investing in the energy business, travel business and basic infrastructure both at inbound and abroad. And to reserve money for the Company's working capital when the warrants are exercised to purchase the Company's ordinary shares under the SAMTEL-W1.
- 7.2 The Company will have more liquidity from working capital received from capital increase, which will help strengthen the financial strength for use in business operations.
- 7.3 For the Company to be ready to operate current and future business groups which will generate additional income and profits for the Company.

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

8.1 Dividend Policy

If the shareholders who have been allocated SAMTEL-W1 exercise the rights to purchase ordinary shares, there will be working capital for the Company, which the Company can use to invest and operate business to generate income and additional profit to the Company. If the Company has better performance in the future, this will allow shareholders to benefit in the form of dividends. In this regard, the Company has a policy to pay dividends to shareholders at the rate of not less than 50 percent of the net profit, after the deduction reserves as specified in the Company's Articles of Association and the law. However, such dividend payment will depend on the investment plan and the expansion of the Company's business as well as other necessities and suitability in the future.

In addition, the consideration of dividend payment from profits arising from disposal of investment funds or fixed assets that occur in the Company or its subsidiary will depend on the discretion of the management and the Board of Directors, whether to pay dividends or not. It will be considered from the Company's investment and business expansion plans including necessity and other appropriateness in the future. The dividend payment of subsidiaries shall be based on the same policy as the Company.

8.2 Rights of the Shareholders

- The warrant holders of SAMTEL-W1 who have exercised their rights to purchase the Company's newly issued ordinary shares will be the Company's shareholders only when the Company's ordinary share registrar have register the name of the warrant holder in the Company's shareholder register book and the Company has already registered the change of paid-up capital with the Department of Business Development, and the new shareholders will only have the right to receive dividends when the Company announce to pay dividend to shareholders of the Company.
- If the warrants were exercised to purchase ordinary shares of the Company under SAMTEL-W1, the shareholders of the Company will receive benefits because the Company can use the fund received in various projects of the Company in the future as deemed appropriate and in line with the objectives of SAMTEL-W1 issuance and allocation.

8.3 Others - None-

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

- None-

10. Schedule of action if the board of directors passes a resolution approving the capital increase or allotment of new shares

No.	Proceedings	Date
10.1	The date of Board of Directors' Meeting No.1/2021	February 23, 2021
10.2	Record Date to determine name of shareholders who will be entitled to attend the Annual General Meeting of Shareholders 2021	March 17, 2021
10.3	Date of the Annual General Meeting of Shareholders 2021	April 27, 2021
10.4	Record Date to determining the names of shareholders who are entitled to receive the warrant allocation (SAMTEL-W1)	May 7, 2021
10.5	Date of registering the capital increase, capital decrease and amendment of the Memorandum of Association with Department of Business Development, Ministry of Commerce	Within 14 days from the AGM Resolution Date
10.6	Issuance and Offering date of SAMTEL-W1	After registering the capital increase with the Department of Business Development, Ministry of Commerce

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

(To be signed by the directors who are authorized to sign on behalf of the Company, with the Company's seal affixed)

Signed Authorized director

(Mr.Jong Diloksombat)

Position President

Signed..... Authorized director

(Mr. Watchai Vilailuck)

Position Executive Chairman