

(Translation)

SC 007/66

February 23, 2023

Subject : The Plan for Listing Samart Aviation Solutions Public Company Limited on the Stock Exchange of Thailand and Proportional Share Allocation (Pre-emptive)

To : The President
The Stock Exchange of Thailand

Enclosure : Information Memorandum Relating to Listing of Samart Aviation Solutions Public Company Limited, a subsidiary of Samart Corporation Public Company Limited, on the Stock Exchange of Thailand

According to the Board of Directors' meeting no. 1/2023 of Samart Corporation Public Company Limited (the "**Company**"), held on February 23, 2023 has resolutions as per below:

1. approved Samart Aviation Solutions Public Company Limited ("**SAV**"), a subsidiary of the Company which the Company holds an indirect stake in SAV via Samart U-Trans Company Limited ("**SUT**") of 66.67 percent and Samart Inter Holding Company Limited ("**SIH**") of 33.33 percent, for the initial public offering of the newly issued ordinary shares and/or shareholdings of the Company according to the shareholding proportion (Pre-emptive right) in an amount not exceeding 10.00 percent of the paid-up capital after the capital increase, including the listing of SAV on the Stock Exchange of Thailand (the "**SET**");
2. approved selling of SAV's existing ordinary shares which the Company currently holds via SUT and/or SIH to the public and allocate such ordinary shares for over-allotment portion (if any), for the amount of not exceeding 30.00 percent of the total paid-up shares after the capital increase; and
3. approved the allocation of not more than 11,742,548 shares of SAV to be proposed to the Company's shareholders according to the shareholding proportion of the Company's shareholders (Pre-emptive) by determining the ratio of SAV's shares to be allocated to the Company's shareholders of 100 Company's shares per 1 SAV's share (in case there is a fraction of share resulting from the allocation of SAV's shares to the Company's ordinary shareholders, the fraction of such share shall be rounded off for the whole amount).

In this regard, the rights of shareholders of the Company according to the shareholding proportion (Pre-emptive right) still depend on the consideration of the IPO request from the SEC and the record date of the Company's shareholders to be entitled to subscribe for SAV's IPO shares (Record Date), which will be the date after the Company's IPO application has been approved by the SEC.

Please consider the additional details in Enclosure Information Memorandum Relating to Listing of Samart Aviation Solutions Public Company Limited, a subsidiary of Samart Corporation Public Company Limited, on the SET.

In this regard, the transaction has the highest transaction size calculated based on the Net Tangible Asset criteria, which has the transaction size of 4.89 percent based on the Company's consolidated financial statements for the year 2022 ended December 31, 2022. In addition, the Company has not acquired or disposed of any assets in the past 6 months prior to entering into this transaction. Thus, the Company shall not be required to comply with the Notification of the Capital Market Supervisory Board No. Tor. Chor. 20/2551 Re: Rules on Entering into Material Transaction Deemed as Acquisition or Disposal of Assets and the Notification of the Board of Governors of SET Re: Disclosure of Information of Listed Companies Concerning Acquisition or Disposal of Assets, 2004. The transaction is not considered as a connected transaction under the Notification of Capital Market Supervisory Board No. Tor. Chor. 21/2551 concerning the Connected Transaction and the Notification of the Board of Governors of

the SET Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, 2003 as it is a transaction with a person/juristic person which is not a connected person.

After listing the ordinary shares of SAV on the SET, the Company will have a subsidiary operating core business and generating main profit as Teda Co., Ltd., in which the Company indirectly holds 94.35 percent through SUT.

Please be informed accordingly.

Yours faithfully,

- *Signature* -

(Mr. Teerachai Phongpanangam)

President

**Information Memorandum Relating to Listing of Samart Aviation Solutions Public Company Limited, a
subsidiary of
Samart Corporation Public Company Limited, on the Stock Exchange of Thailand**

Samart Aviation Solutions Public Company Limited (“**SAV**”) is a subsidiary of Samart Corporation Public Company Limited (the “**Company**” or “**SAMART**”). SAV operates as a holding company with an investment focus in the air traffic control business or the related ones. SAV currently holds a 100 percent ownership in Cambodia Air Traffic Services Co., Ltd. (“**CATS**”) which was incorporated and registered in Cambodia. CATS has engaged in the business of acting as a sole provider of installing and providing systems and services in relation to air traffic control in Cambodia in accordance with the concession granted by the Government of Cambodia. The concession lasts from 2001 to 2051, which has a concession period of 49 years. SAV intends to raise funds by issuing and offering of newly issued ordinary shares via the Initial Public Offering (“**IPO**”). SAV will then list its ordinary shares on the Stock Exchange of Thailand (the “**SET**”) and apply its IPO proceeds for loans repayment and fulfillment of its working capital requirements.

In this IPO offering, the Company intends to sell existing SAV ordinary shares which the Company currently holds through Samart U-Trans Company Limited (“**SUT**”) and/or Samart Interholding Company Limited (“**SIH**”) for the total amount of not exceeding 30.00 percent of SAV’s total paid-up shares post-IPO. Such proceeds will be applied for fulfilling the Company’s working capital requirements.

According to the resolution of the Company's Board of Directors Meeting No. 6/2019 held on 13 August 2019 considered and approved the plan to list SAV on the Stock Exchange of Thailand and approved the offering of SAV's existing ordinary shares in which the Company indirectly holds shares through SUT and/or SIH together with SAV's IPO plan and the Board of Directors' Meeting No. 1/2020 held on 25 February 2020 resolved to approve the allocation of SAV's ordinary shares to the Company's existing shareholders (Pre-emptive) with respect to their shareholding proportion (Pre-emptive Rights) by setting the ratio of SAV shares to be allocated to the Company's shareholders is 100 SAMART’s shares to 1 SAV’s share. Then applying for a permission to sell such shares approved by the Office of the Securities and Exchange Commission (“**SEC**”) on 12 March 2020. However, due to the situation of the Coronavirus Disease 2019 (“**COVID-19 situation**”) resulting in the suspension of SAV's IPO plan and SAV was unable to complete the initial public offering within 1 year from the date on which the SEC approved the IPO request. Therefore, SAV's IPO permit application has expired.

Currently, the COVID-19 situation has improved. Cambodia Air Traffic Services Company Limited, a subsidiary of SAV, can recover to normal business operations. Consequently, the Company consider reasonable for SAV to enter the IPO process again. The Company’s Board of Directors’ Meeting No.1/2023 held on 23 February 2023 considered and approved (1) plan for offering SAV’s newly issued ordinary shares to the public and listing SAV’s shares on the SET for the amount of not exceeding 10.00 percent of SAV’s total paid-up shares post-IPO and (2) selling of SAV existing ordinary shares which the Company currently holds via

SUT and/or SIH to the public and/or allocate such shares for over-allotment portion, for the amount of not exceeding 30.00 percent of SAV's total paid-up shares post-IPO. However, the total ordinary shares to be offered via IPO shall not exceed 35.00 percent of the paid-up shares post-IPO. (Collectively called the "**SET Listing Plan**"). After offering SAV's existing and newly issued ordinary shares to the public via IPO, the Company will still hold an indirect stake of not less than 65.00 percent of SAV's total paid-up shares, post-IPO.

The SET Listing Plan is regarded as an asset disposition transaction in accordance with Notification of the Capital Market Supervisory Board No.TorChor.20/2551 re: Rules and Procedures for Entering into Material Transactions Classified as Asset Acquisition and Disposition Transactions (as amended) and Notification of the Board of Governor of the Stock Exchange of Thailand re: Disclosure and Actions to be Taken by Listed Companies for Asset Acquisition and Disposition Transactions B.E.2547 (2004) (as amended) (collectively called "**Notification regarding Asset Acquisition/Disposition**"). In determining the transaction size in accordance with relevant provisions under Notification regarding Asset Acquisition/Disposition based on the Company's reviewed consolidated financial statements for the years ended 31 December 2022, the maximum transaction size based on the Net Tangible Asset Criteria (NTA) is 4.89 percent which is the transaction that the Company's management can take actions immediately. Nevertheless, to comply with SET Good Corporate Principles, the Company shall immediately disclose the transaction to the SET.

Details of the **SET Listing Plan** is as follows:

1. Date of Transaction

The transaction is expected to be completed within the fourth quarter of 2023, subject to fulfillment of all conditions precedent as specified in 12.

2. Related Parties

Offering Parties	: Newly Issued Ordinary:	SAV which is a subsidiary the Company holding a 100 percent indirect ownership on. At present, SUT and SIH hold a 66.67 percent stakes and a 33.33 percent stakes in SAV respectively, where the Company holds a 100.00 percent ownership in both SUT and SIH.
	Shares	
	Existing Ordinary:	SUT and/or SIH in which the Company holds a 100.00 percent ownership in both companies.
	Shares	
Securities Subscriber	: Public Investors and the Company's existing shareholders with respect to their shareholding proportion (" Public ").	

3. Details of the Transaction

The Company's Board of Directors meeting No. 1/2023 held on 23 February 2023 considered and approved SAV's SET listing plan which is expected to be completed within the fourth quarter of 2023. In this regard, SAV shall submit its IPO application to the Office of SEC and SET listing application to the Stock

Exchange of Thailand (the “SET”). Post-IPO, the Company will still hold an indirect stake of not less than 65.00 percent of SAV’s total paid-up shares. Thus, SAV will still be the Company’s subsidiary post-IPO.

Such SET listing plan is regarded as an asset disposition transaction in accordance with Notification regarding Asset Acquisition/Disposition Transaction. The transaction size which is determined based on the Company’s reviewed consolidated financial statements for the years ended 31 December 2022, the maximum transaction size based on the Net Tangible Asset Criteria (NTA) is 4.89 percent, with details of calculation tabled as below:

Calculation Criteria		Calculation methods
1. Net Tangible Assets (NTA)	=	NTA of consolidated financial statements of SAV in accordance with % to be Disposed / the Company’s Consolidated NTA
	=	$(285.97 \times 0.35) / 2,048.62$
	=	4.89 percent
2. Profitability	=	Not applicable as the consolidated financial statements of the Company had losses.
3. Total Consideration	=	(Total value of consideration ⁽¹⁾) / The Company’s consolidated total assets
	=	$(339.14 \times 100 / 19,489.45)$
	=	1.74 percent
4. Value of Offered Securities	=	Not applicable as the Company issues no new securities.

Note: 1. According to the offering price of the existing ordinary shares and such newly issued ordinary shares have not yet been determined. Therefore, the offering price is calculated from the book value per share of SAV based on the consolidated financial statements as of 31 December 2022, which equal to 339.14 baht per share with a par value of 0.50 baht.

Base on the calculations shown above, the criterion that given the maximum transaction size is the Net Tangible Asset Criteria (NTA), the transaction size is 4.89 percent which is not more than 15 percent.. In accordance with Notification regarding Asset Acquisition/Disposition, the Company’s management can take actions immediately. Nevertheless, to comply with SET Good Corporate Principles, the Company shall immediately disclose the transaction to the SET.

4. Business Details of Disposed Assets**4.1 IPO Details of SAV**

Items	Details⁽¹⁾
Share Issuer (Newly issued Ordinary Shares)	: Samart Aviation Solutions Public Company Limited
Seller (Existing Ordinary Shares)	: Samart U-Trans Company Limited and/or Samart Interholding Company Limited
Type of Securities to be Offered	: Newly issued ordinary shares and existing ordinary shares of SAV
Total Number of Newly Issued and Existing Ordinary Shares to be Offered via IPO	: Not exceeding 35.00 percent of total paid-up shares post-IPO. The number of ordinary shares to be offered comprise newly issued ordinary shares which shall not exceed 10.00 percent of total shares post-IPO and existing ordinary shares which shall not exceed 30.00 percent of total shares post-IPO. Such mentioned existing ordinary shares include those to be offered to the Public and/or over-allotment portion. Total ordinary shares to be offered via IPO already include those to be offered to the Company's shareholders with respect to their shareholding proportion.
Par Value	: THB 0.50 per share
Offering of SAV ordinary shares under Pre-Emptive Rights	: The Board of Directors' Meeting No. 1/2023 held on 23 February 2023, resolved to allocate ordinary shares to the Company's shareholders at the same ratio of 100 shares of SAMART to 1 share of SAV, which is equivalent to the allocation of not more than 11,742,548 shares of SAV. The Board of Directors shall determine the rules, conditions and other details as well as the Record Date and the Closing Date of shareholders' register to collect names of shareholders in accordance with Section 225 of the Securities and Exchange Act B.E.2535 (as amended). This will later be specified after SAV obtains an approval from the Office of SEC to offer its shares via IPO. The Company will notify its shareholders about this at least 14 days prior to the Record Date.
IPO Price	: At present, the IPO price has not yet to be specified. The IPO price for the portion to be offered under Pre-Emptive Rights and those to be publicly offered will be the same.
IPO Offer Period	: After SAV obtains its approval from the Office of SEC to offer its IPO, the register statement and the prospectus become effective, and the SET approves the SET listing application on the condition that SAV could fulfill SET's free float requirements. All of these are expected to be completed within the fourth quarter of 2023.
Other Details	: The Company will later inform its shareholders on details of SET Listing Plan.

Note: 1. Details above may be subject to later change as deemed appropriate by the Board of Directors and/or the person(s) as assigned by the Board of Directors. Nevertheless, total number of newly issued ordinary shares to be offered via IPO shall not exceed 10.00 percent of SAV's total paid-up shares via IPO and total number of existing ordinary shares to be offered via IPO shall not exceed 30.00 percent of SAV's total paid-up shares via IPO. However, the total ordinary shares to be offered via IPO must not exceed 35.00 percent of the paid-up shares after IPO. Post-IPO, the Company will still hold an indirect stake of not less than 65.00 percent of SAV's total paid-up shares, post-IPO.

4.2 Business Details of Samart Aviation Solutions Public Company Limited

Items		Details
Company	:	Samart Aviation Solutions Public Company Limited
Country of Incorporation	:	Thailand
Date of Incorporation	:	22 August 2017
Head Office	:	99/2 Moo 4 Software Park Building, Floor 34, Chaeng Wattana Road, Klong Gluar Sub-District, Pak Kret District, Nonthaburi 11120
Nature of Business	:	SAV operates as a holding company with investment focus in firms engaging in air traffic business or its related ones. At present, the company holds 100.00 percent ownership in Cambodia Air Traffic Services Co., Ltd. ("CATS").
Capital Structure	:	As of 31 December 2022, SAV's total registered capital was THB 320,000,000, consisting of 640,000,000 ordinary shares with a par value of THB 0.50 each and paid-up ordinary shares of THB 288,000,000, consisting of 576,000,000 ordinary shares.
Percentage of the Company's Stakes in SAV	:	Pre-IPO, the Company holds an indirect stake in SAV via SUT and SIH of 100.00 percent. SUT and SIH holds SAV shares of 384,000,000 and 191,997,868 respectively, and this represents 66.67 percent and 33.33 percent of SAV's total paid-up shares as of 31 December 2022, respectively. Post-IPO, the Company will indirectly hold not less than 65.00 percent of SAV's total paid-up shares.

4.3 Business Details of Cambodia Air Traffic Service Company Limited

Items		Details
Company Name	:	Cambodia Air Traffic Services Co., Ltd.
Country of Registration	:	Cambodia
Date of Incorporation	:	5 April 2001
Head Office	:	CATS Building, Opposite Phnom Penh International Airport, Russian Federation Blvd., Sangkat Kakab, Khan Posen Chey, Phnom Penh,

Items		Details
		Kingdom of Cambodia
Nature of Business	:	CATS operates as the sole provider of installing and providing air traffic control systems and services in Cambodia in accordance with the concession granted by the Government of Cambodia. The concession lasts from 2001 to 2051. Amount of revenues depends upon number of airplane flights and types of airplanes in accordance with service rates as specified by the Government of Cambodia.
Capital Structure	:	As of 31 December 2022, total registered and paid-up capital of CATS was USD 10,000,000, comprising 1,000,000 ordinary shares with a par value of USD 10.00 each.
SAV's Stake in CATS	:	100 percent of total paid-up capital of CATS.

4.4 Composition of SAV's Board of Directors as of 31 December 2022

Name	Position in SAV	Stake in SAV (Shares / %) ⁽¹⁾	Position in CATS	Stake in CATS (Shares / %) ⁽¹⁾	Position in the Company	Stake in the Company (Shares / %) ⁽¹⁾
1. Mr. Suphot Singhasaneh	Chairman of the Board of Directors / Independent Director / Chairman of the Audit Committee / Corporate Governance Committee / Nomination and Compensation Committee	- None -	- None -	- None -	- None -	- None -
2. Mr. Bhumisathit Jampathom	Vice Chairman of the Board of Directors / Independent Director / Audit Committee / Chairman of the Nomination and Compensation Committee	- None -	- None -	- None -	- None -	- None -
3. Mr. Pitaya Tantipiriyakij	Vice Chairman of the Board of Directors / Independent Director /	- None -	- None -	- None -	- None -	- None -

	Audit Committee / Nomination and Compensation Committee / Chairman of the Corporate Governance Committee					
4. Mr. Charoenrath Vilailuck	Director	1,066 / 0.00	Chairman of the Board of Directors	- None -	Director / Chairman of the Executive Committee	112,704,960 / 11.20
5. Mr. Watchai Vilailuck	Director	1,066 / 0.00	Director	- None -	Director / / Vice Chairman of the Executive Committee - Corporate Strategy and Business Development Department	126,977,160 / 12.62
6. Mr. Sirichai Rassameechan	Director / Corporate Governance Committee	- None -	- None -	- None -	Director	-None-
7. Mrs. Phongsri Saluckpetch	Director	- None -	- None -	- None -	Executive Vice President - Corporate Management	71,480 / 0.007
8. Mr. Teerachai Phongpanangam	Director / Corporate Governance Committee / President	- None -	Director	- None -	Director / Executive Director / President	20,000 / 0.002
9. Mr. Theeraphat Kulkijkanjorn	Director / Operating Manager	- None -	Director / Managing Director	- None -	- None -	- None -

Note: 1. Stakes in SAV, CATS and the Company as of 31 January 2023. Their respective par values are THB 0.50 per share, USD 10 per share and THB 1 per share, respectively.

4.5 SAV's Financial Performance and Condition

Statement of Comprehensive Income

Unit: THB million	For the Year Ended 31 December (Audited)		
	2020 ⁽¹⁾	2021	2022
Service Revenues	714.11	455.77	1,217.61
Cost of Service	(407.41)	(317.63)	(687.83)
Gross Profit	306.70	138.14	529.78
Other Revenues	9.70	3.27	2.46

Unit: THB million	For the Year Ended 31 December		
	(Audited)		
	2020 ⁽¹⁾	2021	2022
Service Expense	(7.99)	(9.01)	(9.65)
Administrative Expense	(255.80)	(186.71)	(227.01)
Foreign Exchange Loss	(3.84)	(0.69)	(0.32)
Other Expenses	(22.80)	(6.67)	(7.34)
Earnings Before Interest and Tax	25.96	(61.67)	287.92
Financial income	4.99	3.50	9.33
Finance Cost	(41.27)	(31.40)	(55.71)
Reverse (Loss) from impairment of financial instruments	(10.47)	(5.13)	11.61
Corporate Income Tax (Expense)	(21.47)	20.35	(53.60)
Net Profit	(42.26)	(74.35)	199.55

Statement of Financial Position

Unit: THB million	As of		
	31 December 2020 (Audited)	31 December 2021 (Audited)	31 December 2022 (Audited)
Assets			
Current Assets			
Cash and Cash Equivalents	208.34	128.74	338.76
Trade and Other Receivables	70.70	67.36	165.20
Short-Term Loans to Related Parties	165.20	183.81	376.73
Other Current Financial Assets	30.04	34.30	-
Other Current Assets	32.42	87.07	119.45
Total Current Assets	506.69	501.28	1,000.14
Non-Current Assets			
Pledged Bank Deposits	146.48	163.33	240.05
Equipment	16.57	15.55	11.76
Right-of-Use Assets	0.84	0.83	0.76
Intangible Assets	860.36	915.35	994.74
Deposits for Acquisition of Equipment and Intangible Assets	5.67	-	-
Other Non-Current Assets	0.24	0.22	1.87
Other Non-Current Assets	1,030.15	1,095.28	1,249.17
Total Assets	1,536.85	1,596.57	2,249.31
Liabilities and Shareholders' Equity			
Current Liabilities			
Trade and Other Payables	72.75	84.78	180.29
Short-Term Loans from Related Parties	-	-	258.72
Current Portion of Long-Term Loans from Financial Institutions	67.88	75.53	429.61
Current Portion of Lease Liabilities	0.05	0.06	0.06
Accrued Income Tax	9.09	0.50	24.72

Unit: THB million	As of		
	31 December 2020 (Audited)	31 December 2021 (Audited)	31 December 2022 (Audited)
Other Current Financial Liabilities	13.75	14.07	16.95
Other Current Liabilities	14.57	5.12	6.75
Total Current Liabilities	178.10	180.05	917.10
Non-Current Liabilities			
Long-Term Loans from Financial Institutions – Net of Current Portion	1,000.99	1,113.72	740.15
Lease Liabilities – Net of Current Portion	0.83	0.76	0.69
Long-Term Provision under Service Concession	49.82	56.57	133.94
Provision for Long-Term Employee Benefits	24.98	28.05	25.25
Deferred Tax Liabilities	83.03	74.57	93.04
Total Non-Current Liabilities	1,159.65	1,273.67	993.07
Total Liabilities	1,337.75	1,453.72	1,910.17
Shareholders' Equity			
Registered and Paid-up Capital	288.00	288.00	288.00
Difference from Business Combination under Common Control	(23.31)	(23.31)	(23.31)
Retained Earnings			
Appropriated – Legal and Other Required Reserves	32.00	32.00	32.00
Unappropriated	(95.80)	(171.62)	27.14
Other Components of Shareholders' Equity	(1.79)	17.78	15.31
Total Shareholders' Equity	199.10	142.84	339.14

SAV's financial figures as showed above are derived from its audited consolidated financial statements for the year ended 31 December 2022 and the year ended 31 December 2021 ,which are prepared based on the accounting standard of Public Accountable Entities (PAEs).

4.6 Financial Performance and Condition of CATS

Statement of Comprehensive Income

Unit: USD Million	For the Year Ended 31 December (Audited)		
	2020	2021	2022
Service Revenues	22.86	14.25	34.49
Cost of Service	(15.21)	(11.78)	(21.46)
Gross Profit	7.65	2.46	13.03
Other Income	0.32	0.06	0.06
Administrative Expense	(7.44)	(5.51)	(5.59)
Earnings Before Interest and Tax	0.52	(2.99)	7.50
Financial Income	0.21	0.14	0.40
Finance Cost	(0.04)	(0.05)	(0.06)
Corporate Income Tax (Expense)	(0.70)	0.65	(1.68)
Net Profit	(0.02)	(2.25)	6.16

Statement of Financial Position

Unit: USD million	As of		
	31 December 2020 (Audited)	31 December 2021 (Audited)	31 December 2022 (Audited)
Assets			
Current Assets			
Cash and Cash Equivalents	6.50	3.49	7.74
Short-Term Investments	1.00	1.03	-
Trade and Other Receivables	2.19	2.00	4.67
Short-Term Loans to Related Parties	11.51	11.51	11.00
Other Current Assets	0.89	0.89	1.07
Total Current Assets	22.08	18.91	24.48
Non-Current Assets			
Pledged Bank Deposits	4.88	4.89	6.95
Advances to suppliers for intangible assets	0.19	1.75	0.05
Equipment	0.55	0.46	0.34
Intangible Assets	28.66	27.40	34.02
Total Non-Current Assets	34.27	34.51	41.36
Total Assets	56.35	53.42	65.84
Liabilities and Shareholders' Equity			
Current Liabilities			
Trade Payables	1.66	1.50	3.71
Payables – Related parties	0.20	0.39	0.88
Payable - Other	1.30	1.35	1.56
Accrued Income Tax	0.30	0.01	0.72
Total Current Liabilities	3.46	3.26	6.87
Non-Current Liabilities			
Long-Term Liabilities under Service Concession	1.66	1.69	3.88

Unit: USD million	As of		
	31 December 2020 (Audited)	31 December 2021 (Audited)	31 December 2022 (Audited)
Other Long-Term Employee Benefit Obligations in accordance with Labor Laws of Cambodia	0.56	0.58	0.39
Deferred Tax Liabilities	2.76	2.23	2.87
Total Non-Current Liabilities	4.98	4.50	7.14
Total Liabilities	8.44	7.76	14.02
Shareholders' Equity			
Registered and Paid-up Capital	10.00	10.00	10.00
Retained Earnings	37.91	35.66	41.82
Total Shareholders' Equity	47.91	45.66	51.82

Financial figures as showed above are derived from CATS's audited separate financial statements for the years ended 31 December 2020 to 2022 They were prepared based on Cambodian International Financial Reporting Standard for Small and Medium-Sized Entities (CIFRS for SMEs).

5. Total Consideration Value

Total consideration value is the product of total number of IPO shares and IPO price. At present, IPO price has not yet to be determined.

6. Total Value of Disposed Assets

Disposed Assets comprise existing and newly issued ordinary shares of SAV which will be offered via IPO. Total value of disposed assets will be total cash proceeds to be obtained from offering of SAV's existing and newly issued ordinary shares to the Public. They are the product of total shares to be offered via IPO and IPO price. At present, IPO price has not yet to be determined.

7. Criteria in Determining Total Consideration Value

AT present, IPO price has yet to be determined. It will later be determined, subject to book building process.

8. Expected Benefits from the Transaction

8.1 Benefits to Shareholders of the Company

- The Company's shareholders are entitled to Pre-Emptive rights to subscribe for SAV ordinary shares. Shareholders who are entitled to Pre-Emptive rights are those whose names appear in the Company's shareholders register as of the Record Date and the Closing Date of the Company's shareholders register to collect names of shareholders in accordance with Section 225 of the Securities and Exchange Act B.E.2535 (as amended).

2. The Company's shareholders will benefit in that the Company's investment value in SAV could more clearly reflect its corresponding market value. This is because investment value in SAV could fairly be determined based on its corresponding trading value in the SET.
3. More investment alternatives are available for the Company's shareholders. They can invest in either the Company or SAV, subject to their investment policies.

8.2 Benefits to the Company

1. This can relieve the Company from providing financial support to SAV as SAV could raise its own financing from the capital market.
2. The Company's investment value in SAV could more clearly reflect its corresponding market value. This is because investment value in SAV could fairly be determined based on its corresponding trading value in the SET.
3. More efficient management within the group as their respective business structures are clearly segregated. Management of the Company and that of SAV could concentrate on their respective core businesses.
4. The Company could obtain some IPO proceeds from offering SAV's existing ordinary shares. They could be appropriately applied to support the Company's business operations as appropriate.

8.3 Benefits to SAV

1. SAV would obtain IPO proceeds to repay its outstanding debts, thus relieving its interest burden. This will help to improve SAV's profitability in its consolidated financial statements.
2. This enhances more fund-raising alternatives for SAV and this will of course add fund-raising flexibility for SAV in the future.
3. SAV's corporate image will be enhanced, thus allowing to be more widely known in the public.
4. This will create sense of company loyalty among SAV's employees.

9. SAV's IPO Fund Utilization Plan

SAV's tentative IPO fund utilization plan is as below:

1. Loans repayment and/or
2. Supporting of working capital requirements

10. Impacts from Spin-Off to the Company and Its Shareholders

10.1 Earnings Per Share (EPS) and Control Dilutions

In case SAV issues and offers its newly issued ordinary shares in accordance with its SET Listing Plan, there will be EPS and control dilutions of not exceeding 35.00 percent to the Company's shareholders. To lessen such potential dilutions, the Company's shareholders are entitled to Pre-Emptive rights to subscribe for SAV's offered IPO shares. Upon SAV's SET listing, the Company will still indirectly hold not less than 65.00

percent stakes of SAV's total paid-up shares. Thus, SAV will still a subsidiary of the Company, post its SET listing.

10.2 Price Dilution

As SAV rather than the Company will offer newly issued ordinary shares to the Public, it is expected there will be no price dilution to the Company. The Company's decreasing stake in SAV of course results in its recognition of lower profit sharing in SAV.

11. SAV's Business Reliance on the Company and Conflict of Interest

The Company has attempted to reduce business reliance between it and SAV and potential conflicts of interest as follows:

1. All intercompany loans between SAV/CATS and the Company shall be repaid prior to filing submission.
2. In case the Company, SAV, and CATS need to pursue any business transaction or related transaction, all of which will be pursued on an arm's length basis, taking into account their rationales and necessities. In doing so, they will comply with all applicable securities rules and regulations of the SEC and SET.

12. Conditions Precedent

1. SAV's meeting of shareholders approves the followings:
 - 1.1 SAV's capital decrease / increase and allocation of newly issued ordinary shares
 - 1.2 Listing of SAV ordinary shares on the SET
2. SAV's capital increase are registered with Department of Business Development, the Ministry of Commerce.
3. The Office of SEC approves SAV to offer its existing and newly issued ordinary shares to the Public.
4. SAV's registration statement and prospectus for IPO become effective.
5. The SET approves SAV's SET listing application and SAV could fulfil SET's free-float requirements.
6. SAV could successfully register capital increase, post IPO.

13. Opinion of the Board of Directors

The Board of Directors considers and approves with the opinion that this asset disposition transaction makes sense as initial public offering (IPO) and SET listing by SAV would allow it to solidify its financial position. SAV could raise its required funds via various financing alternatives to support its future growth. At the same time, the Company's investment value in SAV could more clearly reflect its corresponding market value. This is because investment value in SAV could fairly be determined based on its corresponding trading value in the SET.

14. Opinion of the Audit Committee which differs from that of the Board of Directors

-None-