

No. SC 027/24

June 28, 2024

Subject: Supreme Court Decision and Arbitral Awards on the Dispute between Samart Corporation Public Company Limited and the 13th Bangkok Asian Game Organizing Committee and the Sports Authority of Thailand

Attention: Managing Director
Stock Exchange of Thailand

As per the lawsuit filed against Samart Corporation Public Company Limited (the "Company") by the 13th Bangkok Asian Game Organizing Committee ("BAGOC") and the Sports Authority of Thailand, the Company was involved in providing financial support and installing telecommunication systems for the 13th Asian Game in 1997. The Company supported BAGOC by designing and installing the telecommunications network system, and its equipment, and provided financial support, of which Baht 190,000,000 remained outstanding. Nevertheless, due to the economic crisis in 1997 that significantly impacted the Thai economy over a prolonged period, the Company faced financial difficulties and sought to negotiate the cancellation of the financial support agreement, which BAGOC did not consent to. A supplementary agreement regarding payment and other matters was executed on October 30, 1998. There was no further action on the debt collection until October 21, 2010, when BAGOC and the Sports Authority of Thailand submitted the dispute to the Thailand Arbitration Center as black case number 90/2553. The Arbitral Tribunal ruled on August 22, 2013, that the statute of limitations had expired. However, BAGOC and the Sports Authority of Thailand continued to pursue legal action against the Company both in court and before the Arbitral Tribunal over an extended period until the matter concluded with the Supreme Court's decision number Red Por. 5279/2565. This decision mandated that the Company, as a contracting party providing support for the 13th Asian Games to BAGOC, shall pay BAGOC and the Sports Authority of Thailand, as third-party beneficiaries, according to the Arbitral award number Red 67/2556, a total amount of Baht 331,797,360.27, along with interest on the principal amount of Baht 190,000,000 at a rate of 15 percent per annum from the day following the dispute submission date (after October 21, 2010) until full payment is made. As calculated up to May 15, 2024, the date of the decision rendering, the Company is required to pay a total amount of Baht 718,694,520.55, including principal and interest.

The Company accepts the decision of the Supreme Court and the Arbitral Tribunal and is prepares to repay the full principal amount of Baht 190,000,000 to BAGOC and the Sports Authority of Thailand. Nonetheless, for the interest amount of Baht 528,694,520.55, the Company offers for annual installment payments within 7 years in order to confirm the intention and sincere to repay to BAGOC and the Sports Authority of Thailand. The Company, moreover, has deposited funds with Civil Case Enforcement Bangkok Office 1 to settle the full principal amount of Baht 190,000,000 and partially paid the interest amounting to Baht 40,000,000, on June 25, 2024. In addition, the Company had set mostly amount of the provisions already that as of March 31, 2024, long-term provisions for this legal dispute have been recorded in the amount of Baht 438,470,548. However, the Company believes that this situation will not affect the Company's financial status and operations.

Please be informed accordingly.

On behalf of Samart Corporation Pcl.

- Signed -

(Mr. Charoenrath Vilailuck)
Executive Chairman / CEO