

Information Memorandum regarding the allotment of new shares

Simat Technologies Public Company Limited

The resolution of the Board of Directors' meeting of the Simat Technologies Public Company Limited (the "**Company**") No. 9/2021, which was held on June 18, 2021 resolved to increase the registered capital of the Company in the amount of THB 161,308,187 from the original registered capital after the reduction of the Company's registered capital by THB 171,887,817 from THB 699,561,818 to be the new registered capital of THB 860,870,005 by issuing of 161,308,187 newly-issued ordinary shares to reserve for (1) the exercise of the warrants to purchase ordinary shares of the Company No. 5 (the "**SIMAT-W5 Warrants**") in the amount of 160,000,000 shares, and (2) the right adjustment under the warrants to purchase ordinary shares of the Company No. 3 (the "**SIMAT-W3 Warrants**") in the amount of 1,308,187 shares. The Company will propose to the Extraordinary General Meeting of the Shareholders No. 1/2021 on August 11, 2021 for further approval.

In this regard, the issuance and offering of the newly issued ordinary shares is significant, therefore the company has prepared significant information for the shareholders' decision in accordance with the announcement of the Capital Market Supervisory Board No. Tor Jor. 73/2558 regarding the items in the notice of the shareholders' meeting of listed companies for approval and offering securities (Including additional amendments) with the following details:

1. Details of the newly issued shares

The Company will allocate the newly issued ordinary shares of the Company to reserve for the exercise of rights under the SIMAT-W5 Warrants, and the allocation of newly issued ordinary shares to reserve for the adjustment of rights under SIMAT-W3 Warrants with the following details;

- 1.1. Allocation of the newly ordinary shares of not exceeding 160,000,000 at par value of THB 1.00 per share in order to accommodate the exercise of SIMAT-W5 Warrants; and
- 1.2. Allocation of the newly ordinary shares of not exceeding 1,308,187 shares to accommodate the right adjustment under the SIMAT-W3 Warrants.

2. Objective of the capital increase and fund utilization plan

In the case that the warrants holders are fully exercised their rights to purchase the newly issued ordinary shares under the SIMAT-W5 Warrants, the Company will be able to raise funds in the amount of approximately not exceeding THB 320 Million. The Company plans to use the proceeds received from the exercise of rights to use as a working capital or supporting future business expansion.

The above capital increase plan is in accordance with the current business plan for the allocation of proceeds from this capital increase offering. However, the number of shares from the exercise of rights to purchase new ordinary shares according to the SIMAT-W5 Warrants and the actual payment may be less than the number of shares the Company has wishing to sell, this will lead to the Company received less money than expected. In that case, the Company's capital increase plan may differ from the money plan specified above.

3. The effect on shareholders from the sale of newly issued shares.

The effect from the issuance of new ordinary shares to accommodate the exercise of the SIMAT-W5 Warrant as follows;

3.1 Price Dilution (Control Dilution)

If the shareholders who receive the SIMAT-W5 Warrants have exercised their rights to convert into ordinary shares in the amount that they received will not affect the voting rights of shareholders of the company (Control Dilution). However, in the case that the shareholders who receive the SIMAT-W5 Warrants do not exercise the conversion rights and all other shareholders exercised their rights to convert (Control Dilution) is as follows:

$$= \frac{\text{Number of shares from the conversion of SIMAT-W5 Warrants}}{\text{Number of paid-up shares} + \text{Number of shares from the conversion of SIMAT-W5 Warrants}}$$

$$\text{Number of paid-up shares} = 648,564,609 \text{ shares}$$

$$= \frac{160,000,000}{648,564,609 + 160,000,000}$$

$$= 19.79 \%$$

3.2 Effect on the proportion of shareholding (Price Dilution)

If the shareholders who receive the SIMAT-W5 Warrants have exercised their conversion rights into ordinary shares in the amount that they received, it will not affect the market price of the shares (Price Dilution). However, in the case that the shareholders who receive warrants SIMAT-W5 Warrants do not exercise the conversion rights and all other shareholders exercised their rights to convert it will have the highest impact on the market price of shares as follows;

$$= \frac{(\text{market price before the offering} - \text{market price after the offering})}{\text{market price before the offering}}$$

$$= \frac{5.70 - 4.97}{5.70}$$

$$= 12.85 \%$$

In which the market price after the offering

$$= \frac{(\text{Market price} \times \text{number of paid-up shares}) + (\text{right offering price} \times \text{Number of shares from the conversion of SIMAT-W5 Warrants})}{(\text{Number of shares paid} + \text{Number of shares Arising from the conversion of SIMAT-W5 Warrants})}$$

$$= \frac{(5.70 \times 648,564,609) + (2 \times 160,000,000)}{648,564,609 + 160,000,000}$$

$$= \frac{(648,564,609 + 160,000,000)}{4.97}$$

Note: Market price is equal to the weighted average market price of the company for the past 7 consecutive business days prior to the date of determination of the allocation ratio of the warrants to purchase ordinary shares of the Company No. 5 and the determination of the amount of decreased registered capital by canceling unsold shares remaining held on July 8, 2021 (that is, between June 29, 2021 - July 7, 2021) (Data from SETSMART of SET) which is equal to THB 5.70.

4. The opinion of the Board of Directors Capital increase or offering to the existing shareholders of the company Proportion of shares (Rights Offering)

4.1 Reasons and necessity of the capital increase.

The Board of Directors have an opinion that the Company is necessary to increase the registered capital and issue new ordinary shares to accommodate the exercise of rights the SIMAT-W5 Warrants, and to accommodate the adjustment under SIMAT-W3 Warrants because the Company plans to use the proceeds received from the shares offering for the purpose as details described in item 2 above.

4.2 The possibility of using funds from the offering of shares

The issuance of the newly issued ordinary shares to accommodate the exercise of the SIMAT-W5 Warrants has a term of 3 years from the date of issuance of the SIMAT-W5 Warrants. The Company will use the money received from the capital increase for the purpose as described in item 2 above.

4.3 The reasonableness of the capital increase plan to use the proceeds from the share offering and the project that will be implemented including the adequacy of the funding source in the event that the proceeds from the offering.

The Board of Directors have an opinion that the issuance and offering of the newly issued ordinary shares to accommodate the exercise of the rights of the SIMAT-W5 Warrants, and the newly issued ordinary shares to accommodate the adjustment under the SIMAT-W3 Warrants are appropriate. It is reasonable and for the highest benefit of the Company and all shareholders. The Company plan to utilize the money from funding this time for the purpose as details described in item 2 above.

In the case that the warrants holders are fully exercised their rights to purchase the newly issued ordinary shares under the SIMAT-W5 Warrants, the Company will be able to raise funds in the amount of approximately not exceeding THB 320 Million. The Company plans to use the proceeds received from the exercise of rights to use as working capital or supporting future business expansion.

4.4 The expected impact on the company's business operations as well as the financial status and results of operations of the company Due to the capital increase and the implementation of the use of funds or projects.

The Board of Directors have an opinion that the issuance and offering of the newly issued ordinary shares to accommodate the exercise of the rights under the SIMAT-W5 Warrants, and the newly issued ordinary shares to accommodate the adjustment under the SIMAT-W3 Warrants are the implementation of the Company's funding sources which the Company can use the money received from the capital increase for the purpose as details described in item 2 above. The transaction will benefit the Company in creating continuous cash flow and profits in the future and does not adversely affect the Company's business operations as well as the financial status and results of operations of the Company.

5. Board certification Capital increase

In the case that the directors of the Company not performing duties in accordance with the law, the objectives and the regulations of the Company as well as the resolution of the shareholders' meeting with honesty and carefulness to protect the interests of the Company. In matters relating to the capital increase by acting or omitting any actions that do not perform the duties and cause damage to the Company. The company can claim compensation from that director, but if the Company do not claim for compensation shareholders holding a total of not less than 5 percent of the total issued shares will notify the company to be claimable. The Company do not proceed as the shareholders have informed, the shareholder can sue for damages from the director on behalf of the Company in accordance with Section 85 of the Public Company Limited Act 1992 (including amendments). In addition, if the actions or omissions of the directors which do not perform their duties, shall be in accordance with the laws, objectives and regulations of the company. As well as the resolution of the shareholders' meeting with honesty and carefulness to protect the interests of the company in matters relating to the capital increase, it causes the directors, executives, or related persons to benefit improperly. The Company may sue the directors to be responsible for returning the benefits to the Company. The shareholders holding shares with voting rights of not less than 5% of the total voting rights of the Company will notify the company can do so. If the Company do not proceed as according to shareholders within 1 month from the date of notification such shareholders are able to exercise the right to claim benefits from that director on behalf of the company in accordance with Section 89/18 of the Securities and Exchange Act B.E. 2535 (including any amendments)