

**Information Memorandum on the Allocation of Newly-Issued Ordinary Shares of
Ananda Development Public Company Limited**

The Board of Directors' Meeting No. 9/2021 of Ananda Development Public Company Limited (the "Company"), convened on 27 September 2021, to propose to the Extraordinary General Meeting of Shareholders to consider and approve the increase in registered capital of the Company, from the existing registered capital of THB 333,300,000 to THB 499,950,000, by issuing 1,666,500,000 newly-issued ordinary shares, at the par value of THB 0.10 per share, totaling THB 166,650,000, in order to reserve for (1) the allocation of newly-issued ordinary shares to the existing shareholders proportionate to their respective shareholdings but not to allocate to the shareholders which such allocation will cause the Company to comply with laws of a foreign country, e.g., the United States of America, and any other countries at the Company discretion. (the "Allocation of Newly-Issued Ordinary Shares"); and (2) the exercise of the warrants to purchase the newly-issued ordinary shares of the Company No. 1 (the "ANAN-W1 Warrants") for the Allocation of Newly-Issued Ordinary Shares.

In this regard, as the issuance and offering of the newly-issued ordinary shares is a material business, the Company prepared the Information Memorandum which is necessary for the shareholders' decision-making, having the details as follows:

1. Details of the offering of the newly-issued shares

The Company shall allocate: the newly-issued ordinary shares to offer for sale to the Company's existing shareholders proportionate to their respective shareholdings; and the newly-issued ordinary shares to be reserved for the exercise of the ANAN-W1 Warrants for the allocation of the newly-issued ordinary shares issued and offered for sale to the Company's existing shareholders proportionate to their respective shareholdings, in accordance with the following details:

- 1.1 To allocate not exceeding 833,250,000 newly-issued ordinary shares, at the par value of THB 0.10 per share, to offer for sale to the Company's existing shareholders proportionate to their respective shareholdings, at the allocation ratio of THB 1.55, in which the fraction shall be rounded down.

To determine the offering price of newly-issued ordinary shares to the Company's existing shareholders in proportion to their respective shareholdings above, the Company has determined the offering price in accordance with the market price of the Company's shares by specifying a discount of approximately 9 percent of the weighted average price on the Stock Exchange of Thailand (the "SET") retrospectively for 7 consecutive business days. This shall occur prior the date of the Board of Directors' resolution to propose an agenda regarding the increase of registered capital to the Extraordinary General Meeting of Shareholders No. 1/2021 on 27 September 2021 (i.e. between 15 - 23 September 2021), which is equal to THB 1.71 (information from SETSMART of the SET).

The shareholders may subscribe for the newly-issued ordinary shares in excess of their rights (oversubscription), provided that the oversubscribing shareholders shall be entitled to the oversubscription shares only after there are shares remaining from the allocation to the existing shareholders who subscribe for the shares in accordance with their rights.

In allocating the newly-issued ordinary shares to the existing shareholders proportionating to their respective shareholdings, in the case where there are newly-issued ordinary shares remaining from the first allocation to the existing shareholders proportionate to their respective shareholdings, the Company shall allocate such remaining shares to the existing shareholders wishing to oversubscribe, at the same offering price as the shares which are allocated in accordance with the rights. This includes the existing shareholders proportionate to their respective shareholdings wishing to oversubscribe who are connected persons of the Company with details as follows:

- (a) In the case where the number of shares remaining from the first allocation to the existing shareholders proportionating to their respective shareholdings is higher than or equivalent to the number of shares oversubscribed by the existing shareholders, the Company shall allocate the remaining shares to all oversubscribing shareholders who pay for the total price of the oversubscribed shares, in accordance with the number of shares for which they intend to oversubscribe such shares.
- (b) In the case where the number of shares remaining from the first round allocation to the existing shareholders proportionate to their respective shareholdings is lower than the number of shares oversubscribed by the existing shareholders, the Company shall allocate the remaining shares to the oversubscribing shareholders in accordance with the following sequences:
 - (1) The Company shall allocate the shares in a number proportionating to the existing shareholding of each oversubscribing shareholder by multiplying the shareholding of each oversubscribing existing shareholder with the number of the remaining shares, resulting in the number of shares to which each oversubscribing shareholder is entitled to. In the case of a fraction of a share, the fraction shall be rounded down. In this regard, the number of shares under the allocation shall not exceed the number of shares for which each shareholder subscribed and paid.
 - (2) In the case where there are shares remaining from the allocation under (b) (1), the Company shall allocate the remaining shares to each oversubscribing shareholder who has not been allocated in accordance with their existing shareholding by multiplying the shareholding of each oversubscribing existing shareholder with the number of the remaining shares, resulting in the number of shares to which each oversubscribing shareholder is entitled to. In the case of a fraction of a share, the fraction shall be rounded down. In this regard, the number of shares under the allocation shall not exceed the

number of shares for which each shareholder subscribed and paid. The Company shall conduct the allocation with respect to the oversubscription in accordance with the procedures under this clause until there are no shares remaining from the allocation.

In addition, the allocation of shares to the Company's existing shareholders who oversubscribe in any case, it shall not cause any shareholder holding shares of the Company in a manner that violates the foreign shareholding restrictions as stipulated in the Company's Articles of Association.

In this regard, the Company may reserve the right not to offer the newly-issued ordinary shares to any existing shareholders of the Company (including the existing shareholders of the Company who is residing in the United States of America and any other countries at the Company discretion. The Company will notify the shareholders of such foreign country later (if any)) if it causes the Company to comply with the laws of foreign country; or it does not comply with the rules, procedures or conditions specified in the offering or allocation of newly issued ordinary shares.

In the case where there are newly-issued ordinary shares remaining from the allocation to the existing shareholders proportionate to their respective shareholdings, the allocation to the shareholders who oversubscribed (oversubscription), and allocation to be reserved for the exercise of the ANAN-W1 Warrants, the Company shall proceed to reduce the registered capital by cutting off the remaining newly-issued ordinary shares from the offering.

In allocating the newly-issued ordinary shares to the Company's existing shareholders proportionate to their respective shareholdings, the Company's Board of Directors, the authorized directors, or the person delegated by the Company's Board of Directors or by the authorized directors shall have the authority to take following actions:

- (a) To consider and determine the details of the allocation of the newly-issued ordinary shares for the purpose of offering for sale to the existing shareholders proportionate to their respective shareholdings to be in compliance with the laws and regulations;
- (b) To determine or alter the details of the allocation, such as whether the newly-issued ordinary shares shall be allocated on one occasion or more, or any alterations to the offering period, allocation ratio, offering price, payment method, or any other details with respect to the allocation and the offer for sale, e.g. changing of the Record Date for the allocation of the newly-issued ordinary shares;
- (c) To execute application forms for approvals, waivers, notices, as well as any documentation relevant to the allocation of the newly-issued ordinary shares, including to contact and file the documentation with the officials or representatives of the relevant agencies, the listing of the

newly-issued ordinary shares on the SET, as well as to undertake any act necessary for and relevant to the allocation of the newly-issued ordinary shares for the purpose of offering for sale to the existing shareholders proportionate to their respective shareholdings in compliance with the applicable laws; and

- (d) To register the amendment of paid-up capital with the Department of Business Development, Ministry of Commerce and has the power to take any necessary actions to comply with the registrar's order for the completion of registration process.

- 1.2 To allocate not exceeding 833,250,000 newly-issued ordinary shares, at the par value of THB 0.10 per share, in order to be reserved for the exercise of ANAN-W1 Warrants to be allocated to the existing shareholders of the Company, who have subscribed and have been allocated for the issued and offered of newly-issued ordinary shares proportionate to their respective shareholdings, at the allocation ratio of 1 existing ordinary share to 1 of the ANAN-W1 Warrants, without value (i.e., offering price of Warrants per unit is THB 0).

In the proceeding of the allocation of newly issued ordinary shares to be reserved for the exercise of the ANAN-W1 Warrants, the Company's Board of Directors, the authorized directors, or the person delegated by the Company's Board of Directors or by the authorized directors shall determine or change the details and conditions necessary for and/or in connection with the issuance and the allocation the ANAN-W1 Warrants in all respects under the terms of the relevant laws and within the framework of the approval of the Extraordinary General Meeting of Shareholders whereby the details are including but not limited to:

In the proceeding of the allocation of newly issued ordinary shares to support the exercise of the ANAN-W1 Warrants. The Chief Executive Officer and/or the person delegated by the Chief Executive Officer shall determine or change the details and conditions necessary for and/or in connection with the issuance and the allocation the Warrants in all respects under the terms of the relevant laws and within the framework of the approval of the Extraordinary General Meeting of Shareholders whereby the details are including but not limited to:

- (a) The preparation of the terms and conditions of the ANAN-W1 Warrants, including the details with respect to the allocation of the ANAN-W1 Warrants thereof;
- (b) Providing information, contacting, preparing, executing, delivering, filing any documents necessary for or relevant to the issuance and the allocation of the ANAN-W1 Warrants with the Office of the Securities and Exchange Commission, the SET, Thailand Securities Depository Co., Ltd., the Ministry of Commerce, and any other relevant agencies or persons;
- (c) The listing of the ordinary shares from the exercise of the ANAN-W1 Warrants on the SET;

- (d) The appointment of the sub-authorized person to undertake any act for the purpose of the completion of the issuance and allocation of the ANAN-W1 Warrants; and
- (e) Registering the amendment of paid-up capital with the Department of Business Development, Ministry of Commerce and being authorized to have the power to take any necessary actions to comply with the registrar's order for the completion of registration process.

2. Objectives of the issuance of the newly-issued ordinary shares and the plan to use the proceeds derived from the issuance

2.1 In case all newly-issued ordinary shares that the Company issued and offered for sale to their existing shareholders proportionate to their respective shareholdings is fully subscribed, the Company shall be able to raise funds in the amount of approximately THB 1,291.54 million for the Company's working capital. The timeline of use of proceeds shall be within 2022.

2.2 As for the issuance of newly-issued ordinary shares to be reserved for the exercise of rights under the ANAN-W1 Warrants. In the event that the shareholders exercise their rights to purchase the newly-issued ordinary shares under the ANAN-W1 warrants in full, the Company shall be able to raise funds in the amount of approximately THB 1,374.86 million. The Company plans to utilize such proceeds for the Company's working capital.

In this regard, the plan for utilizing the proceeds derived from the capital increase aforementioned, is in accordance with the current business plan in allocating the money received from this offering of newly-issued ordinary shares. However, the number of shares subscribed for the newly-issued ordinary shares, the exercise of rights to purchase newly-issued ordinary shares under the ANAN-W1 Warrants, and the actual payment may be less than the number of shares the Company intends to offer, which may result in the Company receiving money less than THB 1,000 million. In that case, the plan for utilizing the proceeds may differ from the utilization plan set forth in the above paragraph.

3. Effects to the shareholders from the offering of the newly-issued ordinary shares

Effect on the issuance and offering of the newly-issued ordinary shares proportionate to their respective shareholdings along with the warrants to purchase ordinary shares of the Company at the same time, having the details as follows:

3.1 Price Dilution

- After the issuance and offering the newly-issued ordinary shares to Rights Offering but before the issuance and offering the ANAN-W1 Warrants: there will be the price dilution on the Company's shares approximately 1.84 percent, with the following formula:

$$= \frac{\text{Market price before offering} - \text{Market price after offering}}{\text{Market price before offering}}$$

$$= \frac{1.71 - 1.68}{1.71}$$

$$= 1.84 \text{ percent}$$

The market price after the offering the newly-issued ordinary shares to Rights Offering, equivalent to:

$$= \frac{(\text{Market price} \times \text{Paid-up shares}) + (\text{RO offering price} \times \text{Number of shares to be issued to RO})}{\text{Paid-up shares} + \text{Number of shares to be issued to RO}}$$

$$= \frac{(1.71 \times 3,333,000,000) + (1.55 \times 833,250,000)}{3,333,000,000 + 833,250,000}$$

$$= 1.68$$

Remark: Market price equals to the weighted average of the Company's shares trading for 7 consecutive trading days before the date of Board of Director 'meeting No. 9/2021, convened on 27 September 2021 (i.e., between 15 - 23 September 2021) (Information from SETSMART of the SET) equivalent to THB 1.71.

- After the issuance of the ANAN-W1 Warrants: there will be price dilution approximately 2.09 percent

$$= \frac{\text{Market price before offering} - \text{Market price after offering}}{\text{Market price before offering}}$$

$$= \frac{1.71 - 1.67}{1.71}$$

$$= 2.09 \text{ percent}$$

Market price after the allocation of the newly-issued ordinary shares to RO, equivalent to:

$$= \frac{(\text{Market price} \times \text{Paid-up shares}) + (\text{RO offering price} \times \text{Number of shares to be issued RO}) + (\text{Exercise price for the ANAN-W1} \times \text{Number of accommodated share for the ANAN-W1})}{\text{Paid-up shares} + \text{Number of shares to be allocated to RO} + \text{Number of accommodated shares for the ANAN-W1}}$$

$$= \frac{(1.71 \times 3,333,000,000) + (1.55 \times 833,250,000) + (1.65 \times 833,250,000)}{3,333,000,000 + 833,250,000 + 833,250,000}$$

$$= 1.67$$

Remark: Market price equals to the weighted average of the Company's shares trading for 7 consecutive trading days before the date of Board of Director 'meeting No. 9/2021, convened on 27 September 2021 (i.e., between 15 - 23 September 2021) (Information from SETSMART of the SET) equivalent to THB 1.71.

3.2 Control Dilution

- In case that all shareholders subscribe for the newly-issued ordinary shares in proportion of their respective shareholding and exercise the ANAN-W1 Warrant, there will be no control dilution and the existing shareholders will not have impact from control dilution. In case that all shareholders have not subscribed for the newly-issued ordinary shares, the Company shall proceed with capital reduction by reducing the remaining shares from the allocation, resulting in the paid-up shares remain unchanged and will not impact to the control dilution.
- In case that the warrant holders exercise their rights to purchase the newly-issued ordinary shares under the warrants in full amount but such warrants holders are not the existing shareholders, this will impact to the control dilution of the existing shareholders, whereby the control dilution of the existing shareholders will decrease approximately 16.67 percent comparing with the shareholding before the issuance of the warrants, with the following formula:

$$\begin{aligned}
 &= \frac{\text{Accommodated shares that issued and offered for the ANAN-W1}}{\text{Paid-up capital} + \text{Number of shares to be issued to RO} + \text{Number of accommodated shares for the ANAN-W1}} \\
 &= \frac{833,250,000}{3,333,000,000 + 833,250,000 + 833,250,000} \\
 &= 16.67 \text{ percent}
 \end{aligned}$$

3.3 Earnings per share dilution

- In case that all existing shareholders subscribe for the newly-issued ordinary shares proportion of their respective shareholding but have not exercised their right to purchase the newly-issued ordinary shares under the ANAN-W1 Warrants in full amount, there will be earning per share dilution to the existing shareholders from the number of shares to be issued and allocated to the Right Offering only, representing to 20.00 percent, with the following formula:

$$= \frac{\text{EPS before offering} - \text{EPS after offering}}{\text{EPS before offering}}$$

Whereas, EPS before offering

$$= \frac{\text{Net profit}}{\text{Paid-up shares}}$$

$$= \frac{435,274,850}{3,333,000,000}$$

= THB 0.1306 per share

Whereas, EPS after offering

$$= \frac{\text{Net profit}}{\text{Paid-up shares} + \text{Number of shares to be allocated to RO}}$$

$$= \frac{435,274,850}{3,333,000,000 + 833,250,000}$$

= THB 0.1045 per share

EPS Dilution

$$= \frac{0.1306 - 0.1045}{0.1306}$$

= 20.00 percent

Remark: Net profit of the last 12 months, from 1 July 2020 to 30 June 2021

- In case that all existing shareholders subscribe for the newly-issued ordinary shares in proportion of their respective shareholding and the warrant holders have exercised their right under warrants in full amount, there will be earning per share dilution to the existing shareholders of 33.33 percent, when comparing with the total number of shares sold of the Company in present.

$$= \frac{\text{EPS before offering} - \text{EPS after offering}}{\text{EPS before offering}}$$

Whereas, EPS before offering

$$= \frac{\text{Net profit}}{\text{Paid-up shares}}$$

$$= \frac{435,274,850}{3,333,000,000}$$

= THB 0.1306 per share

Whereas, EPS after offering

$$\begin{aligned}
 &= \frac{\text{Net profit}}{\text{Paid-up shares} + \text{Number of shares to be allocated to RO} + \text{Number of shares accommodated for the ANAN-W1}} \\
 &= \frac{435,274,850}{3,333,000,000 + 833,250,000 + 833,250,000} \\
 &= \text{THB 0.0871 per share} \\
 \text{EPS Dilution} &= \frac{0.1306 - 0.0871}{0.1306} \\
 &= 33.33 \text{ percent}
 \end{aligned}$$

Remark: Net profit of the last 12 months, from 1 July 2020 to 30 June 2021

- The existing shareholders will have impact from the earning per share dilution of 16.67 percent comparing with the total number of sold shares of the Company before the exercise of warrants, but after the issuance and offering of the newly-issued ordinary shares to the Right Offering, with the following formula:

$$\begin{aligned}
 &= \frac{\text{EPS before offering} - \text{EPS after offering}}{\text{EPS before offering}}
 \end{aligned}$$

Whereas, EPS before offering

$$\begin{aligned}
 &= \frac{\text{Net profit}}{\text{Paid-up shares} + \text{Number of shares to be allocated to RO}} \\
 &= \frac{435,274,850}{3,333,000,000 + 833,250,000} \\
 &= \text{THB 0.1045 per share}
 \end{aligned}$$

Whereas, EPS after offering

$$\begin{aligned}
 &= \frac{\text{Net profit}}{\text{Paid-up shares} + \text{Number of shares to be allocated to RO} + \text{Number of accommodated shares for the ANAN-W1}} \\
 &= \frac{435,274,850}{3,333,000,000 + 833,250,000 + 833,250,000} \\
 &= \text{THB 0.0871 per share}
 \end{aligned}$$

EPS Dilution

=

 $0.1045 - 0.0871$

 0.1045

= 16.67 percent

4. Opinions of the Board of Directors on the capital increase or the offering for the existing shareholders proportionate to their respective shareholdings

4.1 Rationale and necessity for the capital increase

The Board of Directors is of the opinion that it is necessary for the Company to increase its registered capital and issue the newly-issued ordinary shares to offer for sale to the existing shareholders proportionate to their respective shareholdings together with the newly-issued ordinary shares to be reserved for the exercise of the ANAN-W1 Warrants to allocate to the Company's existing shareholders who have subscribed and have been allocated for the issued and offered of newly-issued ordinary shares proportionate to their respective shareholdings. This is due to the Company plans to use the proceeds derived from the offering of the newly-issued ordinary shares for the purpose according to the details mentioned in Clause 2 above.

In addition, if considering the different ways of the offering shares, the Board of Directors has considered and is of the opinion that the issuance and offering of newly-issued ordinary shares to the Company's existing shareholders proportionate to their respective shareholdings is an appropriate fundraising approach and in line with the objective of the capital increase. This will result in the Company in receiving funds in a short period of time. In addition, the offering of the newly-issued ordinary shares to the Company's existing shareholders proportionate to their respective shareholdings shall be their rights to participate in the share subscription and their rights to receive returns from the Company's operational result in the future.

4.2 Feasibility of the plan to use the proceeds derived from the offering of shares

The Company plans to complete the issuance and offering of shares to the existing shareholders proportionate to their respective shareholdings, including the receipt of the proceed derived therefrom, by the end of 2021. The Company will use the proceeds derived from the capital increase for the purpose according to the details mentioned in Clause 2 above.

4.3 Reasonableness of the capital increase, plans to use the proceeds derived from the offering of shares, and projects to be operated, including the sufficiency of the sources of funds

The Board of Director is of the opinion that the issuance and offering of the newly-issued ordinary shares to the shareholders proportionate to their respective shareholdings, together with the newly-issued ordinary shares to be reserved for the exercise rights of the ANAN-W1 Warrants to be allocated to the Company's existing shareholders, who have subscribed and have been allocated for the issued and offered of newly-issued ordinary shares proportionate to their respective shareholdings are

appropriate, reasonable and for the best benefit of the Company and all shareholders. This due to the Company plans to use the proceeds from fundraising for the purpose in accordance with the details specified in Clause 2 above.

In this regard, in the case where the newly-issued ordinary shares issued and offered for sale to the existing shareholders proportionate to their respective shareholdings are fully subscribed, the Company would be able to obtain the proceeds for approximately THB 1,291.54 million for use as the Company's working capital within 2022.

In addition, with regard to the issuance of the newly-issued ordinary shares to accommodate the exercise of rights under the ANAN-W1 Warrants; in the event that the shareholders exercise their right to purchase the newly-issued ordinary shares under the ANAN-W1 Warrants in full, the Company will be able to obtain the proceeds for approximately THB 1,374.86 million. The Company plans to use the proceeds derived from its right to purchase the newly-issued ordinary shares to be used for the Company's working capital.

4.4 Potential impact which may occur to the business operation of the Company, as well as its financial positions, and operational results, due to the capital increase and the plan to use the proceeds or Company's projects

The Board of Directors is of the opinion that the issuance and offering of the newly-issued ordinary shares to the shareholders proportionate to their shareholdings, together with the newly-issued ordinary shares to be reserved for the exercise rights of the ANAN-W1 Warrants to be allocated to the Company's existing shareholders, who have subscribed and have been allocated for the issued and offered of newly-issued ordinary shares proportionate to their respective shareholdings is the implementation of the Company's funding source plan. The Company, hence, will utilize the proceeds derived from the capital increase for the purpose according to the details mentioned in Clause 2. The implementation as previously mentioned will be beneficial to the Company's business operations, as well as strengthen the cash flow and financial position of the Company. This will also reduce the Company's debt to equity ratio and helps to enhance the Company's financial liquidity. In addition, the capital increase from the issuance and offering of the newly-issued ordinary shares will result in a better overall financial status and have a stable financial position.

5. Representations of the Board of Directors regarding the capital increase

In the case that the directors of the Company do not comply with the laws, the objectives, the articles of association of the Company, and the resolution of the meeting of shareholders in loyalty and care to preserve the interest of the Company on matters relating to the increase of registered capital, resulting that the performance of any act or nonperformance of any act which fails to comply with the aforementioned duties and causes damages to the Company, the Company may claim compensation from the directors. In the case where the Company fails to make such claim, any one or more shareholders holding shares

amounting to not less than 5 percent of the total number of issued shares of the Company may notify the Company requesting the Company to make such a claim. If the Company fails to take action as directed by the said shareholders, such shareholders may bring a suit to the court to claim compensation on behalf of the Company in accordance with Section 85 of the Public Company Limited Act B.E. 2535 (including any amendment thereto). In addition, in the case where the director acts or omits to act in such a way that does not comply with the laws, the objectives, the articles of association and the resolution of the meeting of shareholders with due care and loyalty to preserve the interest of the Company on the matters relating to the increase of registered capital, resulting that the director, the executive or the related person to obtain undue benefits, the Company may bring an action against the director for disgorgement of such benefits to the Company. In this regard, a shareholder or shareholders who hold shares and have the right to vote amounting to not less than 5 percent of the total number of voting rights of the Company may notify the Company requesting the Company to bring the aforementioned action and if the Company fails to proceed as requested within 1 month from the date of the notice, such shareholder or shareholders may bring an action for disgorgement of benefits on behalf of the Company in accordance to Section 89/18 of the Securities and Exchange Act B.E. 2535 (including any amendment thereto).

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

Please be informed accordingly.

Yours sincerely,



(Mr. Chanond Ruangkritya)
Chief Executive Officer