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TC-CS 011/2023

10 February 2023

Subject: Notification of the Resolutions of the Board of Directors' Meeting No. 4/2023

To: The President
The Stock Exchange of Thailand

- Enclosure:
1. Notification Subject "The prohibition of acts that appear to be dominated by Foreigners" B.E. 2556
 2. Information Memorandum regarding the Investment in the Satellite Project which is Considered as the Company's Acquisition of Assets

The Board of Directors' Meeting of Thaicom Public Company Limited (the "Company") No. 4/2023 held on 10 February 2023 at 4.30 p.m. at Galaxy Room on 28th Floor, SJ Infinite One Business Complex, No. 349 Vibhavadi-Rangsit Road, Chatuchak, Bangkok, has resolved to hold the 2023 Annual General Meeting of Shareholders (AGM) on Friday, 7 April 2023 at 2.00 p.m. by Electronic Means (e-AGM) only. In this regard, the Board of Directors has scheduled the Record Date to determine the shareholders who are entitled to attend the AGM shall be on Monday, 27 February 2023.

The Meeting agendas are as follows:

Agenda Item 1 Matters to be informed;

Agenda Item 2 To acknowledge the Company's operating results for the fiscal year 2022;

Opinion of the Board of Directors: Approved to propose to the shareholders' meeting for the Company's operating results for the year 2022 ended on 31 December 2022, to the Annual General Meeting of Shareholders for acknowledgement.

Agenda Item 3 To consider and approve the Financial Statements of the Company and its subsidiaries for the year ended on 31 December 2022;

Opinion of the Board of Directors: Approved to propose to the shareholders' meeting for approval of the Financial Statements of the Company and its subsidiaries for the year ended on 31 December 2022. The Board has considered and deemed the said financial statements correct, complete and sufficient pursuant to the generally accepted accounting standards. The financial statements were considered by the Audit and Risk Committee and audited by a certified auditor.

Agenda Item 4 To consider and approve the dividend payment for the year 2022;

Opinion of the Board of Directors: Approved to propose to the shareholders' meeting for approval the dividend payment for the year 2022 of Baht 0.50 per share or a total of approximately 548,050,977 Baht. The Company had already appropriated its legal reserve which met the amount required by law.

The Record Date for specifying the list of shareholders who are entitled to receive the dividend shall be on 4 April 2023 and the date of the dividend payment will be on 26 April 2023 and propose to the shareholders' meeting for approval.

Agenda Item 5 To consider and approve the appointment of the Company's auditors and fix their remuneration for the year 2023;

Opinion of the Board of Directors: Approved to propose to the shareholders' meeting for approval of the appointment of the following auditors from KPMG Phoomchai Audit Ltd. as the Company's auditors for the fiscal year 2023:

- (1) Mr. Sumate Jangsamsee Certified Public Accountant License No. 9362
- (2) Mr. Sakda Kaothanthong Certified Public Accountant License No. 4628
- (3) Mr. Udomsak Bunsaraniphan Certified Public Accountant License No. 10331

Any of the above auditors can conduct the audit and express an opinion on the Company's financial statements. The annual audit fee for the year 2023 and the quarterly review fee was fixed of not exceeding 1,780,000 Baht (excludes the non-audit fee at 90,000 Baht).

The appointment of the Company's auditors and their remuneration for the year 2023 had already been considered and agreed upon by the Audit and Risk Committee.

Agenda Item 6 To consider and approve increasing the number of the Company Directors from 9 to 11 persons;

Opinion of the Board of Directors: Approved to propose to the shareholders' meeting for approval to increase the number of the Company's directors from 9 to 11 persons which had already been considered and agreed upon by the Nomination and Compensation Committee.

Agenda Item 7 To consider and approve the appointment of two new directors;

Opinion of the Board of Directors: Approved to propose to the shareholders' meeting for approval the appointment of two new directors i.e. (1) Mr. Rattaphol Cheunsomchit and (2) Ms. Bung-on Suttipattanakit, in which both of them have qualifications as specified by law on public limited companies, law on securities and exchange, and other related laws.

The appointment of two new directors had already been considered and agreed upon by the Nomination and Compensation Committee.

Agenda Item 8 To consider and approve the appointment of directors to replace those who retire by rotation in 2023;

Opinion of the Board of Directors: Approved to propose to the shareholders' meeting for approval the election of directors to replace those retired by rotation in 2023 per the following details:

The directors who will retire by rotation are:

1. ACM. Maanat Wongwat
2. Mr. Somchai Jinnovart
3. Mr. Patompob Suwansiri

The following of three directors will be reappointed:

1. ACM. Maanat Wongwat
2. Mr. Somchai Jinnovart
3. Mr. Patompob Suwansiri

The Nomination and Compensation Committee had already considered and agreed to re-elect those retired by rotation in 2023 to be appointed as the Company's Directors for another terms, and to propose this matter for approval at the Annual General Meeting of Shareholders for 2023.

Agenda Item 9 To consider and approve the remuneration of the Company's Directors for the year 2023;

Opinion of the Board of Directors: Approved to propose to the shareholders' meeting for approval that directors' remuneration for the year 2023 be in an amount not to exceed 20 Million Baht, which is the same as last year and had already been considered and agreed upon by the Nomination and Compensation Committee.

Agenda Item 10 To consider and approve the amendment to the Company's Article of Association;

Opinion of the Board of Directors: Approved to propose to the shareholders' meeting for approval on the amendment to the Company's Article of Association for Article 26, Article 28, Article 31, and Article 38 in order to be aligned with the Public Limited Company Act (No.4) B.E. 2565 as details specified below:

EXISTING	PROPOSE
<p>Article 26. In summoning for a Meeting of the Board of Directors, the Chairman or the person assigned by him shall submit notices of the meeting to the directors not less than 7 days</p>	<p>Article 26. In summoning for a Meeting of the Board of Directors, the Chairman or the person assigned by him shall submit notices of the</p>

<p>prior to the date of the meeting. However, in case of necessity and urgency for the purpose of maintaining the rights or interests of the Company, the summons for a meeting may be made by other methods and the date of the meeting may be fixed sooner.</p>	<p>meeting to the directors <u>in accordance with the criteria and method as provided by laws.</u></p>
<p>Article 28. The Meeting of the Board of Directors shall be held at least every three months at the venue as required by the Chairman of the Board or the Board of Directors. The Chairman of the Board shall convene the meeting or in case of necessity at least two directors may request the Chairman of the Board to convene the meeting in which the Chairman of the Board shall fix the date of the meeting within 14 days from the date which he receives such request.</p> <p>The Meeting of the Board of Directors may be held by the electronic meeting which shall comply with the provisions and methods as required by notifications, regulations and related laws. The quorum and voting of the Meeting of Board of Directors shall be subject to the Company’s Articles of Association. All provisions and methods provided by laws, law notifications, and regulations relating to the electronic meeting shall be applied to the other articles of Company’s Articles of Association as related.</p>	<p>Article 28. The Meeting of the Board of Directors shall be held at least every three months at the venue as required by the Chairman of the Board or the Board of Directors. The Chairman of the Board shall convene the meeting or in case of necessity at least two directors may request the Chairman of the Board to convene the meeting in which the Chairman of the Board shall fix the date of the meeting within 14 days from the date which he receives such request.</p> <p><u>In case there is no Chairman of the Board, a Vice Chairman of the Board shall be the person who summons the meeting; in case there is also no Vice Chairman, two directors may jointly summon the meeting.</u></p> <p>The Meeting of the Board of Directors may be held by the electronic meeting which shall comply with the provisions and methods as required by notifications, regulations and related laws. The quorum and voting of the Meeting of Board of Directors shall be subject to the Company’s Articles of Association. All provisions and methods provided by laws, law notifications, and regulations relating to the electronic meeting shall be applied to the other articles of Company’s Articles of Association as related.</p>
<p>Article 31. In summoning for a Meeting of Shareholders, the Board of Directors shall send notice of the meeting specifying the place, date, time, agenda of the meeting, and the subject matter to be submitted to the meeting together with reasonable details and shall deliver the same to the shareholders and the Registrar for reference not less than 7 days before the meeting. Besides, the notice of the meeting shall also be announced in a newspaper not less than 3 days before the</p>	<p>Article 31. In summoning for a Meeting of Shareholders, the Board of Directors shall send notice of the meeting specifying the place, date, time, agenda of the meeting, and the subject matter to be submitted to the meeting together with reasonable details and shall deliver the same to the shareholders and the Registrar for reference not less than 7 days before the meeting. Besides, the notice of the meeting shall also be announced in <u>accordance</u></p>

<p>meeting. accordance with the criteria and method as provided by laws.</p> <p>The Meeting of Shareholders can be held through electronic media. The process of meeting through electronic media shall be proceeded in accordance with the criteria and method as provided by laws and run through a meeting control system that has information technology security standards as specified by announcement or regulation of the relevant authorities or by laws.</p> <p>In case of proxy for joining and voting in the electronic shareholders' meeting, such shareholder and proxy shall comply with the procedure and conditions set forth by the Company which shall be in accordance with the related rules and regulations and applicable laws.</p>	<p><u>with the criteria, period, and method as provided by laws.</u></p> <p>The Meeting of Shareholders can be held through electronic media. The process of meeting through electronic media shall be proceeded in accordance with the criteria and method as provided by laws and run through a meeting control system that has information technology security standards as specified by announcement or regulation of the relevant authorities or by laws.</p> <p>In case of proxy for joining and voting in the electronic shareholders' meeting, such shareholder and proxy shall comply with the procedure and conditions set forth by the Company which shall be in accordance with the related rules and regulations and applicable laws.</p>
<p>Article 38. No dividends shall be paid otherwise than out of profits. In case the Company still sustains an accumulated loss, no dividends shall be paid.</p> <p>Dividends shall be distributed equally according to the number of shares.</p> <p>The Board of Directors may pay interim dividends to shareholders at each time they consider that the Company has an appropriate profit and inform shareholders at the subsequent meeting.</p> <p>Payment of dividends shall be made within one month from the date the resolution is passed by the meeting shareholders or by the meeting of the Board of Directors, as the case may be. The notice of such payment must be announced in a newspaper within one month from the date the resolution is passed by the Meeting of Shareholders or by the Board of Directors, as the case may be.</p>	<p>Article 38. No dividends shall be paid otherwise than out of profits. In case the Company still sustains an accumulated loss, no dividends shall be paid.</p> <p>Dividends shall be distributed equally according to the number of shares.</p> <p>The Board of Directors may pay interim dividends to shareholders at each time they consider that the Company has an appropriate profit and inform shareholders at the subsequent meeting.</p> <p>Payment of dividends shall be made within one month from the date the resolution is passed by the meeting shareholders or by the meeting of the Board of Directors, as the case may be. The notice of such payment must be announced <u>in accordance with criteria and method as provided by laws.</u></p>

Agenda Item 11 To consider and approve the prohibition of business domination by foreigners;

Opinion of the Board of Directors: Approved to propose to the shareholders' meeting for approval of the prohibition of acts appearing to be dominated by foreigners in compliance with the Notification of the National Broadcasting and

Telecommunications Commission (NBTC). The Company is required to propose such the prohibition to the shareholders' meeting for their consideration and approval before submitting it to the NBTC. The details appear in Enclosure 1.

Agenda Item 12 To consider and approve the investment in a satellite project which constitutes an acquisition of assets by the Company;

The Board of Directors resolved to approve that Space Tech Innovation Company Limited (“STI”), the Company’s wholly-owned subsidiary, invest in a satellite project through the acquisition of licenses for the orbital slots at 119.5 degrees East, 120 degrees East and 78.5 degrees East. STI was the successful bidder of the auction organized by the National Broadcasting and Telecommunications Commission (“NBTC”). The construction of the satellites only for the orbital slots at 119.5 degrees East is urgent as they have to the operation before Thaicom 4 satellite (which the Company is operating at the moment) will come to the end of its utilization period (according to engineering estimates, the utilization period of Thaicom 4 will end in 2024). This is to ensure that the Company can provide services to its customers continuously. Therefore, the Board of Directors has resolved to approve that STI invest in the construction of the satellites for the orbital slots at 119.5 degrees East as a priority.

With regard to the 78.5 degrees East orbital slot, STI is obligated to launch a satellite in order to maintain its rights to use this 78.5 degrees East orbit slot within 3 years of its receipt of the satellite slot license and the Type 3 telecommunications license. Therefore, the Company still has some additional time to carefully consider an investment in the satellite project with orbit slot at 78.5 degrees East.

With regard to the 120 degrees East orbital slot, this is a satellite in the orbital slot that is the primary right of use of satellite orbital slots and would require coordination with regard to the frequency until a conclusion is reached. Therefore, the feasibility of satellite investment with orbit slots at 78.5 degrees East will be determined once a conclusion has been reached and proposed to the NBTC. Thus, the Company does not have a current plan to build a satellite for that particular orbital slot.

In this regard, the Board of Directors resolved that STI to proceed with the construction of the satellites for the satellite project with orbital slot at 119.5 degrees East as a priority. The investment in the satellite project this time is comprised of the investment for the construction of the satellite project with orbital slot at 119.5 degrees East and the license fees for the orbital slots. This project will come to a total investment budget of no more than 15,203 million Baht (excluding VAT), made up of (a) 797.43 million Baht in license fees for the orbital slots at 119.5 degrees East, 120 degrees East, and 78.5 degrees East;

and (b) 433.5 million dollars, or 14,405.21 million Baht¹, as investment costs for the satellites project for the 119.5 degrees East, for launching of the satellites into the orbit in order to maintain its license for that location, and for building a telemetry, tracking, command, and monitoring (TTC&M) and a traffic management station (Gateway Station) and other relevant costs (hereinafter referred to as the “**Satellite Project**”).

The Company will comply with the Class Transaction Notification if it makes any investments in the satellite projects for the orbital slots at 120 degrees East and 78.5 degrees East in the future.

This investment in the Satellite Project constitutes an asset acquisition transaction as defined by the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposal of Assets B.E. 2547 (2004) (including any amendments thereto) and the Notification of the Capital Market Supervisory Board No. TorChor.20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (the “**Notifications on Acquisition or Disposal of Assets**”). The maximum size of the transaction is 102.4% based on the total value of consideration paid or received calculated against the total assets of the Company and its subsidiaries as of the audited consolidated financial statements of the Company for the year ending 31 December 2022². By these calculations, the Company’s investment in the Satellite Project meets the criteria for “Asset Acquisition Transaction Type 4”³ under the Notifications on Acquisition or Disposition of Assets, and as such, the Company is required to notify the Stock Exchange of Thailand of the proposed investment, call a shareholders' meeting to obtain shareholder approval of the proposed investment, and secure the services of an independent financial advisor to offer opinions on the proposed transaction.

The details of this investment in the Satellite Project appear in Information Memorandum regarding the Investment in the Satellite Project which is considered as the Company’s Acquisition of Assets (**Enclosure 2**).

Opinion of the Board of Directors: The Board of Directors approved the investment in the Satellite Project and propose to present to the Annual General Meeting of Shareholders No. 1/2023 to approve Space Tech Innovation

¹ For reference and consideration of the shareholders, the exchange rate which the Company used in this this document is an average foreign exchange rate used by Bank of Thailand. The average foreign exchange rate as of 18 January 2023 is 33.23 Baht per 1 dollar.

² In the six months prior to its participation in the Orbital Slot Auction, the Company did not engage in any asset acquisition transactions.

³ While the Company’s investment in the Satellite Project meets the criteria for “Asset Acquisition Transaction Type 4”, the Company is not required to apply for the relisting of securities under the Notifications on Acquisition or Disposal of Assets because: (1) the acquired business is similar to and complements the business of the Company; (2) the Company does not have a policy to materially change its core business; (3) the group company, as a result of the acquisition of the project, remains qualified for listing on the SET; and (4) there will be no significant change to the Board of Directors of the Company and the control or the major shareholders having the control over the group companies.

Company Limited which is one of the subsidiaries of the Company investing in such Satellite Project. The Board of Directors views that the 119.5 degrees East orbit and the 78.5 degrees East orbit are the original orbital slots, from which the Company has operated under both concessionary and licensing models, which are also the expertise of the Company. At present, Thaicom 4 serves in the 119.5 degrees East orbit and Thaicom 6 and Thaicom 8 serve in the 78.5 degrees East orbit, respectively.

Since the Thaicom 4 satellite is expected to reach the end of its engineering utilization period around 2024 (based on engineering assessment data), the investment in the Satellite Project is necessary to guarantee the profitability and continuity of the Company's business operations. In addition, the investment being proposed, will ensure business continuity, and generate long-term benefits to both the Company and its shareholders, by enhancing its ability to compete and providing strategic benefits to other group companies in the future.

As the Satellite Project would be a long-term investment, the Board of Directors has also proposed to the shareholders' meeting to consider and approve the delegation of the Board of Directors and/or any other individuals as the Board of Directors may designate as authorized persons to have the authority in relation to the investment in the Satellite Project, including any revisions of the investment plan and/or conditions or any other details, as well as to negotiate, agree, determine, and change of any details, terms and conditions in any documents or agreements pertaining to the Satellite Project and the performance of any and all activities related thereto, provided that the exercise of all powers must be within the scope of authority approved by the shareholders' meeting and in the best interests of the Company.

Agenda Item 13 Other matters (if any);

As the Company provided an opportunity to its shareholders to propose any agenda items and to nominate candidates for election as Directors in advance prior to the 2023 Annual General Meeting of Shareholder from 1 October 2022 to 31 December 2022, which is in pursuant to the good corporate governance regarding the equitable treatment of shareholders. The period for proposing was ended and that there was no shareholder propose any agenda items for the AGM and also that there was no candidate nomination for the Company's Board of Directors.

Moreover, The Board of Directors has authorized the Chief Executive Officer or the Company Secretary, under the limitation of law, to amend the date, time, method, and place of abovementioned shareholders' meeting if either one of them deems it necessary.

Thaicom will publish the 2023 AGM Invitation letter and its related documents on Thaicom's Website at www.thaicom.net. The notice will also be sent to the shareholders by post.



Yours sincerely,

-Signed-

(Mr. Salil Charuchinda)
Senior Vice President - General Counsel and Company Secretary

- Translation -

Notification
Thaicom Public company Limited
Subject “The prohibition of acts that appear to be dominated by Foreigner”
B.E. 2556

The National Broadcasting and Telecommunications Commission (NBTC) established the Notification Subject: The prohibition of acts that appear to be dominated by Foreigner B.E. 2555 (the Notification) applies for Telecom licensee who operates a telecommunications network with its own and for Telecom licensee that shall be prohibited by the rules, criteria and procedures set forth in this notification with the approval of Shareholders Meeting.

With the approval of the 2013 Annual General Meeting of Shareholders on 28 March 2013, Thaicom Public company Limited defined “The prohibition of acts that appear to be dominated by Foreigner” to ensure that no business takeover by foreigners which listed the prohibitions as below:

1. Do not dominate by Foreigner or agent by holding shares, whether direct or indirect for avoidable to this Notification; or
2. Do not dominate by holding shares by own Foreigner or agent provided that the said shares have the privilege more than actual shares held in voting in shareholders meeting or shares held by Thai shareholders; or
3. Do not dominate by Foreigner who has authority, control or influence, whether direct or indirect to regulate the policy, the management, operation, and appointment of directors or top executive Top executive means Chairman of the Board of Directors, Managing Director, director, Chief Finance Officer, Head of purchasing function or any other person who has authority of influence on the management or operation of telecommunication of THAICOM Public Limited Company; or
4. Do not dominate by legal binding with source of fund or loan from Foreigner or affiliate such as loan guarantee, offering interest rate that lower that market rat, business risk insurance or granting credit in discriminatory manner; or
5. Do not dominate by the Intellectual Property Contract or the Franchise Contract or the exclusive rights contract made with Foreigner or affiliate on consequence of transfer of expense and benefit to Foreigner; or
6. Do not dominate by purchasing contract or employment contract in management made with Foreigner or affiliate or employee or staff of Foreigner or affiliate on consequence of transfer of expense and benefit to Foreigner; or
7. Do not dominate by Joint Venture with Foreigner or affiliate by sharing the operating costs on consequence of transfer of expense and benefit to Foreigner; or
8. Do not dominate by transaction of pricing transfer or pricing collusion with Foreigner or affiliate.

This Notification is effective from 28 March 2013.

**Information Memorandum regarding the Investment in the Satellite Project which is
Considered as the Company's Acquisition of Assets.**

The Board of Directors has approved an investment in a satellite project by Space Tech Innovation Company Limited (“STI”), which is the Company’s wholly-owned subsidiary through the acquisition of the orbital slots licenses of 119.5 degrees East, 120 degrees East and 78.5 degrees East. The National Broadcasting and Telecommunications Commission (“NBTC”) declared STI as the successful bidder. The construction of the satellites for the orbital slot of 119.5 degrees East must be completed before the end of the utilization period of Thaicom 4 satellite (for which the Company has been used for its services) (according to engineering estimate, the engineering utilization period of Thaicom 4 is expected to end in the year 2024). This is to ensure that the Company can continuously provide its services to the customer. As a result, the Board of Directors has approved STI to invest in the construction of the satellites for the orbital slot of 119.5 degrees East before others.

As to the 78.5 degrees East orbital slot, within three years after acquiring the orbital slot and Type 3 telecommunications license, STI would need to launch a satellite into 78.5 degrees East orbit in order to maintain the complete operating rights in that satellite orbital position of 78.5 degrees East orbit, allowing the Company to have some additional time to carefully consider an investment in the satellite project at the orbital slot of 78.5 degrees East. In relation to the 120 degrees East orbital slot, its satellite network filing that is still the primary right of use and would require further frequency coordination. The feasibility of a satellite production will be determined once frequency coordination has been concluded and presented to the NBTC. As a result, there are currently no plans for the Company to construct a satellite in those orbital slots.

Thus, the Board of Directors has approved STI to invest in the satellites for the orbital slot of 119.5 degrees East as a priority. The project comprises of the investment for the construction of the satellite for the orbital slot of 119.5 degrees East and the license fees for all of the orbital slots. This project will come to a total investment budget of no more than 15,203 million Baht (excluding VAT), made up of (a) 797.43 million Baht as license fees for orbital slots at 119.5 degrees East, 120 degrees East, and 78.5 degrees East; and (b) 433.5 million dollars, or 14,405.21 million Baht⁴, as investment costs for the satellites for the orbital slot of the 119.5 degrees East, for launching of the satellites into the orbit in order to maintain the orbital slot license for that slot, and for building a telemetry, tracking, command, and monitoring (TTC&M) and a traffic management station (Gateway Station) and other relevant costs (hereinafter referred to as the “**Satellite Project**”).

In respect of any investment for orbital slot of 78.5 degrees East and 120 degrees East in the future, the Company will comply with the relevant notification on the acquisition or disposal of assets.

⁴ For reference and consideration of the shareholders, the exchange rate which the Company used in this this document is an average foreign exchange rate used by Bank of Thailand. The average foreign exchange rate as of 18 January 2023 is 33.23 Baht per 1 dollar.

The investment in the Satellite Project constitutes an asset acquisition transaction as defined by the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposal of Assets B.E. 2547 (2004) (including any amendments thereto) and the Notification of the Capital Market Supervisory Board No. TorChor.20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (the “**Notifications on Acquisition or Disposal of Assets**”). The maximum size of the transaction is 102.4 percent based on the total value of consideration paid or received calculated against the total assets of the Company and its subsidiaries as of the audited consolidated financial statements of the Company for the year ending 31 December 2022⁵. By these calculations, the Company’s investment in the Satellite Project meets the criteria for “Asset Acquisition Transaction Type 4”⁶ under the Notifications on Acquisition or Disposition of Assets, and as such the Company is required to:

- (1) disclose the Information Memorandum in relation to the investment in the Satellite Project to the Stock Exchange of Thailand (“**SET**”).
- (2) hold a shareholders’ meeting to seek the shareholders’ approval of the investment in the Satellite Project and all other related matters.
- (3) arrange to have the services of an independent financial advisor to provide opinions on the investment in the Satellite Project.

The following provides a comprehensive overview of the Satellite Project.

1. **Date of the transaction**

On 18 January 2023, STI (a subsidiary of the Company that the Company holds 100 percent of the issued shares) received official notification from NBTC that it was a successful bidder of the license for the orbital slots at 119.5 degrees East, 120 degrees East, and 78.5 degrees East.

On 10 February 2023, the Board of Directors approved STI to invest in the Satellite Project by the acquisition of a license of the orbital slots at 119.5 degrees East, 120 degrees East and 78.5 degrees East, and to construct the satellites for orbital slot at 119.5 degrees East as well as launching of the satellites into the orbit in order to maintain its license for that location, and the construction of a telemetry, tracking, command, and monitoring (TTC&M) and a traffic management station (Gateway Station) or any relevant matter.

⁵ In the six months prior to its participation in the Orbital Slot Auction, the Company did not engage in any asset acquisition transactions.

⁶ While the Company’s investment in the Satellite Project meets the criteria for “Asset Acquisition Transaction Type 4”, the Company is not required to apply for the relisting of securities under the Notifications on Acquisition or Disposal of Assets because: (1) the acquired business is similar to and complements the business of the Company; (2) the Company does not have a policy to materially change its core business; (3) the group company, as a result of the acquisition of the project, remains qualified for listing on the SET; and (4) there will be no significant change to the Board of Directors of the Company and the control or the major shareholders having the control over the group companies.

The investment in the Satellite Project will not be made possible unless the Company receives approval from the shareholders' meeting of the Company by a vote of at least three-quarters of the total number of votes cast by shareholders with the right to vote, excluding those with a conflict of interest. Please note that no shareholder has any potential conflict of interest in this matter.

2. **Related parties and their relationship with the Company**

Following the approval from the shareholders' meeting, the Company and STI will proceed with the procurement process of bidding from industry-leading satellite manufacturers for the production of satellites, the launch of satellites into orbit, and the construction of a telemetry, tracking, command, and monitoring (TTC&M), and prepare for the procurement and the process of soliciting separate bids for the Traffic Management or Gateway Station in accordance with STI's internal procedures and regulations.

Preliminarily, at this point, the Company is working under the assumption that none of the parties involved in the project's procurement are connected persons of the Company in any way. However, should the parties involved be connected persons of the Company during the course of the implementation of the Satellite Project, the Company will comply with the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003).

3. **Details about the transaction's nature and size**

3.1 Nature of the Transaction

STI received official notification from NBTC that STI was a successful bidder for the license for the orbital slots at 119.5 degrees East, 120 degrees East, and 78.5 degrees East. With this license, STI is required to comply with all license conditions, where one of the main conditions is the licensee to launch satellites into orbit within three years after obtaining the license in order to maintain the complete operating rights in the satellite orbital slots. (Other license conditions are outlined in Clause 4 - details of the acquired assets, as shown below.)

On 10 February 2023, the Board of Directors of the Company approved the key matters in relation to the Satellite Project as follows:

- (1) The payment of approximately 797.43 million Baht for the orbital slot license at 119.5 degrees East, 120 degrees East, and 78.5 degrees East (excluding VAT).
- (2) The investment of the satellites in the orbit of 119.5 degrees East, including the subsequent launch of the satellites into space in order to maintain the complete operating rights in that satellite orbital slot, as well as the construction of the Telemetry, Tracking, Command and Monitoring (TTC&M) and Traffic Management or Gateway Station by STI, all of which call for a total investment of up to 433.5 million dollars, or approximately

14,405.21 million Baht (excluding VAT) (hereinafter referred to as the “**Investment in the 119.5 Degrees East Orbit Satellite Project**”).

3.2 Size of the Transaction

The major investment in the Satellite Project comprises of the following investment:

- License fees for satellite orbital slots at 119.5 degrees East, 120 degrees East, and 78.5 degrees East, totaling 797.43 million Baht (excluding VAT).
- Costs associated with the Investment in the 119.5 Degrees East Orbit Satellite Project and other relevant cost, totaling 433.5 million dollars or approximately 14,405.21 million Baht (excluding VAT).

In total, this maximum investment amounts would not exceed approximately 15,203 million Baht (excluding VAT).

The maximum size of the Satellite Project is 102.4 percent based on the total value of consideration paid or received calculated against the total assets of the Company and its subsidiaries as of the audited consolidated financial statements of the Company for the year ending 31 December 2022⁷. The following are the details of the formulas used to determine the size of the Satellite Project :

(a) Value of Net Tangible Assets:

This formula does not apply because the assets being acquired do not constitute an acquisition of securities of other companies.

(b) Net Operating Profits:

This formula does not apply because the assets being acquired do not constitute an acquisition of securities of other companies.

(c) Total value of Consideration:

The total value of consideration paid

Total assets of the Company and its subsidiaries

15,203.00/14,850.28 x 100

Approximately 102.4 percent

(d) Value of Securities Issued for the Payment of Assets:

⁷ In the six months prior to its participation in the Orbital Slot Auction, the Company did not engage in any asset acquisition transactions.

This formula cannot be used because no new securities are being issued for the purchase of the targeted assets.

As a result, a total transaction size of the Satellite Project is 102.4 percent which is categorized as "Asset Acquisition Transaction Type 4".

4. If, for reasons beyond the control of STI, the cost to complete the Investment in the 119.5 Degrees East Orbit Satellite Project exceeds the approved budget such as in the case of a delay in the contractor's work delivery, or a work delivery that falls short of technical specifications and necessitates rectification, or due to fluctuations in exchange rates, etc., the Company will comply with the rules governing the acquisition or disposition of assets by listed companies.

4.1 License

STI will obtain the following licenses:

4.1.1 Orbital slot licenses at 119.5 degrees East, 120 degrees East, and 78.5 degrees East ("**Orbital Slot License**")

4.1.2 Type 3 Telecommunications License.

The foregoing licenses will each have a 20-year license period.

Prior to the application of the relevant application for the licenses, STI must proceed with the following, within 90 days upon receipt of the successful bidder notification:

- (a) pay for the first installment for the Investment in the satellite operations at 119.5 degrees East, 120 degrees East, and 78.5 degrees East, totaling approximately 79.74 million Baht.
- (b) delivery of a letter of guarantee from a financial institution to guarantee the payment of the remaining license fees; and
- (c) deposit the collateral to preserve the right to use orbital slots in a form of a letter of guarantee from a financial institution in the amount of 5 percent of the total value of the satellite investments.

In addition, NBTC has specified the material conditions and usage restrictions under the relevant licenses as follows:

- (1) License to operate a satellite orbiting at 78.5 degrees East.
 - (a) STI has three years to complete the use of frequency under the satellite network filings which is the complete operating rights and is required to continue using this spectrum in accordance with the International Telecommunication Union Radio Regulations.

- (b) The satellite network filings cannot operate in a manner that disrupts the frequency used by the currently active Thaicom 6 and Thaicom 8 until the end of their engineering utilization period.
- (2) License to operate satellites orbiting at 119.5 degrees East and 120 degrees East.
 - (a) The satellite network filings would be able to use after the engineering utilization period of Thaicom 4 concludes, or as otherwise specified by the NBTC.
 - (b) The satellite network filings cannot operate in a way that interferes with the frequency bands used by the currently operational Thaicom 4 until the end of its engineering utilization period.
 - (c) STI is responsible for a preparation of a user protection plan that provides services to accommodate the original licensee's users who wish to continue using the service in order to ensure that Thaicom 4's users continue to receive uninterrupted service after the original license expires.
 - (d) STI must allow state agencies to negotiate additional use within 90 days from the date that the NBTC announces the successful bidder and the Cost Plus method must be adopted for negotiation to acquire such additional capacities.
 - (e) If the state's need to use channels for the state's benefit exceeds 400 Mbps or 1 transponder, STI must permit state agencies to establish a traffic management station only for the specific parts which are under the responsibility of such state agencies.

Furthermore, the NBTC's Notification on Criteria and Procedures to License of Satellites Slot Package B.E. 2565 (2022) imposes significant responsibilities on STI as follows:

- (a) At the request of the state, STI must make available to the state, at no cost, the channels of its satellites for state use and public services in each satellite orbital slot, with a capacity of not less than 400 Mbps for high-capacity communication satellites, or not less than 1 transponder (36 MHz in the C band or 24 MHz in the Ku or Ka band) for conventional communication satellites.
- (b) STI is required to set up a telemetry, tracking, command and monitoring (TTC&M) and a traffic management station or gateway station in Thailand and must comply with Thai law governing radio communications in order to legally operate them.
- (c) STI is obliged to pay the following fees and charges:
 - (1) Orbital slot license fee paid for each issued orbital slot license on an annual basis at a rate of 0.25 percent of gross revenues from satellite operations.
 - (2) Type-3 telecommunications license fee and telecommunications service revenues to be contributed to the Broadcasting and Telecommunications

Research and Development Fund for Public Interest, in the total amount equal to 4 percent of the gross revenues from satellite operations.

- (3) Payments for charges that are levied by the International Telecommunication Union by the due dates specified by the International Telecommunication Union.
- (d) STI shall in all respects be under Thai law (exclusive jurisdiction) and must comply with national security laws, data privacy protection laws, including cyber security laws, and any other regulations deemed appropriate and necessary, as well as applicable international laws.
- (e) STI must be liable to indemnify the government in the event of damage, as well as fulfill certain obligations related to the administration of a space object as defined by international agreements.

4.2 The 119.5 Degrees East Orbit Satellite Project

Initially, the Company has a plan to procure three satellites in the orbit of 119.5 degrees East (according to the necessity and appropriateness), as follows:

4.2.1 The construction of the small and large satellites and the launch the satellites into the orbit as well as the construction of Telemetry, Tracking, Command and Monitoring (TTC&M) with the total investment value of 356.9 million dollars or 12,279 million Baht to cover the region of Southeast Asia, South Asia, Thailand, and India to respond the soaring demand at present and in the future. The Company plans to construct two small satellites with the total construction value of 65.6 million dollars or 2,181 million Baht per one satellite. The duration of construction will be approximately 2 years. The satellite is expected to commence its operation in 2025 and will operate for approximately 8 years. For the large satellite (100 Gbps), it is expected to have a total value of approximately 238.3 million dollars or 7,817 million Baht with approximately 4 years to complete the construction. The satellite is expected to commence its operation in the third quarter of 2025 and will operate for approximately 15-16 years.

4.2.2 The construction of traffic management station or gateway station including any relevant cost having total investment value of 64 million dollars or approximately 2,127 million Baht.

For the maintenance of the existing customers and the continuity of the service provided under the 119.5 degrees East orbit, the Company may consider proceed the project with the small satellite first so that the service can be continuously provided in accordance with the engineering utilization period of Thaicom 4. The large satellite may also be operated concurrently in order to attract more customers and keep up with the escalating demand for satellite services in Southeast Asia and South Asia.

Upon receipt of approval from the shareholders' meeting, STI will commence the Investment in the 119.5 Degrees East Orbit Satellite Project, with the service expected to be available to domestic and international customers in 2025.

5. Total value of consideration paid

5.1 Orbital Slot License

STI is the successful bidder for a license of orbital slots at a total cost of 797.43 million Baht (excluding VAT) with the following payment terms:

- (1) The initial payment is 10 percent of the license fees, and a letter of guarantee from a financial institution is required to guarantee the payment of the remaining license fees, which must be paid and submitted within ninety days of receiving the award notice from the NBTC.
- (2) The second installment consists of a payment of 40 percent of the license fees and the submission of a letter of guarantee from a financial institution guaranteeing payment of the remaining license fees within four years of receiving the license.
- (3) The third payment is to be made in the amount of 50 percent of the total license fees within six years of the date that the license was received.

5.2 The 119.5 Degrees East Orbit Satellite Project

The Investment in the 119.5 Degrees East Orbit Satellite Project will have an investment value of not exceeding 433.5 million dollars or approximately 14,405.21 million Baht (excluding VAT).

6. The value of the acquired assets

6.1 Orbital Slot License

The Orbital Slot License value is determined by bidding procedure as specified by the NBTC.

The license will become effective once STI receives the Orbital Slot License and the Type-3 telecommunications license, both of which are anticipated to be granted during the second quarter of 2023. The license will be valid for 20 years and expire in the second quarter of 2043.

6.2 The 119.5 Degrees East Orbit Satellite Project

There is a reasonable expectation that the value of the asset acquired will be close to the total value of the consideration paid as outlined in Clause 5.2 above. However, the total amount of the Investment in the 119.5 Degree East Orbit Satellite Project may not be able to be recorded as a capital expenditure. Consequently, the value of the asset obtained through the Investment in the 119.5 Degree East Orbit Satellite

Project may be adjusted in accordance with the relevant regulations and standards of accounting.

7. Criteria used to determine the value of consideration paid

7.1 Orbital Slot License

The Orbital Slot License value is determined by bidding procedure as specified by the NBTC.

7.2 The 119.5 Degrees East Orbit Satellite Project.

The Investment in the 119.5 Degrees East Orbit Satellite Project will have an investment value of not exceeding 433.5 million dollars or approximately 4,405.21 million Baht (excluding VAT), which is derived from the initial proposal from industry-leading satellite manufacturers. The costs of designing, building, and launching satellites into an orbit of 119.5 degrees East, and building the necessary telemetry, tracking, command, and monitoring (TTC&M) infrastructure, as well as the cost of the traffic management or gateway station as estimated by the Company's engineering experts.

8. Potential gains for the business

The obtaining of the Orbital Slot License is considered as an important strategy for business operation of the Company.

With the purchase of the Orbital Slot License, the Company has made what it considers to be a strategically important business decision. This ensures that the Group can keep serving its domestic and international clientele and continue to earn their trust. The Company can also maintain the current subscriber base using satellites orbiting at 119.5 degrees East. In addition, it would strengthen investors' confidence and create additional value and benefits to the Company's shareholders over the long term.

9. Source of funds

For the investment in the Satellite Project and funding for the payment of the Orbital Slot License according to the above plans, the Company and STI expect to use the source of funds by securing loan agreements from financial institutions, approximately 65 – 85 percent of the total investment value. The remaining satellites' construction costs and any applicable license fees are anticipated to be covered by the proceeds from a capital increase by the Company and operating cash flow from the operation of STI. According to consolidated financial statements ending 31 December 2022, as at the year-end of 2565, the Company has cash, cash equivalents, and temporary investment of 5,848.18 million Baht in total, and also has unused loan amount of approximately 4,000 million Baht in total, which are sufficient for investment in the Satellite Project.

10. The proposed transaction is subject to the following conditions:

When the fees for the Orbital Slot License are factored in, along with the initial investment in the construction of the satellite project, the acquisition of the assets will have a total transaction size of 102.4 percent. According to the rules that govern the acquisition or disposition of assets by listed companies, this constitutes a type 4 transaction. As a consequence of this, the Company is obliged to carry out the activities listed below.

- (1) disclose the Information Memorandum in relation to the investment in the Satellite Project to the SET.
- (2) hold a shareholders' meeting to seek the shareholders' approval of the investment in the Satellite Project and all other related matters.
- (3) arrange to have the services of an independent financial advisor to provide opinions on the investment in the Satellite Project.

11. Opinion of the Board of Directors in regard to the proposed transaction agreement

The Board of Directors approved the investment in the Satellite Project and propose to present to the Annual General Meeting of Shareholders No. 1/2023 to approve STI investing in the Satellite Project. The Board of Directors views that the 119.5 degrees East orbit and the 78.5 degrees East orbit are the original orbital slots, from which the Company has operated under both concessionary and licensing models, which are also the expertise of the Company. At present, Thaicom 4 serves in the 119.5 degrees East orbit and Thaicom 6 and Thaicom 8 serve in the 78.5 degrees East orbit, respectively. Since the Thaicom 4 satellite is expected to reach the end of its engineering life around 2024 (based on engineering assessment data), the investment in the Satellite Project is necessary to guarantee the profitability and continuity of the Company's business operations. In addition, the investment being proposed, will ensure business continuity and generate long-term benefits to both the Company and its shareholders, by enhancing its ability to compete and provides strategic benefits to other group companies in the future.

As the Satellite Project would be a long-term investment, the Board of Directors has also proposed to the shareholders' meeting to consider and approve the delegation of the Board of Directors and/or any other individuals as the Board of Directors may designate as authorized persons to have the authority in relation to the investment in the Satellite Project, including any revisions of the investment plan and/or conditions or any other details, as well as to negotiate, agree, determine, and change of any details, terms and conditions in any documents or agreements pertaining to the Satellite Project and the performance of any and all activities related thereto, provided that the exercise of all powers must be within the scope of authority approved by the shareholders' meeting and in the best interests of the Company.

12. Opinions of the Audit Committee and/or Company directors that diverge from those of the Board of Directors.

None