



Ref. VP200803

August 4, 2020

Subject: Business restructuring by transferring assets to a joint venture

Attention: The President, The Stock Exchange of Thailand

The Board of Directors of ALT Telecom Public Company Limited (the "Company" or "ALT") at its meeting, No. 3/2020 on May 12, 2020 has adopted the resolutions of business restructuring to expand the business base and increase opportunities for future growth by transferring 2 optical fiber networks to Smart Infranet Company Limited ("SIC"), a joint venture between ALT and Ratch Group Public Company Limited ("RATCH"), the proportion of shareholding between ALT and RATCH is 49% and 51% respectively. Those transferred networks consisted of 1) The fiber networks and micro ducts through the Metropolitan Electricity Authority's underground pipelines on 3 road namely Sukhumvit Road, Phaholyothin - Pradipat Road and Phayathai Road and 2) The fiber network along the railways and highways covers all regions throughout the country (Collectively call both network as the "Transferred Assets"). The Company's Board of Directors has authorized the President to negotiate, agree, asking for permission and take any actions to achieve the assets transfer and business restructuring under the approval frame.

Now the Company has completed the transfer of assets and restructuring of the business. The value of transaction was THB 530,868,730 (VAT included). The size of the transaction was considered on the third party shareholding portion 51% in the buyer company compared to total assets value of the Company as at March 31, 2020 was 8.2 %. Therefore, the transaction will not be complied to disclose as the Notification of the Capital Market Supervisory Board No. Tor Chor. 20/2008 Re: Rules on entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and the Notification of the Board of Governors of the Stock Exchange of Thailand (Bor.Jor./Por. 21-01) Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposal of Asset, 2004.

Nevertheless, for the benefit of investors to know the company's strategic progress. Therefore, it is appropriate to disclose the said information for acknowledgment.

Respectfully Yours,

A handwritten signature in blue ink, appearing to read 'Somboon Setsuntipong'.

Somboon Setsuntipong

VP – Finance & Accounting

ALT Telecom Public Company Limited  
52/1 Moo 5, Bangkruay-Sainoi Rd., Bangsithong,  
Bangkruay, Nonthaburi 11130 Thailand.

Tel : +66 2863 8999  
Fax : +66 2886 3364,  
+66 2886 3084,

[www.alt.co.th](http://www.alt.co.th)

## Information regarding Transferred Assets of ALT Telecom Public Company Limited

### 1. Transaction Date

- Assets transferring June 30, 2020
- The completion of payment August 3, 2020

### 2. Parties involved

**Seller** ALT Telecom Public Company Limited ("ALT")

**Buyer** Smart Infranet Company Limited ("SIC"), a joint venture between ALT and Ratch Group Public Company Limited ("RATCH"), the proportion of shareholding between ALT and RATCH is 49% and 51% respectively.

This transaction is not classified as connected transactions under the Notification of the Capital Market Supervisory Board No.Tor.Chor. 21/2551 Re: Rules on Entering into Related Parties Transactions, and the Notification of the Board of Governors of the Stock Exchange of Thailand (Bor.Jor./Por. 22-01) Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, 2003.

### 3. Type and characteristics of the transaction

The transaction was the assets disposal in 2 projects as followings:

Project	Value (THB) (VAT included)
1. The fiber networks and micro ducts through the Metropolitan Electricity Authority's underground pipelines on 3 road namely, Phaholyothin - Pradipat Road, Phayathai Road and Sukhumvit Road	29,721,390
2. The fiber network along the railways and highways covers all regions throughout the country	501,147,340
Total	530,868,730

### 4. Size of the Transaction

The Company agreed to dispose the Transferred Assets in the value of THB 530,868,730 (VAT included). The size of the transaction was considered on the third party shareholding portion 51% in the buyer company compared to total assets value of the Company as at March 31, 2020 was 8.2 %. Therefore, the transaction will not be complied to disclose as the Notification of the Capital Market Supervisory Board No. Tor Chor. 20/2008 Re: Rules on entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and the Notification of the Board of Governors of the Stock Exchange of Thailand (Bor.Jor./Por. 21-01) Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposal of Asset, 2004.

## 5. Details of assets disposed

- 1) The fiber networks and micro ducts through the Metropolitan Electricity Authority's underground pipelines on 3 road namely, Phaholyothin - Pradipat Road, Phayathai Road and Sukhumvit Road.

Road	Primary tubes in microduct							Optical fiber cable				
	Outbound			Inbound			Building Connect		Total distance (km.)	No of Cable	Cable size (Cores)	Total distance (km.)
	Distance (km.)	No. of tubes		Distance (km.)	No. of tubes		Distance (km.)	No. of tubes				
		12/8*	14/10*		12/8*	14/10*			8/6*			
Phaholyothin - Pradipat	10.93	4	2	6.57	4	3			111.541	1	72	20.22
Phayathai	2.70	4	4	2.83	4	4			44.232	1	72	6.29
Sukhumvit	11.91	2	1	8.91	2	1			62.463	1	72	25.49
Sukhumvit - building connect							5.176	2	10.352	1	12	0.50
<b>Total</b>	<b>25.54</b>			<b>18.30</b>			<b>5.176</b>		<b>228.588</b>			<b>52.49</b>

\* Outer/inner diameter of primary tubes - mm.

The are 2 sizes of primary tubes 12/8 mm. and 14/10 mm. for wiring cables sizing 72 cores and 144 cores respectively.

- 2) The fiber network along the railways and highways covers all regions throughout the country.

Cable size is the number of fiber cores, maximum at origin about 120 cores, then decreases with the distance spread. The minimum size in the destination range is 12 - 24 cores, according to the projected demand of customers in the area.

Route	Distance (km.)
<b>Highway</b>	
1 Tapanhin - Wangkrod	26
2 Chiangmai Station- Maekorn	189
3 Maekorn - Chiangkhong	111
4 Maekorn - Taekhelek	68
5 Udon Thani Station - Nakornphanom	255
6 Padang Besar Station - Gangloan	20
7 Nakornphanom - Ubon Ratchathani	461
8 Chiangkhong - Maesai	107
9 Photharam - Baan Punamron	90
10 Wang Namyen Station - Baan Punamro	36
11 Pisanulok Satation - Maesod	72
12 Other route	119
13 Other route	79
14 Other route	44
<b>Total highway route distance</b>	<b>1,676</b>

Route	Distance (km.)
<b>Railway</b>	
1 Bangkok - Chiangmai	695
2 Chitralada - Aranyapathet	262
3 Jira Junction - Nongkhai	367
4 Bang Sue Junction - Sungai Kolok	1,199
5 Ban Phachi - Ubon Ratchathani junction	503
6 Chachoengsao Junction - Ban Phlu Ta Luang	127
7 Hat Yai - Padang Besar junction	46
8 Nong Pladuk Junction - Tha Kilen	102
9 Bangkok - Yomarat	2
10 Chatuchak - Ban Phachi junction	83
<b>Total railway route distance</b>	<b>3,386</b>

<b>Total distance</b>	<b>5,062</b>
-----------------------	--------------

## 6. Total Value of Consideration

The total of assets disposed in both projects totaling to THB 530,868,730 (VAT included). The payment was divided into 2 parts as follows:

- Part 1 : Payment by cash in the amount of THB 261,858,730.
- Part 2 : Payment by Issuance of 26,901,000 ordinary shares of SIC with par price of THB 10 per share, totaling THB 269,010,000.

On the disclosure date, all payment has been done completely.

SIC's capital structure before and after the purchase of Project Assets Summarized as follows

	No. of Shares			Par Price	Registered capital		
	Total 100%	RATCH 51%	ALT 49%		Total 100%	RATCH 51%	ALT 49%
Capital before buying assets	100,000	51,000	49,000	10	1,000,000	510,000	490,000
Additional capital for purchase Assets	54,900,000	27,999,000	26,901,000	10	549,000,000	279,990,000	269,010,000
New registered capital after capital increased	55,000,000	28,050,000	26,950,000	10	550,000,000	280,500,000	269,500,000

## 7. The value of assets disposal

The total value of consideration was THB 530,868,730 (VAT included)

## 8. Basis used to determine the value of consideration

Price agreed between the seller (ALT) and the buyer (SIC) under the approval of the shareholders of the buyer, (ALT and RATCH) with reference to the initial acquisition cost value with no deduction of depreciation.

## 9. Expected Benefits for the Company

The transferred assets of both projects to SIC, a joint venture between ALT and RATCH, The benefit that the Company will gain are as follows:

### 9.1 Business and marketing

It will assist to expand the customer base from the current segment, which limited to mobile operators and internet service providers to the new customer of power business. In the near future, the communication and power business will tend to be more related and complementary.

### 9.2 Financial

The Joint Venture, SIC, which RATCH is the strategic shareholder, the financial position will be strengthened, and provide more readiness for the future business expansion.

The direction of urban development and the way of life of the people in current society have a more tendency to relate with communication technology, such as the development of cities to the smart city, the devices are connected to each other via wireless, called Internet of Things (IOT). Also, the development of Power Smart Grid for both production and consumption. These incoming developments have to rely on the optical fiber network, which is the infrastructure of communication. In the short term, almost every business sector will inevitably be affected by the disruption, including ALT as well. The business restructuring is the company's main strategy that will support to overcome the obstacles and ready to move forward continuously to sustainable growth.

**10. Plan to use the proceeds from the sale of assets**

To use for working capital for the normal operation.

**11. Necessary conditions that must be performed before the asset is disposed**

SIC have to obtain a Type 3 License of Telecommunications Business from The National Broadcasting and Telecommunications Commission (NBTC) and has been assigned the rights or permission to use the area from the relevant government agencies, which currently all has been completed.

**12. The opinion of the board of directors regarding the transaction**

Approved to proceed

**13. The opinions of the Audit Committee or the directors that are different from the opinions of the Board of Directors**

None -

---