

**Information Memorandum on the Disposal of Assets in relation to
the Entire Business Transfer of C.P. Retail Holding Company Limited
to Siam Makro Public Company Limited**

Pursuant to Annex (2)

1 Annex (1)

The meeting of the Board of Directors No. 6/2021 of CP All Public Company Limited (the “**Company**” or “**CPALL**”), which was held on 31 August 2021, resolved to approve the disposal of assets in relation to the entire business transfer of C.P. Retail Holding Company Limited (“**CPRH**”), an affiliate in which the Company holds shares representing 40.00 percent of the total registered capital of CPRH, to Siam Makro Public Company Limited (“**Makro**”) with the total value of THB 87,179,628,900 (by considering the shareholding proportion of the Company in CPRH at 40.00 percent). CPRH will receive up to 5,010,323,500 newly issued ordinary shares in Makro with a par value of THB 0.50 each at the offering price of THB 43.50 per share, totalling THB 217,949,072,250, as consideration for the entire business transfer of CPRH as payment in kind, instead of in cash. Makro will accept the transfer of the entire business of CPRH, including all assets, debts, rights, obligations and liabilities of CPRH existing at present and in the future as at the entire business transfer date (the “**EBT Date**”). CPRH will proceed to register its dissolution within 2021 which is within the same fiscal year in which the entire business transfer of CPRH takes place. Following the registration of dissolution, all remaining assets of CPRH, including shares in Makro which CPRH will receive as consideration for the entire business transfer, will be delivered to the CPRH Shareholders in proportion to their respective shareholding as part of the liquidation process of CPRH (the “**Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction**”). The Board of Directors resolved to approve that the matter be proposed to the Extraordinary General Meeting of Shareholders for further consideration and approval and resolved to approve the entering into in the entire business transfer agreement (the “**EBT Agreement**”), contracts and other documents in relation to the Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction. In addition, the Board of Directors resolved to approve the Company, in the capacity as a shareholder of CPRH, to vote in favour of the entering into the Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction and the dissolution of CPRH at the meeting of shareholders of CPRH.

The Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction is considered a transfer of a material part of the business of the Company to other person under Section 107(2)(b) of the Public Limited Companies Act B.E. 2535 (1992) (as amended) (the “**PLCA**”). As such, the Company is required to obtain an approval for the entering into the Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction from the meeting of shareholders of the Company and must obtain the approval from the meeting of shareholders with votes of not less than three-fourths of all votes of the shareholders attending the meeting and having the right to vote, excluding votes of interested shareholders.

In this regard, the Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction is a transaction of CPRH which is not a subsidiary of the Company (under the definition set out in Section 89/1 of the Securities and Exchange Act B.E. 2535 (1992), as amended), hence the transaction is not one which the Company would need to calculate and consider the transaction size and follow other procedures under the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated 31 August 2008 (as amended) 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 Acquisition and Disposal of Assets B.E. 2547 (2004) dated 29 October 2004 (as amended) (the “**Notifications on Acquisition or Disposal of Assets**”). However, the Board of Directors has considered and is of the view that this Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction has specific details being that Makro will issue new shares to CPRH as payment of consideration for the entire business of CPRH. After the completion of the transfer of the entire business of CPRH, CPRH will proceed to register its dissolution within the year 2021 and following the registration of dissolution, all the remaining assets of CPRH, including the shares in Makro which CPRH will receive as consideration for the entire business, will be delivered to CPRH’s shareholders in proportion to their respective shareholding as part of the liquidation process of CPRH. As such, it is deemed appropriate to adapt and apply the relevant requirements under the Notifications on Acquisition or Disposal of Assets to the entering into the Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction, *mutatis mutandis*, as though the Company itself is entering into a disposal of assets transaction.

In this regard, the Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction will be carried out only if the Extraordinary General Meetings of Shareholders of the Company and Makro resolve to approve the EBT Transaction and the Share Allocation Transaction as EBT Consideration as well as other matters necessary for and/or in connection with the foregoing transactions and the satisfaction of the conditions precedent under the EBT Agreement.

The Company, therefore, would like to inform the details of the disposal of assets transaction of the Company with respect to the Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction as follows:

1.1 Date, Month and Year of the Transaction

Around one to three weeks from the date of the Extraordinary General Meeting of Shareholders of the Company.

1.2 Parties Involved and Relationship with the Company

Transferor:	CPRH
Transferee:	Makro
Relationship with the Company:	The Company holds shares representing 40.00 percent of the total registered capital of CPRH

1.3 General Description of the Transaction and Transaction Size

1.3.1 General Description of the Transaction

CPRH will transfer its entire business to Makro through the entire business transfer method, including 99.99 percent shares in C.P. Retail Development Company Limited (“**CPRD**”) held by CPRH and CPRH’s other assets such as cash and cash equivalents. In return, Makro will issue up to 5,010,323,500 new shares with a par value of THB 0.50 each at the offering price of THB 43.50 per share to CPRH as consideration for the Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction as payment in kind, instead of in cash.

CPRH is an investment holding company with its main assets being shares in CPRD in the proportion of 99.99 percent of the registered capital of CPRD and other assets such as cash and cash equivalents. CPRD holds (a) 99.99 percent shares in Lotus’s Stores (Thailand) Company Limited which holds 99.99 percent shares in Ek-Chai Distribution

System Company Limited, an operator of a retail business under the name Lotus's in Thailand; and (b) holds 100.00 percent shares in Lotuss Stores (Malaysia) Sdn. Bhd (collectively referred to as the "Lotus's Group"). The business of the Lotus's Group is divided into two main groups which are the retail business and the business of leasing space in shopping malls. The Lotus's Group is a leading operator in the retail business of groceries and consumer products with multi-store formats comprising hypermarkets, supermarkets and mini-supermarkets, and operates the business of leasing space in shopping malls in Thailand and Malaysia. For the year ended 31 December 2020, CPRD's total pro forma revenue was THB 208,648 million and the total pro forma assets was THB 406,640 million.

1.3.2 Transaction Size and Calculation of the Transaction Size of the Disposal of Assets Transaction

The Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction (by considering the shareholding proportion of the Company in CPRH at 40.00 percent) is considered as a disposal of assets transaction under Notifications on Acquisition or Disposal of Assets. When calculating the value of the transaction on the basis of the net tangible assets (NTA), the highest value of the transaction is equal to 92.97 percent based on the consolidated financial statements of the Company which have been reviewed by the auditor for the six-month period ended 30 June 2021. In this regard, when considering together with the Company's Shares Offering Transaction (as explained in the Information Memorandum (Enclosure 8)) and the disposal of assets transactions of the Company and/or its subsidiaries during the past six months, the highest value of the transaction under the net tangible assets (NTA) basis is equal to 109.06 percent, therefore, it is considered as a Class 1 disposal of assets transaction under the Notifications on Acquisition or Disposal of Assets. Details of the calculation of the transaction size are as follows:

Financial Information used in the Calculation of the Transaction Size

Unit: THB Million

	The Company	CPRH	CPRD
Financial Information	Consolidated Financial Statements ended 30 June 2021	Separate Financial Statements ended 31 December 2020	Pro Forma Consolidated Financial Information ended 31 December 2020
Net Tangible Assets ⁽¹⁾ (NTA)	85,826	199,479	
Total assets	513,087		
Net profit (loss)	12,359 ⁽²⁾		1,778

Note: (1) Net Tangible Assets are calculated as the total assets less related intangible assets, total liabilities and non-controlling interests.

(2) Net profit (loss) attributable to equity holders of the Company of the past 12 months

Basis of the Calculation of the Size of the Disposal of Assets Transaction**Unit: THB Million (unless specified otherwise)**

Basis of Calculation	Calculation Basis	Disposal of Investment in CPRH	Total Transaction Size (percent)
1. Value of Net Tangible Assets (NTA) basis	$\frac{((\text{NTA of company to be sold} \times \text{Disposed proportion}) \times 100)}{(\text{NTA of listed company})}$	$\frac{((199,479 \times 40\%) \times 100)}{85,826}$	92.97
2. Net Operating Profits basis	$\frac{\text{Net operating profits of company to be sold} \times \text{Disposed proportion} \times 100}{\text{Net operating profits of listed company}}$	$\frac{((1,778 \times 40\%) \times 100)}{12,359}$	5.75
3. Total Value of Consideration basis	$\frac{(\text{Value of disposed transaction} \times 100)}{\text{Total assets of listed company}}$	$\frac{((217,949 \times 40\%) \times 100)}{513,087}$	16.99
4. Value of Securities Issued for the Payment of Assets basis	-	-	-

1.4 Details of the Disposed Assets

CPRH will transfer the entire business to Makro, comprising all assets and liabilities with details as follows:

(1) Assets

(1.1) All shares in CPRD held by CPRH in the amount of 1,994,745,742 shares with a par value of THB 100 each, representing 99.99 percent of the total issued and paid-up shares in CPRD.

(1.2) Other assets existing as at the EBT Date.

(2) Liabilities

All liabilities existing as at the EBT Date.

1.4.1 General Information of CPRH

(1) General description of the business

Company name	C.P. Retail Holding Company Limited
Type of business	Investment business by holding shares in other companies
Office address	313 C.P. Tower, 44th Floor, Silom Road, Silom Sub-district, Bang Rak District, Bangkok
Juristic person registration number	0105563041629
Registration date	6 March 2020
Registered capital as at 31 July 2021	THB 199,479,574,500
Issued and paid-up capital as at 31 July 2021	THB 199,479,574,500

(2) Business operations of CPRH

CPRH operates the business of holding shares in other companies (investment holding company) and holds shares in its subsidiary, namely, CPRD.

(3) List of shareholders of CPRH as at 31 July 2021

No.	Shareholders	Shares	Voting Rights
1	The Company	797,918,298	40.00 percent
2	CPH	797,918,298	40.00 percent
3	CPM	398,959,149	20.00 percent
	Total	1,994,795,745	100.00 percent

(4) List of directors of CPRH as at 31 July 2021

No.	Directors	Position
1	Mr. Soopakij Chearavanont	Director
2	Mr. Narong Chearavanont	Director
3	Mr. Suphachai Chearavanont	Director
4	Mr. Adirek Sripratak	Director
5	Mr. Umroong Sanphasitvong	Director

(5) Summary of financial position and operating results

The key financial information of CPRH for the accounting period from 6 March 2020 (the date of incorporation) and ending on 31 December 2020 based on the audited separate financial statements can be summarised below.

Unit: THB million	The period from 6 March 2020 (the date of incorporation) to 31 December 2020
Statement of Comprehensive Income	
Total revenue	0.11
Total expenses	0.68
Net profit	(0.58)
Statement of Financial Position	
Total assets	199,479.62
Total liabilities	0.62
Total shareholders' equity	199,479.00

1.4.2 General information of subsidiary of CPRH

(a) CPRD

(1) General description of the business

Company name	C.P. Retail Development Company Limited
Type of business	Investment business by holding shares in other companies
Office address	629/1 Nawamin Road, Nuan Chan Sub-district, Bueng Kum District, Bangkok
Juristic person registration number	0105563042102
Registration date	6 March 2020
Registered capital as at 31 July 2021	THB 199,474,574,500
Issued and paid-up capital as at 31 July 2021	THB 199,474,574,500

(2) Business operations of CPRD

CPRD operates the business of holding shares in other companies (investment holding company) and holds shares in its subsidiary, namely, (a) Lotus's Stores (Thailand) Company Limited ("**Lotus TH**"); (b) Ek-Chai Distribution System Company Limited ("**Ek-Chai**") which is CPRD's subsidiary through Lotus TH's shareholding; and (c) Lotuss Stores (Malaysia) Sdn. Bhd ("**Lotus MY**").

(3) List of shareholders of CPRD as at 31 July 2021

No.	Shareholders	Shares	Voting Rights
1	CPRH	1,994,745,742	99.99 percent
2	Mr. Soopakij Chearavanont	1	<0.01 percent
3	Mr. Adirek Sripratak	1	<0.01 percent
4	Mr. Umroong Sanphasitvong	1	<0.01 percent
	Total	1,994,745,745	100.00 percent

(4) List of directors of CPRD as at 31 July 2021

No.	Directors	Position
1	Mr. Suphachai Chearavanont	Director
2	Mr. Narong Chearavanont	Director
3	Mr. Adirek Sripratak	Director
4	Mr. Piyawat Titasattavorakul	Director
5	Mr. Pittaya Jearavisitkul	Director
6	Mr. Suparat Kawatkul	Director
7	Mr. Umroong Sanphasitvong	Director
8	Mr. Boonchai Opas-iam-likit	Director
9	Mr. Kriengchai Boonpoapichart	Director

No.	Directors	Position
10	Mr. Naris Thamkuekool	Director
11	Mr. Sompong Rungnirattisai	Director
12	Mr. Noppadol Dej-Udom	Director
13	Mr. Thirapol Thanomsakyuth	Director
14	Mr. Prasit Boondoungprasert	Director
15	Mr. Nattawat Chunhawuttiyanon	Director

(5) Summary of financial position and operating results

The key financial information of CPRD for the accounting period from 6 March 2020 (the date of incorporation) and ending on 31 December 2020 based on the audited consolidated financial statements can be summarised below.

Unit: THB million	The period from 6 March 2020 (the date of incorporation) to 31 December 2020
Statement of Comprehensive Income⁽¹⁾	
Total revenue ⁽²⁾	9,570.17
Total expenses ⁽³⁾	(9,083.80)
Gross profit	1,346.86
Net profit	(157.97)
Statement of Financial Position	
Total assets	400,957.81
Total liabilities	201,657.59
Total shareholders' equity	199,300.22

Notes: (1) CPRD purchased the shares in Lotus TH and Lotus MY on 18 December 2020. Therefore, CPRD has consolidated Lotus's Group operating results as from 18 December 2020 onwards.

(2) The total revenue consists of revenue from sale of goods, rental income and revenue from rendering services and other income.

(3) The total expenses consist of the cost of sales, cost of rental and cost of rendering of services, distribution costs and administrative expenses.

The key pro forma consolidated financial information of CPRD for the years ended 31 December 2019 and 2020 which has been provided assurance by the auditor can be summarised below.

Unit: THB million	The year ended 31 December 2019	The year ended 31 December 2020
Consolidated Statements of Profit and Loss		
Revenue from sale of goods	205,227	197,460
Rental income and revenue from rendering services	14,805	11,188

Unit: THB million	The year ended 31 December 2019	The year ended 31 December 2020
Cost of sales	(166,237)	(160,670)
Cost of rental and cost of rendering of services	(5,354)	(5,526)
Gross Profit	48,441	42,452
Gains (loss) on foreign exchange rate	(2)	87
Other income	3,093	2,370
Net derivative gain	1	2
Distribution costs	(28,557)	(28,716)
Administrative expenses	(5,595)	(6,434)
Profit (Loss) from Operating Activities	17,381	9,761
Finance costs	(6,736)	(6,772)
Share of profit from investment in joint ventures and an associate	815	782
Profit (Loss) before Income Tax Expense	11,460	3,771
Income tax expense	(3,127)	(1,993)
Profit for the year	8,333	1,778
Consolidated Statements of Financial Position		
Assets		
Cash and cash equivalents	21,724	20,357
Trade and other current receivables	3,419	2,725
Inventories	12,386	11,930
Investment properties	29,695	29,186
Property, plant and equipment	72,986	71,113
Right-of-use Assets	25,422	26,894
Goodwill	226,228	226,228
Other assets	16,514	18,207
Total Assets	408,374	406,640

Unit: THB million	The year ended 31 December 2019	The year ended 31 December 2020
Liabilities		
Short-term borrowings from financial institutions	120,823	120,823
Trade and other current payables	37,127	38,361
Lease liabilities (including current portion)	30,241	34,059
Other liabilities	16,849	15,808
Total Liabilities	205,040	209,051
Issued and paid-up share capital	199,475	199,475
Retained earnings (Deficits)	8,333	10,112
Difference arising from pro forma adjustments	(4,561)	(12,066)
Other components of shareholders' equity	80	61
Total Shareholders' Equity Attributable to Owners of the Parent	203,327	197,582
Non-controlling interests	7	7
Total Shareholders' Equity	203,334	197,589
Total Liabilities and Shareholders' Equity	408,374	406,640

Notes: The unaudited pro forma consolidated financial information of CPRD has been compiled based on:

- (1) The separate financial statements of CPRD for the period from 6 March 2020 (the date of incorporation) to 31 December 2020 prepared in accordance with Thai Financial Reporting Standards and audited by auditor in accordance with Thai Standards on Auditing, expressing the unmodified opinion dated 28 May 2021. The auditor's report has not been published.
- (2) The special purpose consolidated financial statements of Lotus TH and its subsidiaries for the years ended 28 February 2021 and 29 February 2020 prepared in accordance Thai the Financial Reporting Standards and audited by auditor in accordance with Thai Standards on Auditing, expressing the unmodified opinion dated 31 August 2021. The auditor's report has not been published.
- (3) The special purpose financial statements of Lotus MY for the years ended 28 February 2021 and 29 February 2020 prepared in accordance with Malaysian Financial Reporting Standards and audited by the auditor in accordance with International Standards on Auditing with unqualified opinion dated 30 August 2021. The auditor's report has not been published.

(b) Lotus TH which is a subsidiary of CPRD

(1) General description of the business

Company name	Lotus's Stores (Thailand) Company Limited
Type of business	Investment business by holding shares in other companies
Office address	629/1 Nawamin Road, Nuan Chan Sub-district, Bueng Kum District, Bangkok
Juristic person registration number	0105541029677
Registration date	15 May 1998
Registered capital as at 31 July 2021	THB 12,301,000
Issued and paid-up capital as at 31 July 2021	THB 12,301,000

(2) Business operations of Lotus TH
Lotus TH operates the business of holding shares in other companies (investment holding company) and holds shares in its subsidiary, namely, Ek-Chai.

(3) List of shareholders of Lotus TH as at 31 July 2021

No.	Shareholders	Shares	Voting Rights
1	C.P. Retail Development Company Limited	1,230,098	99.99 percent
2	Mr. Narong Chearavanont	1	<0.01 percent
3	Mr. Suphachai Chearavanont	1	<0.01 percent
	Total	1,230,100	100.00 percent

(4) List of directors of Lotus TH as at 31 July 2021

No.	Directors	Position
1	Mr. Adirek Sripratak	Director
2	Mr. Umroong Sanphasitvong	Director
3	Mr. Suphachai Chearavanont	Director

(c) Ek-Chai which is a subsidiary of CPRD through shareholding by Lotus TH

(1) General description of the business

Company name	Ek-Chai Distribution System Company Limited
Type of business	Retail trading of groceries and consumer products
Office address	629/1 Nawamin Road, Nuan Chan Sub-district, Bueng Kum District, Bangkok
Juristic person registration number	0105536092641
Registration date	13 August 1993

Registered capital as at 31 July 2021	THB 5,137,500,050
Issued and paid-up capital as at 31 July 2021	THB 5,137,500,050

(2) Business operations of Ek-Chai

Ek-Chai engages in the retail business of groceries and consumer products with multi-store formats under the name, Lotus's, and the business of leasing space in shopping malls in Thailand.

(3) List of shareholders of Ek-Chai as at 31 July 2021

No.	Shareholders	Shares	Voting Rights
1	Lotus's Stores (Thailand) Company Limited	513,750,003	99.99 percent
2	Mr. Narong Chearavanont	1	<0.01 percent
3	Mr. Suphachai Chearavanont	1	<0.01 percent
	Total	513,750,005	100.00 percent

(4) List of directors of Ek-Chai as at 31 July 2021

No.	Directors	Position
1	Mr. Sompong Rungnirattisai	Director
2	Mr. Naris Thamkuekool	Director
3	Mr. Nattawat Chunhawuttiyanon	Director
4	Ms. Salinla Seehaphan	Director
5	Mrs. Aurakanda Attavipach	Director

(d) Lotuss Stores (Malaysia) Sdn. Bhd. which is a subsidiary of CPRD

(1) General description of the business

Company name	Lotuss Stores (Malaysia) Sdn. Bhd.
Type of business	Retail store business
Office address	12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia
Juristic person registration number	200001018812 (521419-K)
Registration date	24 July 2000
Registered capital	-
Issued and paid-up capital	Malaysian Ringgit 856,000,000, comprising: 1) Class A ordinary shares – 39,200,000 shares; 2) Class B ordinary shares – 16,800,000 shares; and 3) Preference shares (non-convertible non-cumulative irredeemable preference shares) – 60,000,000 shares

(2) Business operations of Lotus MY

Lotus MY engages in the retail business of groceries and consumer products with multi-store formats under the name, Lotus's, and the business of leasing space in shopping malls in Malaysia.

(3) List of shareholders of Lotus MY as at 31 July 2021

No.	Shareholders	Shares	Voting Rights
1	C.P. Retail Development Company Limited	1) Class A ordinary shares – 39,200,000 shares; 2) Class B ordinary shares – 16,800,000 shares; and 3) Preference shares (non-convertible non-cumulative irredeemable preference shares) – 60,000,000 shares	100.00 percent

(4) List of directors of Lotus MY as at 31 July 2021

No.	Directors	Position
1	Mr. Narong Chearavanont	Director
2	Mr. Naris Thamkuekool	Director
3	Mr. Piyawat Titasattavorakul	Director
4	Mr. Nattawat Chunchawuttiyanon	Director
5	Mr. Kenneth Chuah Jin Kiat	Director
6	Mr. Yong Yvonne	Director
7	Mr. Sushmita Jeni Paul	Director
8	Mr. Azliza Baizura Binti Azmel	Director

1.5 Total Value of Consideration and Criteria for Determination of Total Value of Transaction and Consideration

The total value of consideration in respect of the Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction is THB 87,179,628,900 (by considering the shareholding proportion of the Company in CPRH at 40.00 percent). Makro will issue up to 5,010,323,500 new shares with a par value of THB 0.50 each at the offering price of THB 43.50 per share to CPRH as consideration for the Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction as payment in kind, instead of in cash. The value is based on the negotiations between Marko and CPRH on the basis of valuation in accordance with the discounted cash flow approach taking into account operating results and other relevant factors and the market comparable (with companies operating similar businesses) approach. The consideration for the transaction of CPRH falls within the range determined on the basis of such approaches.

1.6 Value of Disposed Assets

The value of the assets disposed by the Company in the Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction is approximately THB 87,179,628,900 (by considering the shareholding proportion of the Company in CPRH at 40.00 percent).

1.7 Expected Benefits of the Company

The Company believes that this Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction will:

- (a) reinforce the business of Makro and support the Company's long-term strategies to become the largest grocer in Asia (excluding Japan) in the retail and wholesale industry ⁽¹⁾;
- (b) allow the Company to realise greater benefits which are expected to be derived from the consolidation of Makro and CPRD, including from combining the strengths in various aspects of Makro with those of the Lotus's Group, such as the coverage of store formats and the expansion of the coverage of the business operations at a regional level;
- (c) increase the liquidity of the Company's investment by converting from the investment in the shares in CPRH which has no liquidity and the shares are not listed on the SET to investment in shares of Makro which are securities listed on the SET, which has trading liquidity;
- (d) enhance the retail and wholesale industry to become more modernized, strengthen the competitive advantage against international e-commerce companies or technology companies that compete in Thailand by allowing quick response to rapid changes in consumer behaviour (particularly consumers' spending behaviour which has changed during the Covid-19 pandemic) at both national and regional levels and will be beneficial to stakeholders in all sectors through the internal restructuring and business restructuring for the purpose of achieving such objectives.

Following the completion of the EBT Transaction and the Share Allocation Transaction as EBT Consideration, the Company's direct and indirect shareholding in Makro will be approximately 65.97 percent of the total voting rights in Makro, which holds 99.99 percent of the total voting rights in CPRD, which is in line with the investment policies and strategies of the Company and which will strengthen the business of Makro, a subsidiary of the Company, in becoming the leader in the retail and wholesale business of groceries and consumer products at a regional level. In addition, the shareholding structure of Makro after the completion of the EBT Transaction and the Share Allocation Transaction as EBT Consideration which CPM and CPH who are the connected person of the Company will hold 20.43 percent and 10.21 percent of the total issued and paid-up shares in Makro, respectively, is an appropriate structure when considering various factors, including the capital structure of the Company.

Hence, the Company is confident that the entering into this transaction is reasonable and is for the best interest of the Company. As a shareholder, the Company has the right to independently manage the Company's investment in proportion to the Company's shareholding in Makro. In addition, the Company, as a company listed on the SET, upholds equal and fair treatments of all shareholders, and primarily take into account the benefits to the Company and all shareholders and follows good governance and internal control measures which include measures relating to the entering into transactions that may involve conflict of interest and measures governing related party transactions, for example, a transaction that may involve conflict of interest would require an approval from the Board of

Directors and would need to be considered by the Audit Committee to ensure that it complies with laws and regulations of the SET and in order for the Company to be confident that such transaction is reasonable, contains general terms and conditions as though it was a transaction with a third party and it is for the best interest of the Company. In addition, regulations applicable to listed companies support the transparency and fairness of the existing connected transactions as well as those that may be entered into in future. In this regard, interested persons will not have the right to vote on the entering into a transaction that may involve a conflict of interest, whether as the Company's directors or shareholders.

Note (1) With reference to the Euromonitor Report in respect of sales in the year 2020 in Asia (excluding Japan)

1.8 Conditions of the Transactions

The Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction will only occur after the full satisfaction of the conditions precedent as specified in the EBT Agreement and other documents in relation to such transactions. Material conditions precedent are summarised below:

- (a) The meeting of shareholders of Makro has resolved to approve the EBT Transaction and the Share Allocation Transaction as EBT Consideration, including other matters necessary for and/or in connection with such transactions in compliance with the relevant regulations.
- (b) The meeting of shareholders of the Company has resolved to approve the EBT Transaction, the Share Allocation Transaction as EBT Consideration and the transfer of the entire business of CPRH, including the execution of the EBT Agreement, and other matters necessary for and/or in connection with such transactions in compliance with the relevant regulations.
- (c) The meetings of the board of directors of CPF, CPM and CPH have resolved to approve the transfer of the entire business of CPRH, including the execution of the EBT Agreement, and other matters necessary for and/or in connection with such transactions in compliance with the relevant regulations.
- (d) The meeting of the board of directors and meeting of shareholders of CPRH have resolved to approve the transfer of the entire business to Makro, including the execution of the EBT Agreement and other relevant documents, as well as any other actions to ensure the successful completion of the transfer of the entire business to Makro.
- (e) As at the EBT Date, no events or actions have occurred which may result in material adverse effects on the entire business of CPRH, the businesses of CPRD, companies within the Lotus's Group and the subsidiaries in which CPRH (directly and indirectly) holds more than 50.00 percent shares and/or the businesses of Makro and no events have occurred which obstruct the entering into the EBT Transaction and the Share Allocation Transaction as EBT Consideration.
- (f) The SEC Office has approved the offering of the newly issued ordinary shares to CPRH which is an offering to a specific person (Private Placement).
- (g) Makro, companies within the Makro's group, CPRH, CPRD, companies within the Lotus's Group and the subsidiaries in which CPRH (directly and indirectly) holds more than 50.00 percent shares have obtained the necessary consents, permissions, agreements or waivers from customers, suppliers, creditors or contract parties who are third parties of Makro, companies within the Makro's group, CPRH, CPRD, companies within the Lotus's Group, and the subsidiaries in which CPRH (directly and indirectly) holds more than 50.00 percent shares in connection with the EBT Transaction and the Share Allocation Transaction as EBT Consideration.

- (h) In order to enable CPRH to transfer shares in CPRD (which are a part of the assets of CPRH) to Makro pursuant to the EBT Agreement, Makro will execute a guarantee to provide security in respect of a portion of the loan of CPRD in the form to be agreed between creditors of CPRD and Makro. Such guarantee will come into effect when Makro has accepted the transfer of shares in CPRD from CPRH.

Schedule of actions of for all relevant transactions is as follows:

No.	Procedures	Time period
1.	The date of the Board of Directors' Meeting No. 6/2021	31 August 2021
2.	The date to determine the names of shareholders who are entitled to attend the Extraordinary General Meeting of Shareholders (Record Date)	15 September 2021
3.	The date of the Extraordinary General Meeting of Shareholders	12 October 2021
4.	The Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction	One to three weeks from the date of the Extraordinary General Meeting of Shareholders
5.	The offering of shares in Makro by the Company to the Public (Public Offering)	After the completion of the Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction and after Makro has obtained approval for the offering of ordinary shares to the public (Public Offering) from the SEC Office and the registration statement for securities offering and the prospectus have become effective.

Remark: The above schedule may be subject to change.

1.9 Opinion of the Board of Directors on the Transaction

The meeting of the Board of Directors of the Company No. 6/2021 which was held on 31 August 2021, excluding directors who are interested persons, is of the view that the entering into the Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction is reasonable and is for the best interest of the Company and the shareholders of the Company as the entering into such transaction reinforces the business of Makro and CPRD in becoming the leaders in the retail and wholesale business of groceries and consumer products and to expand the coverage of the business operations to be at a regional level, as well as to reinforce the business as a result of the expected benefits of combining the strengths in various aspects of Makro with those of the Lotus's Group, such as the coverage of store formats. In addition, the combined benefits from the joint operations will improve the efficiency, and it is expected that this will be beneficial to the Company and the shareholders of the Company in the future through the internal restructuring and business restructuring for the purpose of achieving such objectives.

Therefore, the meeting of the Board of Directors has resolved to approve the Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction and to propose to the meeting of shareholders of the Company to consider and approve the Company to dispose of such assets in relation to the entire business transfer of CPRH.

1.10 Opinion of the Audit Committee and/or the Directors of the Company which is different from the Board of Directors' Opinion as specified in Paragraph 1.9

The Audit Committee and the directors of the Company do not have different opinion from the Board of Directors' opinion as specified in Paragraph 1.9. In addition, the Audit Committee is of the view that the transaction is reasonable as it will reinforce the Company's group to be ready for future business expansion, and it complies with the relevant regulations of Capital Market Supervisory Board. After taking into consideration the opinion of the executives in charge of this matter, the Audit Committee is of the view that the management has proceeded with transparent process and measure and for the best interest of the Company.

2 Liabilities of the Board of Directors in respect of the Information Contained in the Information Memorandum Distributed to Shareholders

The Directors have taken reasonable care in reviewing the information contained in this Information Memorandum, and hereby certify that such information is accurate and complete and that it is not false or misleading or omit any material information that should have been disclosed.

3 Opinion of the Independent Expert on the Acquisition and Disposition Transaction

-None-

4 Liabilities of the Company

Please consider the details of the liabilities of the Company in the Information Memorandum on the Acquisition of Assets and Connected Transaction in relation to the Acceptance of the Entire Business Transfer of C.P. Retail Holding Company Limited by Siam Makro Public Company Limited (Enclosure 6).

5 Information regarding the Company

5.1 Information regarding the Nature and Trend of Business Operations of the Company, the Company's Subsidiaries, and the Company's Associates

Please consider the details of the nature and trend of business operations of the Company, the Company's subsidiaries, and the Company's associates in the Information Memorandum on the Acquisition of Assets and Connected Transaction in relation to the Acceptance of the Entire Business Transfer of C.P. Retail Holding Company Limited by Siam Makro Public Company Limited (Enclosure 6).

5.2 Summary of financial statements audited and/or reviewed by KPMG Phoomchai Audit Limited for the year ended 31 December 2018, 2019, and 2020, and for the six-month period ended 30 June 2020 and 2021, together with the Company's management's discussion and analysis of its financial status and operating results in the previous year and of the risk factors that may affect the Company's profit

Please consider the details of the financial information of the Company in the Information Memorandum on the Acquisition of Assets and Connected Transaction in relation to the Acceptance of the Entire Business Transfer of C.P. Retail Holding Company Limited by Siam Makro Public Company Limited (Enclosure 6).

5.3 Financial projection for the current year (if any) indicating trade, economic, and industrial assumptions which has been reviewed by a certified public accountant and rendered by an independent financial advisor to be a carefully prepared material

-None-

5.4 List of Management Members and the Top 11 Shareholders as at the Record Date

5.4.1 List of the Board of Directors of the Company as at 31 July 2021

No.	Names	Position(s)
1.	Mr. Soopakij Chearavanont	Chairman
2.	Mr. Korsak Chairasmisak	Vice Chairman
3.	Mr. Suphachai Chearavanont	Vice Chairman
4.	Mr. Adirek Sripratak	Director
5.	Mr. Umroong Sanphasitvong	Director
6.	Mr. Narong Chearavanont	Director
7.	Mr. Prasert Jarupanich	Director
8.	Mr. Pittaya Jearavisitkul	Director
9.	Mr. Piyawat Titasattavorakul	Director
10.	Mr. Tanin Buranamanit	Director and Chief Executive Officer
11.	Mr. Padoong Techasarintr	Independent Director Chairman of the Audit Committee
12.	Mr. Pridi Boonyoung	Independent Director Audit Committee Member
13.	Mrs. Nampung Wongsmith	Independent Director Audit Committee Member
14.	Adjunct Professor Prasobsook Boondech	Independent Director
15.	Police General Phatcharavat Wongsuwan	Independent Director

5.4.2 List of Executive Committee Members as at 31 July 2021

No.	Names	Position
1.	Mr. Korsak Chairasmisak	Chairman of the Executive Committee
2.	Mr. Pittaya Jearavisitkul	Vice Chairman of the Executive Committee
3.	Mr. Piyawat Titasattavorakul	Vice Chairman of the Executive Committee
4.	Mr. Umroong Sanphasitvong	Executive Committee Member
5.	Mr. Tanin Buranamanit	Executive Committee Member
6.	Mr. Wisade Wisidwinyoo	Executive Committee Member
7.	Mr. Taweesak Kaewrathtanapattama	Executive Committee Member
8.	Ms. Lawan Tienghongsakul	Executive Committee Member
9.	Mr. Vichien Chuengviroj	Executive Committee Member

5.4.3 List of Executive Officers as at 31 July 2021

No.	Names	Position(s)
1.	Mr. Tanin Buranamanit	Chief Executive Officer
2.	Mr. Yuthasak Poomsurakul	Managing Director (Co)
3.	Mr. Vichai Janjariyakun	Managing Director (Co)
4.	Mr. Taweesak Kaewrathtanapattama	Senior Vice President
5.	Ms. Lawan Tienghongsakul	Senior Vice President – Human Resources
6.	Mr. Vichien Chuengviroj	Senior Vice President – Corporate Asset and Facilities Management
7.	Mr. Kriengchai Boonpoapichart	Chief Financial Officer
8.	Mr. Ampa Yongpisanpop	Senior Vice President – Distribution Center Function
9.	Mrs. Nipaporn Ackarapolpanich	Senior Vice President – Marketing
10.	Mr. Ronnakitt Pojamarnpornchai	Deputy Chief Financial Officer
11.	Mrs. Phaphatsorn Thanasorn	Vice President – Purchasing
12.	Mr. Wiwat Pongritsakda	Vice President – Information Technology
13.	Mr. Tapthep Jiraadiwong	Vice President – Operations

5.4.4 List of Top 11 Shareholders as at the Record Date on 6 May 2021

No.	Shareholders	No. of Shares Held	Voting Right Proportions
1.	CP Merchandising Company Limited	2,734,748,100	30.44
2.	Thai NVDR Company Limited	846,779,685	9.43
3.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	600,877,536	6.69
4.	STATE STREET EUROPE LIMITED	316,454,106	3.52
5.	GIC PRIVATE LIMITED	241,095,555	2.68
6.	The Social Security Office	238,282,500	2.65
7.	UNS Agro Chemical Company Limited	180,000,000	2.00
8.	BNY MELLON NOMINEES LIMITED	152,520,435	1.70
9.	THE BANK OF NEW YORK MELLON	125,658,319	1.40
10.	Mr. Prinya Tieworn	100,000,000	1.11
11.	Bangkok Produce Merchandising Public Company Limited	100,000,000	1.11

5.5 Other Information that May Have a Material Impact on Investors' Decision-Making (If Any)

-None-

6 Opinion of the Company's Board of Directors on the Sufficiency of Cash Flow

The Board of Directors is of the opinion that Makro has sufficient cash flow to enter into this transaction since the Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction involves the disposition of assets worth approximately THB 87,179,628,900 (by considering the shareholding proportion of the Company in CPRH at 40.00 percent), whereby Makro will issue up to 5,010,323,500 new shares with a par value of THB 0.50 each at the offering price of THB 43.50 per share to CPRH as consideration for the Disposal of Assets in relation to the Entire Business Transfer of CPRH Transaction as payment in kind, instead of in cash. The value is based on the negotiations between Marko and CPRH on the basis of valuation in accordance with the discounted cash flow approach taking into account operating results and other relevant factors and the market comparable (with companies operating similar businesses) approach. The consideration for the transaction of CPRH falls within the range determined on the basis of such approaches.

7 Pending Material Lawsuits or Claims

-None-

8 Interests or related party transactions of the Company, the Board of Directors, the Management, and shareholders with either direct or indirect holding of 10 percent of shares or higher in the previous year

Please consider the details of interests or related party transactions of the Company, the Board of Directors, the Management, and shareholders with either direct or indirect holding of 10 percent of shares or higher in the previous year in the Information Memorandum on the Acquisition of Assets and Connected Transaction in relation to the Acceptance of the Entire Business Transfer of C.P. Retail Holding Company Limited by Siam Makro Public Company Limited (Enclosure 6).

9 Summary of the Material Agreements for the past 2 years

Please consider the details of a summary of the material agreements for the past 2 years in the Information Memorandum on the Acquisition of Assets and Connected Transaction in relation to the Acceptance of the Entire Business Transfer of C.P. Retail Holding Company Limited by Siam Makro Public Company Limited (Enclosure 6).

10 Power of Attorney Form and the Independent Director Proposed by the Company to Serve as the Shareholders' Proxy

Details of the Power of Attorney Form and the Independent Director proposed by the Company to serve as the shareholders' proxy are as provided in the notice of the Extraordinary General Meeting of Shareholders No. 1/2021.