



No. IDR 1/2024

Date: 14 February 2024

Re: Notification of Resolutions of the Board of Directors' Meeting No. 1/2024 Re: Internal Business Restructuring Within the Group of the Company's Subsidiary

To: The President  
The Stock Exchange of Thailand

Enclosures: Terms and Conditions on the Purchase of Shares in CP Aextra Public Company Limited from the Dissenting Shareholders

CP All Public Company Limited (the "**Company**") would like to inform that the Board of Directors' Meeting No. 1/2024 held on 14 February 2024 at 10:00 – 12:00 hrs. had the significant resolutions as follows:

1. Approved the Internal Business Restructuring Plan within CP Aextra Public Company Limited ("**CPAXT**") Group (CPAXT is the Company's subsidiary), with the aim to enhance business management flexibility by removing the complexity of the shareholding structure and organisation structure within CPAXT group, which will increase performance of the management of business and resources, and generate added value from the business synergy as well as creating opportunity for CPAXT group's business growth in the future, which in turn will generate returns to the Company as CPAXT shareholder.

The CPAXT Group Internal Business Restructuring Plan comprises key processes as follows:

- 1.1 CPAXT will accept the transfer of entire business (EBT) of Lotus's Stores (Thailand) Company Limited ("**Lotus's Thailand**") (which is the indirect subsidiary of the Company and CPAXT), including assets, liabilities, rights, duties and responsibilities of Lotus's Thailand, existing at present and in the future as of the EBT date. In this respect, the main assets of Lotus's Thailand are shares in Ek-Chai Distribution System Company Limited ("**Ek-Chai**") (which is the indirect subsidiary of the Company and CPAXT) currently held by Lotus's Thailand, with the total consideration of THB 7,680 million ("**EBT Transaction**"). After the completion of the EBT Transaction, Lotus's Thailand will further proceed with the dissolution and liquidation in accordance with the rules, procedures and conditions of the Entire Business Transfer (EBT) under the Notification of the Director-General of the Revenue Department Re: Rules, Procedures and Conditions on Amalgamation or Entire Business Transfer of Public Limited Company or a Limited Company for the Purpose of Tax Exemption, as well as other relevant laws.



As the EBT Transaction is the transaction in which CPAXT, which is the Company's subsidiary, will accept the transfer of the entire business of Lotus's Thailand, which is the indirect subsidiary of the Company and CPAXT, such transaction is not considered as the acquisition or disposal of assets pursuant to the rules under the Notification of Capital Market Supervisory Board No. TorChor. 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 Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (2004), dated 29 October 2004, (as amended), (collectively called the "**Asset Acquisition or Disposal Notifications**"). The Company therefore has no obligation to take any action as per the abovementioned notifications.

Furthermore, the EBT Transaction between CPAXT and Lotus's Thailand is not considered the connected transaction pursuant to the Notification of the Capital Market Supervisory Board No. TorChor 21/2551 Re: Rules on Connected transactions dated 31 August 2008, (as amended), and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transaction B.E. 2546 dated 19 November 2003, (as amended). The Company therefore has no obligation to take any action as per the abovementioned notifications as well.

However, the EBT Transaction is considered the acceptance of transfer of business of other companies or private companies by CPAXT pursuant to Section 107(2)(b) of the Public Limited Company Act B.E. 2535, (as amended) ("**PLCA**"). Therefore, CPAXT is required to obtain an approval for the EBT Transaction from CPAXT's meeting of shareholders which shall approve the transaction by votes of not less than three-fourths of the total votes of the shareholders who attend the meeting and have the right to vote.

- 1.2 After the EBT Transaction has been completed, CPAXT will proceed with the amalgamation with Ek-Chai under the provisions of the PLCA in which the two companies will cease their status as juristic persons and a new public company will be formed ("**NewCo**") as a result of the amalgamation ("**Amalgamation**"); NewCo will assume all assets, liabilities, rights, duties and responsibilities of CPAXT and Ek-Chai after the Amalgamation is completed by operation of law under the PLCA.

As part of the process of the Amalgamation, there will be an allocation of shares in NewCo to the shareholders of CPAXT and Ek-Chai in accordance with the following ratios:

1 existing share in CPAXT	to 0.50 share in NewCo; and
1 existing share in Ek-Chai	to 10.00 shares in NewCo.



The above allocation ratios have been considered based on the registered and paid-up capital of NewCo of THB 10,427,661,800, divided into 10,427,661,800 ordinary shares, with a par value of THB 1.

The allocation of shares in NewCo to the shareholders of CPAXT and Ek-Chai is summarised as follows:

- (a) Shares in NewCo will be allocated to CPAXT shareholders based on the number of shares held in CPAXT by each CPAXT shareholder, at the above allocation ratio. CPAXT shareholders who will receive the allocation of shares in NewCo must be the shareholders whose names are listed in the share register book of CPAXT as at the book closing date for compilation of list of shareholders who are entitled to allocation of shares in NewCo (Book Closing Date), whereas the book closing date will be further determined by the board of directors of CPAXT.
- (b) Shares in NewCo will be allocated to Ek-Chai shareholders based on the number of shares held in Ek-Chai by each Ek-Chai shareholder at the above allocation ratio. The Ek-chai shareholders who will receive the allocation of shares in NewCo must be the shareholders whose names are listed in the share register book of Ek-Chai as at the book closing date for compilation of list of shareholders who are entitled to allocation of shares in NewCo (Book Closing Date), whereas the book closing date will be further determined by the board of directors of Ek-Chai.

In this regard, CPAXT will be entitled to allocation of shares in NewCo based on the above procedures as the shareholder of Ek-Chai. However, since CPAXT will cease its status as juristic persons after completion of the Amalgamation, the shares in NewCo to be allocated to CPAXT, as Ek-Chai shareholder, will be directly allocated to CPAXT shareholders in proportion to the shareholding in CPAXT of each shareholder. CPAXT shareholders who will receive the allocation of shares in NewCo must be the shareholders whose names are listed in the share register book of CPAXT as at the book closing date for compilation of list of shareholders who are entitled to allocation of shares in NewCo according to (a).

If there is a fraction of a share which is greater than or equal to 0.5 share as a result of the calculation in accordance with to the abovementioned ratios, such fraction will be rounded up to 1 share. If a fraction of a share is less than 0.5 share, such fraction will be disregarded. NewCo will pay cash compensation to the relevant shareholders which will be calculated proportionately with respect to the disregarded fraction of share. The Company and Ek-Chai

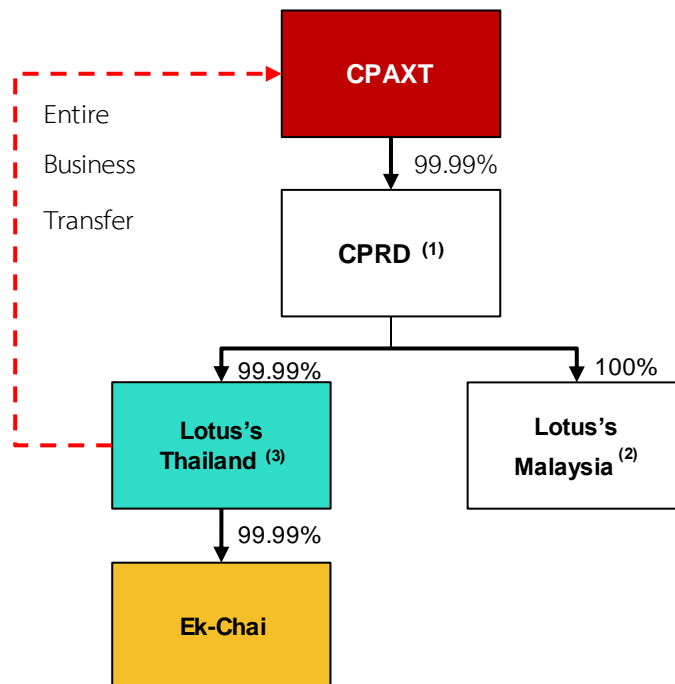


will determine the amount of compensation and details of payment and may consider the details and rules on share fraction rounding as deemed appropriate.

In this respect, the Amalgamation must be approved by the shareholders meeting of each of CPAXT and Ek-Chai by the votes of at least three-fourths of total votes of shareholders attending the meeting and have right to vote in accordance with the provisions of the PLCA.

The shareholding structure of CPAXT group before and after the Entire Business Transfer and the shareholding structure of NewCo after the Amalgamation, based on the latest list of shareholders of CPAXT as of 22 August 2023, are shown below:

### Pre-EBT Shareholding Structure



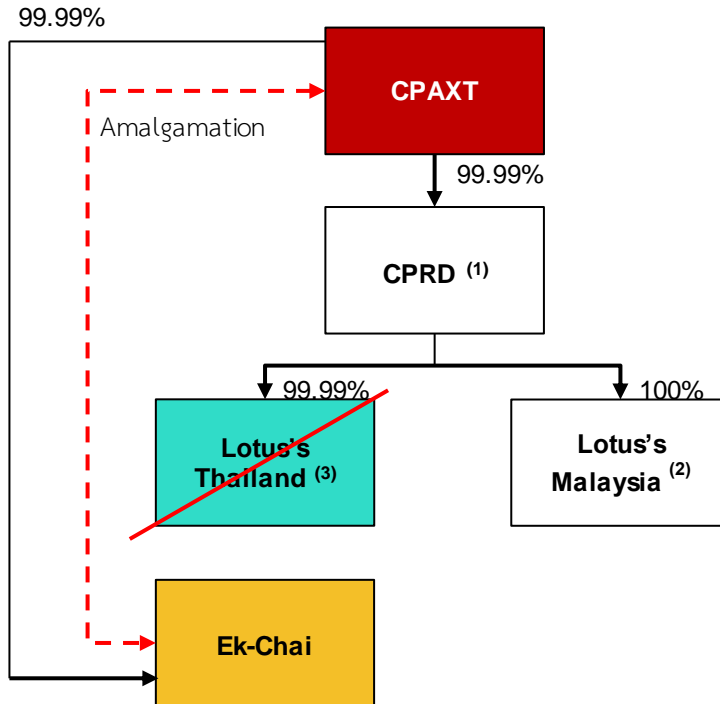
Note: Shareholding structure related to CPAXT group internal business restructuring plan only

(1) CPRD means C.P. Retail Development Co., Ltd.

(2) Lotus's Malaysia means Lotuss Stores (Malaysia) Sdn. Bhd.

(3) After completion of EBT Transaction, Lotus's Thailand will be further dissolved and liquidated

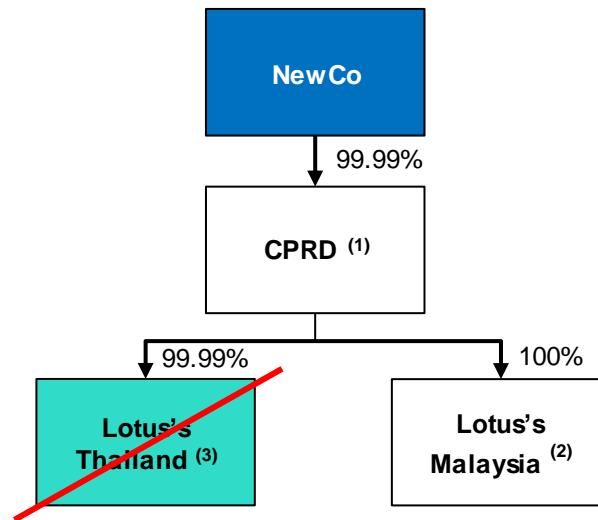
### Post-EBT Shareholding Structure



- Note: Shareholding structure related to CPAXT group internal business restructuring plan only
- (1) CPRD means C.P. Retail Development Co., Ltd.
  - (2) Lotus's Malaysia means Lotuss Stores (Malaysia) Sdn. Bhd.
  - (3) After completion of EBT Transaction, Lotus's Thailand will be further dissolved and liquidated



## Post-Amalgamation Shareholding Structure



Note: Shareholding structure related to CPAXT group internal business restructuring plan only

(1) CPRD means C.P. Retail Development Co., Ltd.

(2) Lotus's Malaysia means Lotuss Stores (Malaysia) Sdn. Bhd.

(3) After completion of EBT Transaction, Lotus's Thailand will be further dissolved and liquidated

Shareholders may study additional information regarding the procedures, durations and conditions of the EBT Transaction and the Amalgamation in the information memorandum relating to the Amalgamation between CPAXT and Ek-Chai being disclosed through the Stock Exchange of Thailand (“SET”) on 14 February 2024.

2. Approved the Company to act as the purchaser of shares from CPAXT shareholders in case the meeting of shareholders of CPAXT and Ek-Chai resolves to approve the Amalgamation but there are CPAXT shareholders who attend the shareholders meeting and vote against the Amalgamation (the “**Dissenting Shareholders**”). The Company will purchase the shares from the Dissenting Shareholders at the last traded price on the SET immediately prior to the date on which the shareholders’ meeting of CPAXT resolves to approve the Amalgamation (which in this case is the closing price of shares of the Company traded on the SET on 28 March 2024) pursuant to Section 146, second paragraph of the PLCA.

The purchase of shares from the Dissenting Shareholders as mentioned above is considered as the assets acquisition transaction entered into by the Company pursuant to the Asset Acquisition or Disposal Notifications whereas the highest value of the transaction is not more than 15 percent being calculated on the value of net operating profits basis based on the reviewed consolidated financial statements of the Company for the period ended 30 September 2023 (where the



Company did not enter into other assets acquisition transactions during the past 6 months). Therefore, this transaction does not constitute the assets acquisition transaction in which the Company is required to take action pursuant to the requirements under the Asset Acquisition or Disposal Notifications.

The Company is in a process of requesting for a waiver for the obligation to make a mandatory tender offer for all securities of CPAXT which may be required as a result of its purchase of shares from the Dissenting Shareholders from the Office of the Securities and Exchange Commission. If the Company obtains a waiver, the Company shall have no duty to make a mandatory tender offer of all securities of the Company despite the Company's purchase of shares from the Dissenting Shareholders would make the shareholding proportion in CPAXT of the Company and the Company's related persons reach or exceed the trigger point for a mandatory tender offer of all securities of CPAXT pursuant to the requirements under the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers, dated 13 May 2011, (as amended). In this regard, the Company also requires that the obtaining of a waiver for the obligation to make a mandatory tender offer is one of the conditions on the purchase of shares from the Dissenting Shareholders in respect of the Amalgamation. Please see details of the terms and conditions on the Purchase of Shares from the Dissenting Shareholders in Enclosure.

Furthermore, the Company is deemed as CPAXT's strategic shareholder pursuant to the Regulation of the SET Re: Listing of Ordinary Shares or Preferred Shares as Listed Securities B.E. 2558 (2015) ("**Ordinary Shares Listing Regulation**"). As of 22 August 2023, CPAXT's distribution of minority shareholding (free float) is 15.27 percent of the total issued and paid-up shares of CPAXT. Therefore, if the Company purchases significant amount of shares from the Dissenting Shareholders who are minority shareholders of CPAXT, this may result in the CPAXT's distribution of minority shareholding (free float) to be lower than 15 percent of the total issued and paid-up shares of CPAXT which is against the requirements for maintaining the status of listed company in the SET under Section 6 of the Ordinary Shares Listing Regulation. In this regard, the Company may consider selling certain amount of CPAXT shares through the SET from time to time after the completion of the purchase of shares from the Dissenting Shareholders. The objective of the sale of CPAXT shares by the Company is to help increase the free float of CPAXT and mitigate risk that CPAXT may not be able to maintain its free float in accordance with requirements of the SET.

3. Approved the Company to act as the balancer in respect of the Amalgamation to ensure that the registered and paid-up capital of NewCo complies with the requirements under the PLCA which provides that the capital of NewCo shall not be less than the combined paid-up capital of CPAXT and Ek-Chai. In this regard, NewCo will have the registered capital and paid-up capital of THB



10,427,661,800 divided into 10,427,661,800 ordinary shares at a par value of THB 1 per share. The details of duties of the balancer are as follows:

- 3.1 In case the total number of issued shares in NewCo to be proportionately allocated to shareholders at the allocation ratios determined by CPAXT and Ek-Chai is more than 10,427,661,800 shares immediately after the Amalgamation, NewCo will allocate fewer shares to the Company so that the total number of issued shares in NewCo allocated to its shareholders will be equal to 10,427,661,800 shares. NewCo will compensate the Company in cash in an amount to be further determined by CPAXT and Ek-Chai.
- 3.2 In case the total number of issued shares in NewCo to be proportionately allocated to shareholders at the allocation ratios determined by CPAXT and Ek-Chai is less than 10,427,661,800 shares immediately after the Amalgamation, NewCo will allocate additional shares to the Company so that the total number of issued shares in NewCo allocated to its shareholders will be equal to 10,427,661,800 shares. In this case, the Company will pay for the additional shares in NewCo in the amount equivalent to the compensation per share in the NewCo to be further determined by CPAXT and Ek-Chai.

Please be informed accordingly.

Sincerely yours,

Mr. Supot Shitgasornpongse

Company Secretary

Authorised to sign on behalf of the Company



Enclosure

**Terms and Conditions on the Purchase of Shares in  
CP Axtra Public Company Limited from the Dissenting Shareholders**

<b>Purchaser</b>	:	CP All Public Company Limited (the “ <b>Company</b> ”)
<b>Persons who have right to sell</b>	:	Shareholders of CP Axtra Public Company Limited (“ <b>CPAXT</b> ”) who have the following characteristics (the “ <b>Dissenting Shareholders</b> ”):  <ol style="list-style-type: none"><li>1. having their name in the share register book of CPAXT as of the date on which the names of shareholders who are entitled to attend the 2024 Annual General Meeting of Shareholders are determined (Record Date), to consider and approve the amalgamation between CPAXT and Ek-Chai Distribution System Company Limited under the provisions of Public Limited Companies Act B.E. 2535, as amended (the “<b>PLCA</b>”) (the “<b>Amalgamation</b>”);</li><li>2. having attended the 2024 Annual General Meeting of Shareholders in person or by proxy and voted against the Amalgamation; and</li><li>3. completing the form accepting the offer to purchase the shares and returning it together with relevant supporting documents by the date specified by the Company.</li></ol>
<b>Securities to be purchased</b>	:	Ordinary shares of CPAXT
<b>Purchase price</b>	:	The price of ordinary shares in CPAXT last traded on the Stock Exchange of Thailand (“ <b>SET</b> ”) immediately prior to the date on which the 2024 Annual General Meeting of Shareholders resolves to approve the Amalgamation in accordance with Section 146, Paragraph 2 of the PLCA, which in this case is the closing price on 28 March 2024.
<b>Number of shares to be purchased</b>	:	Not more than the total number of shares held as of the Record Date by CPAXT’s shareholders who voted against the Amalgamation at the 2024 Annual General Meeting of Shareholders
<b>Conditions for the share purchase</b>	:	The Company reserves the right, in any case, to use its discretion to withdraw from being the purchaser of shares from the Dissenting Shareholders, as well as to amend the terms and conditions for the

		<p>purchase of the shares, including upon the occurrence of any of the following events:</p> <ol style="list-style-type: none"> <li>1. prior to the commencement of the share purchase period, the Company does not obtain a waiver from the Office of the Securities and Exchange Commission for the obligation to make a mandatory tender offer for all securities of CPAXT in case such obligation is triggered as a result of the purchase of shares from the Dissenting Shareholders;</li> <li>2. there having been an abnormal movement in respect of the amount of sale and purchase of ordinary shares of CPAXT and the price of ordinary shares of CPAXT; or</li> <li>3. there having been any change or development that causes or could be reasonably expected to cause serious damage to the status or assets of CPAXT, provided that such change or development is not caused by the Company.</li> </ol>
<b>Offer agent</b>	:	The Company will further notify the Dissenting Shareholders in the purchase offer document.
<b>Share purchase period</b>	:	The Company will further notify the Dissenting Shareholders regarding the share purchase period in the purchase offer document.
<b>Payment method</b>	:	The Company will further notify the Dissenting Shareholders in the purchase offer document.