

## Report on the Change of Purpose for the Use of Additional Capital Raised from the IPO

As Light Up Total Solution Public Company Limited (the “Company” or “LTS”) has issued common shares to the public for the first time (IPO) and listed on the stock exchange on May 17, 2024, amounting to 55.00 million shares at 3.00 baht per share, the Company has received net proceeds (after deducting distribution and underwriting fees and other related expenses) totaling 154.02 million baht. The purpose of the use of this additional capital, as stated in the prospectus, is as follows:

Use of Proceed	Estimated Amount (million Baht)	Estimated Timeframe	Details
1. To be used as working capital for the Company's business operations	100.00	2024-2025	To be used as working capital for procuring goods for the Company's large projects, such as the Smart Park, Smart Pole, Smart City, and Smart Street Light projects.
2. To invest in an office building, showroom, and warehouse	54.02	2024-2025	To invest in an office building, showroom, and warehouse around Krungthep Kreetha, covering an area of approximately 260 square Wah with a total usable area of about 2,000 square meters. The initial construction cost estimate is approximately 100 - 120 million Baht, with the land-to-construction cost ratio around 40:60. The capital for this project will come from the securities offering (54.02 million Baht) and the remaining from bank loans and the Company's operating cash flow. The project is expected to be completed by 2025.
Total	154.02		

The Company has considered the economic situation and the government's delayed budget disbursement plan, as well as business opportunities in the private sector, especially in IT solutions. It has realized that the current purpose of using the funds has limitations that affect the maximum benefit and return for stakeholders. The limitations of the specified projects offer little flexibility if there are delays.

Therefore, the Company intends to change the purpose of the use of Proceeds to be more flexible and aligned with the overall business plan and economic conditions, reducing business risks to enhance the Company's growth potential and value. This will involve using the funds as working capital in the lighting and IT solutions business, purchasing goods for sale and installation to customers, and acquiring assets related to and supporting the lighting and IT solutions business.

The Company must comply with the Office of the Securities and Exchange Commission (SEC) announcement No. 63/2561 regarding the change in the purpose of fund use as stated in the securities offering statement and the draft prospectus, if the changes are not significant. This

includes reallocating investment or expense amounts among the disclosed items, using funds for undisclosed purposes related to the business, or extending the disclosed fund usage period, all of which can be approved by the Company's board and reported to the shareholders' meeting.

In this case, the change is significant, and the Company must comply with the Capital Market Supervisory Board announcement No. 71/2561 regarding significant changes in the purpose of fund use. The Company must state the board's opinion on at least the following matters:

1. Amount or timeframe for fund use that the Company intends to change.
2. Reasonableness, necessity, benefits, and value to shareholders from the change.
3. Summary of changed investment or expense amounts.
4. Post-change fund use plan, including sufficiency of funds and measures if the IPO funds are insufficient.
5. Expected impact on the Company's business or disclosed projections due to the change in fund use.

The Company board meeting on June 20, 2024, approved to propose to the 2024 annual general meeting of shareholders to approve the significant change in the use of IPO funds, with the following opinions:

Amount or timeframe for fund use change:

The amount intended for change is 129.02 million baht, which is 83.77% of the net IPO proceeds. As of May 30, 2024, the Company had cash and cash equivalents totaling 176.38 million baht. The timeframe for fund use remains unchanged (2024-2025).

Reasonableness, necessity, benefits, and value to shareholders:

To support operations and reduce future business expansion risks, as well as to increase business opportunities and competitive advantage, the Company intends to optimize the efficiency of its current business operations. This will result in increased revenue and profit from business operations, ultimately benefiting the Company and shareholders in the long term.

The Company's board of directors has considered the approach for managing the additional capital to maximize benefits for the Company and shareholders. This aligns with the current operational plan and supports the expansion of the business scope and customer base in various industries in the future.

To enhance business efficiency, the Company deems it appropriate to change the purpose of using the additional capital from the original plan, which was to invest in an office building, showroom, and warehouse, and working capital for the Smart Pole, Smart City, and Smart Street Light projects, to working capital for the lighting and IT solutions business. This includes purchasing goods for sale and installation to customers, acquiring assets related to and supporting the lighting and IT solutions business.

This change will make the use of funds more flexible and aligned with the overall business plan and economic conditions, reducing business risks to enhance the Company's potential and create opportunities for stable and sustainable growth and value for the Company.

Summary of changed investment or expense amounts:

Purpose for the Use of Funds	Original Amount		Revised Amount		Timeframe
	(million Baht)	Percentage	(million Baht)	Percentage	Year B.C.
1. To be used as working capital for procuring goods for the Company's large projects, such as the Smart Park, Smart Pole, Smart City, and Smart Street Light projects.	100.00	64.93	25	16.23	2024-2025
2. To invest in an office building, showroom, and warehouse	54.02	35.07	-	-	-
3. To be used as working capital for the Company's operations in procuring lighting and lighting equipment for all customer groups, including the IT Solutions business. This encompasses purchasing goods for sale and installation to customers, acquiring assets related to and supporting the lighting and lighting equipment business, and the IT Solutions business.	-	-	129.02	83.77	2024-2025
<b>Total</b>	<b>154.02</b>	<b>100.00</b>	<b>154.02</b>	<b>100.00</b>	

**Plan for Using Funds After Changing the Purpose, Including the Sufficiency of Funding Sources and Contingency Measures if the IPO Funds Are Insufficient for the Planned Operations**

The Company has a plan to use the funds as working capital, focusing on potential businesses that support and/or extend the Company's core business in lighting and IT solutions. The IT solutions business is one that the Company is already engaged in, as disclosed in the Company prospectus. The Company will consider the returns in terms of profit margins, payback period, and internal rate of return (IRR). This includes, but is not limited to, procuring and selling lighting equipment to both the public and private sectors, projects related to data centers for installation, testing, and system leasing, etc.

The Company is currently studying the feasibility of investment options to maximize the benefits of the raised funds for stakeholders, considering business opportunities and risks. The funds will be used as working capital for the Company's operations in procuring lighting equipment for all customer groups, such as projects including smart parks, smart poles, smart cities, and smart street lights, as well as the IT solutions business. This involves purchasing goods for sale and installation to customers, acquiring assets related to and supporting the lighting and IT solutions business, and possibly covering the purchase of offices, buildings, and warehouses, as specified in Objective 3. In the event that the Company does not ultimately invest in the office building, showroom, and warehouse, the Company has risk mitigation measures by extending the lease agreements for the current offices and warehouses. The Company has a good track record as a tenant, paying rent on time, which has enabled it to renew lease agreements with the landlords consistently. Alternatively, the Company may lease other suitable offices or buildings without affecting business operations. This proposal will be presented to the board of directors for approval to ensure the Company gains maximum benefits from the transaction.

Additionally, the Company will comply with the Capital Market Supervisory Board's announcement No. TorJor. 20/2551 on criteria for significant transactions classified as acquisition or disposal of assets, and the Stock Exchange of Thailand's disclosure requirements for listed companies engaging in such transactions. The Company will also adhere to the Capital Market Supervisory Board's announcement No. TorJor. 21/2551 on related party transactions, and the Stock Exchange of Thailand's disclosure requirements for such transactions.

The IPO proceeds allocated as working capital for business expansion and enhancement of competitiveness amount to 154.02 million baht, which is sufficient for the planned operations. If the funds are insufficient, the board of directors will review the financial plan and seek additional funding sources, such as loans from financial institutions or issuing debt instruments.

Expected Impact on the Company's Business Operations or Any Projections Disclosed in the Registration Statement Due to the Change in the Use of Proceeds

Therefore, the Company assesses that this change in the purpose of using the additional capital will not have a negative impact on the company's business operations. The company will continue to operate in the distribution of lighting and lighting equipment and IT solutions as disclosed in the Company prospectus.

In accordance with the Capital Market Supervisory Board Announcement No. TorJor. 39/2559 regarding the application and approval for offering newly issued shares, Clause 38(6)(a), if there is a change in the use of proceeds as specified in the application or the registration statement for securities offering and the prospectus, this matter must be approved by the shareholders' meeting with a vote of not less than three-fourths of the total votes of the shareholders attending the meeting and eligible to vote, without opposition from shareholders holding 10% or more of the total votes of shareholders attending the meeting and eligible to vote.