

Ref. PDI/BK-BS-049/2017

31 August 2017

To: President
The Stock Exchange of Thailand

Re: Acquisition of shares in Symbior Elements Pte. Ltd.

Enclosure: Information Memorandum regarding the Acquisition of Asset of Padaeng Industry Public Company Limited

Reference is made to the resolution of the Board of Directors' Meeting No. 04-2017 of Padaeng Industry Public Company Limited (the "**Company**") held on August 17, 2017, approving for submission of the final offer to make a bid for 30 MW solar farms. In the event of the final offer is accepted by the Seller, the Board also approved for negotiation, entering into and performing the Share Purchase Agreement in order to acquire 100% of the paid-up shares of Symbior Elements Pte. Ltd. ("**Symbior**") (Singaporean Company) (who has owned 100% of shares in ATC Enviro Co., Ltd. and 100% of shares in P.P.Solar (Nongno) Co., Ltd.) with ATS Elements Pte. Ltd. (Singaporean Company) and Symbior Elements Holdings Limited (Singaporean Company) (the "**Seller**"), subject to the condition that a due diligence and feasibility study of the project and valuation of shares are being satisfied and there must be no material adverse effect to the financial conditions and operation of the Company.

On August 22, 2017, the Company had been informed that the final offer had been accepted by the Seller and there were exclusivity period for discussion on the terms and conditions of the Share Purchase Agreement by August 31, 2017 ("**Exclusivity Period**"). During the Exclusivity Period, there was inconsistent circumstance and there were confidential information relating to this transaction cannot be disclosed under the Confidentiality Agreement.

The Company would like to inform SET that the Company has just reached an agreement on material points, and then has entered into the Share Purchase Agreement dated August 31, 2017 (the "**Share Purchase Agreement**") with the Seller. The acquisition of 7,896,800 common shares contemplated under the Share Purchase Agreement, which is equivalent to 100% of the total issued shares of Symbior (the "**Transaction**"), will be made by Ton Sangkasi Pte. Ltd., the wholly-owned subsidiary of the Company which registered and incorporated in Singapore.

The Company expects that the completion of the Transaction will occur within 2 weeks following the date of the Share Purchase Agreement.

The Transaction is considered an acquisition of assets in accordance with the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules concerning the Material Transactions in the Acquisition and Disposition of Assets dated August 31, 2008 (as amended) and the Notification of the Board of Governor 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 dated 29 October

2004 (as amended) (the “**Acquisition or Disposition Notification**”). The highest comparative value based on calculation of the transaction size, taking into account the value of the transactions during the past 6 months, is equal to not more than 20.50% on a Total Value of Consideration basis. The Transaction is considered as a Type-2 transaction according to the Acquisition or Disposition Notification as the highest comparative value of the transaction size is higher than 15% but lower than 50%. Accordingly, the Company is required to disclose the details of the Transaction through the Stock Exchange of Thailand as attached herewith and deliver an information memorandum containing specified information required by the Acquisition or Disposition Transaction Notification to all shareholders within 21 days from the date the Company makes the disclosure through the Stock Exchange of Thailand

Please be notified accordingly.

Yours Sincerely,

- Signature -

(Dr. Surin Tanticharoenkiat)
Company Secretary

Board Secretary Division
Tel. 02 695 9499 Ext. 9335
Fax 02 695 9495

**Information Memorandum regarding Acquisition of Assets
of
Padaeng Industry Public Company Limited**

1 Date / Month / Year of the Transactions

Ton Sangkasi Pte. Ltd. (“**TS**”), a subsidiary of Padaeng Industry Public Company Limited (the “**Company**”) entered into an agreement for the sale and purchase of the shares in Symbior Elements Pte. Ltd. (the “**Share Purchase Agreement**”) with ATS Elements Pte. Ltd. (“**ATCE**”) and Symbior Elements Holdings Limited (“**SEL**”) (“**Seller**”) on 31 August 2017 which TS will acquire 7,896,800 common shares, equivalent to 100% of the total issued shares in Symbior Elements Pte. Ltd. (“**Symbior**”) (the “**Transaction**”).

2 Parties involved and Relationship with the Company

Seller : ATS Elements Pte. Ltd. and Symbior Elements Holdings Limited

Relationship with the Company:

The Seller has no relationship with the Company in a manner as a connected person under the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions.

Purchaser : Ton Sangkasi Pte. Ltd. (“**TS**”), the wholly-owned subsidiary of the Company.

3. General Characteristic of the Transactions

TS has agreed to acquire the shares of Symbior from the Seller by entering into the Share Purchase Agreement with the Seller. The acquisition of the shares will be made by TS, a wholly-owned subsidiary of the Company. Following completion of the Transaction, TS will become a direct shareholder of Symbior holding 7,896,800 common shares, representing 100% of the total issued shares of Symbior, and the Company will become an indirect shareholder of Symbior through its shareholding in TS.

4. Transaction Size

The comparative value calculation for the size of the Transaction is based on the audited consolidated financial statements of the Company as of June 30, 2017 and the audited financial statements of Symbior as of December 31, 2016, and on the criteria according to the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 RE: Rules concerning the Material Transactions in the Acquisition or Disposition of Assets dated August 31, 2008 (as amended) and the Notification of the Board of Governor 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 dated October 29, 2004 (as amended) (the “**Acquisition or Disposition Notification**”). Details of the calculation are summarized below:

4.1 Comparison of Net Tangible Assets

$$\begin{aligned} \text{Size of Transaction} &= \frac{\text{Net tangible assets of Symbior} \times \% \text{ Assets Acquired}}{\text{Net tangible assets of the Company}} \\ &= \frac{558.41 \text{ Baht Million} \times 100\%}{4,486.77 \text{ Baht Million}} \\ &= 12.45\% \end{aligned}$$

4.2 Comparison of Net Profit

$$\begin{aligned} \text{Size of Transaction} &= \frac{\text{Net profit of Symbior} \times \% \text{ Assets Acquired}}{\text{Net profit of the Company}} \\ &= \frac{3.32 \text{ Baht Million} \times 100\%}{477.77 \text{ Baht Million}} \\ &= 0.70\% \end{aligned}$$

4.3 Comparison of Total Value of Consideration

$$\begin{aligned} \text{Size of Transaction} &= \frac{\text{Total Consideration Paid}}{\text{Total assets of the Company}} \\ &= \frac{1,263.06 \text{ Baht Million}}{6,161.51 \text{ Baht Million}} \\ &= 20.50\% \end{aligned}$$

Transaction size calculation is based on US Dollar to Thai Baht Converter: 1 US Dollar is worth 33.24 Thai Baht.

4.4 Comparison of Equity Share Value

$$\begin{aligned} \text{Size of Transaction} &= \frac{\% \text{ Number of shares issued as consideration}}{\text{Total number of issued and paid-up shares of the Company}} \\ &= \text{Cannot be calculated as there is no issuance of shares} \end{aligned}$$

As the size of the Transaction calculated under the comparison of Total Value of Consideration basis is the highest value, the Company will refer to the result derived from this calculation as the size of the Transaction, taking into account the value of the transactions during the past 6 months.

The highest comparative value calculation of the transaction size, taking into account the value of the transactions during the past 6 months, is equal to not more than 20.50% on a Total Value of Consideration basis. The Transaction is categorized as a Type-2 transaction according to the Acquisition or Disposition Notification as the highest comparative value of the transaction size is higher than 15% but lower than 50%. Accordingly, the Company is required to disclose the details of the Transaction through the Stock Exchange of Thailand and deliver an information memorandum containing specified information required by the Acquisition or Disposition Notification to all shareholders within 21 days from the date the Company makes the disclosure through the Stock Exchange of Thailand.

5. Details of Assets Acquired

Assets to be acquired	7,896,800 common shares in Symbior at the par value of 1 US Dollar , representing 100% of Symbior's total issued shares
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5.1 General Information

5.1.1 Overview of Symbior

Company Registration Name	Symbior Elements Pte. Ltd.
Date of Incorporation	29 January 2013
Place of Incorporation	Singapore
Type of Business	To engage in the business of generating and selling electricity from solar energy in Thailand
Registered Office	30 Raffles Place #10-04 Chevron House Singapore 048622
Company Registration No.	201302884H
Directors	1. Hugo Jacques Conrad Desrosiers, 2. Joseph James Hoess, 3. Yin Ying Foo, 4. Edward Thomas Douglas, 5. Lee Wei Hsiung
Total registered and paid-up capital	7,896,800 US Dollar, comprising 7,896,800 ordinary shares at a par value of 1 US Dollar each

5.1.2 Symbior's Shareholders

List of shareholders before completion of the Transaction as of March 31, 2017 (par value is 1 US Dollar per share)

Name of Shareholders		Pre-completion	
		No. of share	Percentage
1.	ATS Elements Pte. Ltd.	4,738,080	60

2.	Symbior Elements Holding Limited	3,158,720	40
Total		7,896,800	100.00

List of shareholders after completion of the Transaction (par value is 1 US Dollar per share)

Name of Shareholders		Post-completion	
		No. of share	Percentage
1.	Ton Sangkasi Pte. Ltd.	7,896,800	100
Total		7,896,800	100

5.2 Business Description

Symbior Elements Pte. Ltd. ("**Symbior**") is the operator of the solar power plant entered into the 6 Power Purchase Agreements (PPA) with the Provincial Electricity Authority at the total capacity of 30 MW through its subsidiary companies incorporated in Thailand, the details are as follows;

Project name	Location	Capacity (MW)	COD
ATCE 1	Hua Wha Subdistrict, Sri Mahapoth District, Prachinburi Province	8	December 2015
ATCE 2	Hua Wha Subdistrict, Sri Mahapoth District, Prachinburi Province	8	December 2015
ATCE 3	Khok Peep Subdistrict, Sri Mahosot District, Prachinburi Province	3	April 2016
ATCE 4	Na Khok Subdistrict, Muang District, Samuthsakorn Province	6	December 2015
ATCE 5	Na Khok Subdistrict, Muang District, Samuthsakorn Province	4	December 2015
PPS	Nong No Subdistrict, Ka Nuan District, Khon Kaen Province	1	June 2013

5.3 Key Selected Financial Information of Symbior

Unit : Million USD

Balance sheet	31 December 2015 Audited	31 December 2016 Audited	31 March 2017 Unaudited
Cash	1.4	0.05	0.04
Prepayment	0.002	0.002	0.001
Loan to ATCE	4.9	-	-
Loan to PPS	0.6	0.6	0.6
Investment in ATCE	12.4	21.0	21
Investment in PPS	1.4	1.5	1.5
Total assets	20.7	23.2	23.1
Funds from ATS	7.3	3.8	3.8
Funds from SEH	4.9	2.5	2.5
Loan from ATS	0.2	-	-
Loan from SEH	0.1	-	-
Amount due to SSS	0.002	-	0.001
Amount due to PPS	0	-	-
Other payables and accrued expenses	0.01	0.01	0.01
Total liabilities	12.5	6.3	6.3
Net Assets Value (NAV)	8.2	16.8	16.8

6. Total Value of the Consideration

6.1 The Share Acquisition Transaction

The total purchase price for the acquisition of 7,896,800 ordinary shares in Symbior is 1,263.06 Baht Million (the “Purchase Price”).

The value of consideration is derived from negotiations between the Seller and the Company. The Company adopted a number of methodologies which are internationally accepted. The

Company has considered that the discounted cash flow methodology is the most appropriate methodology of valuation for the Transaction.

6.2 Payment Method

The Company shall pay the Purchase Price to the Seller at the Completion Date in cash.

7. Basis Used to Determine the Value of Consideration

The value of consideration is derived from negotiations between the Seller and the Company. The Company adopted a number of methodologies which are internationally accepted. The Company has considered that the discounted cash flow methodology is the most appropriate methodology of valuation for the Transaction.

8. Expected Benefits from the Transaction

The Transaction is expected to generate the following benefits to the Company:

- (1) To support the Company's policy in focusing on renewable energy business;
- (2) To diversify risk by investing in power generating business; and
- (3) To generate the sustainable growth of assets, profit and cash flow to the Company, which will generate value added to the Company in the long terms.

9. Source of Fund

Intercompany loan from the Company provided to TS of 1,263.06 Baht Million.

10. Opinion of the Company's Board of Directors concerning the Transaction

According to the resolution of the Company's Board of Directors' Meeting No. 04-2016 held on 17 August 2017 which approved submission of the final offer to the Seller, approved the Transaction and the acquisition of 7,896,800 ordinary shares of Symbior as well as the execution of the share purchase agreement, it is opined that the return on investment with respect to the Transaction is appropriate and will be beneficial to the Company for the reasons mentioned in Item 8.

11. Opinion of the Audit Committee and/or Directors of the Company, which Differ from the Opinion of the Board of Directors

Neither the Audit Committee members nor any director have any different opinions from those of the Board of Directors.

The Company hereby certified that the information contained in this report is true and complete in all respects.

Yours Sincerely,

- Signature -

(Mr. Surin Tanticharoenkiat)
Company Secretary