

“Translation”

INFORMATION MEMORANDUM

ON

THE DISPOSAL OF SHARES AND CONNECTED TRANSACTION IN

THAI SOLAR ENERGY PUBLIC COMPANY LIMITED

(Revised)



WAVE ENTERTAINMENT PUBLIC COMPANY LIMITED

“Translation”

**Information Memorandum regarding the disposal of shares and connected transaction in
Thai Solar Energy Public Company Limited
of
Wave Entertainment Public Company Limited**

The Board of Directors’ Meeting of Wave Entertainment Public Company Limited (“**Company**”), No. 6/2017 held on 7 December 2017, has resolved to approve the Company to divest Thai Solar Energy Public Company Limited (“**TSE**”) of 181.75 million shares, which represents 10.01% of issued and paid-up shares of **TSE** at the total value of 925.11 Million Baht or 5.09 Baht per share to Miss Cathleen Maleenont, who is the director and the major shareholder of the Company (“**Transaction**”).

The disposal of shares of **TSE** pursuant to the Notification of Capital Market Supervisory Board No. Tor. Jor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated 31 August 2008, 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 “**Acquisition and Disposal of Assets Notifications**”) the highest value of transaction is equal to 27.89 %. The calculation of the size of transactions is based on consideration basis. **During the six months period before the Board of Directors of Company approved this transaction, there was the resolution on Non-proportional capital increase in subsidiary arising from conversion of debt to equity which the highest value is 0.03% based on consideration method. Upon the cumulative size with this transaction, the total transaction size is equal to 27.92% therefore the regarded transaction is within scope of Type 2.** The Company is required to:

- (1) disclose information regarding the acquisition or disposal of assets of the Company to the Stock Exchange of Thailand (the “**SET**”) and
- (2) notify the information to all shareholders within 21 days after disclosure to SET.

Such disposal of shares in **TSE** is considered an entry into the transaction with the Company’s connected person. Thus, it is regarded as the connected transaction pursuant to the Notification of the Capital Market Supervisory Commission No. Tor Jor. 21/2551, Re: Rules on Connected Transactions dated 31 August 2008, and the Notification of the Board of Governors of the SET, Re: Disclosure and Acts of Listed Companies on Connected Transactions B.E. 2546 (2003) dated 19 November 2003 (the “**Connected Transactions Notifications**”) as this is the connected transaction between the Company and Miss Cathleen Maleenont who is the director and the major shareholder of the Company. As the calculated value of the transaction is more than 3% of net tangible assets or more than 20 Million Baht, the company is required to

- (1) Disclose information regarding the transaction of the Company to the Stock Exchange of Thailand according to the connected transaction notifications.
- (2) Set up the shareholder’s meeting for an approval of connected transaction from shareholder with the vote of no less than three – fourths of total votes of shareholder who attend and grant the right vote, however shareholders who have conflict of interest in this issue are excluded from the vote.
- (3) Appoint the Independent Financial Advisor for an opinion on the transaction to Securities and Exchange Commission, Thailand, the Stock Exchange of Thailand and all shareholders.

Material information of the mentioned **TSE** stocks has the following details:

1. Transaction date

The company will enter into the transaction of TSE within a month after the shareholders have approved the transaction. The shareholder's meeting will be held on 25th January 2018. The company expects that the transaction will be done within Q1/2018.

2. Parties involved and the relation to the listed company

Seller : Wave Entertainment Public Company Limited (The Company)

Purchaser : Miss Cathleen Maleenont

Relation with the listed company: Purchaser is the director and the major shareholder of the company. As of 29th September 2017 Miss Cathleen Maleenont held 24.95 percent of issued and paid-up shares of the company.

3. General details of the transaction

The transaction's objective is to dispose the Investment Unit of the company. Initially, the company considered to invest in TSE as an investment fund, the purpose was to earn the profit from the capital gain in the future. The company wasn't intending to manage or participate with developing the project of TSE. Therefore, this transaction is the objective of Investment Unit.

The transaction is to dispose of TSE shares, an associated company, its total issued and paid-up capital 1,815 Million Baht with ordinary shares in amount of 1,815 million shares at THB 1 par value. The Company will dispose 181.75 million shares of TSE, 10.01% of issued and paid-up capital for a total value of 925.11 Million Baht or THB 5.09 per share. The Company will no longer own shares in TSE as a result of this transaction. However the Company will enter into the transaction only upon shareholders' approval.

The calculation of the transaction size is based on the consolidated financial statements of the Company and TSE, comprising statements of financial position as at 30 September 2017 and statements of comprehensive income for the year ended 30 September 2017 and 31 December 2016, which have been reviewed and audited by a Certified Public Accountant. Details of the calculation are summarized below:

The Calculation of the transaction

1) Net tangible assets method

$$\begin{aligned} \text{Transaction Size} &= \frac{\text{Net tangible asset of TSE} \times \% \text{ of disposal in shares}}{\text{Net tangible asset of the Company}} \times 100 \\ &= \frac{4,069.67 \text{ MB} \times 10.01\%}{(281.60) \text{ MB}} \times 100 \\ &= \text{N.A.} \end{aligned}$$

2) Net profit method

$$\begin{aligned} \text{Transaction Size} &= \frac{\text{Net profit of TSE (Past 12 months)} \times \% \text{ of disposal in shares}}{\text{Net profit of the Company (Past 12 months)}} \times 100 \\ &= \frac{549.57 \text{ MB} \times 10.01\%}{(147.93) \text{ MB}} \times 100 \\ &= \text{N.A.} \end{aligned}$$

3) Consideration method

$$\begin{aligned}\text{Transaction Size} &= \frac{\text{Amount of the consideration}}{\text{Total assets of the Company}} \times 100 \\ &= \frac{925.11 \text{ MB}}{3,316.83 \text{ MB}} \times 100 \\ &= 27.89 \%\end{aligned}$$

Note: Closing market price, as of 7 December 2017 at 4.96 Baht per share.

4) Value of newly issued shares under consideration method

Not applicable because the Company did not issue new shares as consideration of the acquisition.

The Acquisition and Disposal of Assets Notifications requires that the highest value of the transaction size calculated using the above methods be applied. The highest value of the transaction size equals 27.89 %. During the six months period before the Board of Directors of Company has approved this transaction, there was the resolution on Non-proportional capital increase in subsidiary arising from conversion of debt to equity which the highest value is 0.03% based on consideration method. Upon the cumulative size with this transaction, the total transaction size is equal to 27.92% therefore the regarded transaction is within the scope of Type 2. The Company is required to:

- (1) disclose information regarding the acquisition or disposal of assets of the Company to the Stock Exchange of Thailand (the “SET”) and
- (2) notify the information to all shareholders within 21 days after disclosure to SET.

Size of Connected Transaction

As the offering transaction of TSE is the connected transaction to the company which is more than 20 Million Baht or more than 3 percent of net tangible assets, due to NTA of the company is negative in amount of (281.60) Million Baht which is unable to calculate in Net tangible assets method

Amount of the consideration	=	925.11 MB
Net tangible assets (based on the financial statements ending 30 September 2017 were reviewed)		(281.60) MB
	=	Unable to calculate

However, the transaction value is more than 20 Million Baht. Thus the company has to disclose information regarding the transaction of the Company to the Stock Exchange of Thailand and set up the shareholder’s meeting for an approval of connected transaction from shareholder with the vote of no less than three – fourths of total votes of shareholder who attend and grant the right vote, however shareholders who have conflict of interest in this issue are excluded from the vote. The company will send the invitation to all shareholders along with an Independent Financial Advisory report in advance not less than 14 days before the shareholder’s meeting date.

4. Details of the disposal of assets

Assets to be disposed	181.75 million common shares at THB 1 par value, 10.01% of TSE’s issued and paid-up capital
General information of the disposal of assets	
1. Company Registration Name:	Thai Solar Energy Public Company Limited
2. Date of registration	7 July 2008, and registered as a public company dated 18 February 2014
3. Company Registration No.	0107557000055
4. Head Office	3199 Maleenont Tower, 16 th Floor, Rama IV Road, Klongton, Klongtoey, Bangkok

5. Registered Capital	As of 27 October 2017, Baht 2,359,500,000 at THB 1 par value																																																				
6. Paid-Up Capital	As of 26 May 2017, Baht 1,815,000,000 at THB 1 par value																																																				
7. Type of Business	To produce electricity from solar energy for sale to public and private sectors.																																																				
8. Board of Directors	As of 27 October 2017, consists of 9 directors as follows: 1) Ms.Cathleen Maleenont 2) Mr.Prommin Lertsuridej 3) Mr.Somphop Prompanapitak 4) Mr.Pala Sookawesh 5) Mrs.Siripen Sitasuwan 6) Mr.Prasan Chuaphanich 7) Mr.Boonchoo Direksataporn 8) Mr. Anutin Charnvirakul 9) Mrs. Angkaneer Rerksirisuk																																																				
9. Shareholders	List of major shareholders as at 26 May 2017 are as follows: <table border="1"> <thead> <tr> <th></th> <th><u>Name of the shareholder</u></th> <th><u>No. of shares</u></th> <th><u>%</u></th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>P.M Energy Co., Ltd. ^{1/}</td> <td>776,746,810</td> <td>42.80</td> </tr> <tr> <td>2.</td> <td>Wave Entertainment Plc.</td> <td>181,750,000</td> <td>10.01</td> </tr> <tr> <td>3.</td> <td>Sino-Thai Engineering and Construction Public Company Limited</td> <td>181,500,000</td> <td>10.00</td> </tr> <tr> <td>4.</td> <td>Credit Suisse AG, Singapore Branch</td> <td>77,357,100</td> <td>4.26</td> </tr> <tr> <td>5.</td> <td>Bualuang Long-Term Equity Fund</td> <td>22,863,800</td> <td>1.26</td> </tr> <tr> <td>6.</td> <td>Bualuang Infrastructure RMF</td> <td>22,779,700</td> <td>1.26</td> </tr> <tr> <td>7.</td> <td>Ms.Natawan Piyamahachot</td> <td>14,641,500</td> <td>0.81</td> </tr> <tr> <td>8.</td> <td>Provident Fund EGAT's employee registered by BBL</td> <td>12,701,900</td> <td>0.70</td> </tr> <tr> <td>9.</td> <td>Ms.Ornyaporn Kanjanajaree</td> <td>11,800,000</td> <td>0.65</td> </tr> <tr> <td>10.</td> <td>Thai NVDR Co., Ltd.</td> <td>11,788,801</td> <td>0.65</td> </tr> <tr> <td>11.</td> <td>Others</td> <td><u>501,070,389</u></td> <td><u>27.60</u></td> </tr> <tr> <td></td> <td>Total</td> <td><u>1,815,000,000</u></td> <td><u>100.00</u></td> </tr> </tbody> </table> <p><i>Remarks :</i> 1/ as at 20th April 2017 Ms. Cathleen Maleenont is a major shareholder holding 100% shareholding in PM Energy Co., Ltd..</p>		<u>Name of the shareholder</u>	<u>No. of shares</u>	<u>%</u>	1.	P.M Energy Co., Ltd. ^{1/}	776,746,810	42.80	2.	Wave Entertainment Plc.	181,750,000	10.01	3.	Sino-Thai Engineering and Construction Public Company Limited	181,500,000	10.00	4.	Credit Suisse AG, Singapore Branch	77,357,100	4.26	5.	Bualuang Long-Term Equity Fund	22,863,800	1.26	6.	Bualuang Infrastructure RMF	22,779,700	1.26	7.	Ms.Natawan Piyamahachot	14,641,500	0.81	8.	Provident Fund EGAT's employee registered by BBL	12,701,900	0.70	9.	Ms.Ornyaporn Kanjanajaree	11,800,000	0.65	10.	Thai NVDR Co., Ltd.	11,788,801	0.65	11.	Others	<u>501,070,389</u>	<u>27.60</u>		Total	<u>1,815,000,000</u>	<u>100.00</u>
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10. Material financial information	Summary of financial status and performance, for the period ending 31 December 2015 , 2016 and 9 Month ending September 2017 are as follows: <table border="1"> <thead> <tr> <th><u>in Million Baht</u></th> <th><u>31 Dec 2015</u></th> <th><u>31 Dec 2016</u></th> <th><u>30 Sep 2017</u></th> </tr> </thead> <tbody> <tr> <td>Total asset</td> <td>4,844.39</td> <td>8,374.87</td> <td>9,515.30</td> </tr> <tr> <td>Total liabilities</td> <td>804.07</td> <td>3,789.45</td> <td>4,706.43</td> </tr> <tr> <td>Total equity</td> <td>4,040.33</td> <td>4,585.42</td> <td>4,808.87</td> </tr> <tr> <td>Total revenue</td> <td>128.86</td> <td>421.73</td> <td>180.10</td> </tr> <tr> <td>Cost of sale and services</td> <td>119.55</td> <td>149.51</td> <td>126.45</td> </tr> <tr> <td>SG&A</td> <td>87.96</td> <td>156.55</td> <td>107.59</td> </tr> <tr> <td>Income (expenses) tax</td> <td>(3.67)</td> <td>(29.97)</td> <td>0.30</td> </tr> <tr> <td>Profit for period</td> <td>526.60</td> <td>617.16</td> <td>324.38</td> </tr> <tr> <td>Net Book Value (Bht/Sh)</td> <td>2.23</td> <td>2.53</td> <td>2.65</td> </tr> </tbody> </table> <p><i>Remarks :</i> The financial statements of year 2015, 2016 and 9M ending 30 September 2017 were audited and verified by Mr.Kajornkiet Aroonpirodkul the Certified Public Accountant of PricewaterhouseCoopers ABAS Ltd.</p>	<u>in Million Baht</u>	<u>31 Dec 2015</u>	<u>31 Dec 2016</u>	<u>30 Sep 2017</u>	Total asset	4,844.39	8,374.87	9,515.30	Total liabilities	804.07	3,789.45	4,706.43	Total equity	4,040.33	4,585.42	4,808.87	Total revenue	128.86	421.73	180.10	Cost of sale and services	119.55	149.51	126.45	SG&A	87.96	156.55	107.59	Income (expenses) tax	(3.67)	(29.97)	0.30	Profit for period	526.60	617.16	324.38	Net Book Value (Bht/Sh)	2.23	2.53	2.65												
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5. Value of consideration disposal of assets

The company will receive total value of consideration is 925.11 Million Baht. After regarded TSE disposal, the company will has no longer hold in TSE. From past to present, the company and TSE never have debt between each other.

6. Value of assets disposed

The assets to be disposed are TSE in amount of 181.75 million common shares, 10.01% of TSE's issued and paid-up capital. The total of value of assets disposed is 925.11 Million Baht.

7. Basis used to determine the value of consideration

The value of consideration is determined based on shares to be disposed, as 181.75 million shares multiply with the offering price 90-day volume weighted average market price before the Board's resolution date (90-day weighted average market price of TSE from 26th July 2017 to 6th December 2017 at 5.09 Baht per share). The result of the transaction is the Company will no longer hold any TSE shares.

8. Expected benefits

Disposal sales of the assets will return a cash proceeds of 925.11 Million Baht, which will be used as business expansion, partial loan repayment and working capital. The Company expects the following benefits:

1. To use for the investment in other main business expansion of the group of the company to the Organic and Sustained growth.
2. Could get a better return on investing to the new project.
3. Reduce the interest and some loan which will be reflected in the turnover and increased value of financial status of the company.
4. Solidify the financial status of the Company and increase future operating cash flow.
5. Increase the working capital to the company.

9. Uses of Sales Proceeds

The company will receive the payment in cash for the disposal via the Big Lot trading system via the Stock Exchange of Thailand. The company will use 20% of sales proceeds to expand the business by investing in other main businesses of the group of the company to the sustained growth and Organic growth and use as working capital. The remaining funds of 80% will be used as bank loan repayment.

10. Conditions of the entry into the transaction

As the transaction is considered the disposal of assets Type 2 pursuant to the Acquisition and Disposal of Assets Notifications, the Company shall have the duties as following:

1. to disclose the information memorandum to the SET of the entry into such transaction and
2. to notify the information to all shareholders within 21 days after disclosure to the SET

The transaction is the connected transaction concerned with the assets or services, the size of the transaction is more than 20 Million Baht. Thus the company has to disclose information regarding the transaction of the Company to the Stock Exchange of Thailand and set up the shareholder's meeting for an approval of connected transaction from shareholder with the vote of not less than three – fourths of total votes of shareholder who attend and grant the right vote, however shareholders who have conflict of interest in this issue are excluded from the vote. The company will send the invitation to all shareholders along with an Independent Financial Advisory report in advance not less than 14 days before the shareholder's meeting date.

11. The detail of the connected transaction and connected person with conflict of interest.

Miss Cathleen Maleenont is the director and the major shareholder of the company. As of 29th September 2017, Miss Cathleen Maleenont holds 24.95 percent of issued and paid-up shares of the company, who is the connected person with the company according to the Connected Transactions Notifications. Nevertheless, the size of transaction value as the Connected Transactions Notifications is more than 3 percent of net tangible assets or more than 20 Million Baht. Thus the company has to disclose information regarding the transaction of the Company to the Stock Exchange of Thailand and set up the shareholder's meeting for an approval of connected transaction from shareholder with the vote of not less than three – fourths of total votes of shareholder who attend and grant the right vote, however shareholders who have conflict of interest in this issue are excluded from the vote.

12. Opinion of the Board of Directors on the entry into the transaction

The Board of Directors' Meeting No. 6/2017 of the Company, held on 7 December 2017, considered that the aforementioned transaction as the disposal of assets which is not the core business of the company. It will be the opportunity for the company to expand the investment in the future. Moreover, the transaction is reasonable due to increase the income of the company. The company bargains the 90 – day volume weighted average market price and the price is higher than the outsider in the previous period of 4.85 baht per share. The disposal of TSE shares initiates the higher return of an investment with approximately profit from this transaction of 0.24 baht per share and the condition of the transaction will be adhere to the rule and regulation of the Connected Transactions Notifications thus the transaction is reasonable. The result of the transaction will benefit the Company and the shareholders as detailed in section 8. Therefore, the Board's resolution resolved the disposal in Thai Solar Energy Public Company Limited ("TSE") by offering all of total shares in amount of 181.75 million shares, which represent 10.01% of issued and paid-up shares of TSE.

However, the directors who are stakeholders and/or connected persons which consist of Mr.Matthew Kichodhan, Ms.Cathleen Maleenont, Ms.Tracy Ann Maleenont and Ms. Piyawadee Maleenont did not participate in the meeting and had no right to vote in the meeting.

13. Opinion of the Audit Committee and/or the director(s) of the Company which is different from the Board of Directors' opinion under Clause 12

None of the directors and/or the Audit Committee had a different opinion from that of the Board of Directors of the Company in the Board of Directors' Meeting No. 6/2017, held on 7 December 2017.
