

**-Translation-**

UAC.CS/005/2019

April 2, 2019

Subject: The acquisition of assets of UAC Energy Co., Ltd. (Subsidiary) by investment in waste management project to produce renewable energy and process recycled product, in Vientiane, Lao PDR (Vientiane Waste Management : VWM).

To: The President  
The Stock Exchange of Thailand

Enclosure: Information Memorandum on the Acquisition of Assets of UAC Global PLC.

UAC Global Public Company Limited (UAC) would like to notify to the Stock Exchange of Thailand that the Board of the Directors' Meeting No. 3/2019 which was held on April 1, 2019 has resolved to approve the investment in waste management project to produce renewable energy and process recycled product, in Vientiane, Lao PDR (Vientiane Waste Management: VWM) by UAC Energy Co., Ltd. (Subsidiary) at investment value of \$30 million or THB990 million approximately. According to 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 and the Notification of the Stock Exchange of Thailand dated August 31, 2008 and Re: Disclosure of Information Concerning the Acquisition and Disposition of Assets of Listed Companies B.E. 2547 dated October 29, 2004, the Transactions classified as a class 2 transaction.

Hence, UAC would like to submit the Information Memorandum on the Acquisition of Assets as seen in attached.

Please be informed accordingly.

Yours sincerely,

*-Signature-*

(Miss Nilrat Jarumanopas)  
Chief Financial Officer  
Authorized to sign on behalf of the Company

## Information Memorandum on the Acquisition of Assets of UAC Global Public Company Limited

The Board of the Directors' Meeting No. 3/2019 which was held on April 1, 2019 has resolved to approve the investment in waste management project to produce renewable energy and process recycled product, in Vientiane, Lao PDR (VWM) by UAC Energy Co., Ltd. (Subsidiary) at investment value of USD30 million or THB990 million approximately. According to 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 and the Notification of the Stock Exchange of Thailand dated August 31, 2008 and Re: Disclosure of Information Concerning the Acquisition and Disposition of Assets of Listed Companies B.E. 2547 dated October 29, 2004, the Transactions classified as a class 2 transaction.

Hence, UAC Global Public Company Limited (UAC) would like to submit the Information Memorandum on the Acquisition of Assets as details below.

### 1. The date on which the transaction occurs:

The Board of Directors' Meeting of UAC Global Public Company Limited No. 3/2019 on April 1, 2019. The expected establishment of Joint Venture in form of limited company in Lao PRD will be within the third quarter of 2019.

### 2. Parties involved and their relationship with the listed company:

- UAC Energy Co., Ltd. ("UAC Energy"), a subsidiary of UAC which has registered on August 26, 2013. UAC Energy engages in business of investment in renewable and alternative energy projects.
- SBANG Sustainable Energies Ltd. ("SBANG SE"), a subsidiary of SBANG Corporation Ltd. which has registered on February 12, 2015. SBANG SE engages in business of joint venture or holding shares in renewable energy sector with 4 shareholders as follows;
  1. Mr. Setthasiri Saksitthisarekul holding 79.90%
  2. Ms. Nilthita Lertruangsuphakul holding 20.00%
  3. Mrs. Naruemol Saksitthisarekul holding 0.09%
  4. Ms. Tarnnun Thoudao holding 0.01%
- Kwan Muang Group ("KMG"), a partner from Lao PDR, registered on February 15, 2012 by Mr. Khumla Nakkhavong (the sole shareholder), which has awarded the municipal solid waste concession in Vientiane.

**Relationship among 3 parties:** None

### 3. General Characteristics of the Transaction:

The Joint Venture will invest in waste management project to produce renewable energy and process recycled product, in Vientiane, Lao PDR (VWM) with total investment value of USD30 million or THB990 million approximately. The size of this transaction equals 24.55% of the Total Assets of UAC, calculated from Consolidated Statements of Financial Position as of December 31, 2018.

Details of the transaction size calculation are tabulated below:

Calculation Basis	Formula	Total (%)
1. NTA	$\frac{\text{Holding portion} \times \text{NTA of A} \times 100}{\text{NTA of Listed Company}}$	N/A
2. Net profit	$\frac{\text{Increase holding portion} \times \text{Net profit of A} \times 100}{\text{Net profit of Listed Company}}$	N/A

Calculation Basis	Formula	Total (%)
3. Total value of consideration	$\frac{\text{Acquisition Value} \times 100}{\text{Total assets of Listed Company}}$	24.55%
4. New shares offering	$\frac{\text{Newly issued shares for assets payment} \times 100}{\text{Total paid-up shares of Listed Company}}$	N/A

Since the size of this transaction equals 24.55%, according to 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 and the Notification of the Stock Exchange of Thailand dated August 31, 2008 and Re: Disclosure of Information Concerning the Acquisition and Disposition of Assets of Listed Companies B.E. 2547 dated October 29, 2004; this transaction is classified as a class 2. UAC has to report and disclose the transaction details to the Stock Exchange of Thailand and distribute a written notice of its decision to enter into a transaction on its shareholders within 21 days from the date of disclosure of information to the Stock Exchange of Thailand.

#### 4. Details of asset acquisition

##### 4.1 The Joint Venture to be newly established

Company Name	Vientiane Waste Management	
Registered Capital	USD 9 million or THB 297 million	
Par Value	LAK 2,000/share	
Shareholding	1. UAC Energy	50.01%
	2. SBANG SE	29.99%
	3. KMG	20.00%

##### 4.2 Project Investment

VWM is located in Vientiane, Lao PDR on concession area of KMG with total investment value of USD30 million or THB990 million approximately. The expected construction period will be at the end of 2019. VWM has awarded the concession of land and waste pit from Department of planning and investment in Vientiane Capital for 45 years. VWM will get municipal solid waste from Vientiane Capital starting from 400 ton/day to be used as raw materials and will generate 3 products as follows;

1. Generate electricity for sale to government with capacity of 6 MW.
2. Sell recycled plastic to private company with expected buying volume of 13,200 ton/year.
3. Sell chemical fertilizer to agricultural entity of Lao PDR with expected buying volume of 30,000 ton/year.

#### 5. Total value of consideration and criteria for determination of consideration value

The total acquisition price of investment in VWM is approximately USD30 million or THB990 million which is evaluated by 3 parties. Hence, there is no relationship among 3 related or connected parties, according to the Notification of the Capital Market Supervisory Board No. TorChor 21/2551 Re: Rules on the connected transactions and the Notification of the Stock Exchange of Thailand and Re: Disclosure of information concerning the connected transactions B.E. 2003.

#### 6. Sources of fund

- Cash from 3 parties approximately USD9 million or THB297 million in proportion of shareholding in Joint Venture. Cash from UAC Energy will be derived from loan from UAC which will be allocated from working capital.
- Long Term Loan from financial institution at the amount of THB693 million for 7 years of repayment.

## **7. Expected benefits for the Company**

- To support the sustainable growth of green energy, petrochemicals and utilities industries this will be consistent with UAC's Vision and Missions.
- To develop utilities and MSW management systems in Industrial Area in Lao PDR to facilitate Economic and Industrial growth according to National Economic and Social Development Plan No. 7.

## **8. Condition Precedent**

This transaction is considered as class 2 transaction according to 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 and the Notification of the Stock Exchange of Thailand dated August 31, 2008 and Re: Disclosure of Information Concerning the Acquisition and Disposition of Assets of Listed Companies B.E. 2547 dated October 29, 2004. UAC has to report and disclose the transaction details to the Stock Exchange of Thailand and distribute a written notice of its decision to enter into a transaction on its shareholders within 21 days from the date of disclosure of information to the Stock Exchange of Thailand.

## **9. Board of Director's opinion on the transaction**

The Board of Directors has resolved to approve this transaction.

The Board of Directors is of the opinion that the investment in VWM by UAC Energy is reasonable and will generate benefits to the Company in terms of business expansion, access to a broader market and growth in its total assets, revenues and profits through consolidation of financial statements of the Subsidiary that will invest in this project. Therefore, the transaction is deemed reasonable and beneficial and will help enhance the Company's business potential in the long term. The Board of Directors accordingly passed a unanimous resolution to approve the entry into this transaction.

## **10. Opinion of the Director and/or the Audit Committee which is different from the opinion of the Board of Directors in No. 9**

- None -

Remark: \*exchange rate is THB33 : \$1