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No. 7UP 015/62

April 9, 2019

Subject: Notification for Resolution of Board of Director's Meeting No. 3/2019 regarding the Acquisition and Disposition of Assets of the Company (Amended)

Attention: President,

The Stock Exchange of Thailand

A resolution of the Board of Directors Meeting No. 3/2019 of Seven Utilities and Power Public Company Limited ("7UP") held on April 5, 2019, approved the acquisition of ordinary shares of Universal Waste Management Company Limited ("UWM" or the "Target"), formerly named Asia Recycle Holding Company Limited, by Ferrum Energy Company Limited ("FEREN" or the "Company"), a wholly-owned subsidiary of 7UP, from Miss Malinee Boonrak and (the "Seller"), who is not a connected person and without any relationship and/or any connection with the Company's executives, Board of Directors, major shareholders, or controlling person of the Company and its subsidiaries. The Buyer shall acquire 1,350,000 ordinary shares of UWM at a par value of Baht 100 per share, representing 30.00 percent of the issued and paid-up capital of UWM at a price of Baht 25 per share (25 percent of the par value) with a total value of Baht 33.75 million (hereinafter referred to as the "Transaction"). UWM is a juristic person registered in Thailand with registered capital of Baht 450.00 million with issued and paid-up capital of Baht 112.50 million. UWM held 99 percent of the total issued and paid-up capital of Asia Recycle Technology Company Limited ("ART") and Asia Waste Management Company Limited ("AWM").

The Transaction is deemed to be an acquisition of assets pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551, Re: Rules on Entering into Material Transactions Deemed as an Acquisition or Disposal of Assets, 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 Disposition of Assets, 2004 (the "Acquisition or Disposal Notifications"), with a maximum transaction size equivalent to 6.90 percent calculated based on the Value of Consideration Criteria that compared the value of the paid consideration of Baht 135.00 million with 7UP's total assets as per the consolidated financial statements for the period ending December 31, 2018. In addition, considering asset acquisition transactions for the past 6 months, 7UP maximum transaction size based on the Value of Consideration Criteria equivalent to 11.47 percent, which is lower than 15 percent, and as such, the Transaction size is considered not significant pursuant to the Acquisition or Disposal Notifications. Because the Seller is not a connected person, the Transaction, therefore, shall not be considered a connected transaction pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies on Connected Transactions B.E. 2546 (the "Connected Transaction Notifications"). However, the

Transaction is an investment in another company with an investment of more than 10 percent of the paid-up capital of the Target. The Company shall therefore report the Transaction to the Exchange pursuant to the rules and regulations of the Stock Exchange of Thailand Re: Rules, Conditions and Procedures Governing the Disclosure of Information and Other Acts of a Listed Company B.E. 2560.

Summary of the details of the Transaction

1. **Date/month/year of the Transaction**

The Buyer shall enter into the Transaction within 30 days after receiving approval from the Board of Directors' Meeting 3/2019 of 7UP, which was held on April 5, 2019.

2. **Involved parties and relationships with the Company and/or the Buyer**

Buyer	Ferrum Energy Company Limited (the "Buyer")
Seller	Miss Malinee Boonrak (the "Seller"), a shareholder of UWM (an entity under Thai law that was established on October 10, 2018, with registered capital of Baht 450.00 million and paid-up capital of Baht 112.50 million).
Relationship	The Seller has no relationship with any of the directors, executives, or major shareholders of the Company and/or its subsidiaries and is therefore not considered to be a connected person pursuant to the Connected Transaction Notifications.

3. **General Information of the Transaction**

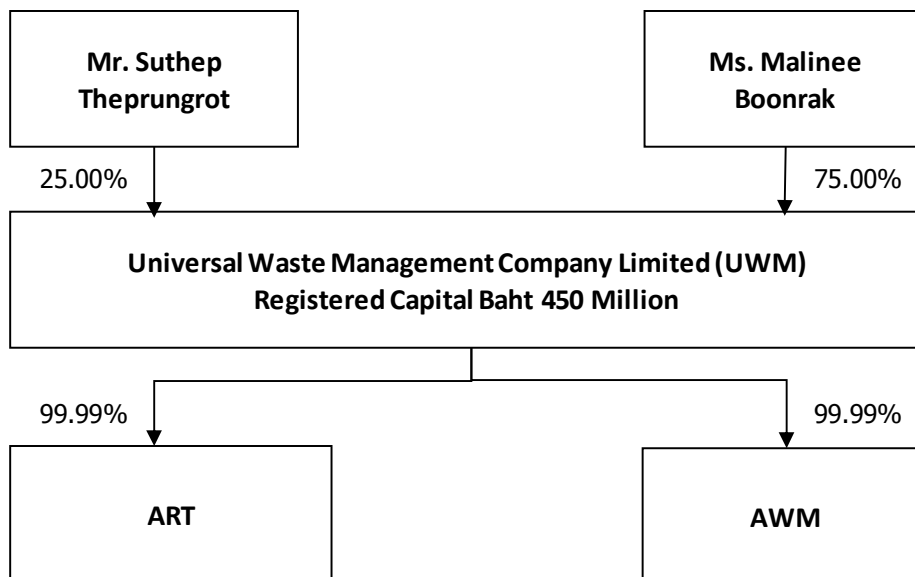
3.1 **General Information**

The Company intends to have FEREN invest in UWM's ordinary shares purchased from Miss Malinee Boonrak, who is not a connected person without any relationship and/or any connection with the Company's executives, the board of directors, the major shareholders, or the controlling person of the Company and its subsidiaries. The Buyer shall acquire 1,350,000 ordinary shares at a par value of Baht 100 per share, representing 30.00 percent of the issued and paid-up capital of UWM, at a price of Baht 25 per share (25 percent of the par value) for a total value of Baht 33.75 million.

UWM was established on October 10, 2018, to operate as a holding company with the aim to engage in the business of waste treatment and disposal in landfills, as well as the generation and distribution of electricity. UWM currently holds ordinary shares of ART and AWM, which own and operate the business of separating and disposing of industrial waste in landfills with licenses having been obtained from the Department of Industrial Works, including but

not limited to License Number 105: to engage in the business of non-hazardous industrial waste treatment and disposal in landfills, and License Number 106: to engage in the business of recycling solvents, thinner, other solvent, lubricants, and coolants. In addition, ART holds has License Type 88: to engage in the business of electricity generation with a capacity of 9.5 megawatts together, with License Number 101to engage in the business of hazardous industrial waste treatment and disposal. At present, the businesses of ART and AWM involve the separation and disposal of industrial waste in landfills.In the future, ART plans to expand its business to manage and dispose of hazardous waste through high temperature power plant(s) as well as to generate and sell electricity.ART is currently in the process of conducting a feasibility study regarding this plan.

3.1.1 Shareholder structure priorto the Transaction



3.1.2 List of shareholders prior to the Transaction

List of shareholders of the Target as of February 14, 2019

No.	Name	Number of shares	Percentage of all shares
1	Ms. Malinee Boonrak ^{1/}	3,374,998	75
2	Mr. Suthep Theprungrot ^{2/}	1,125,000	25
3	Ms. Jisarapha Phunpha ^{3/}	2	0
	Total	4,500,000	100

Source: Business Online Public Company Limited

Remark:

1/ Ms. Malinee Boonrak (the “Seller”) is not a connected person and without any relationship and/or any connection with the Company’s executives, Board of Directors, major shareholders, or controlling person of the Company and its subsidiaries.

- 2/ Mr. Suthep Theprungrot is not a connected person and without any relationship and/or any connection with the Company's executives, Board of Directors, major shareholders, or controlling person of the Company and its subsidiaries.
- 3/ Ms. Jisarapha Phunpha is an employee of a subsidiary company, who represented the Company to hold shares of UWM for due diligence purpose prior to the Transaction.

3.1.3 List of Board of Directors priorto the Transaction

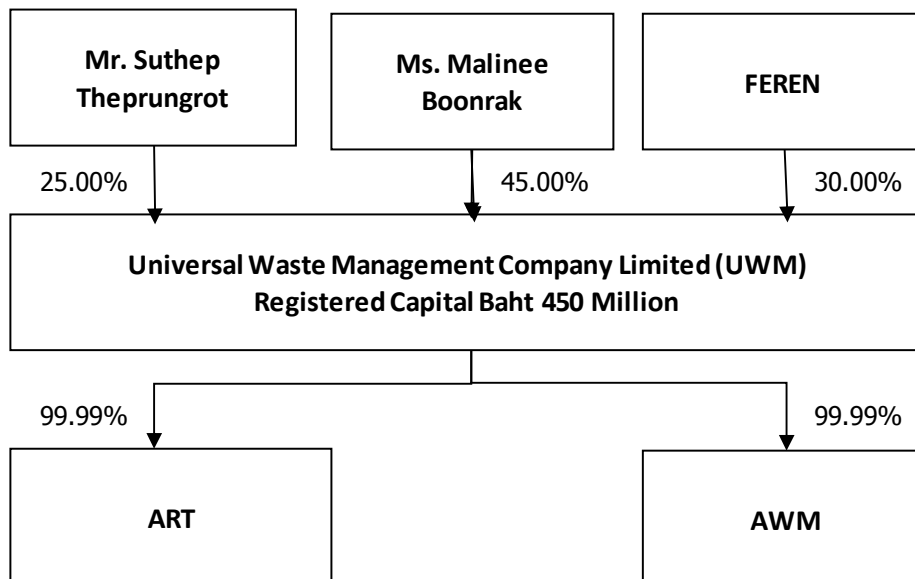
Board of Directors of the Target as of December 4, 2019

	ชื่อ - สกุล	ตำแหน่ง
1	ACM Chainan Thumasujarit	Director
2	Mr. Suthep Theprungrot	Director
3	Ms. Malinee Boonrak	Director and Authorized Director
4	Mr. Mana Kitirat	Director and Authorized Director

Source: Certificate of incorporation of Asia Recycle Holding Company Limited, which name has changed to Universal Waste Management Company Limited

Remark: Mr. Mana Kittirat or Miss Malinee Boonrak are authorized to sign on behalf of the Target by affixing the Target's seal.

3.1.4 Shareholder structure afterthe transaction



3.1.5 List of shareholders after the transaction

No.	Name	Number of shares	Percentage of all shares
1	Miss Malinee Boonrak	2,025,998	45
2	Ferrum Energy Company Limited	1,350,000	30
3	Mr. Suthep Theprungrot	1,125,000	25
4	Miss Jisarapha Phunpha	2	0
	Total	4,500,000	100

3.1.6 List of Board of Directors after to the Transaction

	ชื่อ - สกุล	ตำแหน่ง
1	ACM Chainan Thumasujarit	Director
2	Mr. Suthep Theprungrot	Director
3	Ms. Malinee Boonrak	Director and Authorized Director
4	Mr. Mana Kitirat	Director and Authorized Director
5	Mr. Chanin Kiatthaveepong	Director and Authorized Director
6	Mr. Sittichai Kritvivat	Director and Authorized Director

Remark: Mr. Mana Kittirat or Miss Malinee Boonrak are cosigning with Mr. Chanin Kiatthaveepong or Mr. Sittichai Kritvivat are authorized to sign on behalf of the Target by affixing the Target's seal.

3.2 Transaction Size

The Transaction is deemed to be an acquisition of assets pursuant to the Acquisition or Disposal Notifications, with a maximum transaction size equivalent to 6.90 percent calculated based on the Value of Consideration Criteria, which compared the value of the paid consideration of Baht 135.00 million with 7UP's total assets as per the consolidated financial statements for the period ending December 31, 2018. In addition, considering asset acquisition transactions for the past 6 months, 7UP had acquired 3 transactions, which were the acquisition of 1) 3 P Info Service Company Limited, which had a maximum transaction size based on Net Tangible Asset Criteria equivalent to 0.21 percent; 2) Informatix Plus Company Limited, which had a maximum transaction size based on the Value of Consideration Criteria equivalent to 2.34 percent; and 3) Smothong Group Company Limited, which had a maximum transaction size based on the Value of Consideration Criteria equivalent to 2.02 percent. As a result, the maximum transaction size was equivalent to 11.47 percent, which is lower than 15 percent, which was therefore considered not significant pursuant to the Acquisition or Disposal Notifications. As the Seller is not a connected person, the Transaction, therefore, shall not be considered to be a connected transaction pursuant to the Connected Transaction Notifications. However, the Transaction is an investment in another company with an investment of more than 10 percent of the paid-up capital of the Target. The Company, therefore, shall report the Transaction to the Exchange pursuant to the rules and regulations of the Stock Exchange of Thailand Re: Rules, Conditions and Procedures Governing the Disclosure of Information and Other Acts of a Listed Company B.E. 2560.

There are 4 criteria utilized in the calculation of a transaction size in an acquisition or disposition of assets according to the calculation criteria of the Acquisition or Disposal Notifications, as follows.

Criteria for calculating a Transaction size	Formula	Transaction size
1. Net Tangible Assets(NTA)	NTA of the target × acquisition proportion / NTA of listed company <i>Not applicable because UWM has no audited financial statements</i>	N/A
2. Net profit	Net profit of the target × acquisition proportion / Net profit of listed company <i>Not applicable because 7UP had net loss</i>	N/A
3. The Value of Consideration	Value of paid consideration / Total assets of listed company 135,000,000.00 ^{1/} / 1,955,396,891.00	6.90%
4. Value of shares issued by listed companies for payment of assets	Number of share issued / Total number of paid-up shares <i>Not applicable because there were no share issued</i>	N/A

Remark:

1/ The full amount of investment equal to Baht 135.00 million, while currently UWM has paid-up registered capital of Baht 112.50 million, equivalent to 25 percent of the total registered capital of UWM, which shall be paid in full in the future.

However, after taking into account asset acquisition transactions for the past 6 months, the maximum transaction size was equivalent to 11.47 percent, details of which are as follows:

No	Transactions of 7UP	Transaction Value (Baht million)	Transaction Size (percent)	Approval date of Board of Directors
1	3 P Info Service Company Limited	0.70	0.21	October 9, 2018
2	Informatix Plus Company Limited	48.66	2.34	December 7, 2018
3	Smothong Group Company Limited	42.00	2.02	December 7, 2018
	Total transaction size	91.36	4.57	

4. Details of the Acquired Assets

The Company intends to have FEREN invest in the ordinary shares of UWM purchased from Miss Malinee Boonrak, who is not a connected person and without any relationship and/or any connection with the Company's executives, board of directors, major shareholders, or controlling person of the Company and its subsidiaries. The Buyer shall acquire 1,350,000 ordinary shares at a par value of Baht 100 per share representing 30.00 percent of the issued and paid-up capital of UWM at a price of Baht 25 per share (25 percent of the par value) for a total value of Baht 33.75 million, details of which are as follows:

4.1 General Information of UWM and its subsidiaries

4.1.1 General Information of UWM

Company's Name	Universal Waste Management Company Limited ("UWM") (Former Name: Asia Recycle Holding Company Limited)
Type of Business	As a holding company.
Established Date	October 10, 2018
Registered Address ^{1/}	73 Mahachol Bldg. Soi Sukhumvit 62, Sukhumvit Rd., Phra Khanong Tai, Phra Khanong, Bangkok 10260
Registered Capital	Baht 450,000,000
Paid-up Capital	Baht 112,500,000
Par value	100.00 Baht per share (paid-up value 25.00 Baht per share)
Board of Directors and Authorized Directors	<ol style="list-style-type: none"> 1. Acm Chainan Thumasujarit 2. Mr. Mana Kittirat 3. Miss Malinee Boonrak 4. Mr. Suthep Theprungrot <p><i>Remark: Mr. Mana Kittirat or Miss Malinee Boonrak are authorized to sign on behalf of the Target by affixing the Target's seal.</i></p>

Remark: ^{1/} 7UP has an office for subsidiaries, affiliates, and others (non-related parties) to rent, which UWM has rented with the same standard rental fee as group of companies and others.

4.1.2 General Information of ART

Company's Name	Asia Recycle Technology Company Limited ("ART")
Type of Business	Treatment and disposal of hazardous waste (except radioactive nuclear waste)
Established Date	May 28, 2017
Registered Address	9/13 M.7 Soi Siam Phatthana, PoochaoSamingphrai Rd., Bang Hua Sua, PhraPradaeng, SamutPrakan 10130
Registered Capital	Baht 86,000,000
Paid-up Capital	Baht 86,000,000
Par value	Baht 100.00 per share
Board of Directors and Authorized Director	Mr. Suthep Theprungrot <i>Remark: There is one authorized director who is authorized to sign on behalf of ART by affixing ART's seal.</i>
Key Licenses	<ol style="list-style-type: none"> License Number 105: engage in the business of non-hazardous industrial waste treatment and disposal in landfills. License Number 106: to engage in the business of recycling solvents, thinner, other solvents, lubricants and coolants. License Type 88: to engage in the business of electricity generation with a capacity of 9.5 megawatts. License Number 101: to engage in the business of treating and disposing of hazardous industrial waste.

Financial statements of ART for the period of 2015 to 2017

(Baht million)

Statements of Financial Positions as of December 31	2015	2016	2017
Current assets			
Cash and cash equivalents	0.03	0.18	0.10
Temporary investment	0.02	-	-
Trade and other receivables	60.56	77.39	102.40
Short-term loans and related parties	3.56	87.82	113.12
Other current assets	7.21	-	-
Total current assets	71.38	165.40	215.63
Non-current assets			
Long-Term investments	30.90	30.90	30.90
Property, plant and equipment	139.79	133.96	117.10
Intangible assets	0.07	-	-

Statements of Financial Positions as of December 31	2015	2016	2017
Other non-current assets	12.60	25.22	25.27
Total non-current assets	183.36	190.09	173.27
Total assets	254.74	355.49	388.89
Current liabilities			
Bank overdrafts and short-term loans from financial institutions	22.53	27.84	29.16
Trade and other payables	24.95	37.63	47.85
Current portion of long-term loans from financial institutions	6.08	17.23	15.36
Current portion of liabilities under finance lease agreements	11.15	-	-
Shor-term loans	108.99	93.92	95.39
Other current liabilities	4.07	1.63	3.29
Total current liabilities	177.77	178.26	191.05
Non-current liabilities			
Long-term loans	16.96	31.47	21.20
Liabilities under finance lease agreements, net of current portion	8.62	-	-
Provision for loan-term employee benefits	6.60	9.41	14.54
Total non-current liabilities	32.18	40.88	35.74
Total liabilities	209.95	219.14	226.79
Shareholders' equity			
Registered	10.00	86.00	86.00
Issued and fully paid-up	10.00	86.00	86.00
Retained earnings (deficit)	34.78	50.35	76.10
Total shareholders' equity	44.78	136.35	162.10
Total liabilities and shareholders' equity	254.74	355.49	388.89

(Baht million)

Statements of comprehensive income for the year ended December 31	2015	2016	2017
Service income	136.93	163.88	169.99
Cost of Services	(87.97)	(95.47)	(94.27)
Gross profit	48.96	68.42	75.72
Other Income	9.46	15.44	9.58
Selling and distribution expenses	(8.37)	(11.48)	(10.80)
Administrative expenses	(25.51)	(37.31)	(27.64)
Profit before finance cost and income tax expenses	24.53	35.06	46.87
Finance cost	(13.23)	(13.02)	(12.32)
Profit before tax expenses	11.30	22.04	34.55

Statements of comprehensive income for the year ended December 31	2015	2016	2017
Income taxes	(3.24)	(6.48)	(8.80)
Profit for the year	8.05	15.56	25.76

Remark: The auditor of ART is not in the list of auditors approved by the SEC.

4.1.3 General Information of AWM

Company's Name	Asia Waste Management Company Limited ("AWM")
Type of Business	Collection of hazardous waste
Established Date	May 28, 2017
Registered Address	9/13 M.7 Soi Siam Phatthana, PoochaoSamingphrai Rd., Bang Hua Sua, PhraPradaeng, SamutPrakan 10130
Registered Capital	Baht 10,000,000
Paid up Capital	Baht 10,000,000
Par value	Baht 100.00 per share
Board of Directors and Authorized Director	Mr. Suthep Theprungrot <i>Remark: There is one authorized director who is authorized to sign on behalf of the Company by affixing the Company's seal.</i>
Key Licenses	<ol style="list-style-type: none"> License Number 105: to engage in the business of non-hazardous industrial waste treatment and disposal in landfills. License Number 106: to engage in the business of recycling solvents, thinner, other solvents, lubricants and coolants.

Financial statements of AWM for the period of 2015 to 2017

(Baht million)

Statements of Financial Positions as of December 31	2015	2016	2017
Current assets			
Cash and cash equivalents	0.20	0.33	0.33
Temporary investment	26.93	34.10	44.74
Trade and other receivables	81.54	96.92	124.67
Short-term loans and related parties	10.60	-	-
Other current assets	2.32	-	-
Total current assets	121.60	131.53	169.74
Non-current assets			
Property, plant and equipment	35.39	31.53	27.34
Other non-current assets	-	0.11	0.11

Total non-current assets	35.39	31.64	27.44
Total assets	156.99	163.01	197.18
Current liabilities			
Bank overdrafts and short-term loans from financial institutions	20.15	16.66	18.18
Trade and other payables	37.79	50.42	69.71
Current portion of long-term loans from financial institutions	5.52	5.07	8.65
Current portion of liabilities under finance lease agreements	3.63	-	-
Other current liabilities	2.18	2.10	0.71
Total current liabilities	69.27	74.25	97.26
Non-current liabilities			
Long-term loans	10.85	8.41	6.36
Liabilities under finance lease agreements, net of current portion	1.81	-	-
Provision for loan-term employee benefits	9.46	13.04	16.59
Total non-current liabilities	22.12	21.55	22.95
Total liabilities	91.39	95.81	120.20
Shareholders' equity			
Registered	10.00	10.00	10.00
Issued and fully paid-up	10.00	10.00	10.00
Retained earnings (deficit)	55.60	57.20	66.97
Total shareholders' equity	65.60	67.20	76.97
Total liabilities and shareholders' equity	156.99	163.03	197.18

(Baht million)

Statements of comprehensive income for the year ended December 31	2015	2016	2017
Service income	94.34	95.03	87.22
Cost of Services	(57.14)	(58.13)	(58.65)
Gross profit	37.20	36.90	28.57
Other Income	6.82	11.75	10.15
Selling and distribution expenses	(6.92)	(8.30)	(5.99)
Administrative expenses	(18.68)	(31.14)	(17.43)
Profit before finance cost and income tax expenses	18.43	9.22	15.31
Finance cost	(2.93)	(2.56)	(1.89)
Profit before tax expenses	15.50	6.66	13.42
Income taxes	(4.17)	(5.05)	(3.65)
Profit for the year	11.34	1.61	9.77

Remark: The auditor of AWM is not in the list of auditors approved by the SEC.

5. Total value of consideration and other conditions

According to the Transaction, the Company shall receive 30 percent of the issued and paid-up shares of UWM from Ms. Malinee Boonruk, whereas UWM is a holding company. The Company's engages in the business of waste treatment and disposal as well as electricity generation and distribution. UWM currently holds 99.99 percent of the ordinary shares of ART and AWM, which engage in the separation and disposal of industrial waste in landfills, while in the future ART plans to expand its business to manage and dispose of hazardous waste through high temperature power plant(s) as well as to generate and sell electricity. ART is currently undertaking a feasibility study of this plan.

The criteria used to determine the total value of the consideration of Baht 135.00 million for the acquisition of UWM's shares in the proportion of 30.00 percent of the total issued shares of UWM were the value obtained from negotiations between the Company and the Seller, the fair value of which had been evaluated by Capital Advantage Company Limited ("CapAd" or the "Financial Advisor"), which valued ART and AWM at Baht 493.37 million and Baht 148.01 million based on a 30 percent share acquisition calculated based on the Discounted Cash Flow approach using a period of 22 years (2018-2039) with a discount rate calculated from the weighted average cost of capital of 9.72- 11.28 percent per annum.

In the acquisition of UWM's shares from Miss Malinee Boonruk, who is not a connected person without any relationship and/or any connection with the Company's executives, board of directors, major shareholders, or controlling person of the Company and its subsidiaries, the Buyer shall acquire 1,350,000 ordinary shares at a par value of Baht 100 per share, representing 30.00 percent of the issued and paid-up capital of UWM at a price of Baht 25 per share (25 percent of the par value) with a total value of Baht 33.75 million. The Company shall make a cash payment on the closing date.

6. Expected Benefits

According to the Transaction, the Company shall receive 30 percent of the issued and paid-up shares of UWM from Ms. Malinee Boonruk, whereas UWM is a holding company held by ART and AWM, which have had more than 10 years of experience in separating and disposing of industrial waste in landfills and which are expected to have a high volume of growth of industrial waste by utilizing appropriate waste management systems that comply with government rules and regulations. As a result, the Company foresees an opportunity to generate sustainable income and obtain an attractive long-term return on its investment. In addition, there are very few players who are capable of matching ART's plan to manage and dispose of hazardous waste through high temperature power plant(s) as well as generate and sell electricity.

7. Source of Funds

The source of funds for the Transaction shall come from the Company's working capital, which is quite sufficient.

8. Opinion of the Board of Directors regarding the Transaction

The Board of Directors is of the opinion that the Transaction has the potential to generate income for the Company as well as appropriate benefits for the Company and shareholders, because it will enable it to expand its business by engaging in the separation and disposal of both hazardous and non-hazardous industrial waste, as well as to enable it to engage in the generation and the sale of electricity, which has the potential to create sustainable value for shareholders of 7UP on a long-term basis.

9. Opinion of the Audit Committee and/or Director which is different from the Board of Directors

No Audit Committee member or director has an opinion that differs from or conflicts with the opinion of the Board of Directors as specified in Article 8.

The Company hereby certifies that the statements contained in this Information Memorandum are accurate.

Please be informed accordingly.

Yours sincerely,

(Mr. Chanin Kiatthaveepong)

Deputy Chief Executive Officer

Secretarial Office

02-741-5700 Ext.106