

8 August 2019

Re Share Acquisition in Duong River Surface Water Plant JSC in Vietnam

Dear President
The Stock Exchange of Thailand

WHA Utilities and Power Public Company Limited (“the Company” or “WHAUP”) would like to inform that the Board of Directors in its Meeting No.8/2019 dated 8 August 2019 has consented WHAUP (SG) 2DR PTE. LTD. (WUPSD) (a subsidiary of WHAUP (SG) 1 PTE. LTD.) to enter into a Share Purchase Agreement (“SPA”) with Mr. Do Tat Thang, a shareholder of Duong River Surface Water Plant Joint Stocks Company (“SDWTP”), a water supplier in Hanoi, Vietnam, to buy 33,986,774 shares amounting to 34.00% of total shares in SDWTP. The total value of transactions is VND 2,073.19 billion (approximately THB 2,762.96 million, using the exchange rate of 0.0013 THB/VND, based on average rate of commercial banks as published by Bank of Thailand on 7 August 2019). The completion of this transaction is subject to certain conditions precedent as specified in SPA.

This investment marks another important step for WHAUP utilities business expansion in CLMV, especially in Vietnam, as part of our long-term investment target. Moreover, it is also in line with our strategic plan to expand the utilities business outside WHA Group’s industrial estates.

SDWTP was established in 2016 and became one of the main water suppliers in Hanoi. Currently, the project’s capacity is 54,750,000 cubic meters per year for phase 1A which has commenced operation since the first quarter of 2019. SDWTP is undergoing the phase 1B expansion of another 54,750,000 cubic meters per year, which is scheduled to commercially operate in fourth quarter of 2019. By year end 2019, the total capacity of SDWTP will be 109,500,000 cubic meters per year.

This transaction is not classified as a connected transaction. However, the transaction size requires the Company to disclose a report on the transaction information under the Notification of the Capital Market Supervisory Board No. Tor.Jor. 20/2551 (regarding Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets) and the Notification of the Board of Governors of the Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, B.E.2547 (2004).

According to the foregoing regulations, this transaction of THB 2,762.96 million (VND 2,073.19 billion) is calculated to be approximately 12.02% of the total assets of the company, based on the consolidated finance statements ending June 30, 2019. When combining with other acquisition transactions over the past 6 months, the total transaction size will be approximately 16.83%, which is higher than 15.00% but less than 50.00%. As a result, the Company is required to disclose the information on the transaction to the Stock Exchange of

No. WHAUP-CS014-2562



Thailand and distribute the same to its shareholders within 21 days from the date of disclosure of the transaction to the Stock Exchange of Thailand.

Please be informed accordingly.

Yours Faithfully

(Mr. Wisate Chungwatana)
Chief Executive Officer

Corporate Secretary Office 02-719-9559 Ext. 971
Investor Relations Department 02-719-9559 Ext. 912
Utilities Business Development Department 02-719-9559 Ext. 940

บริษัท ดับบลิวเอชเอ ยูทิลิตี้ส์ แอนด์ พาวเวอร์ จำกัด (มหาชน) บมจ. 0107559000401
WHA Utilities and Power Public Company Limited 2

24th Floor, UM Tower, 9/241-242 Ramkhamhaeng Road, Suanluang, Bangkok 10250, Thailand
Tel: +66 (0) 2 719 9559 Fax: +66 (0) 2 717 2128, www.wha-up.com



WHA Utilities and Power Public Company Limited
Information Memorandum regarding the Acquisition of Assets

1. Transaction Date

The Board of Directors' Meeting on 8 August 2019 has consented to WHAUP (SG) 2DR PTE. LTD to enter into a Share Purchase Agreement ("SPA") which is subject to the completion of certain conditions precedent as specified in SPA. The company expects the signing date will be held on 9 August 2019.

2. Involved Parties and Relationships

	<u>Name</u>	<u>Relationship</u>
Buyer :	WHAUP (SG) 2DR PTE. LTD	Subsidiary Company
Seller :	Mr. Do Tat Thang	SDWTP's current shareholder, which is an individual person in Vietnam. However, Seller is not a connected person of the Company and its Subsidiary

3. The General Characteristic of the Transaction

This transaction is the investment in the existing ordinary shares of SDWTP of 33,986,774 or equivalent to 34.00 percent as details in No.4

4. Details of the Acquired Assets

- The shares of the company engaging in water treatment plant and distribution system located in Hanoi City

	<u>Capacity</u>	<u>Status</u>
Phase 1A	54,750,000 cubic meters / year	Commenced Operation in 1Q'2019
Phase 1B	54,750,000 cubic meters / year	Under Construction, expected to COD in 4Q'2019
<u>Total Project Capacity</u>	109,500,000 cubic meters / year	

- Shareholding structure before and after transaction

Name	Pre-Transaction		Post-Transaction	
	No.of Shares	%	No.of Shares	%
Aqua One Water Corporation	40,984,051	41.00	40,984,051	41.00
WUPSD	-	-	33,986,774	34.00
Mr. Do Tat Thang	33,986,774	34.00	-	-
Saigon Fund Management Joint Stock Company	10,000,000	10.00	10,000,000	10.00
Ha Noi Water Company Limited	9,996,110	10.00	9,996,110	10.00
New Technology Application and Tourism Single Member Company Limited	4,998,055	5.00	4,998,055	5.00
Total	99,961,100	100.00	99,961,100	100.00

5. Total Value of Consideration

The total transaction value is VND 2,073.19 Billion for acquisition of ordinary shares of SDWTP, or equivalent to approximately THB 2,762.96 million.

6. Size of the Transaction

This calculation is based on the consideration value of approximately THB 2,762.96 million (calculated from VND 2,073.19 Billion and exchange rate of 0.0013 THB/VND, based on average rate of commercial banks as published by Bank of Thailand on 7 August 2019). When combining with other acquisition transactions over the past 6 months, the total transaction size is, approximately 16.83% of the total assets of the company, based on the consolidated finance statements ending June 30, 2019.

7. Criteria for Determination of Consideration Value of the Transaction

The consideration value is determined from the discounted cash flow method, performed by company's management, which is in-line with the investment policy of the Company.

8. Expected Benefits

- 34.00 percent of total ordinary shares in the main water treatment plants in Hanoi, Vietnam. Currently, the project's capacity is 54,750,000 cubic meters per year for phase 1A which has commenced operation since the first quarter of 2019. SDWTP is undergoing the phase 1B expansion of another 54,750,000 cubic meters per year, which is scheduled to commercially operate in fourth quarter of 2019. By year end 2019, the total capacity of SDWTP will be 109,500,000 cubic meters per year. In addition, SDWTP is studying feasibility to expand additional capacity in the future.
- Profit sharing and dividend received from the project based on the percent of shares.

9. Source of Funds

The Company plans to use the working capital and/or internal cash flow and/or loan from financial institution.

10. Other Prerequisite Conditions for the Acquisition of Assets

By entering into the Share Purchase Agreement mentioned above, both parties have the obligations under the agreement to complete conditions precedent as specified in SPA.

11. Opinion from the Board of Directors

The Board of Directors considered that the expected rate of return and associated risks of this transaction are reasonable and beneficial to the Company and the shareholders. In addition, it is also in line with the Company's strategic plans.

12. Opinion from the Audit Committees and/or Directors which are Different from Others

- None -