

No. TSE(PCL)006/09-2021

22 September 2021

Subject: Disposal of investment in solar power plant project in Japan

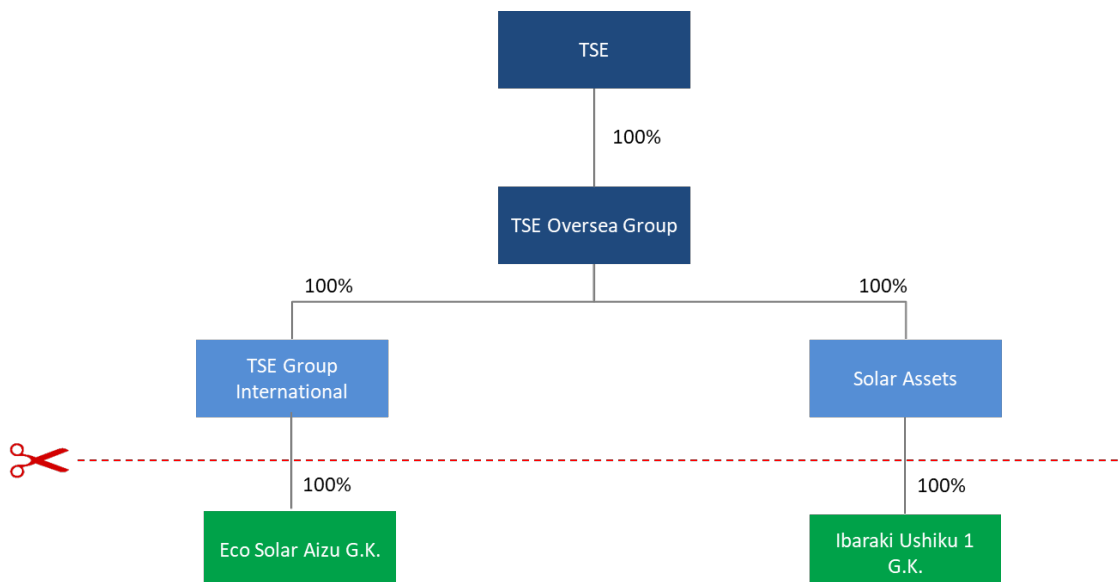
To: The President
The Stock Exchange of Thailand

Refer to Board of Directors' Meeting of Thai Solar Energy Public Company Limited (the "Company") held on 16 September 2021, has passed a resolution approving the authorization to the Executive Committee of the Company to deal with the disposition of 2 subsidiaries registered in Japan, the comprise of (1) Eco Solar Aizu G.K. ("ESA") which operates 6 solar power projects in Japan with a total installed of 8.24 MW held by TSE Group International Pte. Ltd. ("TSI") and (2) Ibaraki Ushiku 1 G.K. ("IU1") which operate of land lease held by Solar Assets Pte. Ltd. ("SA") which both companies indirect subsidiaries of the Company with 100% ownership interest held through TSE Overseas Group Co.,Ltd. ("TSEO")

Therefore, the Executive Committee Meeting of the Company, held on 21 September 2021, has passed a resolution approving TSI and SA to sign an share purchase agreement in the proportion of 100% of ESA and IU1 to Purchaser, with the value of the sale of the project as agreed in the amount of JP¥ 3,363 million or equivalent THB 1,027 million (the average exchange rate as of 21 September 2021 is equal to JP¥ 1 : THB 0.3055), which is calculated as the size of the transaction in accordance with the regulations of the Stock Exchange of Thailand according to the calculation method for 'Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets, 2004, equal to 5.29% this is classified as a transaction according to the method of calculating the transaction size using the total value of consideration criteria to the financial statements for the 6 months period ended 30 June 2021 that have been reviewed by the auditor. However, there is no historical transaction size in the past 6 months; therefore, the total transaction size is 5.29% and must be approved by the Board of Directors' meeting. In this regard, the Company has received a resolution from the Board of Directors to dispose of the assets and authorize the Executive Committee to carry out such transactions as detailed above.

Nevertheless, such disposition is not considered an entry into the transaction with the Company's connected person. Thus, it is not regarded as the connected transaction pursuant to Notification of the Capital Market Advisory Board No. Tor Jor.21/2551, Re: Rules on Connected Transactions, and the Notification of the Board of Governors of the Stock Exchange of Thailand, Re: Disclosure and Acts of Listed Companies on Connected Transactions B.E. 2546 (2003).

Shareholding Structure before and after the disposal



Material information of the transaction is as set out below.

1. Date/ Month/ Year of the transaction

Within quarter 3/2021

2. Parties involved and the relation with the listed company

Seller	:	TSE Group International Pte. Ltd. ("TSI") and Solar Assets Pte. Ltd. ("SA") which is indirect subsidiaries of the Company with 100% ownership interest held through TSE Overseas Group Co.,Ltd. ("TSEO")
Purchaser	:	Tokyo Infrastructure Asset Management Co., Ltd. ("TIAM")
Relationship with the Company	:	The Purchaser has no relationship with the major shareholders, directors and executives of the Company and its subsidiaries. Therefore, such disposition is not considered an entry into the transaction with the Company's connected person. Thus, it is not regarded as the connected transaction pursuant to Notification of the Capital Market Advisory Board No. Tor Jor.21/2551, Re: Rules on Connected Transactions, and the Notification of the Board of Governors of the Stock Exchange of Thailand re: Disclosure and Acts of Listed Companies on Connected Transactions B.E. 2546 (2003)

3. General characteristic of the transaction and Calculation of Transaction Value

The Company intends to sell the all the investment of 2 subsidiaries the comprise of (1) ESA which has TSI as the beneficiary and (2) IU1 which has SA as the beneficiary, with a total sales value of JP¥ 3,363 million or equivalent THB 1,027 million (the average exchange rate as of 21 September 2021 is equal to JP¥ 1 : THB 0.3055) which is calculated as the size of the transaction in accordance with the regulations of the Stock Exchange of Thailand according to the calculation method for 'Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets, 2004, equal to 5.29% this is classified as a transaction according to the method of calculating the transaction size using the total value of consideration criteria to the financial statements for the 6 month period ended 30 June 2021 that have been reviewed by the auditor. However, there is no historical transaction size in the past 6 months; therefore, the total transaction size is 5.29% and meet the criteria that must be approved by the board of directors meeting, whereas the Board of Directors has authorized the Executive Committee to proceed with the disposal of the said project.

4. Detailed summary of disposed assets

1. Eco Solar Aizu G.K. ("ESA")

Type of Business	:	Operates 6 solar power plant projects with the installed capacity of 8.24 MW
Registered Capital	:	JP¥ 10,000
Paid-up Capital	:	JP¥ 10,000
The proportion of shares held <u>before</u> the selling	:	100%
The proportion of shares held <u>after</u> the selling	:	0% By entering into transaction, ESA cease to be a subsidiary of the Company

Projects

1. Kuno	Province	:	Ibaraki, Japan
	Installed Capacity	:	0.5 MW
	COD	:	August 2015
	Feed-in-Tariffs	:	36 per kWh
	PPA Period	:	20 years
		:	
2. Shima	Province	:	Toyama, Japan
	Installed Capacity	:	1.25 MW
	COD	:	March 2016
	Feed-in-Tariffs	:	32 per kWh
	PPA Period	:	20 years
		:	

3. Hikeme Province : Fukui, Japan
 Installed Capacity : 1.50 MW
 COD : April 2016
 Feed-in-Tariffs : 32 per kWh
 PPA Period : 20 years
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4. Ryugasaki Province : Ibaraki, Japan
 Installed Capacity : 1.75 MW
 COD : September 2016
 Feed-in-Tariffs : 36 per kWh
 PPA Period : 20 years
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5. Sakura Province : Toyama, Japan
 Installed Capacity : 1.99 MW
 COD : November 2017
 Feed-in-Tariffs : 32 per kWh
 PPA Period : 20 years
 :
6. Jyoso Province : Ibaraki, Japan
 Installed Capacity : 1.25 MW
 COD : May 2018
 Feed-in-Tariffs : 36 per kWh
 PPA Period : 20 years
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Summary of financial status and performance of ESA for the period ending 31 December of 2019 - 2020 as follows:

Unit: THB	31 December 2019	31 December 2020
Total Assets	1,015,848,255.34	908,286,029.16
Total Liabilities	714,166,790.68	710,279,984.73
Total Equity	301,681,464.66	198,006,044.42
Total Revenues	115,116,636.69	107,731,588.63
Cost of Sale	96,797,993.74	93,861,937.10
Net Profit (loss)	18,318,642.95	13,869,651.53

2. Ibaraki Ushiku 1 G.K. ("IU1")

- Type of Business : Operate of land lease for 6 projects
 Registered Capital : JP¥ 382,510,000
 Paid-up Capital : JP¥ 382,510,000
 The proportion of shares held before the selling : 100%
 The proportion of shares held after the selling : 0% By entering into transaction, IU1 cease to be a subsidiary of the Company

Summary of financial status and performance of IU1 for the period ending 31 December of 2019 - 2020 as follows:

Unit: THB	31 December 2019	31 December 2020
Total Assets	109,761,378.48	116,139,870.82
Total Liabilities	77,955,668.15	-
Total Equity	31,805,710.34	116,139,870.82
Total Revenues	1,965,130.68	2,028,600.78
Cost of Sale	1,500,365.66	1,555,391.59
Net Profit (loss)	464,765.02	473,209.19

5. The value of the disposed assets

Total sales value of JP¥ 3,363 million or equivalent THB 1,027 million (the average exchange rate as of 21 September 2021 is equal to JP¥ 1 : THB 0.3055) subject to the terms and conditions stated in the SPA and/or other relevant contracts agreed upon

6. Basis used to determine the value of consideration

The purchase price is referred to the agreement between the buyer and the seller. Both parties negotiated as appropriate and agreed to set the purchase price.

7. Expected Benefits of the Transaction to the Company

The Company ability to pay off some liabilities and invest in new projects in both domestic and international, to be in accordance with the company business expansion plan including the overall financial position of the company will be better and have higher liquidity

8. Utilization Plan on the Proceeds from Disposal of Assets

The Company has plan to utilize the proceeds received from disposal of assets for working capital, pay off some liabilities and invest in new projects in both domestic and international in accordance with the Company's business expansion plan

9. Opinion of the Board of Directors on the Entry into the Transaction

The Board of Directors has considered and viewed that the entry into this transaction is reasonable and beneficial to the Company the proceeds from this sale of assets can be used to increase the chances of generating a return on investment in other profitable projects for the company and its shareholders.

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

None of the directors and/or the Audit Committee had a different opinion from of the Board of Directors of the Company.

Please be informed accordingly.

Your sincerely,

- signed -

(Mr. Somphop Prompanapitak)
Chief Operating Officer