

(Translation)

Ref: SCG-SET-21-015

October 28, 2021

Subject: Acquisition of the assets - SPP Renewal Project

To: President  
The Stock Exchange of Thailand

Attachment Information Memorandum on Assets Acquisition of Sahacogen (Chonburi) Public Company Limited

The Board of Directors' Meeting No. 8/2021 of Sahacogen (Chonburi) Public Company Limited ("Company") held on October 28, 2021 resolved for the approval of entry into the long-term Power Purchase Agreement with Electricity Generating Authority of Thailand ("EGAT"), to replace the existing Power Purchase Agreement which expiring on April 2024, in accordant with the announcement of Energy Regulatory Commission ("ERC") on the invitation to purchase the electricity from Small Power Producers, firm contract type with cogeneration system, which the agreement ending between 2019-2025 (Construct the new power plant) B.E. 2562 dated May 6, 2019. In addition, the Board's resolution also approved for entry into the Engineering and Supply Agreement with Jurong Engineering Limited in Singapore and the Construction Services Agreement with Thai Jurong Engineering Co., Ltd. The total value of such two contracts is approximately THB 2,476.19 million (Refer to the exchange rate at 33.25 THB/USD) for construction of the new cogeneration combined cycle power plant project in the net capacity of 73 MW of electricity and 75 tons per hour of steam ("SPP Renewal Project") in order to meet the requirement of the long-term Power Purchase Agreement with EGAT, to replace the existing Power Purchase Agreement which expiring on April 2024.

The investment transaction of the SPP Renewal Project constitutes an acquisition of assets pursuant to the Notification of the Capital Market Supervisory Board No. Tor Jor. 20/2551 regarding Rules for Entering into Material Transactions within the Definition of an Acquisition or Disposal of Assets dated August 31, 2008, its amendments and the Notification of the Board of Governors of the Stock Exchange of Thailand regarding Disclosure and Compliance by Listed Companies relating to Acquisition or Disposal of Assets B.E. 2547 dated October 29, 2004, together with its amendments (Acquisition and Disposition Notification). According to the calculation of the transaction's size, the value of the transactions is greater than 15% but lower than 50% of the Company's total assets. Therefore, the Company is required to disclose information memorandum of such transactions to the SET and send the circular notice to the shareholders of the Company within 21 days from the date that such information has been disclosed to the SET as the attachment.

Please kindly be informed accordingly,

Sincerely yours,

Mr. Vorayos Thongtan

Managing Director

(Translation)

**Information Memorandum on Assets Acquisition of  
Sahacogen (Chonburi) Public Company Limited**

The Board of Directors' Meeting No. 8/2021 of Sahacogen (Chonburi) Public Company Limited ("Company") held on October 28, 2021 resolved for the approval of entry into the long-term Power Purchase Agreement with Electricity Generating Authority of Thailand ("EGAT"), to replace the existing Power Purchase Agreement which expires on April 2024, in accordant with the announcement of Energy Regulatory Commission ("ERC") on the invitation to purchase the electricity from Small Power Producers, firm contract type with cogeneration system, which the agreement ending between 2019-2025 (Construct the new power plant) B.E. 2562 dated May 6, 2019 to be signed within 30 days after the Board's resolution. In addition, the Board's resolution also approved for entry into the Engineering and Supply Agreement with Jurong Engineering Limited in Singapore and the Construction Services Agreement with Thai Jurong Engineering Co., Ltd. The total value of such two contracts is approximately THB 2,476.19 million (Refer to the exchange rate at 33.25 THB/USD) for construction of the new cogeneration combined cycle power plant project in the net capacity of 73 MW of electricity and 75 tons per hour of steam ("SPP Renewal Project") in order to meet the requirement of the long-term Power Purchase Agreement with EGAT, to replace the existing Power Purchase Agreement which expiring on April 2024.

The investment transaction of the SPP Renewal Project constitutes an acquisition of assets pursuant to the Notification of the Capital Market Supervisory Board No. Tor Jor. 20/2551 regarding Rules for Entering into Material Transactions within the Definition of an Acquisition or Disposal of Assets dated August 31, 2008, its amendments and the Notification of the Board of Governors of the Stock Exchange of Thailand regarding Disclosure and Compliance by Listed Companies relating to Acquisition or Disposal of Assets B.E. 2547 dated October 29, 2004, together with its amendments (Acquisition and Disposition Notification). According to the calculation of the transaction's size, the value of the transactions is greater than 15% but lower than 50% of the Company's total assets. Therefore, the Company is required to disclose information memorandum of such transactions to the SET and send the circular notice to the shareholders of the Company within 21 days from the date that such information has been disclosed to the SET as follows:

**1. Date Month Year of Transaction**

The Company will enter into the Engineering and Supply Agreement with Jurong Engineering Limited in Singapore and the Construction Services Agreement with Thai Jurong Engineering Co., Ltd. within 30 days after the Board's resolution dated October 28, 2021.

**2. Relevant Parties and Relationship with the Company**

Agreement	Supplier / Contractor	Relationship
Engineering and Supply Agreement	Jurong Engineering Limited, Singapore	None
Construction Services Agreement	Thai Jurong Engineering Co., Ltd.	None

### 3. General Information of the Transaction

The Company is a Small Power Producer (SPP) distributing electricity to EGAT with contracted capacity of 90 MW as the current long-term Power Purchase Agreement which expiring on April 18, 2024, as well as supplying both electricity and steam to Saha Pathana Inter-Holding Public Company Limited (SPI), the sole distributor, to resell to the industrial users in Saha Group Industrial Park, Sriracha. The Company's cogeneration combined cycle power plant located in Saha Group Industrial Park - Sriracha currently has the net capacity of 201 MW of electricity and 96 tons per hour of steam.

The Board of Directors' Meeting No. 8/2021 of the Company held on October 28, 2021 resolved for the approval of entry into the long-term Power Purchase Agreement with EGAT with contracted capacity of 30 MW of electricity complied with the condition of such agreement within 30 days after the Board's resolution, to replace the existing Power Purchase Agreement which expiring on April 2024, in accordant with the announcement of Energy Regulatory Commission ("ERC") on the invitation to purchase the electricity from Small Power Producers, firm contract type with cogeneration system, which the agreement ending between 2019-2025 (Construct the new power plant) B.E. 2562 dated May 6, 2019. Hence, to comply with the condition of such long-term Power Purchase Agreement with EGAT which replacing the existing Power Purchase Agreement, the Company has to invest to construct the new power plant in order to receive the benefit from the new Power Purchase Agreement. The SPP Renewal Project will be located on the Company's land in Saha Group Industrial Park - Sriracha with the net capacity of 73 MW of electricity and 75 tons per hour of steam.

Thereafter, the Company had conducted the selection process for contractor of the new power plant with the best interest of the Company, the Company decided to enter into the Engineering and Supply Agreement with Jurong Engineering Limited in Singapore and the Construction Services Agreement with Thai Jurong Engineering Co., Ltd. Both companies have experiences in the engineering, supply, installation, and construction of the power plants with similar type and capacity to the cogeneration combined cycle power plant that will be constructed by the Company. Beside that they also had the good performance in construction of the power plants of the Company and its subsidiary in past record. The total value of such two contracts is approximately THB 2,476.19 million (Refer to the exchange rate at 33.25 THB/USD). The construction is expected to be started in April 2022 after the Company get the necessary permits and licenses for construction of the new power plant from related government's authorities and granted the investment privilege from Board of Investment of Thailand (BOI). The construction period will be 24 months and it is expected to start commercial operation in April 2024.

The investment transaction of the SPP Renewal Project constitutes an acquisition of assets pursuant to the Acquisition and Disposition Notification. The Company has the foregoing acquisition of assets within the past 6 months prior to entry into this Transaction in totaling of THB 77.44 million equivalent to 1.22% as calculated based on the total value of the consideration criteria. The consideration value of the SPP Renewal Project calculated as follow;

$$\frac{\text{Value of Consideration (value under contract) x 100}}{\text{Total Asset of the Company (as per the audited consolidated financial statements ended as of June 30, 2021)}} = \frac{\text{THB 2,476.19 million x 100}}{\text{THB 6,371.17 million}} = 38.87\%$$

Therefore, the Total Transaction' size, included the consideration value of this Transaction and the foregoing acquisition of assets within the past 6 months prior to entering into this Transaction, is THB 2,553.63 million equivalent to 40.08% as calculated based on the total value of the consideration criteria which is the highest calculation criteria of transaction' size. This Transaction is deemed as Class 2 which the transaction's size is greater than 15% but lower than 50% of the Company's total assets. Therefore, the Company is required to disclose information memorandum of such transactions to the SET and send the circular notice to the shareholders of the Company within 21 days from the date that such information has been disclosed to the SET. No shareholders' approval is required.

#### 4. Details of Acquired of Assets

The Cogeneration Combined Cycle Power Plant with the net capacity of 73 MW of power and 75 tons per hour of steam through the entry into the Engineering and Supply Agreement with Jurong Engineering Limited in Singapore and the Construction Services Agreement with Thai Jurong Engineering Co., Ltd.

#### 5. Total Value of Consideration

The total value of the SPP Renewal Project for cogeneration combined cycle power plant is approximately THB 2,476.19 mm (Refer to the exchange rate at 33.25 THB/USD) as follow;

Agreement	Supplier / Contractor	Contract Value
Engineering and Supply Agreement	Jurong Engineering Limited, Singapore	THB 1,687.19 million
Construction Services Agreement	Thai Jurong Engineering Co., Ltd.	THB 789.00 million

The payment of engineering, procurement and construction work will be split and pay based on the success of each milestone work.

#### 6. Value of Acquired Assets

The cogeneration combined cycle power plant valued approximately THB 2,476.19 million (Refer to the exchange rate at 33.25 THB/USD)

#### 7. Criteria used to determine the value of asset

The Company has compared construction cost with the other cogeneration combined cycle power plants using natural gas as a fuel with similar capacity.

#### 8. Expected Benefit for the Company

When the SPP Renewal Project is completed as expected and start commercial operation (COD) as determined within April 2024, the Company will have continuous revenue from electricity sale to EGAT according to the new 25-year Power Purchase Agreement with contracted capacity of 30 MW of electricity complied with the condition of such agreement which will be replaced the existing Power Purchase Agreement that will be expired. This will create the long-term income of the Company in continuity and improve the efficiency of generation and distribution of electricity and steam to the industrial users which trend to be increased in the future. Furthermore, the Company will be benefit from the SPP gas price scheme for the new power plant in the net capacity of 73 MW of electricity and 75 tons per hour of steam.

**9. Source of Fund**

The source of fund of the SPP Renewal Project will come from the cash flow of the Company and long-term loan from financial institution(s) in approximately portion of 30% : 70%. The Company is currently in financing process for this project with the financial institutions.

**10. Condition of Transaction**

-None-

**11. Opinion of the Board of Directors**

The opinion of the Board of Directors is that the entry into this Transaction is justified and beneficial to the Company due to construction of the SPP Renewal Project is to comply with the condition of the new 25-year Power Purchase Agreement with EGAT as well as improving the efficiency of generation and distribution of electricity and steam to the industrial users which trend to be increased in the future. It will generate continuous revenue and profit leading to create value added to the shareholders sustainably.

In addition, the investment value of this Transaction is reasonable price. The counterparties are specialized and experienced companies in construction of various power plants. They are reliable and used to be the business partners of the Company.

**12. Opinion of Director and/or Audit Committee that Differs from the Opinion of the Board of Director in Item No.11**

-None-

---