

GUNKUL\_LT-OUT\_ 64-155

17<sup>th</sup> December 2021

Subject: Information memorandum on the purchase of additional ordinary shares in BMP Solar Company Limited

To: Director and Manager of the Stock Exchange of Thailand

The Board of Directors Meeting of Gunkul Engineering Public Company Limited (the “Company” or “GUNKUL”) No. 10/2564 (2021) held on 17<sup>th</sup> December 2021, has passed a resolution to approve the purchase of additional ordinary shares in BMP Solar Company Limited (“BMPS”), a subsidiary of the Company from the 4 current shareholders of 50,000 shares, representing 51.01521% of the current registered capital in the purchase price of 500,000.00 baht (Five hundred thousand baht) by share value, which will result in the Company's shareholding ratio increased from 48,010 shares, equivalent to 48.98479% of the total shares, to 98,010 shares, or 100% of the total shares of such company. In order to comply with the share purchase agreement that signed by the parties on 17<sup>th</sup> November 2016, Currently, BMPS has a registered capital of 980,100.00 baht (nine hundred and eighty-one hundred baht) and has a total of 98,010 registered shares (ninety-eight thousand and ten shares) at a par value of 10.00 baht (ten baht) per share.

However, the said transaction is not considered as a connected transaction of the Company according to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551, and when calculating the size of the asset acquisition transaction, it is not subject to the need to report information in accordance with the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551. However, such transaction is the case where the Company acquires additional ordinary shares which increases the shareholding proportion in such subsidiary. Therefore, the Company, as a listed company, must disclose information to The Stock Exchange of Thailand in accordance with the regulations of the Stock Exchange of Thailand Re: Criteria, Conditions and Methods for Disclosure of Information and Other Acts of Listed Companies B.E. 2560. The Company hereby reports the details of the transaction as follows:

### 1. Transaction Date

After being approved by the Board of Directors meeting, the transaction will be completed within January 2022.

### 2. Contractual Parties

Seller: 

1. BMP Energy Public Company Limited (“BMPE”) (not a connected person)
2. Mr. Weerawat Cholanavich
3. Mrs. Rungrat Prapasirikul
4. Mr. Chairat Wuthicharoenpuri

Purchaser: Gunkul Engineering Public Company Limited (the “Company” or “GUNKUL”)

### 3. General Characteristic of the Transaction

The Company intends to enter into the transaction to purchase additional ordinary shares in BMP Solar Company Limited (“BMPS”) by purchasing BMPS's ordinary shares from the current shareholders in the proportion of 51.01521% in the total value of the total purchase price at the amount of 500,000.00 baht (Five hundred thousand baht). The aforementioned transaction is considered an acquisition transaction with details of the calculation of the transaction size as follows:

- Acquisition transaction: accounted for the size of the transaction calculated in accordance with the rules of the Stock Exchange of Thailand's notification according to the calculation method on disclosure of information and operations of listed companies on the acquisition or disposal of assets B.E. 2547, equal to 0.001% of the total assets of the Company according to the latest consolidated financial statements as of 30<sup>th</sup> September 2021, which has been reviewed by the auditor. This is classified as a transaction according to the method of calculating the transaction size by using the total value of the consideration paid compared to the total assets of the listed company. However, if calculating the sum of consideration paid in the 6-month period (including the above items), it is considered to be a rate of 2.962% according to the method of calculating the transaction size by using the total value of consideration paid compared to the total assets of the listed company.

The aforementioned transactions must be approved by the Board of Directors' meeting. The Board of Directors Meeting No. 10/2564 (2021) held on 17<sup>th</sup> December 2021, has resolved to approve the acquisition of additional ordinary shares in BMPS in order to comply with the criteria of the Acquisition or Disposition Notification.

However, the transaction size that calculated for the acquisition of assets does not qualify for information disclosure to the Stock Exchange of Thailand. Nevertheless, such transaction is the case where the Company acquires additional ordinary shares which increases the shareholding proportion in such subsidiary. Therefore, the Company as a listed company, has to disclose information to the Stock Exchange of Thailand as mentioned above.

#### 4. Detail of the Acquire Assets

##### a. Nature of Business

Name : BMP Solar Company Limited

Address : Pearl Bangkok Building, 8<sup>th</sup> Fl., 1177, Phaholyothin Rd., Phayathai, Phayathai, Bangkok

Nature of business : Business to produce electricity from renewable energy

##### b. Board of Director of GIG

- List of committees before and after entering into the transaction.
  1. Mr. Phongsakorn Damnoen
  2. Miss Naruechon Dhumrongpiyawut

##### c. Shareholding Structure

- List of shareholders before acquisition: as of 17<sup>th</sup> August 2021

Shareholders List	Number of Shares	Percentage
1. Gunkul Engineering Public Company Limited	48,010	48.98479
2. BMP Solar Company Limited	49,997	51.01215
3. Mr. Weerawat Cholanavich	1	0.00102
4. Mrs. Rungrat Prapasirikul	1	0.00102
5. Mr. Chairat Wuthicharoenpuri	1	0.00102
Total	98,010	100.00000

- List of shareholders after acquisition: within January 2022

Shareholders List	Number of Shares	Percentage
1. Gunkul Engineering Public Company Limited	98,008	99.99796
2. Miss Sopacha Dhumrongpiyawut	1	0.00102
3. Mr. Phongsakorn Damnoen	1	0.00102
Total	98,010	100.00000

#### d. Summary of Key Financials

The financial position and the operating results of BMPS for the year ended 30<sup>th</sup> September 2021 according to the audited financial statements from the auditor. The details are as follows.

(unit : thousand baht)

Financial Position (Baht)	As of 30 <sup>th</sup> September 2021
Total Assets	491,999
Total Liabilities	324,948
Registered and Paid-up capital	980.1
Shareholders' Equity	167,051
Turnover (Baht)	For the period ending 30 <sup>th</sup> September 2021
Revenue	15,813
Expenses	6,899
Comprehensive profit (loss) for the period	7,779

#### 5. Total Value of the Transaction

The total value of the transaction size for the acquisition of assets is 500,000.00 baht (Five hundred thousand baht). The details of the transaction size calculation are as follows.

- The value of the acquisition of BMPS's ordinary shares from the current shareholders in the proportion of 51.01521% of the registered capital. The total amount of purchase price is 500,000.00 baht (Five hundred thousand baht), accounted for the size of the transaction calculated in accordance with the regulations of the Stock Exchange of Thailand equal to 0.001% of the total assets of the Company according to the latest consolidated financial statements as of 30<sup>th</sup> September 2021 that reviewed by the auditor.

#### 6. Value of the Acquired Assets

Assets that the Company will acquire are:

- BMPS's common shares that held by BMPE and individuals in the proportion of 51.01521% of the total issued and paid-up shares. The asset value of ordinary shares acquired is equal to 500,000.00 baht (Five hundred thousand baht).

#### 7. Basis of Calculation of the Share Price

Criteria that used to determine the value of consideration for the purchase of common shares at the amount of 500,000.00 baht (Five hundred thousand baht) which is the price that agreed by both parties' shareholders which is in accordance with the share purchase agreement that signed on 17<sup>th</sup> November 2016.

## 8. Benefits Expected to be obtained by the company

- 8.1. The Company has acquired shares of BMPS from the current shareholders in order to comply with the share purchase agreement that signed by the parties on 17<sup>th</sup> November 2016, which according to the criteria of the power purchase agreement, the shareholders structure can be adjusted after the project has successfully sold commercial electricity for at least 3 years. Therefore, this will result in the Company has a higher shareholding ratio of 100%.
- 8.2 The said company is a company that operates in the business of generating electricity from renewable energy, which will result in the Company having continued profits in the future.

## 9. Source of Investment

Company's working capital

## 10. Opinion of the Board of Directors

The Board of Directors had considered the proposed transaction and had the opinion that acquisition of BMPS would benefit the Company as following reasons:

- 10.1 The acquisition of BMPS shares is considered to be in compliance with the policy of promoting and supporting the Company to continuously expand the growth of its core business. This is also an execution in accordance with the share purchase agreement that agreed by the parties.
- 10.2 The Board of Directors has assessed that the business of such companies can generate returns, asset growth rates and profits for the Company and its shareholders continuously in the future.

## 11. Opinion of the Audit Committee Members and/or Directors which is different from the Opinion of the Board of Directors

- None

Please be informed accordingly.

Sincerely yours,

Gunkul Engineering Public Company Limited

(Mr. Somboon Aueatchasai)  
Chief Executive Officer