

- Translation -

Ref No. CS2022/006

Date 30 December 2022

Subject Notification of change in Management Structure with Chief Executive Officer and Executive Management and Information Memorandum on Asset Acquisition relating to the Investment in the Commercial Power Plant (amended)

To President  
The Stock Exchange of Thailand

Thachang Green Energy Public Company Limited (the “Company”) hereby informs the resolutions of the Board of Directors Meeting no. 9/2022, held on 29 December 2022 as follows:

1. Acknowledged the resignation from the position of Chief Executive Officer, member of the Executive Committee and the Company’s director of Dr. Sakda Siriphattarasophon due to pursuing new opportunities in other business. The resignation will be effective from 1 January 2023.
2. Resolved to approve the change in the Management Structure of the Company in order to be appropriate and support sustainable growth, which will be effective from 29 December 2022 as be shown in Attachment No. 1.
3. Resolved to approve the appointment of Mr. Sumate Laksitanonta to be Chief Executive Officer and member of the Executive Committee, which will be effective from 1 January 2023.

In this regard, the Company will proceed to recruit and appoint a qualified person to take the position of the Company’s director to replace the vacant position and will inform the Stock Exchange of Thailand accordingly.

4. Resolved to approve the appointment of Mr. Sumate Laksitanonta to be acting in the position of Chief Corporate Officer (CCO), which will be effective from 1 January 2023.
5. Resolved to approve the appointment of Mr. Sumate Laksitanonta to be acting in the position of Chief Strategy and Business Development Officer (CBDO), which will be effective from 1 January 2023.

6. Resolved to approve Thachang Energy Solution (Tha Chin) Co., Ltd. (“TES TCN”), subsidiary of the Company holding the shares of 99.99 percent, to invest in the commercial power plant project (“**Power Plant Project**”) with the Municipal Office of Tha Chin Subdistrict whereas TES TCN will purchase a piece of land and procure the power plant machinery for the construction and manage the Power Plant Project.

The above transaction of TES TCN is considered a transaction of asset acquisition by a listed company in accordance with the Notification of the Thai Capital Market Supervisory Board No. Tor Chor. 20/2551 RE: Criteria of Significant Transactions Deemed as Acquisition or Disposal of Assets dated 31 August 2008 and the Notification of the Stock Exchange of Thailand Board of Governors RE: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, B.E. 2547 (2004) (as amended) (the “**Notifications on Acquisition and Disposition Notifications**”).

When consolidated with the transaction of asset acquisition of the Company in a 6-month period. The total transaction size is more than 15 percent but less than 50 percent of the total assets of the Company. Therefore, the Company shall conduct a report and disclose that transactions which has minimum information as specified under List 1 of the Acquisition and Disposition Notifications and shall send the Minimum Information Memorandum under List 2 of the Acquisition and Disposition Notifications to the shareholders of the Company within 21 days from the date of transaction disclosure to the Stock Exchange of Thailand.

Please be informed accordingly.

Yours Sincerely,

- *Kosit Fuangwasdi* -

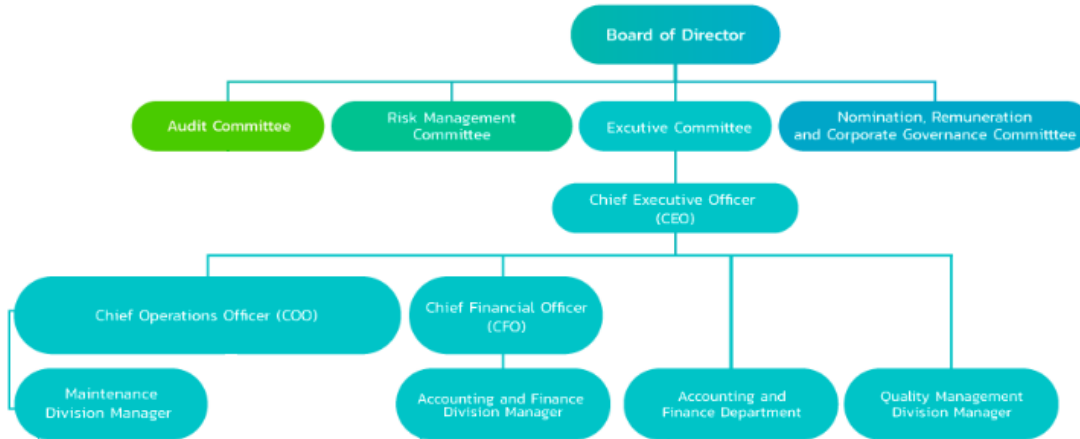
(Dr. Kosit Fuangwasdi)

Chairman of the Board of Directors

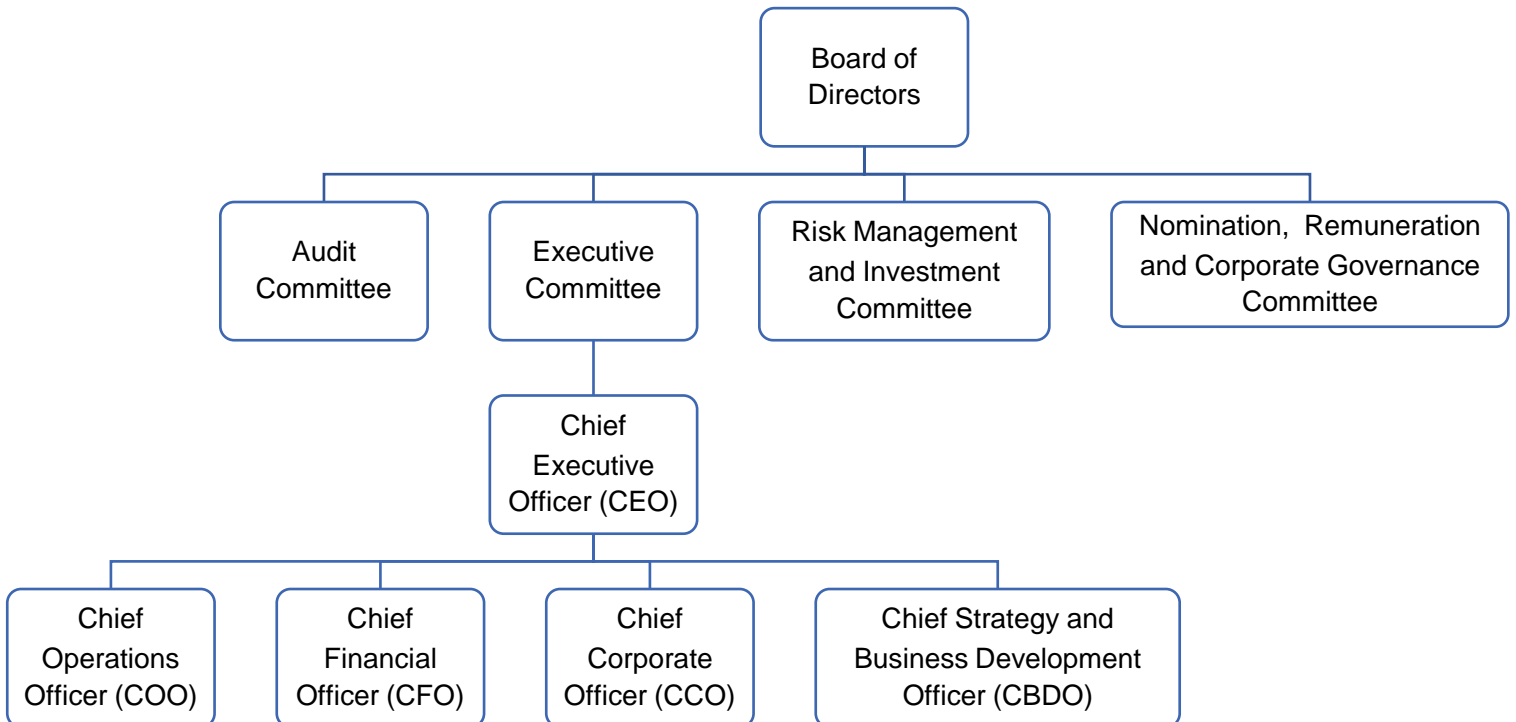
Authorized Person to Disclose Information

## Management Structure

### Original Structure



### New Structure



## Information Memorandum

### on Asset Acquisition of Thachang Green Energy Public Company Limited

The Board of Directors' Meeting No. 9/2022 of Thachang Green Energy Public Company Limited (the "Company") held on 29 December 2022, resolved to approve Thachang Energy Solution (Tha Chin) Co., Ltd. ("TES TCN"), subsidiary of the Company holding the shares of 99.99 percent, to invest in the solid waste disposal project by means of Waste-to-Energy ("WTE") with the Municipal Office of Tha Chin Subdistrict, Samut Sakhon Province. This investment results from the fact that TES TCN won the bidding and was selected as the investor to carry out the municipal waste disposal project under an operation investment and management entirely carried out by a private entity (Build Own and Operate: BOO) subject to the entire project duration of 25 years ("WTE Power Plant Project Tha Chin"). In this regard, TES TCN will purchase a piece of land, construct, and procure the power plant machinery for the construction and manage the WTE Power Plant Project Tha Chin.

The above transaction of TES TCN is considered a transaction of asset acquisition by a listed company in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551, Re: 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, Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, 2004 (as amended) ("Notifications on Asset Acquisition and Disposal"). The estimate of all investment values of the WTE power plant project (including the value of land and power plant machinery transactions) is approximately 1,628,733,000 Baht (one billion six hundred twenty-eight million seven hundred thirty-three thousand) (excluding VAT).

Based on the calculation of the transaction size compared to the overall assets with reference to the consolidated financial statements of the Company of 9-month period ended 30 September 2022 which was audited by a certified auditor, it appeared that the highest transaction size is equivalent to 48.45 percent as calculated based on the total value of consideration criteria. When such transaction was consolidated with the transaction of asset acquisition of the Company in a 6-month period, the total transaction size is equivalent to 48.85 percent, which is the transaction size of more than 15 percent but less than 50 percent of the total assets of the Company. Therefore, the Company is obliged to conduct a report and disclose such transaction with the minimum information as specified under List 1 of the Acquisition and Disposition Notifications and send the Minimum Information Memorandum under List 2 of the Acquisition and Disposition Notifications to the shareholders of the Company within 21 days from the date of transaction disclosure to the Stock Exchange of Thailand.

The details of the entry into the investment into the power plant project are explained below:

### 1. Date, Month, Year of Transaction

TES TCN will enter into the agreement granting rights to a private entity to comprehensively operate the municipal waste management project under the WTE Power Plant Project Tha Chin after receiving an approval from the Board of Directors' Meeting No. 9/2022 of the Company held on 29 December 2022, and the Company has already notified the result of such approval to TES TCN.

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

#### 2.1. The Agreement Granting Rights to a Private Entity to Comprehensively Operate the Municipal Waste Management Project

Right Grantor: The Municipal Office of Tha Chin Subdistrict

Right Grantee: Thachang Energy Solution (Tha Chin) Co., Ltd.

Relationship: Right Grantor is not deemed a person related to the Company and did not have any relationship with the Company in accordance with the Notification of the Thai Capital Market Supervisory Board No. Tor Chor. 21/2551 RE: Rules on the Related Transaction (as amended) 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 Related Transaction B.E. 2546 (2003) (as amended) ("the Related Transaction Notification")

#### 2.2. Power Purchase Agreement (PPA)

Buyer: Provincial Electricity Authority

Seller: Thachang Energy Solution (Tha Chin) Co., Ltd.

Relationship: The Buyer of electrical power is not deemed a person related to the Company in accordance with the Related Transactions Notification.

### 3. General Characteristics of Transactions

According to TES TCN's participation in the bidding with respect to the proposal of municipal waste management project of the Municipal Office of Tha Chin Subdistrict, Muang Samut Sakhon District, Samut Sakhon Province followed by the Municipal Office of Tha Chin Subdistrict's announcement where TES TCN

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won the bidding and was selected as the construction investor and must manage the solid waste according to the solid waste management project, TES TCN will enter into the agreement granting rights to a private entity to comprehensively operate the solid waste management project with the Municipal Office of Tha Chin Subdistrict. Under such agreement, TES TCN will be granted the rights to be the investor to construct and manage the solid waste project in a comprehensive approach on the land over which TES TCN has ownership as well as the production of electrical power by using solid waste fuel on the land over which TES TCN has ownership located in Samut Sakhon province. TES TCN will be granted the rights to construction, project management, and operations according to the project for a period of 25 years as from the date of executing the agreement.

The WTE Power Plant Project Tha Chin is a project of solid waste comprehensive operation by transforming waste to energy under an operation investment and management entirely carried out by a private entity (Build Own and Operate: BOO) subject to the entire project duration of 25 years. Approximately, the power plant which will be constructed has the production capacity of 9.9 megawatt and the sale capacity under the Power Purchase Agreement (PPA) of 8.0 megawatt by using an incubator and stoker system technology which continuously operates and is capable of getting rid of solid waste of 500 tons per day. The total investment value of the WTE Power Plant Project Tha Chin including the land, design and construction expenses and machinery costs and all equipment is approximately equivalent to 1,628,733,000 Baht (one billion six hundred twenty-eight million seven hundred thirty-three thousand) (excluding VAT). Upon completion, the WTE Power Plant Project will consume solid waste as fuel in the electrical power production to sell it to Provincial Electricity Authority according to the Power Purchase Agreement during the entire period of the project.

#### 4. Calculation of Transaction size of Asset Acquisition

Calculation of transaction size of asset acquisition under the Notifications on Asset Acquisition and Disposal was referred from the consolidated financial statements of the Company of 9-month period ended 30 September 2022 which was audited by a certified auditor. The details of calculation are as follows:

##### Calculation Criteria

##### 1 Net Tangible Asset (NTA)

The above-mentioned criterion was not applied since it was not the acquisition and disposition of securities.

## 2 Net Profit

The above-mentioned criterion was not applied since it was not the acquisition and disposition of securities.

## 3 Total value of consideration

$$\begin{aligned} \text{transaction size} &= \frac{\text{Total consideration value paid or received} \times 100}{\text{Total assets of the Company}} \\ &= \frac{1,628,733,000}{3,361,785,649} \times 100 \\ &= 48.45 \text{ percent} \end{aligned}$$

## 4 Value of Issued Securities

The above-mentioned criterion was not applied since it was not the issuance of securities in consideration for the price of assets

The afore-mentioned investment was deemed as the transaction of asset acquisition by the listed company pursuant to the Notifications on Asset Acquisition. Based on the calculation of the transaction size compared to the overall assets with reference to the consolidated financial statements of the Company of 9-month period ended 30 September 2022 which was audited by a certified auditor, it appeared that the highest transaction size is equivalent to 48.45 percent as calculated based on the total value of consideration criteria. When such transaction was consolidated with the transaction of asset acquisition of the Company in a 6-month period, the total transaction size is equivalent to 48.85 percent, which is the transaction size of more than 15 percent but less than 50 percent of the total assets of the Company. Therefore, the Company is obliged to conduct a report and disclose such transaction with the minimum information as specified under List 1 of the Acquisition and Disposition Notifications and send the Minimum Information Memorandum under List 2 of the Acquisition and Disposition Notifications to the shareholders of the Company within 21 days from the date of transaction disclosure to the Stock Exchange of Thailand.

In this regard, the acquisition of the Company's asset mentioned above was not deemed as the related transaction in accordance with the Related Transaction Notification, pursuant to the Notification of the Thai Capital Market Supervisory Board No. TorChor. 21/2551 RE: Rules on the Related Transaction dated 31 August 2008 (as amended) 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 Related

Transaction B.E. 2546 (2003) dated 19 November 2003 (as amended).

#### 5. Details of the Asset to be acquired

The approximate investment value of the WTE Power Plant Project Tha Chin

Items	Details
Characteristics of Assets	Subject to the project agreement in terms of Build Own Operate (BOO) with the duration of 25 years, the power plant (waste to energy type) uses a stoker system technology and is capable of getting rid of solid waste of 500 tons per day. It is expected that the power plant will have the production capacity of 9.9 megawatt and the sale capacity under the Power Purchase Agreement (PPA) of 8.0 megawatt.
The approximate investment value	The total investment in the project construction and development including the land for the project, construction costs, machinery and equipment expenses, project development costs, and other expenses and interest during the construction period is approximately equivalent to 1,628,733,000 Baht (excluded VAT).

#### 6. Total Value of the Consideration and Price Payment

The total investment in the project construction and development including the land for the project, construction costs, machinery and equipment expenses, project development costs, and other expenses and interest during the construction period is approximately equivalent to 1,628,733,000 Baht (excluded VAT) , which calculated based on the TES TCN's project development plan of WTE Power Plant Project Tha Chin in order to apply such investment amount to calculate the transaction size according to the guidelines of the Notifications on Asset Acquisition and Disposal.

#### 7. Value of Acquired Asset

Value of acquired asset was calculated from the value of investment in the power plant construction including the land price which is approximately equivalent to 1,628,733,000 Baht (excluded VAT).

#### 8. Criteria used to determine the value of consideration

Criteria used to determine the value of this investment was determined from the investment value which calculated based on the TES TCN's project development plan of WTE Power Plant Project Tha Chin.



## 9. Expected Benefit for the Company

The investment in the WTE Power Plant Project Tha Chin was in compliance with the provisions in the Agreement Granting Rights to a Private Entity to Comprehensively Operate the Solid Waste Management Project executed with the Municipal Office of Tha Chin Subdistrict, whose the Project's term was 25 years. In this regard after its Commercial Operation Date (COD), TES TCN expected to generate annual income from sales to PEA and Waste management service depending on the amount of waste taken. This will help increase the revenue and profit of TES TCN and the Company and it will also help increase the opportunity of dividend payment for the Company's shareholders more regularly.

## 10. Source of Fund for the Transaction

The source of fund to be utilized is from the cash flow within the Company's affiliate groups and/or the loan from the financial institutions and/or the loan from the Company's affiliate groups. In case of the loan from the financial institutions, it is expected that there is without condition of loan affecting the Company's shareholders rights.

## 11. Condition of Transaction

TES TCN will enter into the agreement granting rights to a private entity to comprehensively operate the solid waste management project under the WTE Power Plant Project Tha Chin after receiving an approval from the Board of Directors' Meeting No. 9/2022 of the Company held on 29 December 2022, and the Company has already notified the result of such approval to TES TCN. In addition, the transaction is deemed as the acquisition of asset where the value being more than 15 percent but less than 50 percent according to the Notification on Assets Acquisitions and disposal. Therefore, the Company is obliged to conduct a report and disclose such transaction which has minimum information as specified under List 1 of the Acquisition and Disposition Notifications and to send the Minimum Information Memorandum under List 2 of the Acquisition and Disposition Notifications to the shareholders of the Company within 21 days from the date of transaction disclosure to the Stock Exchange of Thailand.

## 12. Opinion of the Board of Directors

The Board of Directors' Meeting No. 9/2022 held on 29 December 2022 has the opinion that the entry into this Transaction is justified since there is the Power Purchase Agreement included in the entry into such transaction. The Board of Directors, therefore, opined that this will help increase the revenue and profit of both TES TCN and the Company, which will be beneficial to the Company's. Thus, the Board of Directors resolved to approve the entry into this Transaction.

13. Opinions of the Board of Directors and/or the Audit Committee which is Different from the Board of Directors in Clause 12

There is no opinion from the Audit Committee different from that of the Board of Directors.

The Company hereby certifies that the statements in this Information Memorandum are correct and true in all respects and this Information Memorandum has been prepared with prudence and care for the best interest of the shareholders.

Please be informed accordingly.

- Kosit Fuangwasdi -

(Dr. Kosit Fuangwasdi)

Chairman of the Board of Directors

Authorized Person to Disclose Information