



L-WAVE EXPO 22/2567

Date. July 1, 2024

Subject Information regarding investment in Digital Assets, type being 'Investment Tokens' for investment in Renewable Energy Certificates or REC Tokens
Attention The President of the Stock Exchange of Thailand

Following the collaboration between Wave BCG Co., Ltd. ("WAVE BCG"), a subsidiary of Wave Exponential Co., Ltd. (Public Company Limited) ("the Company" or "WAVE"), and Climate Offset Accelerator Co., Ltd., with Token X Co., Ltd., a provider of digital token offering systems under the SCBX financial business group, a feasibility study was conducted on issuing and offering digital tokens with Renewable Energy Certificates (RECs) as underlying assets. On April 26, 2024, the Company's Board of Directors resolved to approve an investment framework in digital assets with a budget not exceeding 500,000,000 Baht.

The group has continuously invested in Renewable Energy Certificates (RECs) to offset greenhouse gas emissions from future energy use, making it one of the largest holders of RECs in the country. Simultaneously, the group has been studying the potential of using RECs as assets or reference projects for issuing digital tokens. This initiative aims to raise awareness about offsetting greenhouse gas emissions from energy use within the private sector and to support Thailand in achieving its climate targets.

As the company has conducted studies, this represents a step in the roadmap towards the opportunity to invest in the issuance and digital token offerings by Climate Offset Accelerator Co., Ltd. This aims to achieve the goal of supporting green digital assets and to increase the competitiveness of the Thai private sector on the global stage, whilst also driving Thailand towards the climate targets set by the government. These targets include reducing greenhouse gas emissions by 30-40% by 2030, achieving carbon neutrality by 2050, and reaching net zero emissions by 2065. Consequently, in addition to using Renewable Energy Certificates (RECs) as assets or reference projects for issuing digital tokens, the group also sees an opportunity to participate in investments in the aforementioned green digital asset projects. This aligns with the objectives approved by the company's board of directors in previous investment framework.

The Company hereby informs that the Board of Directors at its 5th meeting of 2024, held on the 1st of July 2024, whereby the board unanimously approved investment in digital assets/ digital tokens for investment in Renewable Energy Certificates (RECs) with a total amount not exceeding 500,000,000 Baht through Wave BCG Company Limited. It is expected that the value of digital tokens to be issued and offered will not exceed 1,000,000,000

Baht by Climate Offset Accelerator Co., Ltd. ("the Token Issuer"). The funding for this investment will come from the Company's working capital and/or loans from financial institutions and/or other funding sources. The Company has also expressed its intention to invest in the digital tokens as an Anchor Investor for the project with the objective to ensure confidence among investors by complying with relevant regulations and prioritizing the anticipated benefits for the company and its shareholders.

In this regard, the Board of Directors deemed it appropriate to consider and approve the authorization of the Executive Committee, the Chief Executive Officer, an authorized representative of the Board of Directors, an authorized representative of the Executive Committee, or an authorized representative of the Chief Executive Officer to have the power to undertake any actions related to or necessary for the execution of the aforementioned transactions. This includes negotiating, entering into, signing, and amending contracts related to all transactions, agreements, contracts, and other relevant documents, as well as setting guidelines, conditions, and other necessary details to ensure the successful execution of the transactions in accordance with the established criteria and laws.

The execution of this transaction constitutes an acquisition of assets in accordance with the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551, regarding rules for significant transactions deemed as acquisition or disposition of assets, dated August 31, 2008 (including any amendments), and the Notification of the Stock Exchange of Thailand, regarding disclosure of information and actions of listed companies concerning the acquisition or disposition of assets, B.E. 2547, dated October 29, 2004 (including any amendments) ("the Acquisition or Disposition Notifications"). When calculating the transaction size based on the Company's consolidated financial statements as of March 31, 2024, it is found that this asset acquisition transaction has a maximum transaction size of 30.38% based on the total value of consideration criteria. In the past six months, the Company has not undertaken any other asset acquisition transactions. Therefore, when combined with the size of other asset acquisition transactions in the past six months, the Company's total asset acquisition transaction size is 30.38%. This qualifies as a Type 2 transaction under the Acquisition or Disposition Notifications, with a transaction size of 15% or more but less than 50%. Consequently, the Company is required to disclose information about the transaction to the Stock Exchange of Thailand ("SET") and circulate the information to its shareholders within 21 days from the date of notifying the SET.

Details of the calculation of the transaction size are illustrated in the table below.

	Method	Calculation Formula	Transaction Size
1.	Net tangible assets method	$\frac{\text{NTA Proportionately Acquired} \times 100}{\text{Net tangible asset of the Company}}$	N/A ¹
2.	Net profit method	$\frac{\text{Net Profit Generated from Assets Proportionately Acquired} \times 100}{\text{Net profit of the Company}}$	N/A ²
3.	Consideration Method	$\frac{\text{Total consideration paid} \times 100}{\text{Total assets of the Company}} = \frac{500,000,000}{1,645,827,902 \text{ Baht}} \times 100$	30.38%
4.	Value of newly issued shares as consideration method	$\frac{\text{Number of shares issued as consideration} \times 100}{\text{Number of issued and paid-up shares of the Company}}$	N/A ³
		The highest transaction size	30.38%

Note:

- 1 cannot be calculated as the Company did not acquire shares of any business.
- 2 cannot be calculated as the Company did not acquire shares of any entity.
- 3 cannot be calculated as the company does not issue shares to pay for the value of goods.

The company would like to provide information regarding the transaction. according to the following details

1. Information disclosed according to the announcement of the acquisition or disposal, Account 1

(1) Day, month, year in which the transaction occurred

The company intends to invest in digital tokens for investing in Renewable Energy Certificates as an Anchor Investor. Investment may take place during the round of public offerings, subject to the issuer's digital token offering terms, compliance with relevant regulations, and anticipated benefits to the company and its shareholders. Completion is expected by 2024. Prior approval from the SEC is required before proceeding with the digital token offering for investment in renewable energy certificates.

(2) Counterparties conducting transactions and relationships with listed companies

Counterparties : Climate Offset Accelerator Company Limited

Acquired assets : Digital token for investing in renewable energy certificates not exceeding 500,000,000 baht.

Relationship with token issuer : The company and the token issuer have no relationship that would be considered related parties under the Securities and Exchange Commission's Announcement No. 21/2551 regarding criteria for related transactions, dated August 31, 2008 (and as amended), and the Securities and Exchange Commission's Announcement regarding disclosure and operations of registered companies in related listings, dated November 19, 2003 (and as amended)

2.1 General information of Climate Offset Accelerator Limited as of 31 December 2023

Company Name	Climate Offset Accelerator Company Limited
Business Type and Objectives	Offering digital tokens for sale to the public under criteria as prescribed by laws governing digital asset business and any relevant laws or regulations, and as approved by the Securities and Exchange Commission or any relevant authority. Engaging in activities related to sustainable operations, trading, exchange, and certification of credit for electricity production from renewable energy sources.
Location	1/16 Soi Ladprao 64 Yak 4, Wang Thonglang, Wang Thonglang, Bangkok
Company Tax ID	0105566202585
Registered	October 18 th , 2023
Capital Registered (Baht)	1,000,000.00
Paid-up (Baht)	1,000,000.00

2.2 List of shareholders of Climate Offset Accelerator Company Limited as of December 31, 2023

No	Name - Surname	Number of shares (shares) (Par price 10 baht/share)	Percentage of total shares
1	Mr. Thammarat Sangchan	99,999	99.999
2	Mr. Supakorn Rananand	1	0.001
	Total	100,000	100

2.3 List of Board of Directors of Climate Offset Accelerator Limited as of April 30th, 2024

No	Name - Surname	Position
1	Mr. Thammarat Sangchan	Chairman of the Board (Authorize Director)
2	Mr. Supakorn Rananand	Director
3	Associate Professor Dr. Ornpapha Chutikorntaweessin	Independent Director

2.4 Financial information of Climate Offset Accelerator Company Limited

Unit: Baht

Balance Sheet	
For the year ending December 31	2023
Assets	
Current assets	
Cash and cash equivalents	65,008.57
Other receivables	2,357.76
Short-term loans	900,000.00
Total current assets	967,366.33
Non-current assets	-
Other non-current assets	-
Total non-current assets	-
Total assets	967,366.33
Liabilities and equity	
Current liabilities	
other payables	27,750.00
Total current liabilities	27,750.00
Non-current liabilities	
Other non-current liabilities	-
Total non-current liabilities	-
Total liabilities	27,750.00
Equity	
Share capital	
Capital Registered	1,000,000.00
Issued and paid-up share capital	1,000,000.00
Retained earnings (deficits)	
Deficits	(60,833.67)
Total equity	939,616.33
Total liabilities and equity	967,366.33

Profit and Loss	
For the year ending December 31	2023
Revenue	
Others Revenue	216.33
Total Revenues	216.33
Expenses	
Selling and Administrative Expenses	60,600.00
Total Expenses	60,600.00
Profit (loss)	(60,383.67)

(3) General characteristics of the transaction

3.1 General characteristics of the transaction

The Company will invest in digital tokens in a total amount not exceeding 500,000,000 baht of the digital tokens issued and offered. Based on the calculation using the Company's consolidated financial statements as of March 31, 2024, it is determined that this investment transaction in the aforementioned assets will have a maximum transaction size of 30.38% according to the total consideration value criteria. During the past 6 months, the Company did not engage in any other asset acquisition transactions. When combined with the size of other asset acquisition transactions during this period, the Company's total asset acquisition transaction size will also be 30.38%, categorizing it as a Type 2 transaction under the Acquisition or Disposition Notifications, which has a transaction size of 15% or more but less than 50%. Therefore, the Company is obligated to disclose information about the transaction to the Stock Exchange of Thailand (SET) and distribute circulars to shareholders within 21 days from the date of notification to the SET.

The details of the transaction size calculation are shown in the table below.

	Method	Calculation Formula	Transaction Size
1.	Net tangible assets method	$\frac{\text{NTA Proportionately Acquired} \times 100}{\text{Net tangible asset of the Company}}$	N/A ¹
2.	Net profit method	$\frac{\text{Net Profit Generated from Assets Proportionately Acquired} \times 100}{\text{Net profit of the Company}}$	N/A ²
3.	Consideration Method	$\frac{\text{Total consideration paid} \times 100}{\text{Total assets of the Company}} = \frac{500,000,000 \times 100}{1,645,827,902 \text{ baht}}$	30.38%
4.	Value of newly issued shares as consideration method	$\frac{\text{Number of shares issued as consideration} \times 100}{\text{Number of issued and paid-up shares of the Company}}$	N/A ³
		The highest transaction size	30.38%

Note:

- 1 cannot be calculated as the Company did not acquire shares of any business.
- 2 cannot be calculated as the Company did not acquire shares of any entity.
- 3 cannot be calculated as the company does not issue shares to pay for the value of goods.

3.2 The Conditions to Enter into the Transaction

The Company will proceed to pay for digital tokens with a total value not exceeding 500,000,000 Baht, using full cash payment. The funding sources for this payment will include the Company's working capital and/or loans from financial institutions and/or other funding sources. This transaction must comply with Notification No. KorJor. 15/2561 regarding the offering of digital tokens to the public (including any amendments).

(4) Details of the Purchased Assets

The assets acquired in this instance are digital tokens, which will be within a total budget not exceeding 500,000,000 Baht. The relevant details of the transaction are as follows:

4.1 General information about digital tokens for investment in renewable energy certificates (REC Token)

Digital token name (Thai)	Digital token for investing in renewable energy certificates
Digital Token Name (English)	REC Investment Token (REC Token)
Types of digital tokens	Digital Tokens for Investment (Investment Token)
Underlying asset	Renewable Energy Certificate not exceeding 4,545,454 MWh (RECs)
The nature of issuing and offering digital tokens.	<p>The company intends to invest in digital tokens for investing in renewable energy certificates as an Anchor Investor, at the same period as public offering. The company intends to allocate a minimum of no less than 40% of total allocated tokens to be locked-up as specified by the token issuer. The company will comply with relevant regulations and consider anticipated benefits to the company and its shareholders as paramount.</p> <p>Furthermore, any public offering of digital tokens by the token issuer must receive approval from the SEC to proceed, as per SEC Announcement Kor Jor. 15/2561 regarding public offering of digital tokens (including subsequent amendments). Following the completion of the offering, the token issuer plans to register the digital tokens for trading on a licensed digital asset exchange authorized by the SEC, expected to be completed by the year 2024.</p>
Rights of digital token holders	<p>Digital token project start date</p> <p>The Digital Token Project will begin from the date of which all Digital Token holders in the Public Offering round receive their full Digital Token allocation.</p> <p>During the digital token period</p> <ul style="list-style-type: none">▪ The Token Issuer will manage trading of the Renewable Energy Certificates (“underlying asset RECs”) according to established policies throughout the project. Taking into account the maximum benefits of digital token holders.▪ Token holders will receive allocated returns for each semi-annual accounting period (January to June and July to December, according to the company's accounting periods ending on December 31, 2024) from the profits obtained from the sale of RECs, net of costs and expenses related to the sale ("Net REC Profit"). This will be applicable when the token issuer is able to sell the referenced RECs during that particular accounting period.

	<ul style="list-style-type: none"> ▪ The token issuer may use the proceeds from the sale of referenced RECs to purchase additional referenced RECs according to the token issuer's policy, taking into account the risks and returns to the holders of digital tokens. <p>At the maturity date of the tokens</p> <ul style="list-style-type: none"> ▪ The token issuer will allocate the remaining net profits of RECs and all referenced REC costs to the holders of digital tokens on the project's end date. ▪ This digital token project may end before the 6th year of the project if the token issuer is able to sell all referenced RECs before the token's maturity date. In such a scenario, when the token issuer can sell all referenced RECs before the project's end date, the token issuer will immediately pay the net profits of the referenced RECs and return all sold REC costs during the next distribution period. <p style="padding-left: 40px;">If the token issuer is unable to sell all the referenced RECs before the digital token's maturity date, the token issuer will convene a meeting of digital token holders to propose a resolution for the majority vote to determine the method to maximize the benefits of digital token holders. This may include extending the token period in order to sell all referenced RECs.</p>
Distribution policy	<p>The token issuer has the following policy for selling RECs (Renewable Energy Certificates):</p> <p>Years 1-2: Sell no more than 20% of the initial underlying RECs.</p> <p>Years 3-4: Sell no more than 20% of the initial underlying RECs.</p> <p>Overall, in years 1-4, sell no more than 40% of the initial underlying RECs.</p> <p>The token issuer may procure new underlying RECs according to the REC procurement policy. If new RECs are procured, they will sell no more than 40% of the new underlying RECs during years 1-4 of the project. The selling price and conditions for RECs will be determined by the issuer's policy.</p> <p>Years 5-6: Sell all remaining underlying RECs.</p> <p>The token issuer has conditions and policies for setting the initial reference price and any new reference prices for RECs (Renewable Energy Certificates) that ensure they are not lower than the cost price of the</p>

	respective RECs. This includes the compensation for agents managing the benefits derived from RECs (brokerage fees), if applicable.
The <u>policy for procuring</u> RECs	The token issuer may procure additional RECs beyond the initial reference RECs after the sale of the initial reference RECs. The token issuer will invest the proceeds from the initial REC sale into new reference RECs to generate profits and benefits for the token holders. Investments in new reference RECs will be considered based on their profitability compared to the price of the previously sold reference RECs. Investment in new reference RECs will cease after the fifth year of the project's lifespan.

4.2 Renewable Energy Certificates (RECs)

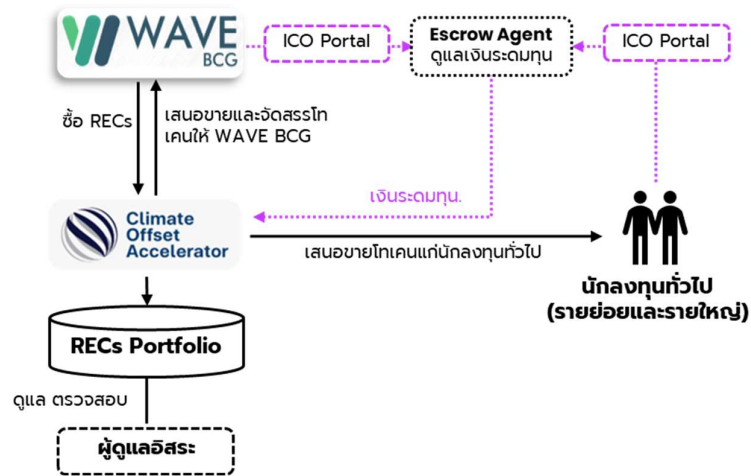
Renewable Energy Certificates (RECs) are certificates that certify the holder as a user of electricity generated from renewable energy sources. RECs support the production of renewable energy by facilitating the buying and selling of these certificates, allowing investors in renewable energy projects to generate additional income. This income is based on actual renewable energy production, where 1 megawatt-hour (MWh) of renewable electricity equals 1 REC. RECs are tradable instruments for reducing greenhouse gas emissions. The renewable energy sources that can be certified include wind energy, solar energy, hydroelectric energy, and geothermal energy.

When the company compensates for greenhouse gas emissions by redemption from the system (Redeem), evidence of redemption (Redemption Certificate) can be reported in accordance with leading sustainability reporting standards, such as the Dow Jones Sustainability Indices (DJSI) report.) Carbon Disclosure Project (CDP) report, joining the RE100 group or achieving the Science Based Target (SBT)

The transaction of buying and selling Renewable Energy Certificates (RECs) requires thorough verification of the energy source's origin to ensure it genuinely comes from renewable sources. Therefore, it's necessary to have a registration system to collect data and verify the credibility of the energy used in electricity production. These registration systems often vary based on usage and energy policies of each country or group of countries. In Thailand, the I-REC(E) system has the highest number of registered electricity producers and the highest number of renewable energy certificate rights.

The I-REC(E) is globally recognized and has standards developed and maintained by the International REC Standard Foundation, a non-profit organization based in the Netherlands. This standard is a compilation of the best criteria, regulations, and best practices for attribute tracking systems. According to the I-REC Standard (February 2015), it is also one of the most widely used systems, implemented in over 60 countries worldwide.

4.3 The digital token issuance structure



4.4 Summary of important contract contents

RECs Sales Contract:

The company agrees to sell Renewable Energy Certificates (RECs) to Climate Offset Accelerator Co., Ltd. (the Buyer), with the condition that the seller will deliver the purchased RECs to the Buyer.

4.5 Roles and Responsibilities

As the company is specialized in sourcing Renewable Energy Certificates (RECs) for organizations in Thailand and across Southeast Asia to offset their greenhouse gas emissions from energy use, and providing services including climate advisory services to ensure that buyers and sellers achieve the objectives of REC purchase agreements comprehensively, the company has entered into a service contract as an agent for the sales of RECs with Climate Offset Accelerator Limited. This agreement is not limited to an exclusive agency arrangement but rather a non-exclusive agent agreement, where the company will be one of several agents alongside other companies at the discretion of Climate Offset Accelerator Limited. The company will collaborate to support, provide consultancy services, and source buyers to enhance the opportunities for selling RECs throughout the project.

4.6 Risks

(1) Legal risks

Investing in digital tokens for investing in Renewable Energy Certificates (RECs) may involve legal risks related to various laws. These include laws directly related to RECs, laws related to digital assets, etc. Additionally, there may be economic and other factors that could impact the overall use of RECs, including their trading conditions, prices, and liquidity in the secondary market (in cases where digital tokens are widely offered to the public with approval from the SEC and digital tokens have been registered on the secondary market). These factors may affect the company's transactions in this regard. However, the company is well aware of these issues and is considered a leader in the

industry related to the use of RECs. The company has thoroughly studied various data, including legal and economic factors related to the industry. Moreover, the company has studied the laws related to digital assets, the structure of issuance and offering, etc., to ensure that this investment aligns with the framework provided by the SEC.

(2) Economic risks

The company may face economic impacts that could lead to fluctuations in the prices of digital tokens, which cannot be predicted due to market dynamics. This could potentially result in financial losses from purchasing digital tokens, which is a risk inherent in investing in any type of asset. However, this project utilizes Renewable Energy Certificates (RECs) as the underlying asset, which is considered a reliable investment. RECs are globally accepted standards and have a growing trend due to environmental goals, regulations, and enforcement both domestically in Thailand and internationally. Therefore, utilizing RECs as the underlying asset provides a level of confidence in the investment.

(3) Technology Risk

The operation of this digital token involves the application of blockchain technology, which is a data structure technology that interconnects data. The recorded data is transmitted to everyone on the network, making it difficult to manipulate. This is considered to be secure at present. However, there are external technological risks such as cyberattacks and non-compliance with security standards that could have an impact. Therefore, the company manages these risks by evaluating the credibility of service providers specializing in digital token issuance, including assessing the need for smart contract audits and implementing processes for cyberattack prevention and cybersecurity audits by third parties.

(4) Risks of the digital token issuers

Investing may involve risks related to the issuer of the digital tokens, such as asset custody, efficient management of renewable energy certificates, policies, and governance. However, the company has conducted adequate due diligence and is aware that the digital token issuer has engaged a reputable digital asset custodian to ensure safe asset custody and secure transactions, meeting the required standards. The issuer is also in the process of preparing filing to the SEC to offer the digital tokens to the public and listing on the secondary market, which is expected to be completed by the year 2024.

(5) Risk of returns and principal from investments from underlying assets.

Although there are risks associated with using Renewable Energy Certificates (RECs) as assets for the project (as there are risks for other commodities), the company has thoroughly studied the market conditions of the REC industry, consulted market experts and conducted surveys, data collection, research, and analysis on REC market mechanisms. The company has also considered reliable criteria for analysis and evaluation, along with assessing current and future market trends.

(5) Total value of the compensation and the method of payment

The company will make full cash payment totaling amount not exceeding 500,000,000 Baht, sourced from working capital fund and/or loans from financial institutions and/or other funding sources. Once the company has made the full payment as stated above, the token issuer will proceed to transfer the digital tokens to the buyer thereafter.

(6) The value of the assets to be acquired

The total asset value of the digital token acquisition transaction does not exceed 500,000,000 Thai baht. It is anticipated that the total value of digital tokens to be issued and offered will not exceed 1,000,000,000 Baht, subject to the pricing set for the digital token offering.

(7) Criteria used to determine the value of compensation

Currently, the token sale price has not been determined. The issuer will set the token sale price based on the demand for digital tokens from prospective investors.

(8) Expected benefits of the transaction

Due to the emerging nature of climate change business, carbon credit trading markets, and green digital assets, these remain relatively new topics for investors interested in digital assets. This novelty might cause investors to hesitate due to potential lack of market knowledge in clean energy, green assets (such as Renewable Energy Certificates/RECs), and methods to offset greenhouse gas emissions, among others.

Whereby the company invests as an Anchor Investor, This aims to raise awareness among major enterprises such as financial institutions or companies needing to offset greenhouse gas emissions from electricity use, as well as individual stakeholders. This investment initiative by the company serves to educate the market, support Thai private sector access to Renewable Energy Certificates (RECs), enhance competitiveness, and support financial institutions' client base. It plays a role in driving Thailand's ability to increase its clean energy portion, attracting Foreign Direct Investment by meeting renewable energy demand, and advancing the country's commitments under the United Nations Framework Convention on Climate Change (UNFCCC) regarding climate change mitigation goals.

In addition, the company expects returns from holding digital tokens and potential profits that may arise from the increasing token prices due to the company's investment in line with the trend of increasing demand for Renewable Energy Certificates (RECs) domestically and regionally, once the digital tokens are registered and traded on the secondary market.

(9) Source of funds for asset acquisition

The company will use up to 500,000,000 Baht from its working capital and/or loans from financial institutions and/or other funding sources.

(10) Opinion of the Board of Directors on the transaction

At the board meeting No. 5/2567 on the 1st of July 2024, upon consideration, it was deemed appropriate to proceed with the aforementioned transaction due to its objective of expanding the business in a suitable and beneficial manner for the Company and its shareholders. This initiative is expected to generate stable income and profits for the Company, thereby creating added value for the shareholders. It is also seen as supporting investment in digital assets backed by renewable energy certificates, providing additional options for the Thai private sector at all levels to enhance competitiveness in the global market. The Board of Directors therefore approved the decision to proceed with the aforementioned transaction at this Board of Directors Meeting.

(11) The opinions of the audit committee and/or company directors that differ from those of the company's board of directors

The Audit Committee and the Company's Directors did not have any different opinions from those of the Board of Directors as mentioned above.

2. Responsibilities of the Board of Directors for information in documents sent to shareholders

The Board of Directors is responsible for the information provided in this document and certifies that the information in this document is accurate, complete, and does not mislead any other individuals of importance.

3. Independent financial advisors' qualifications

- None -

4. Financial projections for the current year

- None -

5. Pending Material Lawsuits or Claims

- None -

6. Interests or Related Party Transactions between the Company and its Directors, Management and Shareholders Directly or Indirectly Holding Shares amounting to 10% or more.

- None -

The Company hereby certifies that the information contained in this report is true and complete in all respects.

Please be informed accordingly.

Yours sincerely

- *James Andrew Moore* -

Mr. James Andrew Moore

Chief Executive Officer

Wave Exponential Public Company Limited