



**Information Memorandum on Acquisition of Assets and Execution of Connected Transaction
of Sermasang Power Corporation Public Company Limited (Additional NO.2)**

The Board of Directors' Meeting of Sermasang Power Corporation Public Company Limited (the "Company") No. 3/2021, held on May 31, 2021 has passed the resolutions to approve the investment in the 9.9 MW biomass power plant project by purchasing all shares in Uni Power Tech Company Limited ("UPT") from existing shareholders of UPT including the right to receive loan repayment in respect of which UPT is owed to a shareholder of UPT (the "Transaction") with a total investment of THB 500,000,000.

The execution of the Transaction is regarded as an acquisition of assets by the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (including its amendment) 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 or Disposition of Assets B.E. 2547 (including its amendment) (collectively, the "Notifications on Acquisition or Disposition of Assets"). In addition, the Transaction is regarded as a connected transaction under the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions (including its amendment) 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 Connected Transactions B.E. 2546 (including its amendment) (collectively, the "Notifications on Connected Transactions").

Therefore, the Company would like to disclose the information memorandum regarding the acquisition of assets pursuant to the Notifications on Acquisition or Disposition of Material Assets and the execution of the connected transaction to the Stock Exchange of Thailand (the "SET"), with the details as follows:

1. Date of the Transaction

The Company expects to execute the Transaction to acquire the shares of UPT in the amount of 119,070 shares with a par value of THB 1,000 per share, or equivalent to 49 percent of UPT's total paid-up capital within July 2021 and expected to execute the transaction to acquire 123,930 shares of UPT with a par value of 1,000 baht per share, or equivalent to 51 percent of UPT's total paid-up capital within May 2022. The total UPT's share acquired is 243,000 shares, representing 100 percent of UPT's total paid-up capital.

2. Related Parties and Relationship with the Company

Buyer : The Company



- Seller** : 1. Absolute Products Company Limited, which the shares are held by the following shareholders:
- (1) Mr. Viwat Kraipisitkul holds 405,000 shares or approximately 45 percent of the total issued and sold shares.
 - (2) Mrs. Thanyanee Kraipisitkul holds 225,000 shares or approximately 25 percent of the total issued and sold shares.
 - (3) Mr. Thanawat Kraipisitkul holds 90,000 shares or approximately 10 percent of the total issued and sold shares.
 - (4) Miss Thanthaphon Kraipisitkul holds 90,000 shares or approximately 10 percent of the total issued and sold shares.
 - (5) Mr. Piyawat Kraipisitkul holds 90,000 shares or approximately 10 percent of the total issued and sold shares.
2. Vertical Holdings Company Limited, which the shares are held by the following shareholders:
- (1) Mrs. Thanyanee Kraipisitkul holds 9,998 shares or approximately 99 percent of the total issued and sold shares
 - (2) Mr. Thanawat Kraipisitkul holds 1 share or approximately 0.01 percent of the total issued and sold shares
 - (3) Miss Thanthaphon Kraipisitkul holds 1 share or approximately 0.01 percent of the total issued and sold shares
3. Mr. Viwat Kraipisitkul
 4. Mr. Thanawat Kraipisitkul
 5. Mr. Piyawat Kraipisitkul
 6. Miss Thanthaphon Kraipisitkul
- Relationship with the Company** : 1. Mr. Viwat Kraipisitkul is a major shareholder, authorized director, and chief executive officer, as of May 11, 2021 holding 51,991,300 shares representing 17.8 percent of the total issued and sold shares of the



Company which includes shares held directly and indirectly.

2. Mr. Thanawat Kraipisitkul is a major shareholder and director as of May 11, 2021 holds 24,671,700 shares representing 13.1 percent of the total issued and sold shares of the Company which includes shares held directly and indirectly.
3. Miss Thanthaphon Kraipisitkul is a major shareholder and authorized director and management as of May 11, 2021 holds 42,940,400 shares representing 15.1 percent of the total issued and sold shares of the Company which includes shares held directly and indirectly.
4. Mr. Piyawat Kraipisitkul is a major shareholder as of May 11, 2021 holds 43,827,500 shares representing 15.1 percent of the total issued and sold shares of the Company which includes shares held directly and indirectly.

3. General Description of the Transactions

The Company will invest in UPT by purchasing shares in the total amount of 243,000 shares consisting of 200,000 ordinary shares equivalent to THB 200,000,000 and 43,000 preferred shares equivalent to THB 285,000,000 which a par value of ordinary share and preferred share are THB 1,000 per share, and representing 100 percent of UPT's total paid-up capital including the investment in the debt that UPT has owed to a shareholder of UPT in the amount of THB 15,000,000. The total investment value is THB 500,000,000. In this regard, the Company will invest in UPT in 2 phases in order to comply with the Notification of the Provincial Electricity Authority Re: the Regulation regarding the Transfer of Rights and Obligations in an Application for Selling Electricity or in the Power Purchase Agreement dated July 19, 2019*, which prohibits the power producer who is a juristic person from changing the number of shareholders causing the decrease of the number of the existing shareholders to be less than half of the existing shareholders according to the details in the application and the offer for sale of electricity submitted and prohibits to change the number of shares held by the existing shareholders to be less than 51 percent of the total shares for 3 years from the Commercial Operation Date (COD), with the detail as follow:

- (1) Within July 7, 2021 the Company shall acquire the UPT's shares in the amount of 119,070 shares which consist of the ordinary share of 76,070 shares and the preferred share of 43,000 shares with a par value of THB 1,000 per share, or equivalent to 49 percent of UPT's total paid-up capital. The acquired shares are representing 99.05 percent of the total voting right

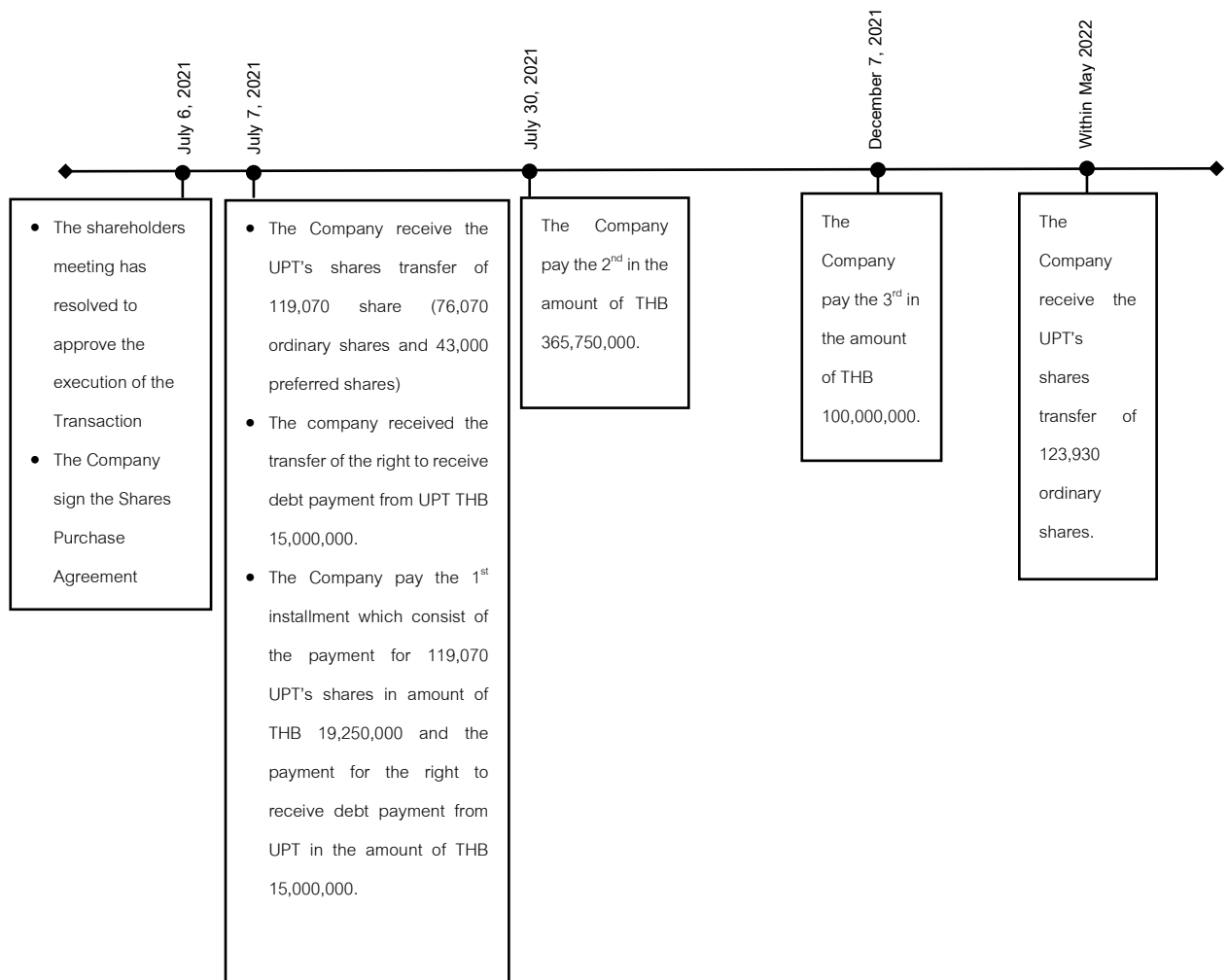


of UPT including the debt that UPT has owed to a shareholder of UPT amounting to THB 15,000,000. After the execution of Transaction UPT shall be the subsidiary of the Company.

- (2) Within May 2022 (after 3 years from the Commercial Operation Date (COD)) the Company shall acquire the remaining UPT's shares in the amount of 123,930 shares with a par value of THB 1,000 per share, or equivalent to 51 percent of UPT's total paid-up capital. The acquired shares are representing 0.95 percent of the total voting right of UPT.

Remark: The criteria for the transfer of rights and duties in the application for sale of electricity or the power purchase agreement according to the Notification of the Provincial Electricity Authority dated July 19, 2019, which prohibits to change the number of shares held by the existing shareholders to be less than 51 percent of the total shares will be considered to limit the transfer taking into account the shareholding of the existing shareholders as of the submission date of the details in the application and the offer for sale of electricity which does not consider the rights of such shares, such as the right to vote, etc.

Transaction Schedule





Summary of Shares Purchase Agreement

Purchaser:	Company
Seller:	<ol style="list-style-type: none">1. Absolute Products Company Limited2. Vertical Holdings Company Limited3. Mr. Viwat Kraipisitkul4. Mr. Thanawat Kraipisitkul5. Mr. Piyawat Kraipisitkul6. Miss Thanthaphon Kraipisitkul
Purchased Asset:	<ol style="list-style-type: none">1. UPT's shares in the total amount of 243,000 shares with a par value of THB 1,000 which the Company shall invest in 2 phases as follow:<ol style="list-style-type: none">(1) On July 7, 2021, the sale and purchase of 1st phase of UPT's shares in an amount of 119,070 shares consisting of the ordinary share of 76,070 shares and the preferred share of 43,000 shares with a par value of THB 1,000 per share, or equivalent to 49 percent of UPT's total paid-up capital. The acquired shares are representing 99.05 percent of the total voting right of UPT.(2) Within May 2022 (after 3 years from the Commercial Operation Date (COD)), the sale and purchase of 2nd phase of UPT's shares which is all remaining ordinary shares in an amount of 123,930 shares with a par value of THB 1,000 per share, or equivalent to 51 percent of UPT's total paid-up capital. The acquired shares are representing 0.95 percent of the total voting right of UPT.2. The right to receive loan repayment from the company according to the Loan Agreement between the company as a borrower and Miss Thantaporn Kraipisitkul as a lender dated April 8, 2018 (the "Right to Receive Loan Repayment") in an



	amount of THB 15,000,000 which shall be assigned the Right to Right of Repayment on July 7, 2021.
The Completion Date:	July 7, 2021
Consideration:	<p>The total consideration is THB 500,000,000 consisting of:</p> <ol style="list-style-type: none">The consideration for shares sale and purchase in an amount of THB 485,000,000 which consist of:<ol style="list-style-type: none">The consideration for the sale and purchase of 1st phase of UPT's shares in an amount of THB 361,070,000 andThe consideration for the sale and purchase 2nd phase of UPT's shares in an amount of THB 123,930,000The consideration for the Right to Receive Loan Repayment in an total amount of THB 15,000,000.
Payment Term:	<ol style="list-style-type: none">The purchaser agrees to pay purchase price to the seller by divided in 3 installments as follow:<ol style="list-style-type: none">1st Installment: THB 19,250,000, to be paid on Completion Date:2nd Installment: THB 365,750,000, to be paid on July 30, 20213rd Installment: THB 100,000,000, to be paid on December 7, 2022Each share payment should be paid for the first phase of UPT shares, when completed and then paid for the second phase of UPT sharesthe purchaser agrees to pay for the Right to Receive Loan Repayment in an amount of THB 15,000,000 to Miss Thantaporn Kraipisitkul on the Completion Date.



<p>Material Conditions Precedent :</p>	<ol style="list-style-type: none">1. The shareholders' meeting of the Company has passed a resolution to approve the execution of the Transaction;2. UPT obtains consent from financial institutions who sponsor the credit to change the shareholding structure according to the Shares Purchase Agreement;3. The Company has been assigned the Right of Repayment; and4. The Company has received a letter of guarantee by the bank as collateral for damages from the dispute of UPT which the bank guarantee limit shall equal to the amount paid to seller by the Company. The bank guarantee has a maximum limit of THB 500,000,000 provided however that the guarantee amount will be reduced in accordance with the estimated dividend that the Company has expected to receive from UPT shares.
<p>The Post-duties to Conduct after the Completion Date:</p>	<ol style="list-style-type: none">1. the seller agrees to provide assistant and any other relevant actions and necessary for the proceedings for the dispute until the case is reached. for the best benefit of the Company.2. In the event that the Supreme Administrative Court makes a judgment in a non-satisfactory dispute case against UPT. The Seller agrees to do the following:<ol style="list-style-type: none">(1) the seller shall responsible and assist UPT to file the applications for the new relevant licenses to enable the operation of biomass power plant within 1 year from the date of the judgment of the Supreme Administrative Court and the seller shall responsible for any actual expenses which UPT has to pay to keep the biomass power plant in ready-to-use condition throughout the period during which biomass power plants cease to operate until the biomass power plants can operate normally.(2) In the case that the biomass power plant cannot operate within 1 year from the date of the judgment of the Supreme Administrative Court, the Company reserve the



	right to terminate the Share Purchase Agreement and the seller shall be obliged to pay for any actual damages incurred including but not limited to the investment value of THB 500,000,000, the relevant Transaction's cost and the Company's financial cost minus the actual received dividend by the Company.
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4. Details of assets to be acquired

4.1 Assets acquired

- (1) All of UPT's shares comprising of 200,000 ordinary shares and 43,000 preferred shares, totaling 243,000 shares with a par value of THB 1,000 per share, representing 100 percent of UPT's total issued and sold shares.

Remark: The rights attached to the ordinary shares and preferred shares include: (1) Quorum of the Shareholders' Meeting of the Company: There shall be shareholders representing not less than one-fourth of the Company's capital, and at least 1 preferred shareholder present at the meeting to constitute a quorum; (2) Voting at the Shareholders' Meeting: A majority of all votes of the shareholders present at the meeting and having the right to vote shall be counted, whereby a holder of 1 ordinary share shall be entitled to 1 vote, and a holder of 1 preferred share shall be entitled to 300 votes; and (3) Right to Dividend: The preferred shareholders shall be entitled to dividend at the rate of 98.47 percent of all dividend declared in proportion to the respective preferred shareholders, and shall be entitled to receive dividend before the ordinary shareholders, who shall be entitled to dividend at the rate of 1.53 percent of all dividend declared in proportion to the respective ordinary shareholders.

- (2) The debt that UPT has owed to a shareholder of UPT in the amount of THB 15,000,000 under the Loan Agreement between UPT and Miss Thantaporn Kraipisitkul dated April 8, 2018 as the detail as follow:

The Loan Agreement dated April 8, 2018

Lender: Miss Thantaporn Kraipisitkul

Borrower: UPT



Loan amount : THB 50,000,000

Remark: According to the financial statements ended December 31, 2020, the Company's short-term loan from related parties amounted to THB 15,000,000.

Interest Rate: None

Repayment Schedule:: December 30, 2021

4.2 General Information of UPT

Name	Uni Power Tech Company Limited
Date of registration the company	June 29, 2014
Registration number	0105554085619
Registered Capital	THB 243,000,000
Paid up Capital	THB 243,000,000
Head office	No.325/6-13 Lanluang Road, Mahanak Square, Dusit, Bangkok 10300.
Nature of Business	Operating the business of generating and distributing electricity from biomass. The company is operating the biomass power plant at the capacity of 9.9 MW located at Si-kiew Sub-district, Si-kiew District Nakhon Ratchasima Province. The commercial operation date (COD) was May 24, 2019 with 20 years term of electricity sale and purchase with Provincial Electricity Authority from COD.
Directors	<ol style="list-style-type: none">1. Miss Thanthaphon Kraipisitkul2. Mr. Piyawat Kraipisitkul3. Mr. Thanawat Kraipisitkul

4.3 Shareholding structure of UPT before and after entering into the Transaction



Shareholders of UPT	Before entering into the Transaction		After entering into the Transaction	
	Registered Capital THB 243,000,000		Registered Capital THB 243,000,000	
	Number of Shares	percent	Number of Shares	percent
1. Absolute Products Company Limited	112,570	46.33	-	-
2. Mr. Thanawat Kraipisitkul	50,000	20.58	-	-
3. Mr. Piyawat Kraipisitkul	20,000	8.23	-	-
4. Vertical Holdings Company Limited	6,500	2.67	-	-
5. Mr. Viwat Kraipisitkul	33,930	13.96	-	-
6. Miss Thanthaphon Kraipisitkul	20,000	8.23	-	-
7. The Company	-	-	243,000	100
Total	243,000	100	243,000	100

4.4 Financial Information of UPT

Unit: Baht

Financial Statement	Ended as of December 31, 2018	Ended as of December 31, 2019	Ended as of December 31, 2020
Total assets	594,589,774	845,133,083	821,315,752
Total liabilities	417,831,578	673,702,819	558,939,341
Total shareholders' equity	176,758,196	171,430,263	262,376,411



Profit and loss statement	Ended as of December 31, 2018	Ended as of December 31, 2019	Ended as of December 31, 2020
revenue	1,074,246	175,480,832	306,129,562
cost	-	134,542,306	218,174,412
administrative expense	12,769,265	28,940,735	2,860,978
earnings before interest and tax	(11,695,020)	11,997,792	85,094,173
Financial cost	-	17,325,725	26,398,025
Profit (loss) before income tax expense	(11,695,020)	(5,327,933)	58,696,148
Income tax expenses	-	-	-
Profit (loss) for the year	(11,695,020)	(5,327,933)	58,696,148

** UPT started the machine and recognized full-year earnings in the year 2020

4.5 Significant litigation/disputes of UPT

(1) The cause of actions/disputes and the operations by UPT are as follows:

The cause of actions/disputes originated from the construction of a power plant in Si-kiew Sub-district, Si-kiew District Nakhon Ratchasima Province, in and around 2016, in respect of which local residents formed a group of Si-kiew people objecting to the power plant, and filed their complaints with various authorities, i.e., Division for Peace and Order in Nakhon Ratchasima Province and the Nakhon Ratchasima Provincial Administrative Court, regarding such power plant construction.

1. Division for Peace and Order in Nakhon Ratchasima Province

The group of Si-kiew people objecting to the power plant filed their complaint with the Division for Peace and Order in Nakhon Ratchasima Province regarding public land encroachment, procedures for public hearings, preparation of the environmental impact assessment (EIA), and UPT's application for an energy



business license. In this connection, a fact-finding investigation committee was appointed and it was concluded that UPT did not encroach upon any public land as per such complaint, and its application for a license and the preparation of the environmental impact assessment duly proceeded in compliance with the laws.

2. Nakhon Ratchasima Provincial Administrative Court

A total of 222 plaintiffs, comprising local residents in Si-kiew Subdistrict, Si-kiew District, Nakhon Ratchasima, and concurrently members of the group of Si-kiew objecting to the power plant, filed a lawsuit against (1) the Energy Regulatory Commission; (2) the Department of Industrial Works; (3) the Nakhon Ratchasima Provincial Industry Office; (4) the Chief Executive of Si-kiew Subdistrict Administrative Organization; and (5) UPT, to Nakhon Ratchasima Provincial Administrative Court to revoke the building construction license (Or.1) and the factory business license (Ror.Ngor. 4) of UPT claiming that the power plant operations in Si-kiew Subdistrict, Si-kiew District, Nakhon Ratchasima Province would affect local communities, agricultural land, public waterways and the ecosystem in Si-kiew Subdistrict, and that the procedures and steps for issuance of the licenses were unlawful starting from the consideration of the application, grant of initial approval, and issuance of the licenses.

(2) The Judgement of Nakhon Ratchasima Administrative Court and the Order of Supreme Administrative Court

On August 9, 2017, the Nakhon Ratchasima Administrative Court has a judgment to revoke the Building Construction License (Aor. 1) and a Factory License (Ror Ngor. 4) effective from the date of issuance of such licenses. In addition, it has an order to temporarily compulsory suspend the enforceability of the Building Construction License (Aor. 1) and a Factory License (Ror Ngor. 4) until the final judgment or the court orders otherwise.

However, the Supreme Administrative Court has issued an order following an appeal petition with the reversal of the order of the Nakhon Ratchasima Administrative Court to dismiss the request to compulsory suspend the enforceability of the Building Construction License (Aor. 1) and a Factory License (Ror Ngor. 4). Therefore, such licenses are still enforceable and effective.

(3) The issues to be considered and key arguments are as follows



At present, the case is pending the consideration of the Supreme Administrative Court, with key issues and arguments as follows:

1. Did UPT duly hold a public hearing in compliance with the law; in other words, was UPT required to comply with the Regulations of the Prime Minister's Office on Public Hearing B.E. 2548 (2005) (the "PMO Regulations")? Given the fact that UPT is a private company and thus not subject to the PMO Regulations. The Company has clearly clarified this issue, together with the relevant documents, in UPT's appeal.
2. Was UPT required to comply with the Regulations of the Ministry of Industry Governing Public Hearing on Consideration and Issuance of the Receipt of Notification on Factory Operation Commencement, Factory Business License, Factory Expansion License under the Factory Law, B.E. 2555 (2012) (the "MOI Regulations")? UPT applied for the building construction license (Or.1) and the factory business license (Ror.Ngor.4) since 2011, whereby UPT did comply with the applicable rules and laws in force at that time in all respects. The MOI Regulations were issued later on, and as such, the subsequently issued law should not apply in such manner unfavorable to UPT, which is contrary to the principle of non-retroactivity of administrative acts and UPT has already clarified this issue in its appeal.
3. Were the facts relating to the power plant publicly announced for the purpose of public participation and opinion? UPT has clarified this issue in its appeal that UPT did provide information on such impact and corrective measures in such announcement, and should the people have any question or argument, they could have raised their objection accordingly in accordance with the purpose of such announcement. However, upon completion of the public announcement period, no objection was raised by the people.
4. Did the application for the building construction license (Or.1) and the factory business license (Ror.Ngor.4) require approval from the Subdistrict Administrative Organization? The Subdistrict Council and Subdistrict Administrative Organization Act B.E. 2537 (1994) (the "SAO Act") provides that the general administration, e.g., order, permission and approval, shall be the functions of the Chief Executive of the Subdistrict Administrative Organization, although such major matters as the protection and care of natural resources and the environment, the Chief Executive of the Subdistrict Administrative Organization or the Subdistrict Administrative



Organization Council may request a joint consideration. In UPT's opinion, the initial approval in respect of such permission constituted a general administration work of the Subdistrict Administrative Organization, which should likely be within the power of the Chief Executive of the Subdistrict Administrative Organization. UPT has clearly clarified this issue in its appeal that UPT did duly proceed in compliance with the law.

(4) Timeframe of the Case

1. On September 22, 2016, the plaintiffs filed a lawsuit with the Nakhon Ratchasima Provincial Administrative Court, requesting the Court to revoke the factory business license (Ror.Ngor.4) and the building construction license (Or.1) in respect of the 9.9-MW biomass power plant of UPT, and also requesting the Court to issue an order providing provisional measures or protective measures before adjudication, by way of an injunction on the enforcement of both licenses.
2. On November 29, 2016, the Nakhon Ratchasima Provincial Administrative Court in the case in question issued an injunction order on the enforcement of the factory business license (Ror.Ngor.4) No. (SorRorKhor.5) 02-111/2558 dated October 21, 2015, and the building construction license (Or.1) No. KorKorPhor (Or.1)-1-050/2558 dated October 21, 2015, of the 9.9-MW biomass power plant until the Court shall have rendered its judgment or order otherwise. Thereafter, UPT filed its appeal against the Nakhon Ratchasima Provincial Administrative Court's order with the Supreme Administrative Court.
3. On August 9, 2017, the Nakhon Ratchasima Provincial Administrative Court in the case in question adjudged to revoke the building construction license (Or.1) and the factory business license (Ror.Ngor.4) dated October 21, 2015, effective as of the issuance date thereof, and that the Court's injunction order on the enforcement of both licenses shall remain effective until the case shall be final or otherwise ordered by the Court.
4. During September 5-7, 2017, the ERC, the Department of Industrial Works, the Nakhon Ratchasima Provincial Industry Office, the Chief Executive of Si-kiew Subdistrict Administrative Organization, the Si-kiew Subdistrict Administrative Organization, and UPT, as the defendants in the case in question, filed their appeals against the Nakhon Ratchasima Provincial Administrative Court with the Supreme Administrative Court.



5. On October 30, 2017, the Supreme Administrative Court reversed the Nakhon Ratchasima Provincial Administrative Court's injunction order before adjudication, by dismissing the plaintiffs' request for an injunction of administrative order and also dismissing the Energy Regulatory Commission's and UPT's requests for suspension of the Nakhon Ratchasima Provincial Administrative Court's injunction of an administrative order.
6. On November 9, 2017, the plaintiffs filed their answer to all defendants' appeals.
7. The Supreme Administrative Court scheduled June 15, 2020 as the last day of the fact-finding in the case in question.
8. Currently, the case in question remains pending the Supreme Administrative Court's consideration. According to the most recent off-record follow-up on the development of the case with the Supreme Administrative Court, the Court's official informed that the case is in the course of preparing the case statement by the judge in charge for submission to the tribunal, although the date for reading of the Supreme Administrative Court's judgment has not yet been scheduled.

(5) Opinions of the Legal Counsel on the Tentative Outcome of the Case in Question

Based on the information and facts from the relevant documents reviewed by the legal counsel, it is believed that UPT has duly applied for the factory business license (Ror.Ngor.4) and the building construction license (Or.1) for the 9.9-MW biomass power plant project in compliance with the procedures, rules and applicable laws in force at that time. In addition, the legal counsel views that UPT has expressly raised such facts in its defense in the case, and also sent letters to consult with the relevant authorities, e.g., the Office of the Permanent Secretary of the Prime Minister's Office and the Department of Alternative Energy Development and Efficiency, etc., and such opinions provided by the relevant authorities are also beneficial to the issues of the case in question. There are also certain facts showing that UPT has been subject to several inspections by the relevant authorities, and the outcome of which is also beneficial to the case in question. The legal counsel understands that all facts and documents beneficial to the case proceedings have been submitted by UPT to the Supreme Administrative Court for consideration. Therefore, the supporting documents and arguments provided by UPT are likely sufficient for the Supreme Administrative Court's consideration. The legal counsel is of the opinion that the Supreme Administrative Court may reverse the Nakhon Ratchasima Provincial Administrative Court's judgment (as the Administrative Court of First Instance) by not revoking the building construction license (Or.1)



dated October 21, 2015, and the factory business license (Ror.Ngor.4) dated October 21, 2015, of UPT for the reasons and legal provisions as extensively described in the legal opinion provided to the Company, dated June 14, 2021.

However, the consideration and adjudication of the case are subject to the Supreme Administrative Court's discretion. Should the Supreme Administrative Court rule that even though the application for such licenses was duly and fully valid, such arrangements failed to take into account the people's rights under the Constitution of 2007, the Supreme Administrative Court may exercise its discretion to apply the provisions of the Constitution regarding people's rights and duties to the case in question in order to accommodate people's rights. Should the Supreme Administrative Court find it appropriate to apply the above provisions of the Constitution to this case, such arrangements in full compliance with the Memorandum of the Department of Industrial Works No. OrKor 0304/554, dated September 15, 2008, Re: Public Consultation before such Licenses to UPT, may not be sufficient since the Constitution is the highest law at a relatively higher rank than such Memorandum of the Department of Industrial Works.

The legal counsel views that the fact that UPT commenced its operations and distributed power to the grid since May 24, 2019 until the present time (for over 2 years), whereas the operations of such biomass power plant have not caused any difficulty and damage to the plaintiffs nor affected the environment, health or local communities. The Nakhon Ratchasima Provincial Office of Natural Resources and Environment did conduct the inspection on the quality of the environment of UPT's 9.9-MW biomass power plant project in the adjacent communities as well as the stack emission of the power plant, and find that the results of inspection of air pollution from the stack emission and the results of an inspection of air quality in the general atmosphere met the required standards, while the results of general noise level inspection in the communities showed an average noise level not exceeding the standard values. Moreover, such biomass power plant project constitutes a business beneficial to the communities and people in such areas surrounding the project, and results in the power security and economic benefits to the countries as the project is under the Alternative Energy Development Plan 2015-2036 (AEDP 2015) and also as part of Thailand Power Development Plan 2015-2039 (PDP 2015). Based on the principle of proportionality under the administrative law, should the benefits to be derived by the public and the country from the project be compared with the damage from revocation of the licenses in this project, the continued operations of the 9.9-MW biomass power plant project of Uni Power shall be more beneficial to the public and the country as a whole than both licenses being revoked.



The Supreme Administrative Court in the case in question has already terminated the fact-finding process, and the judge in charge is currently preparing the case statement for submission to the tribunal. Such decision of the judge in charge, even though it may not be binding upon the tribunal of the Supreme Administrative Court in the case in question, shall give the impression of how the case would proceed, although on the first hearing date, both parties are entitled to submit their respective statements in support of the first hearing to the Supreme Administrative Court. Such statements will serve to summarize the issues, questions and evidence to convince the Supreme Administrative Court to agree with the respective parties. In this regard, the Supreme Administrative Court may take such statements into its consideration and decision, and as such, the tentative proceedings proposed by the judge in charge may change accordingly.

(6) Risks from the Supreme Administrative Court's Affirmation of the Administrative Court of First Instance's Judgment

Should the Supreme Administrative Court affirm the Administrative Court of First Instance's judgment to revoke the building construction license (Or. 1) and the factory business license (Ror.Ngor. 4), in which case, UPT shall no longer be able to continue its operations of the power plant, and may not distribute power to the grid under the Power Purchase Agreement between UPT and the Provincial Electricity Authority. In such case, it is deemed that is a force majeure under the Power Purchase Agreement and UPT shall not be deemed as a default party, and the Provincial Electricity Authority may not claim any damages from UPT. However, UPT may apply for the new licenses pursuant to the relevant procedure as specified in relevant regulations.

(7) The procedure to mitigate the risk from the dispute in Shares Purchase Agreement

In order to prevent and remedy the aforementioned risks, the Share Purchase Agreement which the Company will enter into with the seller shall stipulate the conditions in the case that the Supreme Administrative Court has a judgment to revoke the Building Construction License (Aor. 1) and a Factory License (Ror Ngor. 4) as follows:

- (1) the seller shall be responsible and assist UPT to file the applications for the new relevant licenses to enable the operation of biomass power plant within 1 year from the date of the judgment of the Supreme Administrative Court and the seller shall be responsible for any actual expenses which UPT has to pay to keep the biomass power plant in ready-to-use condition throughout the period during which biomass power plants cease to operate until the biomass power plants can operate normally.



- (2) In the case that the biomass power plant cannot operate within 1 year from the date of the judgment of the Supreme Administrative Court, the Company reserve the right to terminate the Share Purchase Agreement and the seller shall be obliged to pay for any actual damages incurred including but not limited to the investment value of THB 500,000,000, the relevant Transaction's cost and the Company's financial cost minus the actual received dividend by the Company.
- (3) The seller shall provide the bank guarantee which covers the total value of investment or THB 500,000,000 as of the date of the Transaction in order to prevent the risk. The key terms of the bank guarantee to prevent the risk from the litigation/disputes of UPT are as follow:

Detail	The collateral damage from disputes
Collateral provider	A commercial bank in Thailand
Guarantee limit	Maximum of THB 500,000,000 (equivalent to the Transaction value)
Guarantee period	13 years
Other significant conditions	<ul style="list-style-type: none"> - The bank may issue a letter of guarantee from time to time in accordance with the payment installation that the company will pay to the seller as detailed in Clause 6. - The guarantee amount will be reduced in accordance with the estimated dividend that the Company has expected to receive from UPT shares.

(8) Opinion of the Board to the Case

Based on the facts and applicable legal provisions, the Board and management of the Company view that despite UPT's case pending the Supreme Administrative Court's consideration, which may materially affect the project operations, after a thorough consideration of the facts and legal provisions relating to the case, it can be seen that such investment in the 9.9-MW biomass power plant project by acquiring all shares in UPT is justifiable, in line with the Company's business expansion plan, and beneficial to the Company and its shareholders. Upon review of the key issues in dispute, it can be said that UPT applied for the relevant licenses before the enforcement of the MOI Regulations which was issued



subsequently, and as such, it should not be subject to the MOI Regulations. In addition, UPT is not a project operated by the state which must comply with the PMO Regulations. In the last issue, the Company views that such impact from the project which is of concern to the plaintiffs may subside because the project commenced its operations and distributed power to the grid since May 24, 2019 without any damage to the environment or people in the surrounding areas. This is consistent with the legal opinion issued to the Company, dated June 14, 2021. Besides, the Company has set out such measures to prevent and mitigate such risks above in the Shares Purchase Agreement. The Board and management of the Company view that such measures should serve to cover the total value of investment and damage which may arise. With regard to the timing for the Supreme Administrative Court to render its judgment, the Supreme Administrative Court usually takes approximately 3-5 years to proceed with its consideration and adjudication. Should there be any development of the case, the Company shall keep the shareholders and the Stock Exchange of Thailand updated accordingly.

5. Calculation of the Transaction Size

5.1 Acquisition or disposal transaction

The Company uses information from the reviewed quarterly financial statements ended March 31, 2021 to calculate the transaction size with details as follows:

Basis of Calculation	Formular	Transaction Size
1. Net Tangible Assets	$(\text{NTA of UPT}^1 \times \text{Proportion of assets acquired}) \times 100 / \text{NTA of the Company} = (262.78 \times 100\%) \times 100 / 3,457.91$	7.58
2. Net Operating Profits	$(\text{Net operating profits of UPT} \times \text{Buying ratio}) \times 100 / \text{Net operating profits of the Company} = (58.70 \times 100\%) \times 100 / 739.37$	7.94
3. Total Value of Consideration	$(\text{Value of transaction paid} \times 100) / \text{Total assets of the Company} = (500 \times 100) / 16,481.47$	3.03
4. Value of Securities	This is not applicable because the Company issues no securities.	



¹ calculated from the financial statements of the UPT ended December 31, 2020

The execution of the Transaction has the highest transaction size of 7.94 percent based on net operating profits of asset acquired relative to the net operating profits of the Company and the Company has not entered into the acquisition transaction which was presented during the 6 months prior to the Transaction.

5.2 Related Parties Transaction

It is a connected transaction in type of asset with the value of 14.46 percent of the net tangible assets of the Company calculated from the reviewed quarterly financial statements of the Company ended March 31, 2021.

(Unit: Thousand Baht)

Financial Information	The Company's reviewed consolidated financial statements ended March 31, 2021.
Total assets	16,481,474
Less: Intangible assets including deferred tax assets and exclude assets that contribute core revenue ¹	1,032,128
Less: Total liabilities	11,647,105
Less: Non-controlling interests	344,329
Net tangible assets (NTA)	3,457,912

The Company has not entered into any transaction with connected persons or related persons and close relatives of such persons in the past 6 months.

6. Total Value of Consideration and Payment

The total value of consideration for the total shares of UPT of 243,000 shares consisting of 200,000 ordinary shares and 43,000 preferred shares with a par value of THB 1,000 per share, representing 100 percent of UPT's total paid-up shares of UPT including the debt that UPT has owed to a shareholder of UPT in the amount of THB 15,000,000 is THB 500,000,000. It is a cash payment divided into 3 installments as follows:

1st Installment: THB 34,250,000, to be paid on July 7, 2021

2nd Installment: THB 365,750,000, to be paid on July 30, 2021



3rd Installment: THB 100,000,000, to be paid on December 7, 2022

In this regard, the UPT's shares transfer from the seller to the Company shall divide into 2 phase in order to comply with the Notification of the Provincial Electricity Authority Re: the Regulation regarding the Transfer of Rights and Obligations in an Application for Selling Electricity or in the Power Purchase Agreement dated July 19, 2019, which prohibits the power producer who is a juristic person from changing the number of shareholders causing the decrease of the number of the existing shareholders to be less than half of the existing shareholders according to the details in the application and the offer for sale of electricity submitted and prohibits to change the number of shares held by the existing shareholders to be less than 51 percent of the total shares for 3 years from the Commercial Operation Date (COD).

- (1) Within July 7, 2021 the Company shall acquire the UPT's shares in the amount of 119,070 shares which consist of 76,070 ordinary shares and 43,000 preferred shares with a par value of THB 1,000 per share, or equivalent to 49 percent of UPT's total paid-up capital. The acquired shares are representing 99.05 percent of the total voting right of UPT including the debt that UPT has owed to a shareholder of UPT amounting to THB 15,000,000 and
- (2) Within May 2022 (after 3 years from the Commercial Operation Date (COD)) the Company shall acquire the remaining UPT's shares in the amount of 123,930 shares with a par value of THB 1,000 per share, or equivalent to 51 percent of UPT's total paid-up capital. The acquired shares are representing 0.95 percent of the total voting right of UPT.

7. Total Value of Acquired or Disposed Assets

The Company shall acquire all shares of UPT which consist of 200,000 ordinary shares and 43,000 preferred shares totaling 243,000 shares with per par value of THB 1,000 or equivalent to 100 of total issued and sold shares of UPT including the outstanding debt which UPT is owed to a shareholder of UPT in the amount of THB 15,000,000. The total investment value is THB 500,000,000.

8. Basis of Determination of the Value of Consideration

The Company will invest in UPT by purchasing shares in the total amount of 243,000 shares consisting of the ordinary shares of 200,000 shares equivalent to THB 200,000,000 and the preferred share of 43,000 shares equivalent to THB 285,000,000 which a par value of ordinary share and preferred share is of THB 1,000 per share, and representing 100 percent of UPT's total paid-up capital including the investment in the debt that UPT has owed to a shareholder of UPT in the amount of THB 15,000,000. The total investment value is THB 500,000,000. The criteria for consideration and determining the purchase price was considered from the following factors:



1. Price agreed by both parties
2. The determination of the consideration value is based on the discounted cash flow approach. This reflects the profitability of such businesses in the future by considering the benefits that the Company will receive in the future.
3. Information from reliable sources from external independent consultants.
 - Legal due diligence report from Kudun and Partners Limited (Legal Advisor)
 - Accounting and financial report from Accounting Complete Solution Company Limited a (Accounting Advisor)

The Company considers that the calculation according to the discounted cash flow method is the most suitable method to value the purchase prices between the parties. As UPT operates the biomass power plant business with long-term business agreements, and steady revenue stream from its operations, the valuation by way of the net present value of cash flows method is well capable of reflecting UPT's ability to generate cash flows and the real value of UPT's shares. The details of assumptions on which the valuation is based are summarized in the table below.

<u>Underlying Assumptions</u>	<u>Description</u>
Revenue from sales of power	<p>The assumption of power production refers to the Power Purchase Agreement under the Feed-in Tariff (FiT) Scheme with the PEA, with a contract term of 20 years, and with maximum capacity of 9.90 megawatts, whereby the production capacity under the Power Purchase Agreement is equal to 8.00 megawatts, and with a power purchase period of 20 years from May 2019</p> <p><u>Projection Period:</u></p> <p>The period for UPT's financial projections starts from January 1, 2021 to May 23, 2039, totaling 18.39 years, based on the remaining term of the Power Purchase Agreement with the PEA.</p> <p><u>Electric Purchase Rates:</u></p> <p>UPT shall receive payments at the FiT and FiT Premium rates applicable to biomass fueled power projects under the Notification of the Energy Regulatory Commission Re: Purchase of Power from Adder to Feed-in Tariff (FiT) Scheme</p>



<u>Underlying Assumptions</u>	<u>Description</u>
	<p>B.E. 2558 (2015), whereby the total tariff = FiT Fixed + FiT Variables + FiT Premium (only the first 8 years of the power distribution).</p> <p><u>FiT Fixed</u></p> <p>This is a rate based on the construction costs of power plant and the expenses under the Operation and Maintenance Agreement (O&M) throughout the life, at the fixed rate throughout the period of project support (equal to THB 2.39/unit).</p> <p><u>FiT Variables</u></p> <p>This is a rate based on the costs of raw materials used in the electric production which may be variable from time to time, whereby this rate will continue to increase according to the core inflation for biomass fuel (as of the end of 2020 equal to THB 1.88/units).</p> <p><u>FiT Premium</u></p> <p>This is a rate in addition to the basis FiT rate, which will be different by technology (renewable fuels) and for any projects located in special areas, such as, the Southern border provinces, this premium rate shall be provided for 8 years from the commercial operation date (equal to THB 0.30/unit).</p>
Expenses under the Operation and Maintenance Agreement	The Operation and Maintenance Agreement covers the scope of work that includes services and maintenance under the engagement for maintenance of power plants and engineers for supervision of the operations of the biomass power plant, to ensure that UPT's operations will be efficient in accordance with regulations and requirements of the Power Purchase Agreement, including such repair and responsibility for the costs of spare parts count for about 43% of electricity sales revenue.
Depreciation	It is assumed that the power plant, machinery and equipment, office equipment and building improvements shall have the useful life of 20 years, based on UPT's financial statements, and the investment for major overhaul shall have the useful life of 5 years.
Insurance Premium	This is fixed at THB 2.18 million throughout the projection period.



<u>Underlying Assumptions</u>	<u>Description</u>
Selling, General and Administrative Expenses (SG&A)	Insurance, sales and administrative expenses account for about 2% of electricity sales revenue.
Tax Incentives	UPT is granted tax incentives by the Board of Investment under the Board of Investment Act for power plant business, whereby UPT shall be exempted from corporate income tax on the net profits for 8 years from the date on which revenue from the business is first derived during 2019 – 2026.

9. Expected Benefits to the Company

At present, the Company has renewable power plant projects under development and projects which have been commercially operated, totaling 362.4 megawatts, divided into 195.9 megawatts which have been commercially operated, 78.3 megawatts under construction, and 88.2 megawatts under development. The Company targets to expand its investment in renewable power plant projects with a total of 400.00 megawatts by 2024. In such investment expansion plan, the Company will consider Broadly proceeding with both greenfield and operating assets.

For UPT investments, it is an investment that is in line with the Company's investment policy focused on investing in renewable energy projects and contributes to the expansion of investment to meet the goals. The agreed price of THB 500,000,000 provides an investment yield of more than 10%. In addition, this investment has no risk in the course of project development and construction due to the project has been operating for more than 2 years a with satisfactory performance. After completion of such investment, the Company will instantly recognize revenue from power production and sales which the revenue is assuredly under long term Power Purchase Agreement with PPA which is a reliable organization and a stable financial position.

Other than the above facts, the Company anticipates that this investment will be beneficial to the Company in terms of distribution of risks from reliance upon the solar power business. In other words, the operating results of the solar power projects are fluctuating by the sunlight intensity in the project areas whereas UPT's biomass power project is capable of generating power to the full capacity without any risk from sunlight intensity fluctuations.

However, the project may be exposed to certain risks from UPT's pending legal disputes (please consider Clause 4.5 Significant litigation/disputes of UPT) in which the Company has negotiated the



conditions to manage such risks, and the seller is responsible for indemnifying the Company, including but not limited to an investment value of THB 500,000,000. The seller must also provide an acceptable guarantee which is a letter of guarantee from the Bank as collateral.

In summary, the Company expects this investment will benefit the Company and shareholders because it is an investment in accordance with the Company's goal of expanding investment in renewable power plants. The project has long-term power purchase agreements with the government and the commercial operation have been launched. In addition, the project has a good performance which reduce the risk of unsuccessful project development and be able to recognize revenue immediately. Moreover, the remaining electricity purchase agreements term are approximately 18 years, along with government policy to fully support the production of electricity from other renewable energy.

10. Source of Funds

The Company will use its cash flows from operating activities in the amount of THB 240,000,000 and borrow loans from financial institutions or issue debentures in the amount of THB 260,000,000. The loan will increase the Company's debt-to-equity ratio from 0.55 times to be 0.61 times. Such increase in liabilities will not affect the requirements or retention of the Company's financial ratios as agreed upon with the financial institutions providing financing to the Company and/or its subsidiaries. However, the Company anticipates that in the future, it will gradually derive a return in the form of dividends from the subsidiaries which operate the renewable power projects, and as such, it is expected that the Company will have sufficient sources of funds for business expansion to achieve its goals.

11. Conditions for entering into the transaction

11.1 To execute the Transaction, it will occur when the conditions precedent specified in the Share Purchase Agreement have been completed or waived with important precedent conditions including but not limited to:

- (1) The shareholders' meeting of the Company has passed a resolution to approve the execution of the Transaction;
- (2) UPT obtains consent from financial institutions who sponsor the credit to change the shareholding structure according to the Transaction above;
- (3) The Company has been assigned the right to receive repayment of the loan in respect of which UPT is owed to Miss Thantaporn Kraipisitkul;
- (4) The Company has received a letter of guarantee by the bank as collateral for damages from the dispute of UPT which the bank guarantee limit shall equal to the amount paid to seller by UPT.



The bank guarantee has a maximum limit of THB 500,000,000 provided however that the guarantee amount will be reduced in accordance with the estimated dividend that the Company has expected to receive from UPT shares (please refer to the detail in Clause 4.5(7) the procedure to mitigate the risk from the dispute in Shares Purchase Agreement)

11.2 Entering into the Transactions, the Company must obtain approval from the Board of Directors and the shareholders' meeting of the Company including disclosing information regarding the acquisition of assets and connected transactions to the SET.

11.3 In order to prevent and remedy the risks of UPT's dispute, the Company shall agree with the sellers by specified the conditions in Share Purchase Agreement t in the case that the Supreme Administrative Court has a judgment to revoke the Building Construction License (Aor. 1) and a Factory License (Ror Ngor. 4) as follows:

- (1) the seller shall responsible and assist UPT to file the applications for the new relevant licenses to enable the operation of biomass power plant within 1 year from the date of the judgment of the Supreme Administrative Court and the seller shall responsible for any actual expenses which UPT has to pay to keep the biomass power plant in ready-to-use condition throughout the period during which biomass power plants cease to operate until the biomass power plants can operate normally.
- (2) In the case that the biomass power plant cannot operate within 1 year from the date of the judgment of the Supreme Administrative Court, the Company reserve the right to terminate the Share Purchase Agreement and the seller shall be obliged to pay for any actual damages incurred including but not limited to the investment value of THB 500,000,000, the relevant Transaction's cost and the Company's financial cost minus the actual received dividend by the Company.
- (3) The seller shall provide the bank guarantee which covers the total value of investment or THB 500,000,000 as of the date of the Transaction in order to prevent the risk as detailed in Clause 11.1 above.

12. Interested directors and/or connected persons

To consider the agenda of the Board of Directors' Meeting No. 3/2021, held on May 31 , 2021 to approve the investment in the biomass power plant project with a capacity of 9.9 MW by purchasing all shares in UPT from the existing shareholders of UPT, who is the Company's connected person, the directors who have a conflict of interest and/or are connected persons which are Mr. Viwat Kraipisitkul, Mrs. Thanyanee



Kraipisitkul, Mr. Thanawat Kraipisitkul, and Miss Thanthaphon Kraipisitkul neither were present at the meeting nor voted on such matter.

13. Company's Information and summarize of business operations

The group Company has a goal to be a leader in the production and distribution of electric power using international technology in project development to promote a clean, sustainable environment and create maximum benefits to society. The key strategies to achieve that goal are detailed below.

- (1) Committed to invest and develop various forms of renewable energy power plant projects such as solar power, wind power, biogas power. both in the country and in the Asian region. The goal is to expand investment and develop a total power plant project of 400 megawatts by 2024.
- (2) Promote and support nearby communities to participate in the development of the Company's electricity generating project. This starts with building knowledge and understanding of electricity generating projects from renewable energy as well as encouraging employment from communities nearby the project from the construction stage to the commercial operation to promote the well-being of neighboring communities by providing support and assistance and also prevent potential impacts on the environment together with the community.
- (3) Give importance to human resource development to develop knowledge and expertise in electric power

14. List of executives and names of the first 10 shareholders as of the closing date of the share registration book

14.1 List of Board of Directors as of 14 June 2024



List of Directors	Position
1. Mr. Kamthon Wangudom	Chairman / Independent Director / Member of Audit Committee
2. Mr. Viwat Kraipisitkul	Chairman of Management Committee Director
3. Mr. Varut Tummavaranukub	Chief Executive Officer/Director
4. Ms. Thantaporn Kraipisitkul	Director
5. Mr. Tanawat Kraipisitkul	Director
6. Mrs. Thanyanee Kraipisitkul	Director
7. Mr. Samrieng Mekkiengkrai	Independent Director /Chief of Audit Committee
8. Mr. Dhana Bubphavanich	Independent Director /Audit Committee
9. Gen. Phairay Phoubon	Independent Director
10. Mr. Monchai Pongstabadee	Independent Director

14.2 List of executives of the Company as of 14 June 2024

List of Executives	Position
1. Mr. Varut Tummavaranukub	Chief Executive Officer / Acting Chief Operating Officer
2. Ms. Thantaporn Kraipisitkul	Deputy Chief Executive Officer
3. Ms. Sukunya Phokhakul	Chief Accounting and Finance Officer
4. Ms. Phonkamon Hongwilai	Assistant Director of Accounting
5. Ms. Sarmornmart Chaiphatikarn	Company Secretary



14.3 List of the first 10 major shareholders of the Company as of May 14, 2021 are as follows:

List of major shareholders	shares	percent
1. Primary Energy Limited Company	304,315,000.00	30.01
2. CGS-CIMB Securities (Singapore) Pte., Ltd.	66,000,000.00	6.51
3. Mr. Viwat Kraipisitkul	57,190,430.00	5.64
4. UNITY I. CAPITAL LIMITED	50,737,306.00	5.00
5. Mr.Piyawat Kraipisitkul	48,210,950.00	4.75
6. Ms. Thantaporn Kraipisitkul	47,235,130.00	4.66
7. SCB SECURITIES CO.,LTD. SPECIAL S_INVEST SET01	29,372,453.00	2.90
8. Mr. Vasupon Thankakan	27,705,890.00	2.73
9. Mr. Tanawat Kraipisitkul	27,138,870.00	2.68
10. CREDIT SUISSE AG, SINGAPORE BRANCH	24,200,000.00	2.39

15. Related transactions in the past year and the current year until the latest quarter

-None -

16. Summary of Financial Statements over the past three years, together with Management Discussion and Analysis of Financial Position and Operational Results

Consolidated financial statement (Unit: Million Baht)	2018	2019	2020	installment	installment
				3 months 2020	3 months 2021
Total revenue	1,137.4	1,485.6	1,935.5	457.7	501.0



Net profit	478.8	556.6	765.4	214.5	188.5
Net profit (to SSP's Shareholders)	482.0	545.7	736.3	216.9	183.1
Core Operating Profit	497.7	612.9	696.2	161.2	178.2

For the fiscal years ending on December 31, 2018, December 31, 2019, and December 31, 2020, the group Company had total revenues of THB 1,137.4 million, THB 1,485.6 million and THB 1,935.5 million, respectively. The revenue growth at 30.6 % and 30.3 %, respectively, which resulted from the Company's continual opening of new commercial power plants. For example, in 2019, the new projects included Binh Nguyen project in Vietnam and Khunsight Kundi project in Mongolia. Furthermore, revenue from EPC Construction of Solar rooftop revenue was also recognized. In 2020, the new projects included the Yamaga project in Japan, and 3 newly Solar Rooftop projects, which were the SNNP4, PRC and TAPACO projects.

For net profit, the Company had a net profit of THB 478.8 million, THB 556.6 million and THB 765.4 million in 2018, 2019, and 2020, respectively. The net profit margins were at 42.1%, 37.5% and 39.5 % respectively, which proceeded according to the growing revenue. With regard to the net profit (shareholder equity of the Company), there was also consistent growth with the net profits (shareholder equity of the Company) of THB 482.0 million, THB 545.7 million and THB 736.3 million, in 2018, 2019, and 2020, respectively.

Regarding the core operating profit, it was THB 497.7 million, THB 612.9 million, and THB 696.2 million in 2018, 2019 and 2020, respectively. The core operating profit is the key performance indicator of management and Board of Directors to evaluate the Company's financial results, and consider the dividend payment together with dividend policy. The adjustment items from net profit to core operating profit are consisting of:

- i. Unrealized foreign exchange gain/(loss), which for 2018 was a gain of THB 0.4 million, for 2019 a loss of THB 66.7 million and for 2020 a gain of THB 39.9 million (recorded as gain/(loss) on exchange).
- ii. Deferred tax revenue or tax expenses, which for 2018 was a gain of THB 0.2 million, for 2019 a gain of THB 0.5 million and for 2020 a gain of THB 0.2 million (recorded as revenue and tax expenses).
- iii. Uncapitalized development cost, which for the 2018 was THB 13.2 million, while for 2019 and 2020, none of these aforementioned items were recorded.



- iv. Unrealized impairment provision for 2018 was recorded at THB 3.2 million, for 2019 was THB 0.9 million, and no record in 2020.

As for the operating results for the three-month period ended March 31, 2021, the group Company has a total revenue of THB 501.0 million, an increase of 9.5% compared to the same period of the previous year. The net profit was THB 188.5 million, accounting for a net profit margin of 37.6% and a net profit (shareholder equity of the Company) equal to THB 183.1 million, representing the net profit margin to total revenue equal of 36.5%. The main operating profit was THB 178.2 million, an increase of 10.5% from the same period of the previous year, with the main operating profit margin of 35.6% of total revenue, which is in line with the increase in revenue from the start to commercial operating of the new project as mentioned above.

Consolidated financial statements (Units: million baht)	2018	2019	2020	Ends 31 Mar. Year 2021
Total assets	11,892.7	13,045.1	16,104.0	16,481.5
Total liabilities	8,034.6	9,048.1	11,562.0	11,647.1
Total equity	3,858.1	3,997.0	4,542.0	4,834.4
Total shareholder equity of the Company	3,533.5	3,777.0	4,205.1	4,490.0

As of December 31, 2018, December 31, 2019, December 31, 2020, and December 31, 2021, the group Company has a total asset of THB 11,892.7 million, THB 13,045.1 million, THB 16,104.0 million and THB 16,481.5 million, respectively. The increase reflects the investment in various projects, including projects that have started commercial operations during 2019-2020, projects under construction and under development. Most of the assets are those related to power generation such as land, land improvements, power plants, machinery, equipment and spare parts, etc.

Regarding the liabilities of the group Company as of December 31, 2018, December 31, 2019, December 31, 2020 and March 31, 2021, the group Company has total liabilities of THB 8,034.6 million, THB 9,048.1 million, THB 11,562.0 million and THB 11,647.1 million respectively. This was mainly due to an increase in long-term loan from financial institutions to invest in various projects issuance of debentures and the impact of the adoption of new financial reporting standards



With regard to the shareholders' equity of the Company as of December 31, 2018, December 31, 2019, December 31, 2020 and March 31, 2021, the group Company shareholders' equity is THB 3,858.1 million, THB 3,997.0 million, THB 4,542.0 million and THB 4,834.4 million respectively. The increase was mainly due to operating profit during the year.

17. **Other Information which may materially affect decisions of investors**

- None -

18. **Opinions of the Board of Directors relating to the Execution of the Connected Transaction specifying the Justification and the Utmost Benefit for the Company as compared with the Execution of Transactions with Independent Third Parties**

In the process of considering investment plans to expand the renewable energy project business, the management has conducted feasibility studies and considered proposals and conditions for investment in various renewable energy projects with both greenfield and operating assets investments.

In this regards, the Company's management has conducted the feasibility study of investing in UPT. Although UPT is regarded as a connected transaction, UPT can generate the return higher than the Company's investment criteria to invest in the operating assets. Moreover, investing in UPT is in line with the Company's policy to invest in renewable energy in various forms. Apart from that, there is certainty that the Company will successfully negotiate the appropriate transaction's terms. As a results, the Company's management proposed Board of Director to consider investing in UPT.

The Board of Directors of the Company has considered that this Transaction is appropriate and beneficial to the Company because it complies with the policy and the main mission of the Company to invest and develop renewable energy power plant projects in various forms such as solar energy, wind energy, biogas energy and biomass energy both in the country and in the Asian region. The Company aims to expand investment and develop a total power plant project of 400.00 megawatts within 2024.

The Transaction is an investment in a project that has been commercially operational and has good performance. This will reduce the risk of unsuccessful project development. It will also increase the Company's business potential, which will be able to generate income and profit for the Company as well as to diversify risks and reduce dependence on revenue and net profit from any power plant project which leads to creating added value for shareholders.



In addition, the transaction is regard as a transaction with a related person of the Company. The Company may be considered or suspected of making transactions that may cause conflicts of interest with connected parties of the Company. However, this matter was proposed for approval by the Board of Directors, where Kraipisitkul group, an interested director, did not attend the meeting and did not have the right to vote to approve the Transaction. In this regard, when the Board of Directors considered the conditions and value of the Transaction, it deemed that the Transaction has the appropriate conditions and prices comparable to agreeing to enter into transactions with third parties. As a result, the Board of Directors is of the opinion that this Transaction will be able to provide the best benefit to the Company.

19. Opinions of the Audit Committee and/or Directors of the Company which are different from the Opinions of the Board of Directors

The Audit Committee's opinions are consistent with the Board of Directors in accordance with Clause 18 above.

20. Proxy Form with nomination of at least one member of the Audit Committee as shareholders' proxy

The Audit Committee members who will be proxy of the shareholders to vote are Mr. Kamthon Wangudom and Mr. Samrieng Mekkiengkrai. The information of the Audit Committee members to support the proxy's appointment is shown in Enclosure 5 of the Invitation to the Extraordinary General Meeting of Shareholders No. 1/2564.