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At SSP OG 029/2022

November 14, 2022

Re: Disclosure of Asset Acquisition from Land Lease Transaction of Subsidiaries and the Connected Transaction about the Land Lease

Attn: The Director and Manager of  
The Stock Exchange of Thailand

Sermsang Power Corporation Public Company Limited (the “Company”) would like to inform the Stock Exchange of Thailand to acknowledge the resolution of the Board of Directors’ meeting No. 6/2022 on November 11, 2022 that the meeting has resolved to approve the asset acquisition from Land Lease Transaction of Subsidiaries and the Connected Transaction about the Land Lease. The lease term is 30 years (including the construction period) and the land lease agreement will be executed after the date of receiving the approval from the Board of Directors with the total value of Baht 38,419,000 (Thirty-Eight Million Four Hundred and Nineteen Thousand Thai Baht) for which is a part of solar power plant development project (Solar Farm). The details of the asset acquisition of Land Lease of Subsidiaries and the connected transaction about the land lease are as follows;

1. Transaction of Asset Acquisition: Land Lease of Subsidiaries

The Company has planned to investment a solar power plant development project (Solar Farm) with the budget for land lease transaction in the total value of Baht 38,419,000 (Thirty-Eight Million Four Hundred and Nineteen Thousand Thai Baht). Considering the size of the transactions, the highest transaction value equals to 0.17 percent based on a total value of consideration paid or received, calculated from the reviewed consolidated financial statements of the Company for the period ended 30 September 2022. In addition, the Company’s transactions on acquisition of assets over the past 6 months prior to the execution of this transaction which has not been approved by the shareholders’ meeting, the total transaction value of the acquisition of assets by the Company is equal to 2.01 percent based on the net tangible assets which is lower than 15 percent, which the size of the transaction does not fall under the criterion which is required to comply with 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 and Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, B.E. 2547 (2004).

## 2. Connected Transaction: Land Lease

The above land lease transaction is considered a connected transaction according to the Notification of the Board of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning Connected Transactions, B.E. 2546: Type of connected transactions relating to real estate lease. The details of the information are as follows;

1.	Transaction Date	Expected to complete the transaction by November 2022
2.	Relating Parties	<p>Tenant : Essential Power Limited (“EP”)</p> <p>Lessor : Viwat Agriculture Company Limited (“VA”), for which the connected persons as follows:</p> <ul style="list-style-type: none"> <li>- Mr. Viwat Kraipisitkul, as the director and Major shareholders of SSP, his direct and indirect shareholding proportion are percentage 5.5 and percentage 11.7 respectively, and as the director and major shareholder of VA, his direct shareholding proportion percentage 20</li> <li>- Mr. Thanawat Kraipisitkul, as the director and Major shareholders of SSP, his direct and indirect shareholding proportion are percentage 1.4 and percentage 10 respectively, and as the director and major shareholder of VA, his direct shareholding proportion percentage 49</li> <li>- Mrs. Thanyanee Kraipisitkul, as the director of SSP, and as the director and major shareholder of VA, her direct shareholding proportion percentage 15</li> </ul> <p>Tenant : Essential Power Limited (“EP”)</p> <p>Lessor : T.K.H.Foods Products Company Limited (“TKH”), for which the connected persons as follows:</p> <ul style="list-style-type: none"> <li>- Miss Thanthaphon Kraipisitkul, as the director and Major shareholders of SSP, her direct and indirect shareholding proportion are percentage 5.6 and percentage 10 respectively, and as the director and</li> </ul>



		<p>major shareholder of TKH, her direct shareholding proportion percentage 33</p> <ul style="list-style-type: none"><li>- Mr. Thanawat Kraipisitkul, as the director and Major shareholders of SSP, his direct and indirect shareholding proportion are percentage 1.4 and percentage 10 respectively, and as the director and major shareholder of TKH, his direct shareholding proportion percentage 34</li></ul>
		<p>Tenant : Essential Power Limited (“EP”)</p> <p>Lessor : Absolute Products Company Limited (“ASP”), for which the connected persons as follows:</p> <ul style="list-style-type: none"><li>- Mr. Viwat Kraipisitkul, as the director and Major shareholders of SSP, his direct and indirect shareholding proportion are percentage 5.5 and percentage 11.7 respectively, and as the director and major shareholder of ASP, his direct shareholding proportion percentage 45</li><li>- Mrs. Thanyanee Kraipisitkul, as the director of SSP, and as the director and major shareholder of ASP, her direct shareholding proportion percentage 25</li><li>- Miss Thanthaphon Kraipisitkul, as the director and Major shareholders of SSP, her direct and indirect shareholding proportion are percentage 5.6 and percentage 10 respectively, and as the director and major shareholder of ASP, her direct shareholding proportion percentage 10</li><li>- Mr. Thanawat Kraipisitkul, as the Director and SSP major shareholders, which The proportion of its shareholding direct percentage 1.4 indirect shareholding percentage 10 and Director and ASP major shareholders, which The proportion of its shareholding direct percentage 10</li></ul>



		<p>Tenant : Siam Clean Solution Limited (“SCS”)</p> <p>Lessor : Srinanaporn Marketing Public Company Limited (“SNNP”), which have connected persons as follows:</p> <ul style="list-style-type: none"> <li>- Mr. Viwat Kraipisitkul, as the director and Major shareholders of SSP, his direct and indirect shareholding proportion are percentage 5.5 and percentage 11.7 respectively, and as the director and major shareholder of SNNP, his direct and indirect shareholding proportion are percentage 1.3 and percentage 38.3 respectively</li> <li>- Mrs. Thanyanee Kraipisitkul, as the director of SSP, and as the director and major shareholder of SNNP, her direct and indirect shareholding proportion are percentage 1.3 and percentage 38.3 respectively</li> </ul>															
3.	Nature of Transaction	<p>The Company will lease some parts of land title deeds, which is owned by the lessor as follows;</p> <ul style="list-style-type: none"> <li>- Viwat Agriculture Company Limited (“VA”)</li> <li>- T.K.H.Foods Products Company Limited (“TKH”)</li> <li>- Absolute Products Company Limited (“ASP”)</li> <li>- Srinanaporn Marketing Public Company Limited (“SNNP”)</li> </ul> <p>The lease term is 30 years (including the construction period) from the date of signing the land lease agreement unless this contract is terminated before the expiration of the said lease term. The total rental value does not exceed Baht 38,419,000 (Thirty-Eight Million Four Hundred and Nineteen Thousand Thai Baht), according to the details of the monthly rental rates in the following table.</p> <table border="1" data-bbox="687 1776 1383 1977"> <thead> <tr> <th colspan="5">Lease Period Year Rental Rates (Baht)</th> </tr> <tr> <th>Year</th> <th>VA</th> <th>TKH</th> <th>ASP</th> <th>SNNP</th> </tr> </thead> <tbody> <tr> <td>Year 1 - 5</td> <td>346,000</td> <td>20,700</td> <td>314,500</td> <td>507,000</td> </tr> </tbody> </table>	Lease Period Year Rental Rates (Baht)					Year	VA	TKH	ASP	SNNP	Year 1 - 5	346,000	20,700	314,500	507,000
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4.	Total Value and the Criteria used to Determine the Transaction Value	The total value of the land lease agreement for 30 years (including the construction period) does not exceed Baht 38,419,000 (Thirty-Eight Million Four Hundred and Nineteen Thousand Thai Baht). The criteria used to determine the value of the transaction or rental expense referenced price market price or fair price based on the appraised price by the independent appraiser namely, Thai Surveyor & Advisory Company Limited. However, the terms of the agreement are in line with normal conditions that can be compared with a transaction with other parties who are not related.																									
5.	Attendance and Voting at the Meeting	The director, who is the connected person or has a conflict of interest under Clause 2., did not attend the Board of Directors' Meeting and did not vote on the said agenda as well.																									
6.	Nature and Scope of Conflict of Interest of the Connected	Such connected transaction has a total value of not exceeding Bath 38,419,000 (Thirty-Eight Million Four Hundred and Nineteen Thousand Thai Baht), which falls in the middle size of																									

	Person in Entering into the Transaction	transaction that is more than Bath 1,000,000 but not more than 3 percent of the Company's net tangible assets according to the reviewed consolidated financial statements as of September 30, 2022, which has a value of Baht 7,841 million. Therefore, it is considered a connected transaction under the Notification of the Stock Exchange of Thailand; Subject: The Disclosure of Information and Practice of Listed Companies Concerning the Connected Transaction Type of Transactions relating to real estate lease, the Company must request the Board of Directors to approve such connected transaction and disclose the information to the Stock Exchange of Thailand.
7.	Opinion of the Board of Directors Relating to the Transaction	<p>The board has considered that entering into lease agreement of aforementioned land is a reasonable transaction for the benefit of the company since the company is currently expanding its business and in need of land for investment in solar farm projects.</p> <p>In addition, the counterparty has also set the specific rental price and period that is not higher than the current rental price estimated by independent appraiser, but such rate may increase by 3% in every 5 years.</p> <p>Thus entering into aforementioned transaction will make a reasonable benefit for the company with fair pricing considered and commented by audit committee. Therefore, the board has resolved to approve the aforementioned transaction whereas the directors with conflict of interest did not attend the meeting and had no right to vote on this agenda.</p>
8.	Opinion of the Audit Committee and/or any Director which are different from the opinion of the Board of Directors under Clause 7	-None-



Please be informed accordingly.

Yours sincerely,

(Mr. Chayut Leehacharoenkul)  
Chief of Accounting and Finance