



- Translation -

No. 10000/066/2023

7 August 2023

Subject: Acquisition of the Additional Shares in Carroll County Energy, Combined Cycle Power Generation Plant Project in the United States

Attention: Director and Manager  
Stock Exchange of Thailand

Attachment: Information memorandum on the Acquisition of Shares in Carroll County Energy LLC, Combined Cycle Power Generation Plant Project, in the United States

BCPG Public Company Limited's (the "**Company**") Board of Directors' Meeting no. 6/2023 held on 22 May 2023 has passed a resolution to approve the acquisition of shares in a combined cycle power generation plant project in the United States. Subsequently, on 4 August 2023, BCPG USA Inc., a subsidiary of the Company entered into a Purchase and Sale Agreement with 730 Carroll LLC ("**Seller**") to acquire additional 40.00 percent of total shares in Carroll County Energy Holdings ("**Target Company**") with an amount not exceeding USD 145 million (or equivalent to THB 5,031 million<sup>1</sup>) in which the Target Company holds 100 percent of shares in Carroll County Energy LLC ("**CCE**"), which operates a 700 MW combined cycle power generation plant project located in Carroll County, Ohio, United States. ("**Share Purchase Transaction**")

In this regard, entering into such transaction is considered as asset acquisition transactions according to the Notification of the Capital Market Supervisory Board No. Tor Jor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets B.E.2551 (2008) (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (2004) (as amended) (collectively referred to as "**Criteria for Acquisition and Disposal of Assets**"). The highest transaction size is 14.20 percent pursuant to the Net Profits Basis which is calculated from the net profit of the Target Company as of 31 December 2022 in proportion to the acquisition compared to the net profit of the Company as of 31 March 2023. Calculating with other asset acquisition transactions of the Company in the past 6 months period, the asset acquisition transaction has the highest total transaction size equal to 38.68 percent, which is classified as

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<sup>1</sup> Calculated from the exchange rate of THB 34.6934 per USD 1 as announced on 3 August 2023 by the Bank of Thailand.

a class 2 transaction with the transaction size equal to 15 percent or higher but lower than 50 percent pursuant to the Criteria for Acquisition and Disposal of Assets.

Please be informed accordingly.

Sincerely,

- *Signed* -

(Mr. Niwat Adirek)

Chief Executive Officer and President

Chief Executive Office

Tel. +66 (0)2 335 8902

**Information Memorandum on the Acquisition of Assets by BCPG Public Company Limited**  
**Re: Acquisition of Shares in Carroll County Energy LLC,**  
**Combined Cycle Power Generation Plant Project, in the United States**

BCPG Public Company Limited's (the "**Company**") Board of Directors' Meeting no. 6/2023 held on 22 May 2023 has passed a resolution to approve the acquisition of shares in a combined cycle power generation plant project in the United States. Subsequently, on 4 August 2023, BCPG USA Inc., a subsidiary of the Company entered into a Purchase and Sale Agreement with 730 Carroll LLC ("**Seller**") to acquire 40 percent of total shares in Carroll County Energy Holdings ("**Target Company**") with an amount not exceeding USD 145 million (or equivalent to THB 5,031 million) in which the Target Company holds 100 percent of shares in Carroll County Energy LLC ("**CCE**"), which operates a 700 MW combined cycle power generation plant project located in Carroll County, Ohio, United States. ("**Share Purchase Transaction**")

The Share Purchase Transaction is classified as an acquisition of assets under the Notification of the Capital Market Supervisory Board No. Tor Jor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets B.E.2551 (2008) (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (2004) (as amended) (collectively referred to as "**Criteria for Acquisition and Disposal of Assets**"). The size of the transaction is equivalent to 14.20 percent pursuant to the Net Profits Basis which is calculated from the net profit of the Target Company as of 31 December 2022 in proportion to the acquisition compared to the net profit of the Company as of 31 March 2023. Taking into consideration other acquisition transactions of the Company during the past six-month period, the highest total transaction size is equal to 38.68 percent. Therefore, this Share Purchase Transaction is classified as class 2 transaction, being that the transaction size is equal to or higher than 15 percent but lower than 50 percent. Accordingly, the Company is required to proceed in accordance with the Criteria for Acquisition and Disposal of Assets. After entering into the transactions, the Company is required to prepare a report and disclose the details of the transactions to the Stock Exchange of Thailand, having the details specified in the Schedule 1. Moreover, the Company is required to circulate the notification letter, having the details required by the Criteria for Acquisition and Disposal of Assets, to its shareholders within 21 days from the date of information disclosure to the Stock Exchange of Thailand.

The Company therefore would like to disclose the material details relating to such transaction as follows.

### 1. Date of Transactions

The Board of Directors' Meeting of the Company no. 6/2023 held on 22 May 2023 has passed a resolution to approve the Share Purchase Transaction. The Company and the Seller executed the Share Sale and Purchase Agreement for the Target Company's shares in the proportion of 40 percent of total shares on 4 August 2023.

### 2. Involved Parties

Buyer : BCPG USA Inc., 100 percent owned subsidiary of the Company which was incorporated in the United States of America

Seller : 730 Carroll LLC ("Seller")

A registered company established in the United States of America

The Seller has no relations and is not a related party to the Company and Bangchak Corporation Public Company Limited which is the parent company of the Company.

### 3. General Characteristics, Type, and Size of the Share Purchase Transactions

#### 3.1 General Characteristic of Transactions

The Company will purchase 40 percent of the total shares in Carroll County Energy Holdings LLC ("Target Company") from 730 Carroll LLC ("Seller") with an amount not exceeding USD 145 million (or equivalent to THB 5,031 million) in which the Target Company holds 100 percent of shares in Carroll County Energy LLC ("CCE"), which operates a 700 MW combined cycle power generation plant project located in Carroll County, Ohio, United States.

Details of the shareholding structure after the Company entered into a Share Purchase Transaction appear in attachment 1.

#### 3.2 Type and Size of Transactions

The Share Purchase Transaction is classified as an asset acquisition transaction. The total value of the transaction is USD 145 million (or equivalent to THB 5,031 million).

Pursuant to the calculation under the Criteria for Acquisition and Disposal of Assets, the highest transaction size is 14.20 percent, calculated from the Net Profits Basis (based on the Target Company's audited consolidated financial statement ended 31 December 2022 and the Company's audited consolidated financial statement ended 31 March 2023), classified as class 2 transaction pursuant to the Criteria for Acquisition and Disposal of Assets. The details of the calculation are as follows:

No.	Criteria for Calculation of Transaction Size	Calculation Methodology	Transaction Size
1.	Net Tangible Asset Value (NTA)	$\frac{\text{Target Company's NTA} \times \text{acquired portion}}{\text{The Company's NTA}}$	9.76
2.	Net Profits	$\frac{\text{Target Company's Net Profits} \times \text{acquired portion}}{\text{The Company's Net Profits}}$	14.20
3.	Value of Total Consideration	$\frac{\text{Net value of acquired transaction}}{\text{The Company's total assets}}$	8.74
4.	Value of Issued Securities	-	(Not applicable because the Company paid for shares in cash)

From the calculation above, the Share Purchase Transaction is classified as acquisition of assets. The size of the transaction is 14.20 percent calculated from the Net Profits. Calculating with other asset acquisition transactions of the Company during the past six-month period, the highest total transaction size is 38.68 percent. Therefore, such transaction is classified as class 2 transaction, the value of which is equal to or higher than 15 percent but lower than 50 percent pursuant to the Criteria for Acquisition and Disposal of Assets. Accordingly, the Company is required to:

- (1) disclose the information memorandum relating to the transactions to the Stock Exchange of Thailand
- (2) circulate the notification letter to its shareholders within 21 days from the date of information disclosure to the Stock Exchange of Thailand.

#### 4. Details of Acquired Assets

##### 4.1 Assets to Be Acquired

Shares in the Target Company represent 40 percent of total shares in the Target Company.

##### 4.2 General Information of the Acquired Company

The Target Company is an incorporated company in Delaware, United States, which directly holds 100 percent of shares in CCE, a company incorporated in Delaware, United States. CCE currently

operates a 700 MW combined cycle power generation plant project located in Carroll County, Ohio, United States.

#### 4.3 Current General Information of the Target Company

Company Name	Carroll County Energy Holdings LLC
Date of Incorporation	17 November 2014
Country of Incorporation	United States
Type of Business	Holding Company
Details of Shareholders and their Shareholding Proportion	<p><b>Seller:</b> 40.00%</p> <p>JERA Power U.S.A. Inc. : 20.00%</p> <p>Ullico Infrastructure Carroll County Holdco, LLC: 10.60%</p> <p>San Jacinto Carroll Holdings LLC: 11.64%</p> <p>AP-BCPG CCE Partners LLC: 17.76%</p>

#### 4.4 List of Shareholders of the Target Company before and after the Transaction

The list of shareholders of the Target Company before and after the Transaction is as follows.

No.	Shareholders	Proportion of shareholding <u>before</u> the transaction (percent)	Proportion of shareholding <u>after</u> the transaction (percent)
1.	Seller	40.0	-
2.	JERA Power U.S.A. Inc	20.0	20.0
3.	Ullico Infrastructure Carroll County Holdco, LLC	10.6	10.6
4.	San Jacinto Carroll Holdings LLC	11.6	11.6
5.	AP-BCPG CCE Partners LLC <sup>1</sup>	17.8	17.8
6.	BCPG USA Inc.	0.0	40.0
<b>Total</b>		100.0	100.0

<sup>1</sup>BCPG holds 49% membership interests in AP-BCPG CCE Partners LLC

#### 4.5 List of Board of Directors of the Target Company before and after the Transactions

The list of Board of Directors of the Target Company before and after the transactions is as follows.

No.	Directors' name <u>before</u> entering into the transactions	Directors' name <u>after</u> entering into the transactions
1.	Persons designated by the Seller and the other shareholders	1 person designated by the Company 4 persons designated by the other shareholders

#### 4.6 Business Overview

CCE operates a 700 MW combined cycle power generation plant located in Carroll County, Ohio, United States. Its commercial operation to Pennsylvania-New Jersey-Maryland (“PJM”) Energy Market commenced in December 2017.

#### 4.7 Key Financial Information of the Target Company

Consolidated Financial Status	Financial Statement Ended (United: Thousand)			
	31 December 2021 (Audited)		31 December 2022 (Audited)	
	USD million	THB million <sup>2</sup>	USD million	THB million <sup>2</sup>
Total assets	735.99	25,534.00	763.90	26,502.29
Total liabilities	537.94	18,662.97	559.18	19,399.86
Shareholders' equity	198.05	6,871.03	204.72	7,102.43

Consolidated Profit and Loss Statement	Financial Statement Ended (United: Thousand)			
	31 December 2021 (Audited)		31 December 2022 (Audited)	
	USD million	THB million <sup>2</sup>	USD million	THB million <sup>2</sup>
Operating profit before capital income tax, price depreciation, and amortization	44.02	1,527.20	72.79	2,525.33
Profits from business operation	16.35	567.24	44.27	1,535.88
Net Profit	(8.21)	-284.83	18.21	631.77

In 2021, CCE has plant outage due to major maintenance in March 2021 resulting in lower energy revenue. Furthermore, the net losses in 2021 is solely driven by the major maintenance expenses. CCE's accounting policy is in accordance with the US Generally Accepted Accounting Principles (US

<sup>2</sup> Calculated from the exchange rate of THB 34.6934 per USD 1 as announced on 3 August 2023 by the Bank of Thailand.

GAAP), in which major maintenance expenses is recognized as a expense during the incurred period. Nonetheless, the major maintenance expenses could be capitalized as an asset and depreciated over its useful life according to the Company's accounting policy, which adopting Thai Financial Reporting Standing (TFRS). If the maintenance cost is recognized based on TFRS, CCE shall have net operating profit for 2021.

#### **5. Total Consideration Value**

The price of 40.0 percent shares in Target Company is not exceeding USD 145 million (or equivalent to THB 5,031 million).

#### **6. Value of Assets Acquired and to be Acquired**

40.0 percent shares in Target Company, a company that directly holds 100.0 percent shares in CCE

#### **7. Basis Used to Determine the Value of Consideration**

The basis used to determine the value of consideration is the value agreed between the parties under the Share Sale and Purchase Agreement, which derived from the negotiation and agreement between the Company and the Seller with reference to the Discounted Cash Flow method.

#### **8. Expected Benefits to the Company**

This investment is in accordance with the Company's business plan, which focuses on expanding the business of power generation from renewable energy which is the core business of the Company. The combined cycle gas turbine project has already commenced commercial operations, enabling the Company to realize its income and profits immediately after the investment and the project can generate recurring income and profits for the Company.

#### **9. Source of Fund**

The Company's source of funds for entering into the transaction will come from an internal cash flow of the Company and/or loans from a financial institution.

#### **10. Plan for the Use of Proceeds Received from the Sales**

None. The Share Purchase Transaction is not a disposal of assets transaction.

#### **11. Types and Details of Securities Issued by the Company to Pay for the Assets**

-None-

#### **12. Transactions' Conditions**

All conditions precedent under the Purchase and Sale Agreement (e.g., obtaining any approval required from the relevant authorities of the United States) have been satisfied or waived by the related parties.



**13. Characteristics and Scope of Interest of Related Parties**

-None-

**14. Opinions of the Board of Directors in Relation to the Entering into the Transaction**

The Board of Directors approves the entering into the transaction by the Company and is of the opinion that the transaction is reasonable with the rate of return being appropriate and higher than the weight-average financial cost of the Company, and in the best interest of the Company and its shareholders. The decision is made with prudence and due care and in accordance with good corporate governance. The Board has also considered the benefits expected from the investment which will promote the revenue and profit of the Company group to be more stable in the future.

**15. Opinions of the Audit Committee and/or Directors Dissenting from the Board of Directors' Opinions**

-None-

Attachment 1 Details of shareholding structure after the Company entered into a Share Purchase Transaction

