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No. TSE(PCL) 003/07-2019

8 July 2019

Subject: Additional Investment in Oscar Save The World Company Limited (Amended)

To: President  
The Stock Exchange of Thailand

Enclosure the information memorandum on the acquisition of Oscar Save The World Company Limited No.1

Thai Solar Energy Public Company Limited (the “**Company**”) would like to inform that Thai Community Energy Company Limited (“**TCE**”) which is a subsidiary owned 100% of the total paid-up capital by the Company will enter into the additional investment in Oscar Save The World Company Limited (“**OSW**”) in the shareholding ratio of 25% which will make the shareholding ratio of TCE in OSW will be increased from 75% to 100% of the total paid-up capital by acquiring the shares in OSW in the number of 1,455,000 shares with the par value of 120 per share and the total consideration is Baht 174.60 million. OSW currently operates two biomass power plants with the total capital of 17.6 MW located at Nakhon Si Thammarat Province as detailed in Enclosure 1.

In this regard, the transaction size of the acquisition of such assets pursuant to the Notification of Capital Market Supervisory Board No. Tor. Jor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposal of Assets B.E. 2547 (2004) (“**Acquisition and Disposal of Assets Notifications**”) has the highest value of 11.98% based on the net profit method and after combining with the value of transactions on acquisition of assets of the Company during the past 6 months before the date of entry into this transaction, the total value of transaction shall be 22.96% of which the transaction value is higher than 15% but lower than 50% of which the Company is required to disclose information regarding the disposal of assets of the Company to the Stock Exchange of Thailand (the “**SET**”) immediately upon the entry into the transaction and to provide the information memorandum regarding the disposal of assets of the Company to the shareholders within 21 days following the date of disclosure of this transaction to the SET.

Nevertheless, such acquisition is not considered an entry into the transaction with the Company’s connected person. Thus, it is not regarded as the connected transaction pursuant to Notification of the Capital Market Advisory Board No. Tor Jor. 21/2551, Re: Rules on Connected Transactions, and the Notification of the Board of Governors of the Stock Exchange of Thailand, Re: Disclosure and Acts of Listed Companies on Connected Transactions B.E. 2546 (2003).

Please be informed accordingly.

Your sincerely,

*- Singed-*

(Mr. Somphop Prompanapitak)  
Chief Operating Officer

For more information, please contact Support Organization Department  
Tel. 02-258 4530 – 3 # 2401, 2405

**INFORMATION MEMORANDUM**  
**ON**  
**THE ACQUISITION OF OSCAR SAVE THE WORLD COMPANY LIMITED NO.1**



## Information Memorandum on the Acquisition of Oscar Save The World Company Limited No.1

Thai Solar Energy Public Company Limited (the “Company”) would like to inform that Thai Community Energy Company Limited (“TCE”) which is a subsidiary owned 100% of the total paid-up capital by the Company will enter into the additional investment in Oscar Save The World Company Limited (“OSW”) which currently operates two biomass power plants with the total capital of 17.6 MW located at Nakhon Si Thammarat Province and such two power plants already commercially sold the electricity since 24 August 2018 and 10 October 2018, respectively. TCE will acquire the additional shares in OSW in the number of 1,455,000 shares with the par value of 120 per share and the total consideration is Baht 174.60 million of which it will represent 25% shares which will make the shareholding ratio of TCE in OSW will be increased from 75% to 100% of the total paid-up capital. The Company has authorized the authorization of directors to bind the Company or the Chief Executive Officer or any person authorized by such persons to have the power to negotiate and determine the details, terms and conditions and other procedures for the benefits of the acquisition of such shares including the entry into shares purchase agreement, share subscription agreement and any other documents relating to OSW and to have the power to perform any acts which are necessary and appropriate for the above matter.

In this regard, the transaction size of the acquisition of such assets pursuant to the Notification of Capital Market Supervisory Board No. Tor. Jor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposal of Assets B.E. 2547 (2004) (“**Acquisition and Disposal of Assets Notifications**”) has the highest value of 11.98% based on the net profit method and after combining with the value of transactions on acquisition of assets of the Company during the past 6 months before the date of entry into this transaction, the total value of transaction shall be 22.96% of which the transaction value is higher than 15% but lower than 50% of which the Company is required to disclose information regarding the disposal of assets of the Company to the Stock Exchange of Thailand (the “SET”) immediately upon the entry into the transaction and to provide the information memorandum regarding the disposal of assets of the Company to the shareholders within 21 days following the date of disclosure of this transaction to the SET.

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Material information of the transaction is as set out below.

### 1. Date/ Month/ Year of the transaction

On 9 July 2019 or any other day as mutually agreed by both parties which will be the date that the seller has completed the conditions precedent regarding the share transfer such as the transfer of share certificate and share instrument including the registration of new list of shareholders to the Department of Business Development, Ministry of Commerce accurately and completely which will result TCE which is a subsidiary owned 100% of the total paid-up capital by the Company to have the ownership of 25% shares in OSW. The Company expects that the transaction to acquire 25% shares in OSW will be completed by the third quarter of 2019.

### 2. Parties involved and the relation with the listed company

<b>Purchaser</b>	:	Thai Community Energy Company Limited which is a subsidiary owned 100% of the total paid-up capital by the Company
<b>Seller</b>	:	Thainakorn Parawood Company Limited, having its head office at 308 M.9 Sai Ra, Chawang, Nakhon Si Thammarat 80150 with the registered capital of Baht 45,000,000 million divided into 450,000 shares with the par value of Baht 100 each. The structure of Board of Directors and shareholders are as follows:  <u>Director</u>  1. Miss Phenchit Luangvoraphan 2. Mr. Supoj Luangvoraphan 3. Mr. Thawatchai Luangvoraphan

		4. Mr. Samphan Luangvoraphan		
		5. Miss Alisa Luangvoraphan		
		<u>Shareholders</u>	<u>No. of Shares</u>	<u>%</u>
		1. Mr. Samphan Luangvoraphan	136,000	30.2222
		2. Mr. Thawatchai Luangvoraphan	86,000	19.1111
		3. Mr. Manoch Luangvoraphan	86,000	19.1111
		4. Miss Alisa Luangvoraphan	86,000	19.1111
		5. Mr. Supoj Luangvoraphan	16,000	3.5556
		6. Miss Phenchit Luangvoraphan	8,000	1.7778
		7. Mrs. Phenthip Chantharawatthanawani	8,000	1.7778
		8. Mr. Paisal Luangvoraphan	8,000	1.7778
		9. Mrs. Siriporn Waraphiwattanapong	8,000	1.7778
		10. Miss Anong Luangvoraphan	8,000	1.7778
		Total	450,000	100.0000
<b>Relationship with the Company</b>	:	The seller has no relationship with the major shareholders, directors and executives of the Company and its subsidiaries. Therefore, such acquisition is not considered an entry into the transaction with the Company's connected person. Thus, it is not regarded as the connected transaction pursuant to Notification of the Capital Market Advisory Board No. Tor Jor. 21/2551, Re: Rules on Connected Transactions, and the Notification of the Board of Governors of the Stock Exchange of Thailand re: Disclosure and Acts of Listed Companies on Connected Transactions B.E. 2546 (2003).		

### 3. General characteristic of the transaction and Calculation of Transaction Value

TCE will acquire 25% shares in OSW in the number of 1,455,000 shares with the par value of 120 per share and the total consideration is Baht 174.60 million of which it will make the shareholding ratio of TCE in OSW will be increased from 75% to 100% of the total paid-up capital.

The entry into this transaction is considered as the acquisition of such assets pursuant to the Notification of Capital Market Supervisory Board No. Tor. Jor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposal of Assets B.E. 2547 (2004) of which the calculation of transaction value will be based on the consolidated financial statements for the first quarter of 2019 ended 31 March 2019 audited by the auditor, the details of the calculation of transaction value are as follows:

	Method	Calculation Formula	Transaction Size
1.	Net tangible assets method	$\frac{\text{Net tangible asset of the acquired company} \times 100}{\text{Net tangible asset of the Company}}$ $= \frac{\text{Baht 565.02 million} \times 25\% \times 100}{\text{Baht 4,784.39 million}}$	2.95%
2.	Net profit method	$\frac{\text{Net profit of the acquired company} \times 100}{\text{Net profit of the Company}}$ $= \frac{\text{Baht 25.22 million} \times 100}{\text{Baht 210.57 million}}$	11.98%
3.	Consideration method	$\frac{\text{Total consideration paid} \times 100}{\text{Total assets of the Company}}$ $= \frac{\text{Baht 174.60 million} \times 100}{\text{Baht 15,219.43 million}}$	1.15%

4.	Value of newly issued shares as consideration method	$\frac{\text{Number of shares issued as consideration} \times 100}{\text{Number of issued and paid-up shares of the Company}}$	N/A <sup>1</sup>
		<b>The highest transaction size</b>	<b>11.98%</b>

Remark: 1 Unable to calculate this method as the Comapyn does not issue any shares as consideration for the acquisition of assets.

In this regard, the transaction size of the acquisition of such assets pursuant to the Notification of Capital Market Supervisory Board No. Tor. Jor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposal of Assets B.E. 2547 (2004) ("**Acquisition and Disposal of Assets Notifications**") has the highest value of **11.98%** based on the net profit method and after combining with the value of transactions on acquisition of assets of the Company during the past 6 months before the date of entry into this transaction, the total value of transaction shall be **22.96%** of which the transaction value is higher than 15% but lower than 50% of which the Company is required to disclose information regarding the disposal of assets of the Company to the Stock Exchange of Thailand (the "SET") immediately upon the entry into the transaction and to provide the information memorandum regarding the disposal of assets of the Company to the shareholders within 21 days following the date of disclosure of this transaction to the SET.

#### 4. Details of Transaction

##### General information of Oscar Save The World Company Limited

<b>Incorporate Date</b>	:	3 August 2006
<b>Type of Business</b>	:	Operating 2 biomass power plant projects with the installed capacity of 17.6 MW
<b>Commercial Operation Date (COD)</b>	:	Power Plant OSW 1 : 24 August 2018 of which the purchasing period is 20 years and and the Feed-in Tariff (FiT) of Baht 4.24 + Premium Baht 0.30 for 10 years from COD according to the power purchase agreement with Provincial Electricity Authority.  Power Plant OSW 2 : 10 October 2018 of which the purchasing period is 20 years and and the Feed-in Tariff (FiT) of Baht 4.24 + Premium Baht 0.30 for 10 years from COD according to the power purchase agreement with Provincial Electricity Authority.
<b>Head Office</b>	:	725 Metropolis Bldg. 19 Fl. Sukhumvit Rd. Khlong Ton Nua, Vadhana, Bangkok 10110
<b>Plant Location</b>	:	Power Plant OSW 1 : 33/1 M.9 Sai Ra, Chawang, Nakhon Si Thammarat 80150  Power Plant OSW 2 : 149 M.3 Na Khueang, Chawang, Nakhon Si Thammarat 80260
<b>Registered Capital</b>	:	Baht 582,000,000
<b>Paid-up Capital</b>	:	Baht 582,000,000 divided into 5,820,000 ordinary shares with the par value of Baht 100 each
<b>Board's Structure</b>	:	<b>Board's structure before entry into transaction</b> 1. Miss Cathleen Maleenont 2. Mr. Somphop Prompanapitak 3. Mr. Kitipong Thannom 4. Miss Sirirat Huaithan  <b>Board's structure after entry into transaction</b> 1. Miss Cathleen Maleenont

		2. Mr. Somphop Prompanapitak 3. Mr. Kitipong Thannom 4. Miss Sirirat Huaithan																														
<b>Shareholding Structure</b>	:	<b>Shareholding structure before entry into transaction</b> <table border="1"> <thead> <tr> <th>List of Shareholders</th><th>No. of Shares (Share)</th><th>% Shareholding</th></tr> </thead> <tbody> <tr> <td>1. Thai Community Energy Company Limited</td><td>4,364,999</td><td>75.00</td></tr> <tr> <td>2. Thainakorn Parawood Company Limited</td><td>1,455,000</td><td>25.00</td></tr> <tr> <td>3. Miss Cathleen Maleenont</td><td>1</td><td>00.00</td></tr> <tr> <td><b>Total</b></td><td><b>5,820,000</b></td><td><b>100.00</b></td></tr> </tbody> </table> <b>Shareholding structure after entry into transaction</b> <table border="1"> <thead> <tr> <th>List of Shareholders</th><th>No. of Shares (Share)</th><th>% Shareholding</th></tr> </thead> <tbody> <tr> <td>1. Thai Community Energy Company Limited</td><td>5,819,998</td><td>99.998</td></tr> <tr> <td>2. Miss. Cathleen Maleenont*</td><td>1</td><td>0.0001</td></tr> <tr> <td>3. Mr. Somphop Prompanapitak*</td><td>1</td><td>0.0001</td></tr> <tr> <td><b>Total</b></td><td><b>5,820,000</b></td><td><b>100.00</b></td></tr> </tbody> </table> <p>Remark: such shareholders are the representative assigned by the Company to hold the shares to comply with the applicable laws.</p>	List of Shareholders	No. of Shares (Share)	% Shareholding	1. Thai Community Energy Company Limited	4,364,999	75.00	2. Thainakorn Parawood Company Limited	1,455,000	25.00	3. Miss Cathleen Maleenont	1	00.00	<b>Total</b>	<b>5,820,000</b>	<b>100.00</b>	List of Shareholders	No. of Shares (Share)	% Shareholding	1. Thai Community Energy Company Limited	5,819,998	99.998	2. Miss. Cathleen Maleenont*	1	0.0001	3. Mr. Somphop Prompanapitak*	1	0.0001	<b>Total</b>	<b>5,820,000</b>	<b>100.00</b>
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<b>Financial Information</b>	:	Summary of financial status and performance of OSW for the period ending 31 December of 2017 – 2018 as follows: <table border="1"> <thead> <tr> <th>Unit: Baht Million</th><th>31 December 2017</th><th>31 December 2018</th></tr> </thead> <tbody> <tr> <td>Total Assets</td><td>1,217,196,279</td><td>2,135,544,469</td></tr> <tr> <td>Total Liabilities</td><td>677,393,945</td><td>1,570,521,026</td></tr> <tr> <td>Total Equity</td><td>539,802,334</td><td>565,023,443</td></tr> <tr> <td>Total Revenues</td><td>859,238</td><td>187,133,898</td></tr> <tr> <td>Cost of Sale</td><td>7,788,485</td><td>161,912,789</td></tr> <tr> <td>Net Profit (loss)</td><td>(6,929,247)</td><td>25,221,109</td></tr> </tbody> </table>	Unit: Baht Million	31 December 2017	31 December 2018	Total Assets	1,217,196,279	2,135,544,469	Total Liabilities	677,393,945	1,570,521,026	Total Equity	539,802,334	565,023,443	Total Revenues	859,238	187,133,898	Cost of Sale	7,788,485	161,912,789	Net Profit (loss)	(6,929,247)	25,221,109									
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## 5. Value of consideration and payment conditions

Total consideration value is Baht 174.60 million (of which the payment of consideration will be made in full) for acquiring of 49% shares of the total paid-up in OSW of which it will be completed by the third quarter of 2019. The consideration value is based on the appropriate return of investment.

## 6. Basis used to determine the value of consideration

The value of consideration is derived from negotiation between the parties, with reference to financial status, operating result and growth of business.

## 7. Expected benefits

The Company expects that such investment will create benefit to the Company and shareholders due to it is the investment in the business that has trend to grow in the future together with the government policy that supports the electricity producing from renewable energy.

**8. Source of Fund for the Entry into Transaction**

The Company's cash flow and loan of financial institution of which such loan will not affect the right of the shareholders.

**9. Conditions of the entry into the transaction**

- None -

**10. Opinion of the Board of Directors on the Entry into the Transaction**

The Board of Directors has considered and viewed that the entry into this transaction is reasonable and beneficial to the Company and the shareholders due to it is the business expansion to support the growth which will receive revenue and profit resulting in the increase of share value for the shareholders.

**11. Opinion of the Audit Committee and/or the director(s) of the Company which is different from the Board of Directors' opinion**

None of the directors and/or the Audit Committee had a different opinion from of the Board of Directors of the Company.

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