

TRANSLATION

Letter No.TTCL-FIN- CS-014/2560

15 August 2017

Subject: Asset Acquisition Transaction of TTCL Public Company Limited

Attention: President
Stock Exchange of Thailand

Reference is made to the fact that Board of Directors Meeting No. 4/2017 of TTCL Public Company Limited (the “**Company**”), convened on 15 August 2017, resolved to approve the Company to acquire the shares of TTCL Power Holdings Pte. Ltd. (“**TTPHD**”) (a subsidiary of the Company which is a limited company incorporated under the laws of Singapore) in the amount of 12,500,000 shares (equivalent to 17.99 percent of the total issued shares of TTPHD) from TTP Partners LP (“**TTPLP**”), a limited liability partnership which has been granted an exemption from registration requirements and incorporated under the laws of the Cayman Islands.

The entering into of the said transaction constitutes an asset acquisition transaction of the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 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 Disposition of Assets, 2004 (collectively, the “**Notifications on Acquisition or Disposal**”). The transaction value is equivalent to 17.30 percent calculated by applying the Net Profit Basis which is the basis that yields the highest transaction value based on the Consolidated Financial Statement of the Company for the period ending 30 June 2017 which was reviewed by a certified public accountant, and the Financial Statement of TTPHD for the period ending 31 December 2016, which was audited by a certified public accountant.

In this regard, after accumulating the value of the said transaction with the other asset acquisition transactions occurring during the six-month period prior to the date of this transaction, the total value of all transactions is equivalent to 28.17 percent, calculated based on the Net Profit Basis, which is the basis that results in the highest transaction value. The transaction thus constitutes a Class 2 Asset Acquisition Transaction, being a transaction with the value of equivalent to or higher than 15 percent but lower than 50 percent. As a result, the Company is required to prepare and disclose an information memorandum to the Stock Exchange of Thailand (the “**Stock Exchange**”) immediately, whereby such information memorandum shall contain the details under List (1) of the Notifications on Acquisition or Disposal at a minimum, as well as to notify the shareholders of the transaction no later than 21 days from the date on which the transaction is disclosed to the Stock Exchange.

The details of the asset acquisition transaction are set out in the information memorandum with respect to the asset acquisition of TTCL Public Company Limited, attached hereto.

Please be informed accordingly.

Sincerely yours,

Mr. Gobchai Tanasugarn
Vice President Finance & Accounting Division and Chief Finance Officer

Authorized Signatory

Information Memorandum on Asset Acquisition

TTCL Public Company Limited

List 1

Reference is made to the fact that Board of Directors Meeting No. 4/2017 of TTCL Public Company Limited (the “**Company**”), convened on 15 August 2017, resolved to approve the entering into of the asset acquisition transaction as detailed below:

The Company will acquire the shares of TTCL Power Holdings Pte. Ltd. (“**TTPHD**”) (a subsidiary of the Company which is a limited company incorporated under the laws of Singapore) in the amount of 12,500,000 shares (equivalent to 17.99 percent of the total issued shares of TTPHD) from TTP Partners LP (“**TTPLP**”), a limited liability partnership which has been granted an exemption from registration requirements and incorporated under the laws of the Cayman Islands.

The entering into of the said transaction constitutes an asset acquisition transaction of the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 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 Disposition of Assets, 2004 (collectively, the “**Notifications on Acquisition or Disposal**”). The transaction value is equivalent to 17.30 percent, calculated by applying the Net Profit Basis which is the basis that yields the highest transaction value based on the Consolidated Financial Statement of the Company for the period ending 30 June 2017, which was reviewed by a certified public accountant, and the Financial Statement of TTPHD for the period ending 31 December 2016 which was audited by a certified public accountant.

In this regard, after accumulating the value of the said transaction with the other asset acquisition transactions occurring during the six-month period prior to the date of this transaction, the total value of all transactions is equivalent to 28.17 percent, calculated based on the Net Profit Assets Basis, which is the basis that results in the highest transaction value. The transaction thus constitutes a Class 2 Asset Acquisition Transaction, being a transaction with the value of equivalent to or higher than 15 percent but lower than 50 percent. As a result, the Company is required to prepare and disclose an information memorandum to the Stock Exchange of Thailand (the “**Stock Exchange**”) immediately, whereby such information memorandum shall contain the details under List (1) of the Notifications on Acquisition or Disposal at a minimum, as well as to notify the shareholders of the transaction no later than 21 days from the date on which the transaction is disclosed to the Stock Exchange.

1. Transaction date

The Company will acquire the TTPHD shares after Board of Directors Meeting No. 4/2017, convened on 15 August 2017, resolves to approve the entering into of the transaction and the conditions precedent specified in the Share Purchase Agreement are satisfied.

2. Related parties and their relationships with the Company

Buyer: The Company

Seller: TTPLP

Relationship between the Buyer and the Seller:

The Buyer and the Seller are not connected persons, and are not connected persons of each other pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions 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, 2003 (collectively, the “**Notifications on Connected Transactions**”).

3. Characteristic of the transaction

3.1 General characteristic of the transaction

The Company shall acquire 12,500,000 shares of TTPHD (equivalent to 17.99 percent of the total issued shares of TTPHD) details of which are set out as follows:

Buyer	The Company
Assets to be acquired	12,500,000 ordinary shares of TTPHD
Seller	TTPLP
Details of the acquisition	The Company will acquire from TTPLP 12,500,000 shares of TTPHD, equivalent to 17.99 percent of the total issued shares of TTPHD.
Transaction value	The total value of the transaction to acquire 12,500,000 shares of TTPHD from TTPLP is equivalent to USD 31.25 million or THB 1,067.19 million (at the exchange rate of USD 1 to THB 34.15).
Closing Date	After Board of Directors Meeting No. 4/2017, convened on 15 August 2017, resolves to approve the entering into of the transaction and the conditions precedent specified in the Share Purchase Agreement are satisfied.

3.2 Calculation of transaction value

Calculation bases:

Unit: Baht Million

Calculation Bases	Calculation Formula	Transaction Value
1. Net Tangible Assets (NTA)	$\frac{17.99\% \times 3,227.20 \times 100}{4,737.01}$	12.26 %
2. Net Profit	$\frac{17.99\% \times 295.82 \times 100}{307.67}$	17.30 %
3. Total Value of Consideration	$\frac{1,067.19 \times 100}{25,046.50}$	4.26 %
4. Value of Securities issued by the Company as consideration for the assets acquired	Not applicable as no securities are issued by the Company as consideration for the acquired TTPHD shares.	-

- Remarks:**
- In calculating the transaction value, the Company used the figures based on the reviewed Consolidated Financial Statement ending 30 June 2017, and the Financial Statement of TTPHD for the period ending 31 December 2016, which was audited by a certified public accountant.*
 - The total value of the acquired assets is the purchase price of all ordinary shares of TTPHD amounting to USD 31.25 million or equivalent to THB 1,067.19 million.*

In this regard, the other asset acquisition transactions occurring during the six-month period prior to the date of the transaction are:

- (1) The entering into of the transaction to acquire the hydro power plant abroad has the value of USD 34 million (currently under the negotiation process). The transaction represents a value of 5.10 percent, calculated based on the Net Tangible Assets Basis, equivalent to 2.31 percent, calculated based on the Net Profit Basis and equivalent to 4.61 percent, calculated based on the Total Value of Consideration, which is the basis that yields the transaction value based on the Consolidated Financial Statement of the Company for the period ending 31 December 2016 which was audited by a certified public accountant;
- (2) The entering into of the transaction to acquire the solar power plant abroad has the value of USD 36 million (currently under the negotiation process). The transaction represents a value of 4.89 percent, calculated based on the Total Value of Consideration (the Net Tangible Assets Basis and the Net Profit Basis are not applicable for the calculation of the transaction value), which is the basis that yields the transaction value based on the

Consolidated Financial Statement of the Company for the period ending 31 December 2016 which was audited by a certified public accountant;

- (3) The entering into of the transaction to acquire the solar power plant abroad has the value of JPY 2,200 million (currently under the negotiation process). The transaction represents a value of 2.64 percent, calculated based on the Total Value of Consideration (the Net Tangible Assets Basis and the Net Profit Basis are not applicable for the calculation of the transaction value), which is the basis that yields the transaction value based on the Consolidated Financial Statement of the Company for the period ending 31 December 2016 which was audited by a certified public accountant; and
- (4) The entering into of acquisition transaction of 8,500,000 shares of TTPHD which represents a value of 7.87 percent, calculated based on the Net Tangible Assets Basis, equivalent to 8.56 percent, calculated based on the Net Profit Basis and equivalent to 2.96 percent, calculated based on the Total Value of Consideration, which is the basis that yields the transaction value based on the Consolidated Financial Statement of the Company for the period ending 31 December 2016 which was [audited/reviewed] by a certified public accountant.

In this regard, after accumulating the value of this asset acquisition transaction with the other asset acquisition transactions occurring during the six-month period prior to the date of this transaction, the total value of all transactions is equivalent to 28.17 percent, calculated based on the Net Profit Basis, which is the basis that results in the highest transaction value. The transaction thus constitutes a Class 2 Asset Acquisition Transaction, being a transaction with the value of equivalent to or higher than 15 percent but lower than 50 percent. As a result, the Company is required to prepare and disclose an information memorandum to the Stock Exchange of Thailand (the “**Stock Exchange**”) immediately with the information memorandum comprising the details under List (1) of the Notifications on Acquisition or Disposal at a minimum, as well as to notify the shareholders no later than 21 days from the date of which the transaction is disclosed to the Stock Exchange.

4. Details of the assets to be acquired

Details of the assets

Company Name	TTCL Power Holdings Pte. Ltd. (“ TTPHD ”)
Type of Business	The nature of the business of TTPHD is that of a holding company, which engages in investment in power plant businesses e.g. gas and solar energy, etc.
Assets to be acquired	All ordinary shares of TTPHD amounting to 12,500,000 shares
Registered Capital	The registered capital of TTPHD is USD 69,500,000, divided into 69,500,000 shares.

Paid-up Capital The paid-up and registered capital of TTPHD is USD 69,500,000, divided into 69,500,000 shares.

Directors

1. Mr. Hironobu Iriya
2. Mr. Yamane Hisanori
3. Mr. Mr. Tiwa Jaruke
4. Miss Kantika Tanthuvanit
5. Miss Suratana Trinratana

Shareholding structure	Shareholders	No. of Shares	Percentage
	TTCL Public Company Limited	57,000,000	82.02
	TTP Partners LP	12,500,000	17.99

Connected parties None

Summary of the financial positions of TTPHD for the accounting periods ending 31 December 2014, 2015, and 2016

Unit: Baht Million

Description	2014	2015	2016
Total assets	6,825.45	7,788.77	7,885.63
Total liabilities	4,208.03	4,538.98	4,343.70
Shareholders' equity	2,644.42	3,249.79	3,541.93
Total revenues	2,324.55	1,121.33	881.34
Profit before finance costs and income tax	293.71	604.35	514.48
Net Profit	151.33	354.56	311.78

5. Total value of consideration and conditions of payment

The Company shall acquire from TTPLP 12,500,000 ordinary shares, at the price of USD 2.50 per share, totaling USD 31.25 million or equivalent to THB 1,067.19 million. The Company shall make payment for the share acquisition in cash.

6. Value of the assets to be acquired

The Company shall acquire 12,500,000 ordinary shares of TTPHD, at the price of USD 2.50 per share, totaling USD 31.25 million or equivalent to THB 1,067.19 million. After the acquisition, the Company shall hold 100 percent of the total issued shares of TTPHD.

7. Criteria used in calculating the value of consideration

The criteria used in calculating the value of consideration shall be in accordance with a mutual agreement between the Company and TTPLP under the Share Purchase Agreement. In this regard, after due consideration, the Board of Director was of the view that the price of the ordinary shares of TTPHD offered by the TTPLP is appropriate after taking into consideration the expected returns in the future.

8. Expected benefits of the transaction

8.1 The increase in the investment in TTPHD, a holding company investing in businesses relating to power plants, which has been granted a long-term concession by the government and which is a stable business, will regularly generate cash flow to the Company in the long-term and improve the Company's ability to make dividend payments to the shareholders of the Company;

8.2 The increase in the investment results in the Company due to it being a shareholder holding all the shares of TTPHD and gaining control over the business as well as the management will allow the Company to effectively make a decision with respect to TTPHD's business in the best interests of the Company.

8.3 The investment in the power plant business constitutes a means of mitigating the operational risks of the Company in the case that the construction business, the Company's core business, experiences a downturn.

9. Source of Funds

The Company shall make the payment for the asset acquisition amounting to USD 31.25 million or equivalent to THB 1,067.19 million in cash by using the funds from its capital.

10. Opinions of the Board of Directors on the entering into of the transaction

The Board of Directors was of the view that the transaction to acquire shares of TTPHD is appropriate and beneficial to the Company as it would improve the Company's value and offer satisfying returns to the Company and its shareholders in a long-term, and it is also an opportunity to develop the business capabilities of the Company. The Board of Directors also deemed that the transaction is reasonable as it would mitigate the risks arising from the Company's business operation.

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

- None -