

**Information Memorandum on the Provision of Intercompany Loan
between BCPG Public Company Limited and its subsidiaries
with Bangchak Corporation Public Company Limited and/or
Bangchak Treasury Center Co., Ltd. (BCTC)
which is considered as a connected transaction.**

On February 20, 2023, the Board of Directors' Meeting of BCPG Public Company Limited (the "**Company**") No.2/2023 passed a resolution to propose to the shareholders' meeting to consider and approve the provision of intercompany loan between the Company and its subsidiaries with Bangchak Corporation Public Company Limited (BCP) and/or Bangchak Treasury Center Company Limited (BCTC) in the amount not exceeding 10,000 million baht or equivalent with tenor not exceeding 5 years and other conditions in accordance with the specified conditions.

The approval of the provision of intercompany loan between the Company and its subsidiaries with Bangchak Corporation Public Company Limited and/or Bangchak Treasury Center Company Limited (BCTC) in the amount not exceeding 10,000 million baht or equivalent is classified as the connected transaction, a transaction of giving and/or receiving financial assistance, since the counterparty of the transaction is an affiliate company of the Company's major shareholder and has the highest transaction size equivalent to fifty-six percent (56%) under the NTA criteria calculated based on the Company's consolidated financial statements ended on December 31, 2022, which have been audited by the Company's auditor, it is considered as a large connected transaction, for which the Company must disclose information and comply with the rules prescribed by the Notification on Connected Transactions. This includes the appointment of an independent financial advisor to provide opinions on the transaction. In this regard, the aforementioned transaction must be approved by the shareholders' meeting with a vote of not less than three-fourths of the total number of shares of the shareholders attending the meeting and having the right to vote, whereby the votes of the shareholders who have special interests will not be counted.

The information and details of the above-connected transaction are as follows:

1. Date of Transaction

The Company and its subsidiaries would like to approve the provision of the intercompany loan to provide a framework and support for giving or receiving financial assistance BCP and/or BCTC in the future. There is no actual borrowing or lending transaction during the process of seeking approval of the connected transaction.

2. Parties

Borrower and/or Lender

- (1) The Company and its subsidiaries
- (2) Bangchak Corporation Public Company Limited (BCP)
- (3) Bangchak Treasury Center Company Limited (BCTC)

The counterparties are major shareholders of the Company, with BCP holding fifty-seven point four two percent (57.42%) of the Company's shares and BCTC being a wholly-owned (100%) subsidiary of BCP. Therefore, they are considered as connected persons of the Company.

3. General Characteristics, Type, and Size of the Transaction

3.1 General Characteristics

The entry of this transaction is in accordance with the policy of the Bangchak Group in order to increase the efficiency of cash flow management, reduce financial costs, increase returns from financial management and financial cooperation within the Bangchak Group through approval of the intercompany loan to BCP and/or BCTC, which was established to be the treasury center of the Bangchak Group.

The provision of the intercompany loan with BCP and/or BCTC shall be made by way of entering into the intercompany loan agreement and/or other financial documents in accordance with the following conditions:

(1) Amount of loan between BCP and/or BCTC are as follows:

Unit: million-baht equivalent

Maximum Facilities At any given moment that the Company and its subsidiaries can <u>borrow</u> from BCP and/or BCTC combined	Maximum Facilities At any given moment that the Company and its subsidiaries can <u>lend</u> to BCP and/or BCTC combined
10,000	10,000

In this regard, the Board of Directors shall be empowered to review and amend the amount and conditions in the future as appropriate. The revised maximum facilities must not exceed the maximum facilities approved at this time, or equivalent to 10,000 million baht.

(2) Conditions framework of the intercompany loan between the Company and its subsidiaries with BCP and/or BCTC

	Receiving of Financial Assistance (The Company and its subsidiaries borrow from BCP and/or BCTC)	Providing Financial Assistance (The Company and its subsidiaries provide loans to BCP and/or BCTC)
Loan Type	Uncommitted Unsecured, and Short-Term Credit Facility	Uncommitted Unsecured, and Short-Term Credit Facility
Loan Currency	Baht or other currencies as agreed	Baht or other currencies as agreed
Payment of Interest	Interest payment on the last banking day of each quarter and/or with the final principal payment	Interest payment on the last banking day of each quarter and/or with the final principal payment
Loan Withdrawal Period	Not exceeding 5 years	Not exceeding 5 years
Each Loan Period	Maximum of not more than 1 year, can be renewed not more than 1 year at a time, for a total period of not more than 5 years	Maximum of not more than 1 year, can be renewed not more than 1 year at a time, for a total period of not more than 5 years
Loan Amount	Up to 10,000 million baht or equivalent, at any moment, can withdraw once or multiple times (Revolving Basis)	Up to 10,000 million baht or equivalent, at any moment, can withdraw once or multiple times (Revolving Basis)
Interest Rate	Interest Rate in accordance with the Money Market Rate (MMR), loan currency, and loan period that the borrower will receive from the financial institution at that time less the discount (not higher than the rate that the borrower	Interest Rate in accordance with the Money Market Rate (MMR), loan currency, and loan period that the borrower will receive from the financial institution at that time less the discount (not less than the cost of the lender*)

	Receiving of Financial Assistance (The Company and its subsidiaries borrow from BCP and/or BCTC)	Providing Financial Assistance (The Company and its subsidiaries provide loans to BCP and/or BCTC)
	will receive from other financial institutions)	
Prepayment Fee	None	None

Remark: *Cost of capital will be depended on the source of excess cash for the transaction. In case the source of excess cash is from the operation, the cost of capital would be the highest deposit rate which the Company's received from the financial institutions. However, if the source of excess cash is from loan, the cost of capital shall not less than interest rate in which the Company paid to debtor.

With regards to the above criteria of the intercompany loan, the Company and its subsidiaries will be able to borrow/lend the maximum amount of not more than 10,000 million baht or equivalent within a period of 5 years, which can be borrowed/revolved several times. When the debt has been paid, the credit limit can be used again with loan/outstanding loan at any point in time, not exceeding 10,000 million baht or equivalent (revolving basis), by allowing the Board of Directors to review and amend the amount and conditions in the future as appropriate. The revised maximum facilities must not exceed the maximum facilities approved at this time, or equivalent to 10,000 million baht.

In proposing for approval of this transaction to the shareholders' meeting, the Company deems it appropriate to propose to the shareholders' meeting to authorize The Board of Directors or the authorized person assigned by The Board of Directors to take the following actions:

- (1) specify details of terms and conditions for the connected loans transactions and perform any other acts related to documents, including taking relevant actions and considering adjusting the conditions in the contract and/or such documents as necessary and appropriate, provided that such change must not be a material change. In case there is any change, the management shall present it to the Board of Directors for further acknowledgment.
- (2) sign contracts and/or intercompany loan documents and other relevant financial documents, any contracts and/or amendments or contracts and/or amendments documents as well as approve the fees, expenses and taxes associated with the execution of such contracts and/or documents.

3.2 Type and Transaction Size

The intercompany loan is deemed a connected transaction of giving and/or receiving financial assistance, in calculating the transaction size the Company has considered the highest amount of loan which may be given to the connected persons plus the highest amount of interest that the Company may be charged from the connected parties, i.e. the amount of 10,000 million bath and the interest from borrow and/or provide loan during the full term of 5 years, equivalent to 3,000 million bath (with the assumption of 6% interest rate). Therefore, the highest interest rate is 56% under the criteria of NTA value. As such the Company is obliged to be approved by the shareholders' meeting with the vote of not less than three fourth of the total shares of shareholders who attend the meeting and have the right to vote (BCP, as the major shareholder and the counterparty to this transaction is considered the shareholder with special interest, therefore, has no right to vote).

As of 31 December 2022	BCPG (million bath)
NTA Value	28,619
5-year term loan (6% interest per annum)	
• amount to be borrowed from BCP and/or BCTC	3,000
• amount to be lent to BCP and/or BCTC	13,000
Transaction Size (5 years)	16,000
Transaction Size based on NTA	56%

The Company has had no other connected transaction within the past 6 months. Therefore, the highest transaction size of the connected transaction equals 56% under the NTA criteria which are considered a large, connected transaction. In this regard, the Company shall have the following duties:

- (1) To disclose the information memorandum regarding the entering into a such transaction of the Company to the Stock Exchange of Thailand;
- (2) To appoint the independent financial advisor to provide the opinion regarding the entering into the transaction to the shareholders of the Company
- (3) To propose for the approval at the shareholders' meeting provided that the resolution shall be passed by not less than three-fourths (3/4) of the total number of votes of the shareholders attending the meeting and having the right to vote (in the regard, BCP as the major shareholder who is a party to the transaction is considered the interested shareholders and shall not have the voting right)

4. Connected Person

BCP and/or BCTC who are the parties to the agreement are the companies within the group of the major shareholders of the Company.

5. Source of funds and the sufficiency of the working capital

The source of funds for providing financial assistance to the party is the working capital from the Company in the form of cash. After providing the loan, the Company must maintain sufficient cash flow for operation and not affect the budget plan of the Company, as well as not affect other financial conditions according to the financial agreements of the Company.

6. The Attendance and Vote of the Directors in the Meeting

In the Board of Directors' Meeting of the Company No.2/2023 dated 20 February 2023 for consideration of the transaction of provision of intercompany loan, there are 2 directors having a conflict of interest who are directors from the group of major shareholders, namely Mr. Pichai Chunchavajira (Equity 1,169,642 units, and Warrant 44,642 units) and Mr. Chaiwat Kovavisarach (Equity 745,646 units, and Warrant 28,459 units) who do not attend the meeting and vote on this matter.

7. Opinion of the Board of Directors

The Board of Directors, without the directors who are considered to have a conflict of interest, is of the view that the provision of an intercompany loan is an alternative for the benefit of the Company and its shareholders. Therefore, the Board of Directors has resolved to approve the proposal by considering the opinion of the Independent Financial Advisor on the reasonableness and benefit to the listed company, including the fairness of the price and conditions of the transaction. (Interest rate and cost of finance).

8. Opinion of the Audit Committee and/or the Director of the Company which is different from the Opinion of the Board of Directors under Clause 7.

-None-

Information Summary of BCPG Public Company Limited

1. General Information

Company Name	: BCPG Public Company Limited
Type of Business	: Produce and distribute electricity from renewable energy, including invest in renewable energy power plant projects
Juristic Person	: 0107559000095
Registration Number	
Address	: M Tower, 12th Floor, 2098 Sukhumvit Road, Phrakhanongtai, Phrakhanong, Bangkok 10260
Registered capital	: 16,508,500,000.00 baht divided into 3,301,700,000 ordinary shares. Par value 5.00 baht per share (as of February 20, 2023)
Issued and paid-up capital	: 14,538,697,705.00 baht divided into 2,907,739,541 ordinary shares. Par value 5.00 baht per share (as of February 20, 2023)

2. History

BCPG Public Company Limited (“BCPG” or “the Company”) registered on July 17, 2015 with an initial registered capital of 20 million baht, with Bangchak Corporation Public Company Limited (“BCP”) is a shareholder of the Company holding 99.9% of the paid-up capital. Later, the BCP held General Meeting of Shareholders No. 1/2015 on October 9, 2015 resolved to approve the plan to restructure the renewable energy business group and do initial public offering (IPO) to support the restructuring of the renewable energy power plant business group and expansion of renewable energy power plant business in the future. The Company was listed on the Stock Exchange of Thailand under the energy and utilities category on September 28, 2016 and has a registered capital of 10,000 million baht. Since the IPO, the Group has invested in the business of power generation from renewable energy by expanding investment both domestically and internationally in the Asia-Pacific region, including Japan, Philippines, Indonesia and Laos PDR. The business operation includes electricity generation technology from renewable energy, including solar energy, wind energy, geothermal energy, and hydropower and Digital Energy innovation to connect with the electricity generation system from renewable energy to enhance potential for competitiveness in renewable energy in the future. Moreover, on October 7, 2020, the General Meeting of Shareholders No. 1/2020 was held to increase the registered capital of 6,508.5 million baht from the original registered capital of 10,000.0 million baht to 16,508.5 million baht. The objectives are to (1) invest in a 600 MW wind power plant project in Lao; (2) partially repay the loan for the acquisition of the 20 MW solar power plant project and some other investments. (3) Repayment of loan for the acquisition of the project Nam San 3A and Nam San 3B hydropower plants, including investment in transmission pipeline projects; and (4) investment in new power plants in Thailand and overseas.

3. Type of business

BCPG main business is investing in renewable energy power plant projects both domestically and internationally. The details are as follows.

3.1 Power plant project in Thailand can be classified into 3 main groups according to the nature of business as follows:

- **Solar power plant projects** at a total contractual capacity of 161.0 MW (total installation capacity of approximately 215.9 MW), consisting of (1) Solar power plant

projects operated by the Company at a total contractual capacity of 38.0 MW (2) Solar power plant projects operated by subsidiaries, in which BCPG holds 100.0% of shares, with a total contractual capacity of 95.0 MW (3) Ground-mounted solar farm projects for agricultural cooperatives, with a total contractual capacity of 17.0 MW (4) Ground-mounted solar power plant projects for government agencies and agricultural cooperatives, phase 2, with a total contractual capacity of 8.9 MW (5) Solar floating and ground-mounted solar power plant with the capacity of 2.1 MW.

- **Wind power plant project** at Pak Phanang District, Nakhon Si Thammarat, with a contractual capacity of 9.0 MW
- **Solar Rooftop Project**, for which BCPG signed a PPA with the public and private sectors with a total contractual capacity of 14.1 MW.

3.2 Solar power plant projects in Japan consists of 3 solar power plants with a total contractual capacity of 89.7 MW under a 20-year PPA with a flat rate at JPY 32-40 kWh.

3.3 Power plant projects in Lao PDR is classified as 2 main groups according to the nature of business as follows:

- **Hydropower plant projects:** There are 2 projects with a contractual capacity of 114.0 MW under a 27-year PPA from the first meter-reading date and the current tariff of USD 0.0665/kWh.
- **Wind power plant project** (investment through an associate company – IEAD) located in Sekong and Attapeu provinces, Lao PDR, with a contractual capacity of 600.0 MW or equivalent to 230.0 MW in proportion to the investment capacity. It is a project of power production and distribution through a 500.0 kV transmission line to Da Nang, the Socialist Republic of Vietnam, under a 25-year PPA from the date of commencement of commercial power purchases and is currently under development.

The Group's revenue structure according to the audited consolidated financial statements for the year 2020 - 2022 can be classified as follows:

Details	2020		2021		2022	
	Million baht	%	Million baht	%	Million baht	%
1. Revenue from electricity sales						
Solar power plant projects in Thailand	2,982.8	66.6	3,168.4	66.4	3,098.0	40.8
Wind power plant project in Thailand	73.3	1.6	83.6	1.8	72.1	1.0
Hydropower plant projects in Lao PDR	948.4	21.2	1,125.4	23.6	1,178.4	15.5
Solar power plant projects in Japan	191.1	4.3	245.5	5.1	996.1	13.1
Revenue from services	35.0	0.8	45.9	1.0	60.6	0.8
Total revenue from electricity sales	4,230.6	94.5	4,668.8	97.8	5,405.2	71.2
2. Revenue from investment ¹	18.5	0.4	49.0	1.0	137.6	1.8
3. Net profit from disposal of investments					2,031.2	26.8
4. Other income ²	226.5	5.1	22.8	1.2	15.4	0.2

Details	2020		2021		2022	
	Million baht	%	Million baht	%	Million baht	%
Total revenues	4,475.6	100.0	4,740.6	100.0	7,589.4	100.0

Remark: ¹ Investment income such as interest income.

² Other income such as profit from exchange rate and insurance. In 2021, BCPG had a net profit from exchange rate of 34.3 million baht.

Source: Annual Report 2021 and Information from the Company

4. List of Board of Directors

As of January 26, 2023, BCPG has 12 members of the Board of Directors as follows:

	Name – Surname	Position
1.	Mr. Pichai Chunhavajira	Chairman
2.	Mr. Chaiwat Kovavisarach	Vice Chairman
3.	Mr. Niwat Adirek	Chief Executive Officer, President, Director
4.	Mr. Thammayot Srichuai	Director
5.	General Kanit Sapataks	Independent Director
6.	General Ongard Pongsakdi	Independent Director
7.	General Sakda Niemkham	Independent Director
8.	Mrs. Vilai Chattanrassamee	Independent Director, Chairman of the Audit Committee
9.	Mr. Surin Chiravisit	Independent Director, Audit Committee
10.	Pol. Gen. Visanu Prasattongosoth	Independent Director
11.	Mr. Theeraj Athanavanich	Independent Director, Audit Committee
12.	Mr. Thaworn Ngamganokwan	Independent Director

Source : www.set.or.th

5. Shareholder Structure

As of August 31, 2022, BCPG has a list of top 10 major shareholders as follows:

	Name – Surname	Share	%
1.	Bangchak Corporation Public Company Limited	1,662,778,530	57.42
2.	Miss Cattaliya Beevor	101,103,000	3.49
3.	Thai NVDR Company Limited	87,660,340	3.03
4.	Capital Asia Investments Pte. Ltd. For Mr. Yim Leak	52,948,559	1.83
5.	MR. LEAK YIM	45,500,000	1.57
6.	Capital Asia Investments Pte. Ltd. For Mrs. Kingphongseun Phoummasack	30,320,521	1.05
7.	Miss Kanokporn Seetavorarat	24,300,000	0.84
8.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	24,010,652	0.83
9.	Miss Suparat Sangamuang	23,437,500	0.81
10.	Social Security Office	19,733,134	0.68

Source : www.set.or.th

6. Financial Statement

6.1 Statement of financial position

Statement of financial position	December 31, 2020 (audited)		December 31, 2021 (audited)		December 31, 2022 (audited)	
	Million baht	%	Million baht	%	Million baht	%
Current assets						
Cash and cash equivalents	11,138.26	21.75	11,227.72	19.12	20,332.83	36.20
Short term investment	0.00	0.00	0.00	0.00	0.00	0.00
Trade accounts receivable	1,219.20	2.38	2,316.66	3.95	1,762.44	3.14
Other current receivables	130.88	0.26	307.60	0.52	762.28	1.36
Current tax assets	0.00	0.00	9.53	0.02	5.60	0.01
Other current financial assets	4.60	0.01	71.44	0.12	15.18	0.03
Total current assets	12,492.94	24.39	13,932.95	23.73	22,878.34	40.74
Non-current assets						
Other non-current financial assets			12.75	0.02	4.54	0.01
Financial assets measured at fair value			780.29	1.33	780.29	1.39
Invest in subsidiaries	11,722.75	22.89	13,485.81	22.97	1,341.73	2.39
Other non-current receivables	11.28	0.02	28.94	0.05	76.21	0.14
Long-term loans to related parties	248.10	0.48	399.54	0.68	1,653.15	2.94
Property, plant and equipment	14,667.82	28.64	17,371.78	29.58	17,013.86	30.30
Right-of-use assets	396.90	0.77	432.76	0.74	804.06	1.43
Goodwill	526.66	1.03	585.97	1.00	606.00	1.08
Intangible assets	10,787.04	21.06	11,223.59	19.11	10,806.29	19.24
Deferred tax assets	0.43	0.00	7.51	0.01	16.96	0.03
Other non-current assets	365.65	0.71	459.35	0.78	178.99	0.32
Total non-current assets	38,726.63	75.61	44,788.28	76.27	33,282.08	59.26
Total assets	51,219.57	100.00	58,721.23	100.00	56,160.41	100.00
Current liabilities						
Short-term borrowings from financial institutions	1,770.57	3.46	0.00	0.00	0.00	0.00
Trade and other current payables	539.51	1.05	887.86	1.51	701.46	1.25

Statement of financial position	December 31, 2020 (audited)		December 31, 2021 (audited)		December 31, 2022 (audited)	
	Million baht	%	Million baht	%	Million baht	%
Current portion of long-term borrowings from financial institutions	1,677.70	3.28	3,527.06	6.01	2,538.45	4.52
Current portion of lease liabilities	23.27	0.05	31.10	0.05	32.61	0.06
Short-term borrowings from a related party	0.00	0.00	17.24	0.03	0.00	0.00
Income tax payable	8.13	0.02	62.19	0.11	187.16	0.33
Contingent consideration	0.00	0.00	150.00	0.26	0.00	0.00
Other current financial liabilities	26.87	0.05	2.57	0.00	2.71	0.00
Total current liabilities	4,046.06	7.90	4,678.02	7.97	3,462.39	6.17
<i>Non-current liabilities</i>						
Long-term borrowings from financial institutions	23,219.44	45.33	13,588.98	23.14	9,895.67	17.62
Lease liabilities	370.30	0.72	406.49	0.69	777.99	1.39
Debentures		0.00	11,984.58	20.41	11,984.68	21.34
Deferred tax liabilities	740.36	1.45	744.62	1.27	660.73	1.18
Non-current provisions for employee benefits	21.88	0.04	26.22	0.04	31.96	0.06
Provision for the decommissioning cost	31.81	0.06	31.34	0.05	27.76	0.05
Other non-current financial liabilities	87.19	0.17	29.00	0.05	20.23	0.04
Other non-current liabilities	153.58	0.30	3.81	0.01	23.02	0.04
Total non-current liabilities	24,624.57	48.08	26,815.04	45.66	23,422.03	41.71
Total liabilities	28,670.63	55.98	31,493.06	53.63	26,884.41	47.87
<i>Equity</i>						
Share capital						
Authorized share capital	16,508.50	32.23	16,508.50	28.11	16,508.50	29.40
Issued and paid-up share capital	13,201.89	25.78	14,470.06	24.64	14,538.44	25.89
Share premium on ordinary shares	6,989.80	13.65	7,752.54	13.20	7,790.87	13.87
Surplus on business restructuring under common control	41.03	0.08	41.03	0.07	41.03	0.07
Warrants	2.42	0.00	24.35	0.04	31.42	0.06
Expired warrants	0.00	0.00	0.00	0.00	3.20	0.01

Statement of financial position	December 31, 2020 (audited)		December 31, 2021 (audited)		December 31, 2022 (audited)	
	Million baht	%	Million baht	%	Million baht	%
Retained earnings						
Appropriated						
Legal reserve	403.53	0.79	506.14	0.86	638.42	1.14
Unappropriated	3,523.12	6.88	4,550.10	7.75	5,976.73	10.64
Other components of equity	(1,681.68)	(3.28)	(184.56)	(0.31)	(204.78)	0.36
Equity attributable to owners of the parent	22,480.11	43.89	27,159.66	46.25	29,224.88	52.04
Non-controlling interests	68.84	0.13	68.51	0.12	51.13	0.09
Total equity	22,548.94	44.02	27,228.17	46.37	29,276.00	52.13
Total liabilities and equity	51,219.57	100.00	58,721.23	100.00	56,160.41	100.00

Source: BCPG's Audited Consolidated Financial Statements for the year ended 31 December 2020 - 2022

6.2 Statement of Income

Statement of Income	2020 (audited)		2021 (audited)		2022 (audited)	
	Million baht	%	Million baht	%	Million baht	%
Revenue						
Revenue from sales and rendering of services	4,230.65	94.53	4,668.80	98.49	5,405.19	71.22
Interest income	18.53	0.41	48.97	1.03	137.64	1.81
Net profit from disposal of investments					2,031.18	26.76
Net gain on foreign exchange	215.57	4.82				
Other income	10.82	0.24	22.79	0.48	15.37	0.20
Total revenue	4,475.57	100.00	4,740.56	100.00	7,589.38	100.00
Expenses						
Cost of sales and rendering of services	1,436.15	32.09	1,607.88	33.92	1,978.34	26.07
Administrative expenses	532.14	11.89	655.09	13.82	839.82	11.07
Impairment loss from fixed assets			49.30	1.04	248.69	3.28
Other losses (gains)			17.93	0.38	166.34	2.19
Loss on change in fair value of derivative measured through profit or loss	0.34	0.01				

Statement of Income	2020 (audited)		2021 (audited)		2022 (audited)	
	Million baht	%	Million baht	%	Million baht	%
Total expenses	1,968.64	43.99	2,330.20	49.15	3,233.18	42.60
Profit from operating activities	2,506.93	56.01	2,410.36	50.85	4,356.20	57.40
Finance costs	(819.73)	(18.32)	(895.18)	(18.88)	(881.76)	(11.62)
Reversal of impairment loss (impairment loss) determined in accordance with TFRS 9	(13.06)	(0.29)	(40.61)	(0.86)	(395.31)	(5.21)
Share of profit of subsidiaries and associates accounted for using equity method	270.06	6.03	599.98	12.66	129.66	1.71
Profit before income tax expense (revenue)	1,944.20	43.44	2,074.55	43.76	3,208.79	42.28
Income tax expense (revenue)	32.55	0.73	64.05	1.35	576.89	7.60
Profit for the year	1,911.65	42.71	2,010.49	42.41	2,631.91	34.68
Profit (loss) attributable to:						
Owners of parent	1,912.25	42.73	2,010.82	42.42	2,630.06	34.65
Non-controlling interests	(0.60)	(0.01)	(0.33)	(0.01)	1.84	0.02
Profit for the year	1,911.65	42.71	2,010.49	42.41	2,631.91	34.68
Earnings per share						
Basic earnings per share	0.92		0.74		0.91	
Diluted earnings per share	0.85		0.73		0.90	

Source: BCPG's Audited Consolidated Financial Statements for the year ended 31 December 2020 - 2022

6.3 Statement of Cash flows

Statement of cash flows	2020 (audited)	2021 (audited)	2022 (audited)
	Million baht	Million baht	Million baht
Cash flows from operating activities			
Profit for the year	1,911.65	2,010.49	2,631.91
Adjustments for			
Income tax expense (revenue)	32.55	64.05	576.89
Finance costs	819.73	895.18	881.76
Depreciation and amortization	1,078.09	1,180.24	1,504.33
(Reversal of) impairment loss determined in accordance with TFRS 9	13.06	40.61	395.31

Statement of cash flows	2020 (audited)	2021 (audited)	2022 (audited)
	Million baht	Million baht	Million baht
Impairment loss from fixed assets		49.30	248.69
Gain on change in fair value of derivative measured through profit or loss		(0.34)	(2.54)
Provision for employee benefit	6.72	7.03	6.49
Unrealized (gain) loss on foreign exchange	(104.19)	57.66	136.08
Share-based payments		23.27	8.15
(Gain) loss on disposal of assets	(0.62)	50.54	0.50
Net profit from disposal of investments			(2,031.18)
Share of profit of subsidiaries and associates accounted for using equity method	(270.06)	(599.98)	(129.66)
Other loss		1.70	
Interest income	(18.53)	(48.97)	(137.64)
	3,468.41	3,730.78	4,089.07
<i>Changes in operating assets and liabilities</i>			
Trade accounts receivable	(538.69)	(1,039.12)	(762.23)
Other current receivables	(76.36)	(184.12)	(406.13)
Other non-current assets	(120.49)	(30.27)	597.92
Trade and other current payables	113.16	145.06	(3.94)
Other non-current liabilities	39.03	(69.05)	19.21
Employee benefits paid	(0.53)	(0.70)	
Net cash from operating activities	2,884.53	2,552.58	3,533.90
<i>Cash flows from investing activities</i>			
Proceeds from short-term investment		4.60	5,371.23
Cash outflow from short-term investment			(5,333.03)
Cash outflow for investment in subsidiaries	(4,974.66)		(29.43)
Cash outflow from investment in joint ventures			(109.80)
Proceeds from disposal of investment in an associate		0.29	14,499.63
Proceeds from associate's capital reduction	842.34		
(Net decrease in cash from) cash received from disposal of investments in subsidiaries			(39.11)

Statement of cash flows	2020 (audited)	2021 (audited)	2022 (audited)
	Million baht	Million baht	Million baht
Acquisition of other non-current financial asset		(780.29)	
Proceeds from disposal of assets	0.63		0.84
Acquisition of property, plant and equipment	(1,051.96)	(3,342.28)	(1,754.80)
Acquisition of intangible assets	(88.62)	(6.62)	(157.10)
Long-term loans to related parties	(107.17)	(122.03)	(235.34)
Proceeds from repayment of long-term loans to related parties			
Dividends received	62.34	100.51	
Interest received	7.76	29.25	76.56
Net cash from (used in) investing activities	(5,309.35)	(4,116.58)	12,289.65
<i>Cash flows from financing activities</i>			
Proceeds from subsidiaries's capital increase from non-controlling interest	20.00		
Proceeds from issue of shares	7,268.43		
Proceeds from exercise of shares options	1.41	2,029.58	108.82
Proceeds from short-term borrowings from financial institutions	9,330.57		
Repayment of short-term borrowings from financial institutions	(10,130.00)	(1,770.57)	
Proceeds from long-term borrowings from financial institutions	9,132.38	3,136.09	2,501.18
Repayment of long-term borrowings from financial institutions	(2,066.55)	(12,058.52)	(6,965.34)
Proceeds from short-term borrowings from a related party		17.24	
Proceeds from long-term borrowings from related parties			(17.24)
Proceeds from issuing debentures		11,983.56	
Payment of lease liabilities	(31.27)	(36.63)	(42.37)
Interest paid	(817.18)	(796.06)	(736.91)
Dividends paid	(639.66)	(882.81)	(1,071.17)
Net cash from financing activities	12,068.13	1,621.89	(6,223.02)
Net increase (decrease) in cash and cash equivalents, before effect of exchange rate changes	9,837.81	(68.21)	9,101.98
Effect of exchange rate changes on cash and cash equivalents	(144.74)	157.67	3.14
Net increase (decrease) in cash and cash equivalents	9,693.07	89.46	9,105.11
Cash and cash equivalents at 1 January	1,445.19	11,138.26	11,227.72

Statement of cash flows	2020 (audited)	2021 (audited)	2022 (audited)
	Million baht	Million baht	Million baht
Cash and cash equivalents at 31 December	11,138.26	11,227.72	20,332.83
<i>Non-cash transaction</i>			
Payables for purchase of property, plant and equipment	208.57	347.46	16.92
Acquisition of asset use rights under lease agreements			450.25
Investment in associated companies by transfer of accounts receivable (Notes 4, 6 and 8)			1,133.77

Source: BCPG's Audited Consolidated Financial Statements for the year ended 31 December 2020 - 2022

6.4 Financial ratio

	Unit	Consolidated financial statements for the year ends December 31		
		2020	2021	2022
Liquidity ratio				
Current ratio	times	3.1	3.0	6.6
Account receivable turnover	times	4.8	2.7	2.7
Average collection period	days	75.8	135.2	134.3
Profitability ratio				
Gross profit margin	%	66.1	65.6	63.4
EBITDA margin	%	81.2	80.7	73.2
Net profit margin	%	45.2	43.1	48.7
Return on Equity	%	10.0	8.1	9.3
Return on Assets	%	4.3	3.7	4.6
Leverage ratio				
Interest-bearing debt/equity	times	1.2	1.1	0.9
Net interest-bearing debt/equity	times	0.7	0.7	0.2
Total liability/equity	times	1.3	1.1	0.9

Source: BCPG's Annual Report 2021 and Information from the Company

7. Analysis of operating results and financial position

In this section explained historical financial information, including financial position, operating results and historical cash flows of BCPG, which based on the audited consolidated

financial statements at and for the years ended December 31, 2020, 2021 and 2022, as well as an assessment of factors that may affect BCPG's future performance.

7.1 Operating Results and Financial Position

BCPG was registered on July 17, 2015 with an initial registered capital of 20 million baht and as of December 31, 2022, BCPG had paid-up capital of 14,538 million baht, divided into 2,907.7 million of ordinary shares at par value of 5 baht, to invest and produce renewable energy such as solar power, wind power and hydropower. BCPG has a total contracted capacity of 390.7 MW, calculated according to the proportion of investment, consisting of:

- Solar power plants in Thailand, Japan and the Republic of China (Taiwan) with a total capacity of 253.4 MW
- Wind power projects in Thailand and the Philippines with a total capacity of 23.4 MW
- Hydropower plant project in Laos PDR and Vietnam, with total capacity of 114.0 MW.

7.1.1 Total revenue

BCPG's total revenue was 4,476 million baht, 4,741 million baht and 7,589 million baht for the years ended December 31, 2020 - 2022, respectively. BCPG's total revenue comes primarily from electricity sales from renewable energy, accounting for more than 90% of total revenue.

Details	2020		2021		2022	
	Million baht	%	Million baht	%	Million baht	%
1. Revenue from electricity sales						
Solar power plant projects in Thailand	2,982.8	66.6	3,168.4	66.4	3,098.0	40.8
Wind power plant project in Thailand	73.3	1.6	83.6	1.8	72.1	1.0
Hydropower plant projects in Lao PDR	948.4	21.2	1,125.4	23.6	1,178.4	15.5
Solar power plant projects in Japan	191.1	4.3	245.5	5.1	996.1	13.1
Revenue from services	35.0	0.8	45.9	1.0	60.6	0.8
Total revenue from electricity sales	4,230.6	94.5	4,668.8	97.8	5,405.2	71.2
2. Revenue from investment ¹	18.5	0.4	49.0	1.0	137.6	1.8
3. Net profit from disposal of investments					2,031.2	26.8
4. Other income ³	226.5	5.1	22.8	1.2	15.4	0.2
Total revenues	4,475.6	100.0	4,740.6	100.0	7,589.4	100.0

Remark: ¹ Investment income such as interest income.

³Net profit from disposal of investments It is derived from the disposal of all investments in Star Energy Group Holding Pte. Ltd., which operates geothermal power plants in Indonesia.

Source: Annual Report 2021 and Information from the Company

7.1.1.1 Revenue from sales and rendering of services.

Revenue from sales and rendering of services was 4,231 million baht, 4,669 million baht and 5,405 million baht for the year ended December 31, 2020 – 2022 respectively. The revenue from the sale of BCPG's products and services comes from generating and distributing electricity from renewable energy, both domestically and internationally. The revenue from the sale of goods and services can be classified by business group as follows:

- **Revenue from electricity sales from solar power plants in Thailand**

In 2020 – 2022, BCPG earned operating revenue from solar power plants in Thailand of 2,983 million baht, 3,168 million baht and 3,098 million baht which accounted for 66.7%, 66.4% and 40.8% of total revenue, respectively.

In 2021, revenue from solar power plants in Thailand increased from 2,983 million baht in 2020 to 3,168 million baht. This represented an increase of 6.2% from the previous year, mainly due to the realised performance of new solar projects in Thailand 20.0 MW full year (acquired since August 2020). In addition, solar power plants in Thailand have improved and increased the efficiency of electricity generation so the productivity of electricity generated have increased.

In 2022, revenue from solar power plants in Thailand decreased from 3,168 million baht in 2021 to 3,098 million baht. This represents a decrease of 2.2% from the previous year, mainly due to the end of the Adder of the 8 MW solar power plant in August 2021, 30 MW in July 2022 and 10 MW in October 2022. However, the increase in Float time (Ft) over the past year partially alleviated the impact of adder termination.

- **Revenue from electricity sales from wind power plant in Thailand**

In 2020 – 2022, BCPG earned operating revenue from wind power plants in Thailand of 73 million baht, 84 million baht and 73 million baht which accounted for 1.6%, 1.8% and 1.0% of total revenue, respectively.

In 2021, revenue from wind power plants in Thailand increased from 73 million baht in 2020 to 84 million baht. This represented an increase of 14.1% from the previous year, mainly due to higher wind speed which led to higher capacity factor to 15.3% from 13.3% in 2020.

In 2022, revenue from wind power plants in Thailand decreased from 84 million baht in 2021 to 72 million baht. This represents a decrease of 13.3% from the previous year, mainly due to lower wind speed which led to lower capacity factor to 12.3% from 15.3% in 2021.

- **Revenue from electricity sales from hydropower plant in Lao PDR**

In 2020 – 2022, BCPG earned operating revenue from hydropower plants in Lao PDR of 948 million baht, 1,125 million baht and 1,178 million baht which accounted for 21.2%, 23.6% and 15.5% of total revenue, respectively.

In 2021, revenue from hydropower plants in Lao PDR increased from 948 million baht in 2020 to 1,125 million baht. This represented an increase of 18.7% from the previous year, mainly due to full year contribution of “Nam San 3B”, which the Group of the Companies has acquired since February 2020 and higher capacity factor of “Nam San 3A” and “Nam San 3B” from higher rainfall.

In 2022, revenue from hydropower plants in Lao PDR increased from 1,125 million baht in 2021 to 1,178 million baht. This represents an increase of 4.7% from the previous year, mainly due to appreciation of the US dollar compared to the previous year.

- **Revenue from solar power electricity sales in Japan**

In 2020 – 2022, BCPG earned operating revenue from solar power plant in Japan reported at 191 million baht, 246 million baht and 996 million baht respectively which accounted for 4.3%, 5.1% and 13.1% of total revenue, respectively.

In 2021, operating revenue from solar power plant in Japan increased from 191 million baht in 2020 to 246 million baht. This represented an increase of 28.5% from the previous year, mainly due to the commercial operation of a new solar power plant (Chia 1) in Japan with the contracted capacity of 20.0 MW in November 2021.

In 2022, operating revenue from solar power plant in Japan increased from 246 million baht in 2021 to 996 million baht. This represents an increase of 305.7% from the previous year, mainly due to the operation of 3 new solar power plants such as Chia 1 (with the contracted capacity of 20.0 MW), Komagane (with the contracted capacity of 25.0 MW) and Yabuki (with the contracted capacity of 20.0 MW), which started in November 2021, March 2022 and April 2022, respectively.

7.1.1.2 Net profit from sale of investment

In 2022, the Company had a net profit from the disposal of investments of 2,031 million baht, mainly due to the disposal of all investments in Star Energy Group Holding Pte. Ltd., which operates geothermal power plants in Indonesia.

7.1.2 Cost of sales and services

Cost of sales and services equal to 1,436 million baht, 1,608 million baht and 1,978 million baht for the year ended December 31, 2020 - 2022, accounting for 32.1 percent, 33.9 percent and 26.1 percent of total revenue respectively. The cost of sales and services increased from 1,436 million baht in 2020, 1,608 million baht in 2021 which represents an increase of 172 million baht or an increase of 12.0%, mainly due to the commercial operation of domestic projects in Japan. In addition, in 2022, the cost of sales and services increased from 1,608 million baht in 2021 to 1,978 million baht, representing an increase of 370 million baht or a 23.0% increase for the same reason.

Administrative expenses consist of personnel expenses, depreciation and amortization and other expenses. In 2020 - 2022, the company had administrative expenses of 532 million baht, 655 million baht and 840 million baht, representing 11.9 percent, 13.8 percent and 11 percent of revenue received from sales accordingly.

In 2021, administrative expenses increased from 532 million baht to 655 million baht from 2020, representing an increase of 123 million baht or an increase of 23% was mainly due to personnel expenses. The reason for an increase was due to business growth and there is an increase in the cost of the ESOP project. In 2021, the company has one-time extra expenses such as consulting fees on investment in transmission pipe, etc. In 2022, administrative expenses will increase from 655 million baht to 840 million baht from 2021, representing an increase of 185 million baht, or an increase of 28.2%, as a result of an increase in financial advisory fees for acquisitions and personnel expenses.

7.1.3 Financial cost

In 2020 – 2022, the company had finance costs of 820 million baht, 895 million baht, and 882 million baht, representing 18.3%, 18.8%, and 11.6%, respectively. In 2021, finance costs increased by 75 million baht or equivalent to an increase of 9.2 percent from the previous year. This was mainly due to the refinance of the existing loan, while in 2022, the cost of finance decreased by 13 million baht or 1.5% as a result of the early repayment of the loan.

7.1.4 Profit sharing of subsidiaries, associates and joint ventures using the equity method.

In 2020 – 2022, the company has profit sharing of subsidiaries, associates and joint ventures using the equity method in the amount of 270 million baht, 600 million baht and 130 million baht, representing 6.0%, 12.7% and 1.7% respectively. In 2021, profit sharing of subsidiaries, associates and joint ventures using the equity method increased by 330 million baht or 122.7 percent from the previous year. This was mainly due to the recording of electricity bills for the past 5 years (2016-2020) and the amount of electricity sold increased by 13.5% from the increase in wind speed, increase in electricity tariffs and lower financial expenses of geothermal power plant projects in the Philippines compared to the previous year. Meanwhile in Indonesia, 2022, share of profits of subsidiaries, associates and joint ventures using the equity method decreased by 470 million baht or 78.4% as a result of the disposal of all investments in Star Associates Energy Group Holding Pte. Ltd. operating in geothermal power plants in Indonesia.

7.1.5 Net profit

In 2020–2022, the company had a net profit of 1,912 million baht, 2,010 million baht, and 2,632 million baht, representing a net profit margin attributable to the parent company of 42.7 percent, 42.4 percent, and 34.7 percent, respectively. The company's net profit increased by 98 million baht, representing an increase of 5.2 percent from the previous year. This was mainly due to the recognition of full-year performance from new projects and the existing power plants have improved performance and increase in the electricity tariff. In addition, in 2022, the net profit continued to increase from 2,010 million baht 2,632 million baht in 2021, representing an increase of 622 million baht or 30.9% increase as a result of recording the total revenue from extraordinary items of 563.8 million baht, compared to 273.5 million baht in 2021, resulting in net profit growth.

7.2 Financial position

Total assets

As of December 31, 2020 - 2022, BCPG's total assets were 51,220 million baht, 58,721 million baht, and 56,160 million baht, respectively. The total assets of BCPG mainly consisted of property, plant and equipment, investments in associates and joint ventures and cash or cash equivalents.

BCPG's total assets in 2021 increased by 7,501 million baht from 2020, or an increase of 14.7% from the previous year, mainly due to an increase in (1) investments in associated companies and (2) property, plant and equipment from the development of projects in Japan.

While in 2022, total assets of BCPG decreased by 2,561 million baht or 4.4% decrease from the previous year, mainly due to a decrease in (1) trade accounts receivable from Laos (2) sale of investment in Star Energy Group Holdings Pte. Ltd.

Total liabilities

As of December 31, 2020 - 2022, BCPG's total liabilities were 28,671 million baht, 31,493 million baht, and 26,884 million baht, respectively, with BCPG's main total liabilities consisting of loans from financial institutions and debentures.

BCPG's total liabilities in 2021 increased from 2020 by 2,822 million baht or an increase of 9.8% from the previous year, mainly from the green bond debenture in September 2021 which was used to repay existing loans and for future investments. In 2022, BCPG's total liabilities decreased by 4,608 million baht or 14.6% from the previous year, mainly due to the decrease in loans from financial institutions.

Equity

As of December 31, 2020 - 2022, shareholders' equity of BCPG was 22,549 million baht, 27,228 million baht and 29,276 million baht respectively.

BCPG's shareholders' equity in 2021 increased from 2020 by 4,679 million baht or an increase of 20.8% from the previous year, mainly from the growth of BCPG's performance. BCPG's shares continued to increase by 2,048 million baht, representing an increase of 7.5% from the previous year, mainly due to the growth of the group's performance.

Track Record of Provided and Received Financial assistance

From 2020 to the present, the Company has no providing and/or receiving financial assistance transaction to and/or from BCP and/or BCTC.

Appropriateness of Interest Rate and Conditions of the Transaction

Appropriateness of Interest Rate

Due to the terms of the loan drawdown period of 5 years and the fluctuation of market interest rates. in the current state, this causes the cost of fund received from financial institutions and money markets including the rate of return in the money market is volatile. Therefore, the interest rate which will be used on the connected transaction is determined by comparing the interest rate from providing and/or receiving financial assistance transactions with (1) market interest rates (2) costs of finance and (3) the rate of return that the Company expected to be received or paid at the time of the transaction. The details, criteria, and conditions are as follows:

- **Providing financial assistance in the revolving limit of not more than THB 10,000 million**

Interest rate, which will be used in providing financial assistance transaction must not be lower than the cost of capital of the excess cash of the company. The Company's cost of capital of the excess cash are differences depending on the source of funds as follows.

Source	Financial Assistance Guidelines
The excess cash from operation	Interest rate of the providing financial assistance transactions must be higher than the rate of return received from investing in short-term liquid assets. Excess cash of the Company mostly are the cash waiting 1) the investment projects, 2) dividends to shareholders, and 3) repayment of creditors. Therefore, the appropriate rate of return for comparison should be the highest deposit rate in which the Company received from Financial Institution. This interest rate will be quoted at fix rate in order to be in line with the deposit interest rate in which the Company received.
The excess cash from borrowing	Interest rate of the providing financial assistance transactions must not be lower than the interest rate from funding loan which paid by the Company. This interest rate will be quoted at fix or float rate, depending on the rate in which the Company had to pay the financial institution in order to mitigate the interest rate risk. In addition, This excess cash is occurred from the advance financing to support future investments.

Generally, the Company will follow up and segregate the cash flow which is needed to operate the business from the excess cash account. In addition, the Company's revenue is in both THB and other foreign currencies, therefore, to provide financial assistance in the form of a foreign currency loan, the Company will consider the use of Foreign Exchange Rate Swap (“FX Swap”) to hedge against exchange rate volatility, and include all the cost of FX Swap in the return’s calculation.

- **Receiving financial assistance in the revolving limit of not more than THB 10,000 million**

Interest rate for receiving financial assistance transactions must not be higher than the interest rate that the Company will be obtained from borrowing through other financial institutions at the same transaction date, and also on the same important conditions. The example criteria for the comparison of receiving financial assistance transactions are as follows:

Item	Transaction	Bank	Other person	Subsidiaries / Associates
Interest rate				
Loan amount	The transaction has Similar or Better Conditions			
Currency	The transaction has Similar or Better Conditions			
Period	The transaction has Similar or Better Conditions			
Term of payment	The transaction has Similar or Better Conditions			
Prepayment fee	The transaction has Similar or Better Conditions			
Collateral	The transaction has Similar or Better Conditions			
Other related fee	The transaction has Similar or Better Conditions			

The IFA's opinion is that the criteria for determining the interest rate for providing and/or receiving financial assistance transactions as mentioned above is reasonable and beneficial to the Company in terms of (1) the rate of return on investment from providing financial assistance to BCP and/or BCTC shall be higher than the current level rate of return and (2) the Company's financial cost shall be lower from receiving financial assistance from BCP and/or BCTC. The difference between the interest rate calculation for the providing and receiving financial assistance is suitable for the Transactions. Since, for the providing financial assistance transactions, the suitably comparable rate should be the opportunities cost for the investment in which reflects the similar risk of the investment. Therefore, the appropriate rate should be the deposit interest rate. On the other hand, the suitable interest rate to compare with the receiving financial assistance transactions should be the cost of finance which has the similar terms and conditions as the receiving financial assistance transactions which is the rate in which the Company received from the financial institution. However, in considering the providing and/or receiving financial assistance of each time, the Company will give the first prioritizing to the adequacy of internal cash flow. Therefore, if the company is compulsory to use such excess cash flow in the future, the Company may consider denying the transaction of the providing financial assistance.

Appropriateness of Conditions of the Transaction

The IFA has considered the reasonableness of the conditions for entering into the transaction. by considering providing and receiving financial assistance transactions in a revolving amount of not more than THB 10,000 million. Therefore, the IFA has commented on the conditions as follows.

Conditions		The IFA's Opinion
Type	Uncommitted Unsecured, and Short-Term Credit Facility	Appropriate Because the issuance of this debt instruments is allowed by law, and the conditions are indifferent from the practice of short-term loans which the Company received from the financial institutions.
Currency	Baht or other currencies as agreed	Appropriate Because it adds more alternative way to invest in and/or procure the short-term liquidity assets and/or liabilities in various currencies which suitable for the business of the Company.
Payment of interest	Interest payment on the last banking day of each quarter and/or with the final principal payment	Appropriate Because it is a normal interest payment condition commonly found in the short-term bond market.
Loan withdrawal period	Not exceeding 5 years	Appropriate Because it is an approval of the general timeframe for providing and receiving financial assistance transactions. This will create flexibility in doing business in the long run, and help manage overall borrowing costs. However, the management will approve the lending and borrowing of each transaction depending on liquidity and the need for capital at that time. The company will decide the entering into the providing and/or receiving financial assistance, depending on the Company's investment plan According to the past information, it was found that at some time in 2022, the Company had excess cash flow for a period of not more than 1 year. There is a very low probability that financial assistance will be provided in 2023 for more than 1 year because the Company has an investment plan of approximately 39,000 million baht this year.

Conditions		The IFA's Opinion
Each loan period	Maximum of not more than 1 year, can be renewed not more than 1 year at a time, for a total period of not more than 5 years	Appropriate This condition is consistent with the objective of the transaction that focuses on short-term liquidity management by creating an opportunity to receive more returns for the case of providing financial assistance and to acquire the short-term financing at lower costs for the case of receiving financial assistance
Loan amount	Up to 10,000 million baht or equivalent, at any moment, can withdraw once or multiple times (Revolving Basis)	Appropriate Because the Company had sufficient liquidity and the management will consider providing and receiving financial assistance of each transactions depending on liquidity and the need for capital at that time. Moreover, the Transaction is not binding in the Company to certainly provide or receive financial assistance to BCP and/or BCTC. In the event that BCPG does not have an excess cash flow during the period in which the BCP and/or BCTC needs financial assistance. The Company also has the right to reject the entering of the providing financial assistance transactions to the BCP and/or BCTC.
Interest rate for the providing financial assistance transactions	Interest Rate in accordance with the Money Market Rate (MMR**), loan currency, and loan period that the borrower will receive from the financial institution at that time less the discount (not less than the cost of capital*)	Details, according to "Appropriateness of Interest Rate and Conditions of the Transaction".
Interest rate for the receiving financial assistance transactions	Interest Rate in accordance with the Money Market Rate (MMR), loan currency, and loan period that the borrower will receive from the financial institution at that time less the discount. (not higher than the rate which the Company will receive from other financial institutions)	Details, according to "Appropriateness of Interest Rate and Conditions of the Transaction".
Prepayment fee	- None -	Appropriate Since BCPG has entered into the transaction as both provider and receiver in financial assistance transactions. Therefore, there is an opportunity to benefit in case BCPG is the recipient of financial assistance. In addition, the loan period is lower than 1 year which has the objective similar to the OD credit line in which does not has prepayment fee.
Entering Contract	There is no lending and borrowing agreement in the amount of THB 10,000 million, but, there will be a short-term loan agreement governed by law as evidence for borrowing and lending of each transactions.	Appropriate Because the management is able to consider the borrowing and lending conditions of each borrowing and lending transactions, depending on the suitability of the situation

Remark: * Cost of capital will be depended on the source of excess cash for the transaction. In case the source of excess cash is from the operation, the cost of capital would be the highest deposit rate which the Company's received from the financial institutions. However, if the source of excess cash is from loan, the cost of capital shall not less than interest rate in which the Company paid to debtor plus other related cost such as FX Swap. **MMR is a short-term interest rate in which the financial institution offers to the Company for short-term borrowing through the issuance of Promissory Note (P/N). In addition, Most of MMR constructs from government bond yield or policy rate plus credit spread between the corporate bond yield and government bond yield.

The IFA's opinion is that the conditions for providing and receiving financial assistance transactions in general are beneficial to the Company. and reasonable. By entering into the transaction of providing and receiving financial assistance, it will enhance the options for liquidity and short-term cash flow management of both financing and investing. In addition, this transaction is not binding in the Company to immediately provide or receive financial assistance, but the management will be the one who considers the lending and borrowing period, depending on the liquidity and the need to use funds of the company at that time.

Advantages and Disadvantages of Entering into the Transaction

Advantages of Entering into the Transaction

- Enhance investment opportunities to yield a higher return than the current investment.
Because the Company's source of fund for providing financial assistance to BCP and/or BCTC is from the excess cash from both operation and/or any other source of funds from the Company's cash flow management. Therefore, the providing financial assistance to BCP and /or BCTC with an interest rate higher than the Company's current cost of capital for the excess cash will be able to create valuable return to the Company. (Shareholders can study the appropriateness of the interest rate Borrowing can be found in section 4.3.1)
- Enhance the flexibility in the liquidity and short-term cash flow management.
Entering in the providing or receiving financial assistance transactions amongst the BCP Group will enhance the opportunities to obtain short-term financing with reasonable cost, and create flexibility in liquidity and short-term cash flow management in terms of both excess and shortage liquidity. In addition, this Transaction will also help the financial costs management and uses the potential of the BCP Group in finding low-cost funding sources, and utilizing as a source of funds for an emergency case.

Disadvantages of Entering into the Transaction

- May lose the opportunity to invest in assets which has higher yield.
The providing financial assistance to BCP and/or BCTC has a maximum credit limit of THB 10,000 million within a period of 5 years, with each loan not exceeding 1 year. This may cause the Company's to lose the opportunities to invest in the assets that could offer better returns during the same period. However, the Company's management will be the one who considers the lending period, depending on the liquidity and the need to use funds of the company at that time.
- The Company's liquidity ratio may be lower during the providing financial assistance period
The amount of the providing financial assistance transaction in the revolving credit line is not more than 10,000 million baht. The Company's management will be the one who considers the lending period, depending on the liquidity and the need to use funds of the company at that time.

Advantages and Disadvantages of Entering into the Transaction with the Connected Person Comparing to The Third Party

Advantages of Entering into the Transaction with the Connected Person

- Flexibility in negotiating and coordinating.

As BCP is the Company's major shareholder sharing the same shareholders and directors, communication and negotiation between each other is more flexible. Comparing to entering into the Transaction with outsiders, the Company can conveniently follow up on loan repayment and inquire necessary information regarding financial status and debt repayment. While, receiving financial assistance from BCP and/or BCTC, which is a major shareholder, may approve the loan faster than doing a transaction with a third party because BCP has a better knowledge and understanding of the business of the Company than others. Therefore, it may reduce the time for data verification.

- Flexibility in determining the terms of loan.

By entering into the Transaction with the connected person, the Company can negotiate for loan conditions such as repayment date, or request for early repayment in case the Company has urgent need for cash etc. Thus, the Company will have more flexibility in liquidity management while be able to receive higher rate of returns comparing to entering into the Transaction with others. While, receiving financial assistance with the flexibility in terms and conditions setting also help reduce the Company's financial costs through prepayment in the event that the Company have sufficient cash flow, and the Company also receives the benefit from the lower interest rate than the other source of finance.

Disadvantages of Entering into the Transaction with the Connected Person

- Additional Transaction Cost

As the financial assistance provided to and/or received from BCP and/or BCTC is considered as a large connected transaction, the Company therefore has an obligation according to the Notification on Connected Transaction to propose the Transaction to the shareholders' meeting for approval. Thus, the Company may have additional expenses including the appointment of an independent financial advisor to provide opinion on the Transaction. However, the compliance practice and information disclosure to SET and shareholders are a part of good corporate governance demonstrating the Company's transparency in management.

Risks from Entering into the Transaction

Risk before entering into the Transaction

- Risk of not receiving the shareholders' approval

Due to the size of the transaction, it is considered as a Connected Transaction. the Company is obliged to hold a shareholders' meeting to request approval for entering into a transaction. The votes of the shareholders' meeting must not be less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote, not including the shareholders who have conflict interests. Therefore, there is

possible not to receive approval from the shareholders' meeting which the Company will not be able to enter into the transaction.

Risk after entering into the Transaction

- **Risk from a lack of short-term financial liquidity**

Although the Company had a current ratio as of December 31, 2022 at a good high level of 6.6 times, when comparing the amount of the providing financial assistance transactions in the amount of not more than THB 10,000 million with the value of current assets of the Company as of December 31, 2022 which is THB 22,878 million, the Company, therefore, may have the risk of liquidity shortage during the period in which the Company provides financial assistance to BCP and/or BCTC. However, in considering providing financial assistance to BCP and/or BCTC, the Company's management will be the one who considers the lending period, depending on the liquidity and the need to use funds of the company at that time. In addition, before signing loan agreement, the management have to present the transaction to the Executive Committee meeting, to ensure that this providing financial assistance transactions will not affect the operations of the Company. In case the Company has not enough excess cash for the Transaction, the Company has the right to reject BCP and/or BCTC in providing financial assistance, for example, in the year of 2023, in which the Company also has a plan to invest approximately THB 39,000 million.

- **Risk of default**

Despite the strong performance and the ability to continuously generate cash flow from operating activities, BCP's specific risks, such as fluctuations in oil prices and raw materials used in production, global economic downturn, and decreased demand, changes in energy innovation, and the risk from investment in mega-projects, may pressure BCP to lack short-term liquidity. Therefore, BCPG may have a risk of BCP's debt default. However, BCP is a large company with assets as of December 31, 2022 of THB 242,344 million and is able to continuously generate positive cash flow from operating activities. In addition, BCP has also received a credit rating from TRIS Rating at level A. This resulting in a low risk of default.

- **Risk of breaching financial covenant contained in the financial institution and debentures**

Since BCPG's source of fund is through borrowing from financial institutions and the issuance of debentures to investors. This loans also have financial covenants that require the Company to maintain financial ratios as follows:

Financial ratio	Conditions	As of December 31, 2022		
		Prior the Transaction	After providing financial assistance ¹	After receiving financial assistance ¹
Debt to Equity Ratio	Below 3.00 time	0.92	0.83	1.41
Debt Service Ratio	Exceed 1.15 time	2.66	2.90	2.14

Remark: ¹ The financial ratio after providing and receiving financial assistance is calculated from Financial ratios calculated from the year 2022 financial statements, adjusted by providing and/or receiving financial assistance at full amount.

However, after entering into the transaction of providing and receiving financial assistance, by referring to the calculation from the Company's financial statements for the year 2022, it was found that the Company has sufficient capability to provide and/or receive financial assistance in full amount without violating the financial conditions specified in the loan agreement with the financial institution and the debenture. However, due to the conditions of the transaction has set a time frame for providing and/or receiving financial assistance within 5 years if there are changes in the Company's operation in the future, the Company may have a risk of breaching financial conditions, from the increase in debt burden and/or reduce in liquidity from providing and/or receiving financial assistance. However, before entering the providing and/or receiving financial assistance transactions, the Company's management will be the one who considers the lending period, depending on the liquidity and the need to use funds of the company at that time, and will inform the meeting of the Executive Committee to acknowledge the loan agreement to ensure that such financial assistance will not affect the Company's financial covenants from the financial institution loan, and debenture.

- Risk from being controlled the condition in loan agreement by major shareholders

Since BCP is a major shareholder of the Company who has the power to control some parts of the business through the sending of representatives to participate in the management and some decisions-making within the Company. Therefore, BCPG may have a risk that the Company may be controlled in entering into the transaction of providing and receiving financial assistance which does not create the greatest benefit to the Company. However, due to the strict conditions for providing and receiving financial assistance both in terms of interest rates for providing financial assistance which must not be lower than the cost of capital of the excess cash of the Company and interest rate for receiving financial assistance which must not be higher than the interest rate that the Company received from other financial institutions. In addition, the Company also authorized Chief Finance and Accounting Officer ("CFO") to be the one who consider the amount and conditions of providing and/or receiving financial assistance under the conditions presented to the shareholders. The issues for consideration of providing or receiving financial assistance are as follows:

Issue	Providing financial assistance	Receiving financial assistance
Used of fund	<ul style="list-style-type: none"> BCP and/or BCTC must have clear objectives for the use of funds, which is applicable only for short-term liquidity support to BCP and/or BCTC only. (Currently, BCP's credit rating by TRIS Rating is at A-, in which the Investment Grade bond supposed to have the rating from BBB- and above.) Consistent with the financial assistance period. 	<ul style="list-style-type: none"> The Company must has clear objectives for using this cash only to manage its short-term liquidity Consistent with the financial assistance period.
Source of fund	Details, according to item 3.7.	- None -
Credit Risk	<ul style="list-style-type: none"> BCP's Credit Rating is in the investment grade level BCP's Credit Rating at the time of the transaction is higher than the credit rating of the Company. BCP and/or BCTC is not in default with any lender. 	- None -
Interest Rate	Details, according to item 4.3.1	Details, according to item 4.3.1
Loan Conditions	Details, according to item 4.3.2	Details, according to item 4.3.2

After passing the consideration of all the above issue, CFO will compare interest rate and conditions for providing and/or receiving financial assistance with other alternatives and present information to the Executive Committee or the Board of Directors in order for the directors who have no interest in BCP and/or BCTC approves the providing and/or receiving financial assistance before entering into the transaction. After completing the transaction, management have to report the transaction to the Audit Committee for acknowledgment in accordance with the Company's guidelines for related party transactions. In addition, in order to monitor credit risk, the management team will continue to monitor credit risk and present the information to the Board of Directors in the event that the credit rating of BCP negatively changes or default on payment with any creditor. This will help reduce the risk of having control over major shareholders.

The Advisor, as the independent financial advisor, opined that the providing and/or receiving financial assistance to/from BCP and/or BCTC will allow the Company to have more alternatives to increase efficiency and returns from cash flow management. Moreover, the interest rate designed by the transaction is appropriate for both investing and financing, and benefits to the Company. Therefore, the IFA opined that entering into the transaction is reasonable. However, the decision-making on entering into the Transaction depend on shareholders' consideration. Shareholders should consider information disclosed altogether with the invitation to 2023 Annual General Meeting of shareholders of the Company as the support information prior to decision making.

Board resolution and reasons

The Board of Directors' Meeting of BCPG No.2/2023 held on February 20, 2023 passed a resolution to approve the provision of intercompany loan between the Company and its subsidiaries with BCP and/or BCTC, which is a subsidiaries of BCP who is a major shareholder of the Company, holds 57.42% of the Company's issued and paid-up capital, in the form of revolving facility of not exceeding THB 10,000.00 million (at any point of time) for a period within 5 years after the shareholders' meeting approval's date and up to 1 year of each drawdown in the form of loans or any short-term debt instruments with interest rate 1) in case the Company provides financial assistance to BCP and/or BCTC, the interest rate, received by the Company, shall not lower than the cost of capital of the Company at the time of transaction, and 2) in case the Company receives financial assistance from BCP and/or BCTC, the interest rate, paid by the Company, shall not higher than the rate that the Company will receive from other financial institutions at the time of transaction. In addition, the credit line could be replenished in case of the previous loan is paid. Therefore, the Transaction is considered as a connected transaction according to the Notification of 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 (including any amendment thereto) ("Notification on Connected Transaction"). The transaction size is calculated from (1) the value of providing financial assistance transaction of not exceed THB 10,000.00 million including principle and interest and (2) the value of receiving financial assistance of not exceed THB 10,000 million including only interest, with the combined transaction size ((1)+(2)) of not exceed THB 16,000 million, accounting for 56 percent of the Company's net tangible assets (NTA), which was THB 28,619 million according to the consolidated financial statements for the period ended December 31, 2022