

**Information Memorandum regarding the Offering of
Newly Issued Ordinary to Existing Shareholders in Proportion to Their Respective
Shareholdings, and the Issuance and Allocation of the Newly Issued Shares to
Accommodate the Exercise of the Warrants Representing the Right to Purchase
Ordinary Shares of Banpu Public Company Limited No. 4 (BANPU-W4) and the
Warrants Representing the Right to Purchase Ordinary Shares of Banpu Public
Company Limited No. 5 (BANPU-W5), which shall be Allocated to Existing
Shareholders who Subscribe for and are Allocated with
the above Newly Issued Ordinary Shares (Revised Version)**

1. Details of the Offering

- 1.1 The Board of Directors of Banpu Public Company Limited (the “**Company**”) No. 6/2021 approved the capital increase which the Board of Directors’ Meeting No. 7/2021 subsequently approved to adjust such capital increase plan in order to conform with the Notification of the Capital Market Supervisory Board No. TorChor. 34/2551 Re: Application for and Approval of Offering of Newly Issued Warrants and Newly Issued Underlying Shares dated 15 December 2008 (as amended) (the “**Notification**”), and to propose to the Extraordinary General Meeting of the Shareholders No. 1/2021 (the “**EGM**”) to consider and approve as follows:
- 1.1.1 the increase of the Company’s registered capital of Baht 5,074,581,513 from Baht 5,074,581,515 to Baht 10,149,163,028 by issuing 5,074,581,513 new ordinary shares (the “**New Shares**”) at Baht 1 par value per share;
- 1.1.2 the issuance and allocation of warrants representing the right to purchase ordinary shares of the Company No. 4 (“**Warrants BANPU-W4**”) in the amount of not exceeding 1,691,527,171 units to the existing shareholders of the Company who subscribe for and are allocated with the New Shares offered to them in proportion to their respective shareholdings at the ratio of 1 New Share to 1 unit of Warrants BANPU-W4 at no cost, and any fraction from the calculation shall be rounded down. The Warrants BANPU-W4 have a term of 1 year from the issuance date and its exercise price is Baht 5 per share;
- 1.1.3 issuance and allocation of warrants representing the right to purchase ordinary shares of the Company No. 5 (“**Warrants BANPU-W5**”) in the amount of not exceeding 1,691,527,171 units to the existing shareholders of the Company who subscribe for and are allocated with the New Shares offered to them in proportion to their respective shareholdings at the ratio of 1 New Share to 1 unit of Warrants BANPU-W5 at no cost, and any fraction from the calculation shall be

rounded down. The Warrants BANPU-W5 have a term of 2 years from the issuance date and its exercise price is Baht 7.5 per share;

- 1.1.4 the allocation of New Shares in the amount of not exceeding 1,691,527,171 shares with Baht 1 par value per share to the existing shareholders of the Company in proportion to their respective shareholdings at Baht 5 per share and at the ratio of 3 existing shares to 1 New Share, whereby the the Company reserves the right to refuse to offer or allocate newly issued ordinary shares to any shareholder if such offering or allocation will or may result in the Company being subject to any obligations under the law of other jurisdictions, such as the existing shareholders in the United States of America and other countries as the Company deem appropriate (which may include no offering or allocation of newly issued ordinary shares to U.S. Persons as defined under Regulation S of the U.S. Securities Act of 1993); and
- 1.1.5 the allocation of the New Shares in the aggregate amount of not exceeding 3,383,054,342 shares to accommodate the exercise of Warrants BANPU-W4 and Warrants BANPU-W5 to be issued by the Company to the existing shareholders who subscribe for and are allocated with the New Shares offered to them in proportion to their respective shareholdings, as separated into:
 - (i) not exceeding 1,691,527,171 shares with Baht 1 par value per share to accommodate the exercise of Warrants BANPU-W4; and
 - (ii) not exceeding 1,691,527,171 shares with Baht 1 par value per share to accommodate the exercise of Warrants BANPU-W5.

In this regard, please refer to additional details regarding the above as disclosed in the Resolutions of the Board of Directors' Meeting No. 7/2021 and the Capital Increase Form (F 53-4) (Revised Version) as set out in Enclosure 1.

- 1.2 The shareholders who are eligible to subscribe the New Shares shall be those whose names are recorded in the share register on 17 August 2021 (Record Date), and the subscription and payment period for the New Shares allotted and offered to the existing shareholders in proportion to their respective shareholdings shall be 6 to 17 September 2021.

2. Objectives of Capital Increase and Utilisation Plan of Proceeds from Capital Increase

In the case where the new ordinary shares were fully subscribed and the Warrants BANPU-W4 and Warrants BANPU-W5 were fully exercised, the Company will receive proceeds of approximately Baht 29,602 million. The Company is determined to strive forward firmly in order to achieve sustainable growth in accordance with its strategic goal, therefore management of investment budget and preparation of funding via this capital increase is a crucial factor in accelerating through the transition period and in accommodating potential growth which can rapidly occur once there are suitable investment opportunity. Additionally, the proceeds will help strengthen the Company's financial position in order to ensure that the Company will be able to fulfil its financial covenants, and to provide readiness so that the Company will have financial flexibility for implementation of project and investment in the future, as well as to be reserved as reserve funds to be used as working capital for the new projects and/or existing projects

and/or for repayment of debts.

3. Impact of the issue and offering of the New Shares to shareholders of the Company

The shareholders of the Company may be impacted by the issuance and allocation of the New Shares as follows:

3.1 Price Dilution of 31 per cent with the calculation details as follows:

= (Weighted average price 15 business days before the offering is made - market price after the offering is made) / Weighted average price 15 business days before the offering is made

$$= (15.50 - 10.67) / 15.50$$

= 31 per cent

By market price after the offering is made is calculated as follow

$$= \frac{(5,074,581,515 \times 15.50) + (1,691,527,171 \times 5) + (1,691,527,171 \times 5) + (1,691,527,171 \times 7.5)}{(5,074,581,515 + 1,691,527,171 + 1,691,527,171 + 1,691,527,171)}$$

$$= \frac{108,257,738,975}{10,149,163,028}$$

= 10.67

3.2 Control Dilution of 50 per cent with the calculation details as follows:

= Number of newly issued shares offered / Total number of shares after the offering is made

$$= \frac{5,074,581,513}{(5,074,581,515 + 1,691,527,171 + 1,691,527,171 + 1,691,527,171)}$$

= 50 per cent

3.3 Earnings per share dilution of 50 per cent by using profit of first quarter 2021 as a base for calculation and the calculation details as follows:

= (Earning per share before the offering is made – Earning per share after the offering is made) / Earning per share before the offering is made

$$= (0.30 - 0.15) / 0.30$$

= 50 per cent

Notwithstanding the above dilutions, this offering will strengthen the Company's

financial position as the Company will have sufficient capital to support present and future business operation, and will have less interest payment burden attributing to repayment of debts. It will also increase working capital for business operation and help enhance the capability for investment expansion which will contribute to the Company's future growth as a whole. Therefore, the Board of Directors of the Company is of the opinion that despite the impact from the above dilutions, the offering of the New Shares will be beneficial to the shareholders, will allow the shareholders to become part of the driving force of the Company's growth and will be an opportunity to create good return on investment in the long run.

4. Opinion of the Board of Directors

4.1 Rationale and Necessity of Capital Increase

It is necessary for the Company to proceed with the capital increase in the manner set out above, and the proceeds received from the capital increase will be utilised for the purpose mentioned in item 2 above. In addition, the offering of the New Shares to the existing shareholders of the Company in proportion to their respective shareholdings is opportunity for the shareholders to exercise their rights to subscribe for shares and to collectively receive returns from the operation of the Company in the future.

In this connection, the Offering of the New Shares to the existing shareholders in proportion to their respective shareholdings at the ratio of 3 existing shares to 1 New Share at the offering price of Baht 5 per share, and the allocation of the New Shares to accommodate the exercise of (a) Warrants BANPU-W4 at the ratio of 1 New Share to 1 unit of Warrant at no cost and with the exercise price of such Warrants BANPU-W4 of Baht 5 per share and (b) Warrants BANPU-W5 at the ratio of 1 New Share to 1 unit of Warrant at no cost and with the exercise price of such Warrants BANPU-W5 of Baht 7.50 per share, is considered the most appropriate and beneficial price determined by the demand of fund required by the Company in the future. Moreover, the Company has already considered the appropriateness of the aforementioned offering and exercise prices which are calculated based on the weighted average share price of the Company during 9 to 29 June 2021 and discounted by 62 per cent, which represents an attractive entry price for shareholders to participate.

4.2 Feasibility of Proceeds Utilisation Plan

The Company anticipates that it will proceed with the allocation of the New Shares to the existing shareholders in proportion to their respective shareholdings and will receive the proceeds from such offering by September 2021. The Company will utilise the proceeds received from the capital increase for the purpose mentioned in item 2 above.

4.3 Reasonableness of Capital Increase, Proceed Utilisation Plan and Sufficiency of Source of Fund

The Board of Directors of the Company has considered various ways of fundraising such as rights offering, private placement and borrowing, and viewed that (a) private placement may bring greater impact on control dilution to the existing shareholders than offering to the existing shareholders in proportion to their respective shareholdings and (b) borrowing may bring excessive obligations on principal and interest payment to the Company. The Management has also considered that it is the most appropriate method to

raise fund is via offering of New Shares to the existing shareholders in proportion to their respective shareholdings together with the issuance and allocation of Warrants BANPU-W4 and Warrants BANPU-W5 to existing shareholders who subscribe for and are allocated with the New Shares in proportion to their respective shareholding, as this method allows the existing shareholders to become part of the driving force of the Company's growth and to have an opportunity to create good return on investment in the long run.

If the new ordinary shares were undersubscribed or the exercise of Warrants BANPU-W4 and Warrants BANPU-W5 was less than anticipated, resulting in the Company receiving the total proceeds less than Baht 29,602 million, the proceeds received will nonetheless help strengthen the Company's financial position, enhance its financial flexibility for implementation of project and investment in the future, as well as will be set as reserve funds to be used as working capital for the new projects and/or existing projects and/or for repayment of debts.

4.4 Impact on the business operations, financial status and results of operations of the Company

The issuance and offering of the New Shares will enable the Company to have sufficient funds to implement existing and new projects and repayment of debts which will reduce outstanding liabilities, and thus improving the debt-to-equity ratio of the group companies. In addition, the issuance and offering of the New Shares will reduce interest payment burden, and increase cash flows of the Company due to an improved EBITDA to interest expenses ratio and result in an improved financial position of the group companies in general. This would provide a sound financial base to fund future investment.

5. Representation of the Board of Directors on the Capital Increase

In the event that the directors fail to perform their duties with integrity and safeguard the interests of the Company in regard to the capital increase and such non-performance causes damages towards the Company, the shareholders may make a claim against the director in question on behalf of the Company pursuant to Section 85 of the Public Limited Companies Act B.E. 2535 (as amended). In addition, if such non-performance causes any directors or related parties receive undue benefits, the shareholders may on behalf of the Company exercise the right to claim against the directors for disgorgement of the benefits pursuant to section 89/18 of the Securities and Exchange Act B.E. 2535 (as amended).