

TRITON

No. TRITN-SET 002-2563

January 24, 2020

Subject: Notification on Appointment of Chief Financial Officer, Change of Purpose and Plan of Use of Proceeds from Capital Increase by Private Placement (PP)

To: Director and Manager

The Stock Exchange of Thailand

Triton Holding Public Company Limited (“Company”) is pleased to inform the Stock Exchange of Thailand (the “SET”) that, on January 24, 2020 at 10.00 a.m.; Board of Directors held a meeting No.1/2020 and hereby notifies resolutions of the meeting as follows:

1. Acknowledgement for Transfer of Mrs. Narumol Chattawan; CFO of Triton Holding Public Company Limited to hold the position; CFO of Triton Engineering and Construction Public Company Limited and it is effective from February 1, 2020 onward.
2. Resolution for Appointment of Ms. Lalitpat Wanichsermkul to hold the position; CFO of Triton Holding Public Company Limited in place of Mrs. Narumol Chattawan and it is effective from February 1, 2020 onward.
3. Resolution for Change of Purpose and Plan of Use of Proceeds from Capital Increase by Private Placement (PP) as follows:

(a.) Purpose and Plan of Use of Proceeds from Capital Increase before change

In accordance with the Annual General Meeting of 2019 on April 30, 2019 which approved a resolution to the increase of registered capital of the newly-issued shares to specific persons (Private Placement) which are Zico Trust(s) Ltd. As Trustee of Asia Alpha Equity Fund 3 (AAEF3) in the number of 1.4 million baht and The Brooker Group Public Company Limited in the number of 200,000,000 shares and total number of 1.6 million baht at a par value of Baht 0.10 and the offering price of Baht 0.35 per share, equal to the total number of Baht 560 million. Therefore, the company declared for the Purpose and Plan of Use of Proceeds from Capital Increase as follows:

No.	Purpose and Plan of Use	Amount (Million Baht)	Duration of use
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1	To be used as guarantee with the bank for the projects under preparation as follows:	500	
	<ul style="list-style-type: none"> ■ Project of tank farm construction in Myanmar at an estimated price of Baht 1,914 million. The project's duration is 24 months and expected to begin in August 2019. 	144	About July 2019
	<ul style="list-style-type: none"> ■ Project of liquefied natural gas (LNG) storage tank construction in Rayong Province Phase 1 at an estimated price of Baht 9,000 million. The project's duration is 36 months and expected to begin in November 2019. 	405	About October 2019
2	To be used as reserve working capital for both project in no.1	60	While waiting to receive advance payment from the project owner and/or at the beginning.
	Total	560	

Remark: Source of the methodology for calculating collateral value to be pledged with the bank in the amount of Baht 549 million

- Advance payment guarantees approximately 10-20% of the total project value (applying when signing contract and receiving advance payment until the end of project)
- Contract bond approximately 5% of the total project value (applying when signing contract until the end of project)
- Performance bond approximately 5% of the total project value (applying when completing project, depending on conditions of guarantee period)

Additional explanation regarding the capital increase according to the objective of capital increase in the amount of Baht 500 million

The Company is only a contractor to operate the project. For the amount of Baht 500 million received from capital increase, the Company shall use the money to pledge with the bank in order for the bank to issue a guarantee only.

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The Company does not use the money from capital increase in the amount of Baht 500 million for investing in construction project anyway because the money that the Company uses to operate the project is from advance payment withdrawn from the project owner after the Company pledges the guarantee. The first payment the Company shall receive is 20% of the total project value, depending on each contract agreement; and secondly, from installment payment that the Company has completed. These two sources of monies combined shall be used to operate project until completion. Thus, the Company shall have sufficient amount of revolving fund to operate project until the project completion. The amount of money that the Company has to pledge with the bank for oil storage depot construction project (Myanmar) in July 2019 is Baht 144 million, and for natural gas depot construction project (Rayong province) Phase 1 in October 2019 is Baht 405 million. For both projects combined, the Company needs Baht 549 million or representing 30% of the total guarantee value. Regarding the amount that the Company needs, the Company will use the money obtained from this capital increase of Baht 500 million to pledge with the bank and the remaining Baht 49 million will use some amount of money to pledge will come from the advance payment the Company receives from oil storage depot construction project (Myanmar) in the amount of Baht 382 million or representing 20% of the total project value. Consequently, the Company is able to pledge with the bank in full amount. Even though the Company takes the advance payment received from oil storage depot construction project (Myanmar) to pledge with the bank, resulting in the remaining balance of the advance payment to be Baht 333 million, the Company shall receive advance payment from natural gas depot construction project (Rayong province) Phase 1 to make up. As a result, both projects' operation will have sufficient revolving capital to continue up until their project completion.

Additional explanation regarding the capital increase according to the objective of capital increase in the amount of Baht 60 million

The Company reserves Baht 60 million as revolving fund for operating oil storage depot construction project (Myanmar) and natural gas depot construction project (Rayong province) Phase 1. The background of the projected amount is from project that the Company is currently operating which requires construction material procurement and machine repairs before entering construction, including reserve as employment wage for worker to assess the site before commencing the construction work. The Company projects the amount of Baht 30 million per month for these expenses.

Therefore, the Company reserves the amount for two months. When the Company receives its first advance payment from the project owner, the Company return the amount for other cases of other emergency, for example, the Company receive delayed payment so the Company must make advance payment to subcontractor or partner first which is considered as an urgent case; or in case that the machine breaks down during the operation which requires repair. Such cases are normal in construction business operation.

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(b) Reason to Change Purpose and Plan of Use of Proceeds from Capital Increase

Currently, the project owner has postponed to invest in both projects due to internal organization problem and Environmental Impact Assessment Report (EIA) therefore, both projects shall be suspended. The Company already received all amount of capital increase in the number of 560 million baht since July 2019 until now (6 months). It's likely that both projects still not be able to work soon so capital increase which the Company received shall be usable due to the use of capital increase, the company shall use capital increase according to Purpose and Plan of Use of Proceed from Capital Increase which approved by shareholder's meeting. However, the Company still have other business plan which on process of feasibility study, study of return on investment and also study of operation which can replace both projects as mentioned. Therefore, solution to the problem is the Company shall proceed the Purpose and Plan of Use of Proceed from Capital Increase further.

(c) Purpose and Plan of use of proceeds from capital increase after change

In spite of the project postponement, board of director thoroughly considered the guideline for managing capital increase to maximize benefits for the company, shareholders, business plan in the present and future for more effective business operation. Therefore, the Company intention is to change the Purpose and Plan of Use of Proceeds from Capital Increase as follows:

Purpose and Plan of Use	Amount (Million Baht)
To be used to support as budget for the project investment expansion in the company and for construction project operation.	560

(d.) The Opinion from Board of Director about the Change of Purpose and Plan of Use of Proceeds from Capital Increase

The board of director has considered the guidelines for changing Purpose and Plan of Use of Proceed from Capital Increase that the Purpose and Plan of Use of Proceed from Capital Increase as approved by the shareholders' meeting is current risk of usable to use capital increase which because the Purpose and Plan of Use of Proceed from Capital Increase is limited. According to the current situation, the necessity of Use of Proceed from Capital Increase has changed from the date that the Company has requested approval from the shareholders' meeting. Due to external factors that the Company could not control, the best way to prevent the lose of capital increase in value adding and to maximize benefit to the Company and shareholder is to change the Purpose and Plan of Use of Proceed from Capital Increase so that the Company could use capital increase in other purpose as needed according to short and long terms business plan. Therefore, Board of Director agreed to present the Change the Purpose and Plan of Use of Proceed from Capital Increase to the Annual General Meeting of Shareholders 2020 which will be held within April 2020.

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In addition to the event that the company use of 560 million baht to invest in business expansion in any project, the Company will continue to comply with the rules of acquisition and disposition of assets of listed company further.

Please be informed accordingly.

Sincerely Yours,

(Mr. Chirdsak Kukiattinun)

Chief Executive Office