

Going Forward



Annual Report 2014
CK Power Public Company Limited



CK POWER

ENDLESS ENERGY

Contents

1	Vision and Mission	
4	Financial Highlight	
6	Message from our Board Chairman	
8	Board of Directors	
Part 1	Business Operations	
14	Business Policy and Overview	
19	Nature of Business Operation	
33	Risk Factors	
Part 2	General Information and Corporate Governance	
40	General Information and Other Significant Information	
43	Information on Securities and Shareholders of the Company	
50	Management Structure	
71	Corporate Governance	
91	Internal Control and Risk Management	
93	Corporate Social Responsibility	
101	Related Transactions	
Part 3	Financial Position and Operational Results	
129	Management Discussion and Analysis	
139	Report and Consolidated Financial Statements	



Vision and Mission

▶ Vision :

To be a leading power business company in Thailand and the ASEAN region, with efficient operation.

▶ Mission :

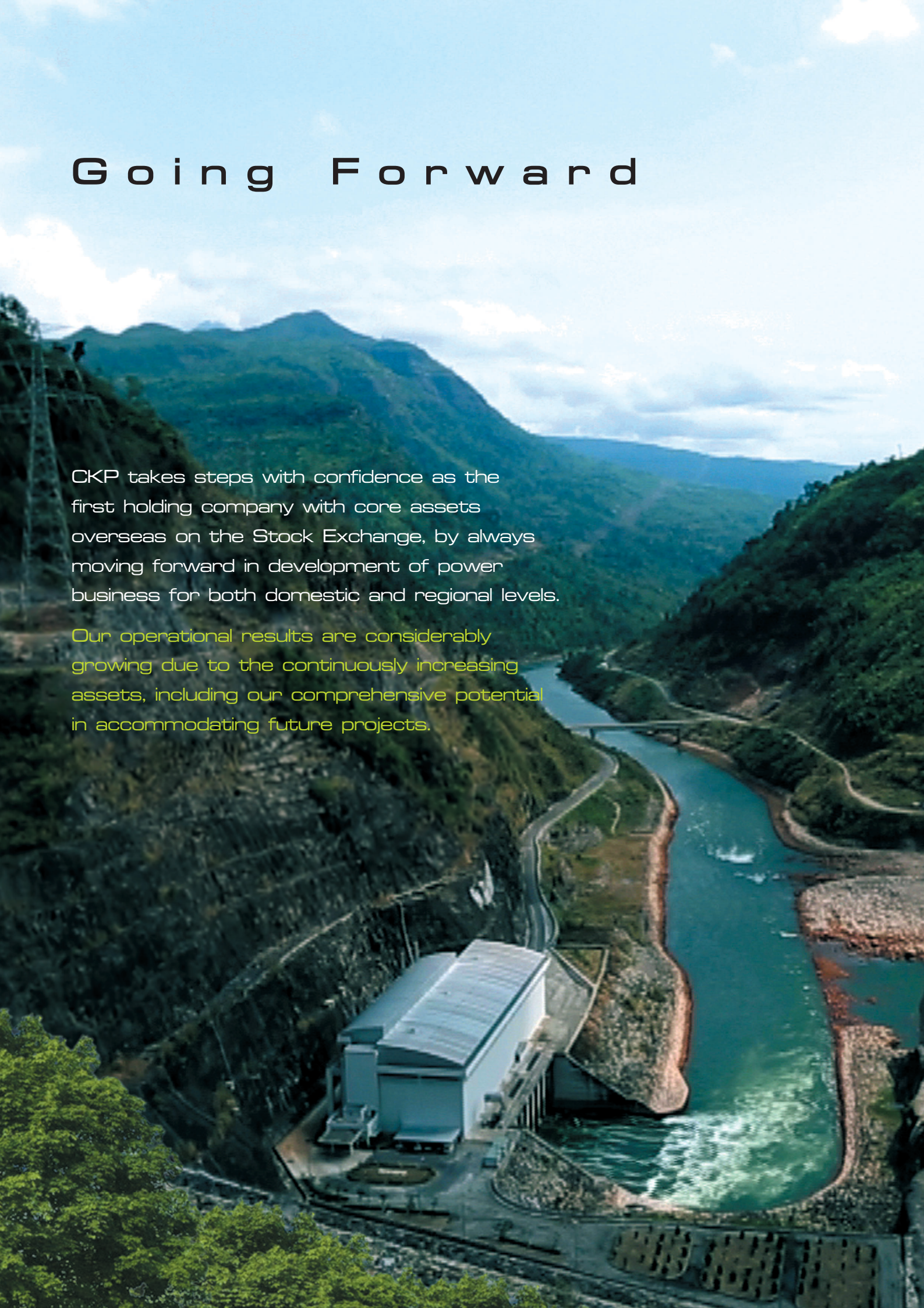
1. To produce an optimal, stable and fair return for shareholders;
2. To be responsible to the environment, community and all stakeholders.



G o i n g F o r w a r d

CKP takes steps with confidence as the first holding company with core assets overseas on the Stock Exchange, by always moving forward in development of power business for both domestic and regional levels.

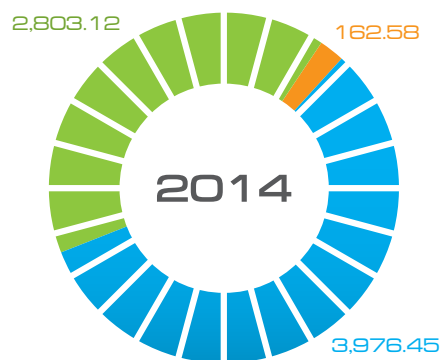
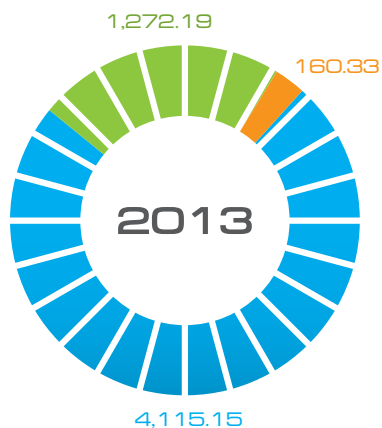
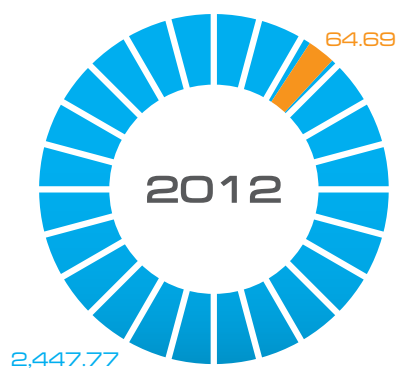
Our operational results are considerably growing due to the continuously increasing assets, including our comprehensive potential in accommodating future projects.





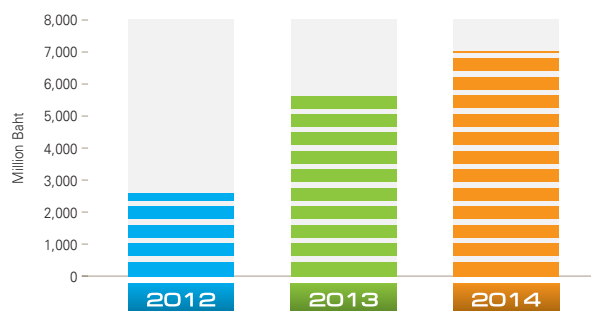
Financial Highlight

Revenue sources

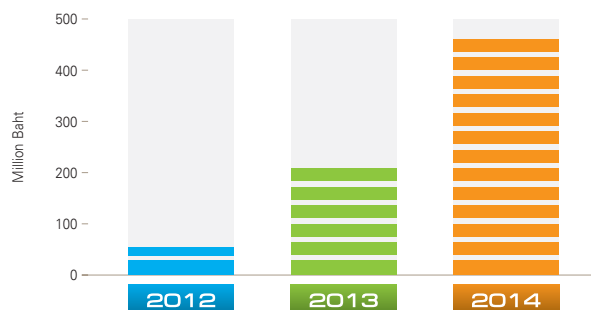


- Hydro power
- Cogeneration
- Solar power

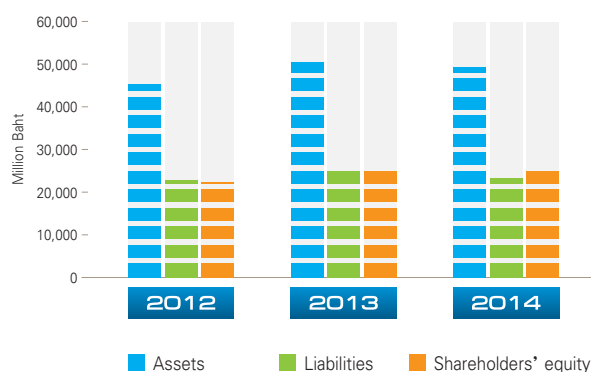
Total revenue



Profit attributable to equity holder of the Company



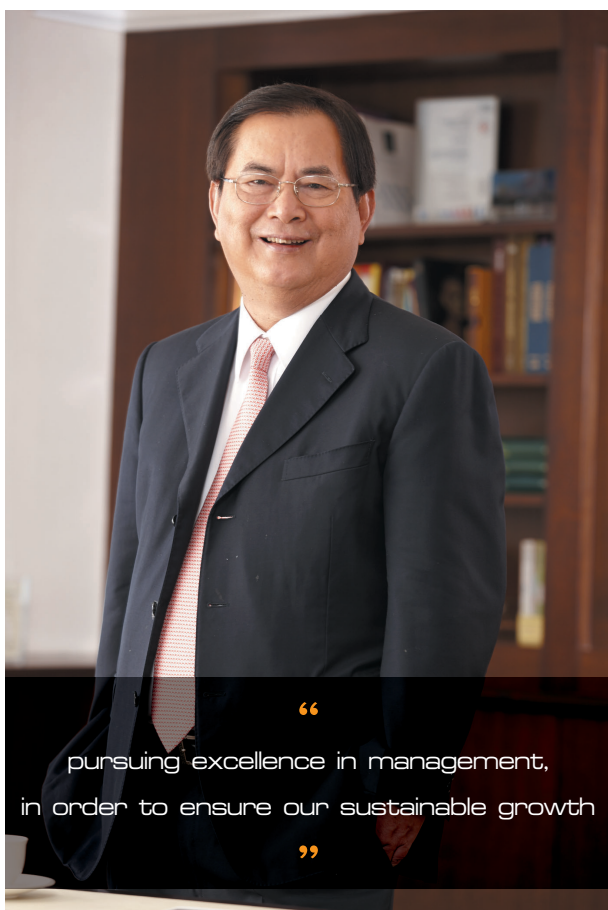
Assets + Liabilities + Shareholders' equity





	2012	2013	2014
Operational results			
	(Million Baht)		
Revenue from sales of electricity and steam	2,512.47	5,568.27	6,942.14
Total revenue	2,578.08	5,633.43	7,027.37
Earnings before finance cost, income tax expense, depreciation and amortization (EBITDA)	2,122.16	3,694.09	3,959.53
Net profit	112.06	602.61	882.15
Profit attributable to equity holder of the Company	55.02	218.88	471.82
Operating cash flow	2,024.28	3,980.78	3,243.27
Statement of financial position			
	(Million Baht)		
Assets	45,153.88	50,481.51	49,327.35
Liabilities	22,881.12	25,067.89	23,223.77
Shareholders' equity	22,272.76	25,413.62	26,103.58
Financial ratio			
EBITDA margin (%)	82.32	65.57	56.34
Net profit margin (%)	4.35	10.70	12.55
Current ratio (times)	0.54	1.40	1.87
Debt to equity ratio (times)	1.03	0.99	0.89
Net debt to equity ratio (times)	1.00	0.92	0.82
Book value per share (Baht)	10.02	10.54	10.95
Earnings per share (Baht)	0.06	0.22	0.43

Message from our Board Chairman



In 2014, CK Power Public Company Limited successfully achieved continuing growth; the year also marks the first anniversary of full commercial operation of all power project in which we have invested. We recognized revenue from the full-year operational performance of every power project for the first time. The Bangpa-in Cogeneration Power project Phase 1 is the latest project that has achieved its full-year commercial operation. These are key factors to our growing results of operations in 2014. Other power projects that achieved commercial operation previously also achieved the targeted results of operations, and managed to recognize revenue to regularly pay dividends to the Company, reflecting good returns on investment according to our plan and target.

Upon review of our financial performance in 2014, we have total assets of Baht 49,327 Million; total liabilities of Baht 23,224 Million; total shareholders' equity of Baht 26,103 Million; and total revenues of Baht 7,027 Million, which increased by 25% from 2013; all resulting in a gross profit of Baht 2,920 Million, which increased by 5%; and a net profit of Baht 472 Million, which increased by 116% from 2013.

Future projects under ongoing development with steady progress according to plan include the 120 MW Bangpa-in Cogeneration Power Plant Phase 2 (BIC-2), located in Bangpa-in Industrial Estate, Phra Nakhon Si Ayutthaya Province. At the previous Extraordinary General Meeting of Shareholders No. 1/2014 on October 28, 2014, the shareholders approved the execution of the EPC Contract for BIC-2 with CH. Karnchang Public Company Limited. The construction will start in 2015 with the commercial operation date scheduled for 2017. The 1,285 MW Xayaburi Hydroelectric Power Project in the Lao People's Democratic Republic (Lao PDR) is one of the projects under our investment plan. The project is currently under construction with a satisfactory 40% progress at the end of 2014, and is scheduled for commercial operation in 2019. Once the construction is completed, Xayaburi Hydroelectric Power Project will be the largest hydropower dam in the Lao PDR and in





Southeast Asia. This project will help secure a source of energy for Thailand and the Lao PDR, as well as perfectly serve to encourage a clean and renewable energy development. It will further help create value added for the Company and demonstrate our commitment to becoming a leading investor in the power sector in the region. We are now considering details and tentative time frame as well as potential and fair returns on investment in the Xayaburi Hydroelectric Power Project. In addition, the 160 MW Nam Bak Hydroelectric Power Project in the Lao PDR is currently pending contract negotiations with the relevant authorities. Besides the above, we have conducted studies and made preparations for further development of various other hydropower and renewable power projects.

In view of Thailand's energy outlook in 2014, particularly in the power sector, the government was revising the Power Development Plan (PDP), which will focus on securing the power system, balancing fuel sources for electricity generation, costs to the public, economic and industrial sectors, as well as promoting renewable energy and foreign power purchases from neighboring countries. We set our business development plan in line with all types of power projects, both in Thailand and in our neighboring countries, as initiated and promoted by the government in the PDP. We hope that the revised PDP will be approved in 2015 in response to the official launch of the ASEAN Economic Community (AEC), which will combine the 650 million people of the AEC member countries into a fully-integrated economic system. The opportunities for development and investment in power business will be widely open to Thai developers and investors. With our expertise and experience in the development, investment and operation of a diverse variety of power projects in Thailand and elsewhere in the AEC region, we are confident that we will be ready as one of the best candidates to develop and invest in more challenging projects in the future.

In 2015, other than the foregoing future project development, we remain firm in our focus on improving performance by optimizing the efficiency of assets and finance cost and by pursuing excellence in management, in order to ensure our sustainable growth.

Apart from our focus on performance, we adhere to and adopt international corporate governance principles for listed companies in line with our business development plan to maximize performance without compromising our responsibility to treat all stakeholders equally and fairly. We believe in the importance of the corporate social and environmental responsibility which should start from project selection, construction and long-term management of power plants and extends to our responsibility to provide information and understanding of development and management of natural resources and the environment in the projects to the society and communities, especially local residents near the project sites. Our belief is that business, society and environment are essential to sustainable development.

On behalf of the Board of Directors of CK Power Public Company Limited, management and all staff, I would like to thank all shareholders, strategic partners, financial institutions, all public and private sectors for your trust and support. We will improve our potential to maximize performance for good and fair returns, sustainable growth, and clean energy for the society and Thailand. We will move forward to become a leading company in the regional energy industry.

Dr. Thanong Bidaya

Chairman of the Board of Directors

Board of Directors



Dr. Thanong Bidaya

Position

- Independent Director
- Chairman of the Board of Directors

Education/Training

- Doctor of Philosophy in Management, Northwestern University, U.S.A.
- Master of Economics, Northwestern University, U.S.A.
- Bachelor of Economics, Yokohama National University, Japan
- Directors Accreditation Program (DAP 25/2004), Thai Institute of Directors Association

Work Experience

CK Power PLC.	Chairman of the Board of Directors and Independent Director
TTW PLC.	Chairman of the Board of Directors and Independent Director
Thaisri Insurance PLC.	Chairman of the Board of Directors
Srisawad Power 1979 PLC.	Chairman of the Board of Directors
Xayaburi Power Co., Ltd.	Chairman of the Board of Directors
Scan-Inter Co., Ltd.	Chairman of the Board of Directors



Mr. Plew Trivisvavet

Position

- Director
- Chairman of the Executive Committee

Education/Training

- Honorable Doctorate of Engineering (Civil Engineering) Kasetsart University
- Honorable Doctorate of Science (Civil Engineering) Thai-Nichi Institute of Technology
- M.Sc. (Electrical Engineering), Osaka University, Japan
- B.Sc. (Electrical Engineering), Osaka University, Japan
- National Defence Course, Class 366
- Director Certification Program (DCP 50/2004), Thai Institute of Directors Association
- Directors Accreditation Program (DAP 18/2004), Thai Institute of Directors Association
- Finance for Non-Finance Directors Program (FND 13/2004), Thai Institute of Directors Association
- Capital Market Academy Leadership Program, Capital Market Academy (CMA Course), Class 4/2007

Work Experience

CK Power PLC.	Chairman of the Executive Committee Director
CH. Karnchang PLC.	Member of the Nomination and Remuneration Committee Member of the Corporate Governance and Risk Management Committee Director and Chairman of the Executive Committee Chief Executive Officer
TTW PLC.	Director Vice Chairman of the Board of Directors
Bangkok Expressway PLC.	Director Chairman of the Executive Committee Member of the Nomination and Remuneration Committee
Bangkok Metro PLC.	Chairman of the Board of Directors Chairman of the Executive Committee Member of the Nomination and Remuneration Committee
SouthEast Asia Energy Co., Ltd.	Director Chairman of the Executive Committee
Nam Ngum 2 Power Co., Ltd.	Director Chairman of the Executive Committee
Xayaburi Power Co., Ltd.	Director Chairman of the Executive Committee



Mr. Techapit Sangsingkeo

Position

- Independent Director
- Chairman of the Audit Committee

Education/Training

- Master of Economics, Keio University, Japan, by The Bank of Thailand scholarship
- Bachelor of Economics, Hitotsubashi University, Japan
- Directors Accreditation Program (DAP 34/2005), Thai Institute of Directors Association
- Audit Committee Program (ACP 22/2008), Thai Institute of Directors Association

Work Experience

CK Power PLC.	Independent Director Chairman of the Audit Committee
TTW PLC.	Independent Director Chairman of the Audit Committee Chairman of the Risk Management Committee Member of the Corporate Governance Committee
Star Sanitary Ware Co., Ltd.	Independent Director Chairman of the Audit Committee and Director
Pathum Thani Water Co., Ltd.	Director



Mr. Narong Sangsuriya

Position

- Director
- Chairman of the Corporate Governance and Risk Management Committee

Education/Training

- Bachelor of Engineering (Civil), Chulalongkorn University
- Director Certification Program (DCP 54/2005), Thai Institute of Directors Association

Work Experience

CK Power PLC.	Director Chairman of the Corporate Governance and Risk Management Committee Member of the Corporate Governance and Risk Management Committee Member of the Nomination and Remuneration Committee Executive Director Director Senior Executive Vice President: Operation Group
CH. Karnchang PLC.	Director Chairman of the Executive Committee
TTW PLC.	Director Chairman of the Executive Committee
SouthEast Asia Energy Co., Ltd.	Director Executive Director
Nam Ngum 2 Power Co., Ltd.	Director Executive Director
Bangpa-in Cogeneration Co., Ltd.	Chairman of the Board of Directors



Dr. Vicharn Aramvareekul

Position

- Independent Director
- Chairman of the Nomination and Remuneration Committee
- Member of the Audit Committee
- Member of the Corporate Governance and Risk Management Committee

Education/Training

- Doctor of Business Administration, California Coast University, U.S.A.
- Master of Business Administration, Chulalongkorn University
- Bachelor of Business Administration, Major in General Management Sukhothai Thammathirat University
- Director Certification Program (DCP 170/2013), Thai Institute of Directors Association
- Role of the Compensation Committee, (RCC 19/2014) Thai Institute of Directors Association
- 4-year Certification Program Chemical Risk Assessment Method from The Oversea Human Resource & Industry Development Association (HIDA), Japan, jointly sponsored by the Department of Industrial Works and Chemical Industry Club, the Federation of Thai Industries

Work Experience

CK Power PLC.	Independent Director Chairman of the Nomination and Remuneration Committee Member of the Audit Committee Member of the Corporate Governance and Risk Management Committee
Pacific Pipe PLC.	Independent Director Chairman of the Audit Committee
Daika (Thai) Inc., Ltd.	Chairman of the Advisory Board



Mr. Supong Chayutsahakij

Position

- Director

Education/Training

- Honorable Doctorate of Business Administration (Management) Rajabhat Phranakorn University
- Master of Political Science (Politics and Government) Sukhothai Thammathirat University
- Master of Business Administration (Management) Sasin Graduate Institute of Business Administration
- Master of Engineering (Electrical), University of Tokyo, Japan
- Bachelor of Engineering (Electrical), University of Tokyo, Japan
- Audit Committee Program (ACP 17/2007) Thai Institute of Directors Association
- Director Certification Program (DCP 8/2001) Thai Institute of Directors Association
- Advanced Certificate Course in Public Economics Management for Executives, Class 1 (2003) King Prajadhipok's Institute
- Advanced Certificate Course in Public Administration and Law for Executives, Class 3 King Prajadhipok's Institute
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives, Class 10 King Prajadhipok's Institute

Work Experience

CK Power PLC.	Director
Bangkok Expressway PLC.	Member of the Nomination and Remuneration Committee Member of the Corporate Governance and Risk Management Committee Director Vice Chairman of the Executive Board
Bangkok Metro PLC.	Vice Chairman of the Board of Directors Executive Director Director
Siam Steel International PLC.	Member of the Audit Committee Director
Xayaburi Power Co., Ltd.	Director
SouthEast Asia Energy Co., Ltd.	Director
Nam Ngum 2 Power Co., Ltd.	Director
Northern Bangkok Expressway Co., Ltd.	Executive Director Director
Thai-Nichi Institute of Technology	Chairman of the Institute

Remark : Details of Directors will be in the Company's Form 56-1



Mr. Prawet Ingadapa

Position

- Independent Director
- Member of the Audit Committee
- Member of the Nomination and Remuneration Committee

Education/Training

- Master of Business Administration, Chulalongkorn University
- Barrister-at-Law, Institute of Legal Education of Thai Bar Association
- Bachelor of Laws (Honors), Chulalongkorn University
- Director Certification Program (DCP170/2013), Thai Institute of Directors Association

Work Experience

CK Power PLC.	Independent Director Member of the Audit Committee Member of the Nomination and Remuneration Committee
Industry in the group of Dr. Pichit Nithivasin	Manager of the Office of Managing Director



Mr. Prasert Marittanaporn

Position

- Director
- Executive Director
- Member of the Nomination and Remuneration Committee

Education/Training

- Master of Business Administration, Kasetsart University
- Bachelor of Accounting, Chulalongkorn University
- Director Certification Program (DCP 54/2005) Thai Institute of Directors Association
- Role of the Compensation Committee (RCC 6/2008) Thai Institute of Directors Association
- Successful Formulation & Execution of Strategy (SFE 6/2010) Thai Institute of Directors Association
- Capital Market Academy Leadership Program, (CMA Course), Class 9/2009 Capital Market Academy

Work Experience

CK Power PLC.	Director Executive Director Member of the Nomination and Remuneration Committee
CH. Karnchang PLC.	Director Executive Director Member of the Corporate Social and Environmental Responsibility Committee Senior Executive Vice President: Administration Group
SouthEast Asia Energy Co., Ltd.	Director
Nam Ngum 2 Power Co., Ltd.	Director



Mr. Thanawat Trivisvavet

Position

- Director
- Executive Director
- Deputy Managing Director

Education/Training

- Master of Economics, Northwestern University, U.S.A.
- Bachelor of Economics, Duke University, U.S.A.
- Director Certification Program (DCP 116/2009)
Thai Institute of Directors Association

Work Experience

CK Power PLC.	Director
	Executive Director
	Deputy Managing Director
Nam Ngum 2 Power Co., Ltd.	Director
	Executive Director
Xayaburi Power Co., Ltd.	Director
	Executive Director
	Managing Director



Mr. Alvin Gee

Position

- Director

Education/Training

- Bachelor of Science in Finance, Boston College
- Director Certification Program (DCP 165/2012)
Thai Institute of Directors Association

Work Experience

CK Power PLC.	Director
SouthEast Asia Energy Co., Ltd.	Director
	Executive Director
	Managing Director
Nam Ngum 2 Power Co., Ltd.	Director
	Executive Director
	Managing Director



Dr. Supamas Trivisvavet

Position

- Director
- Member of the Corporate Governance and Risk Management Committee
- Executive Director
- Managing Director
- Company Secretary

Education/Training

- Doctor of Philosophy in Public Administration,
University of Southern California, U.S.A.
- Master of Public Policy, Duke University, U.S.A.
- Bachelor of Arts, Chulalongkorn University
- Director Certification Program (DCP 106/2008)
- Corporate Secretary Program (CSP 37/2010)
- Developing Corporate Governance Policy,
- Effective Minute Taking (EMT 16/2010),
- Board Reporting Program (BRP 3/2010),
Thai Institute of Directors Association

Work Experience

CK Power PLC.	Director
	Member of the Corporate Governance and Risk Management Committee
	Executive Director
	Managing Director
	Company Secretary
Bangkhenchai Co., Ltd.	Director
Bang Pa-in Land Development Co., Ltd.	Director

Business Policy and Overview



The Company was founded by the CH. Karnchang Group, with the objective to become the center of companies focus on investment in the business of production and sales electricity generated from various types of energy sources. The Company operates its core business as a holding company by holding shares in other companies engaging in production and sales of electricity generated from various types of energy. The Company's core revenue is derived from dividends from its investments in its subsidiaries and associated companies.

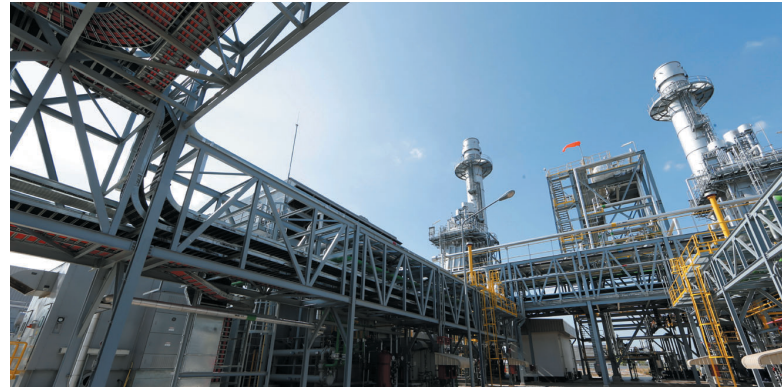
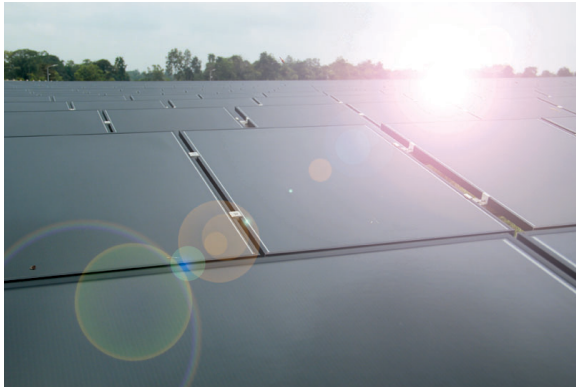
Vision, Objectives, Goals and Strategies in the Operations

Vision:

To be a leading power business company in Thailand and the ASEAN region, with efficient operation.

Mission:

1. To produce an optimal, stable and fair return for shareholders;
2. To be responsible to the environment, community and all stakeholders.



Significant Changes and Development

On June 1, 2011, the Board of Directors' Meeting of CH. Karnchang Public Company Limited (CK) resolved to establish "CK Power Limited" (the "Company") to operate its core business as a holding company by holding shares in other companies, in order to restructure the electricity power sector under CK's shareholding under the umbrella of a single company, in order to accommodate the future expansion of the energy business. The significant changes and improvements in the past three years were as follows:

2012

- On May 10, 2012, the Company acquired an additional 110,112,500 ordinary shares in SouthEast Asia Energy Limited (SEAN) from Bangkok Expressway Public Company Limited (BECL), representing 16.67 percent of its registered capital, and as a result, the Company held a total of 361,168,999 shares in SEAN, or representing 54.67 percent of its registered capital.
- On June 26, 2012, the Company acquired ordinary shares in two companies operating the business of solar power production and sales from CK, as follows:
 - 1) 2,342,498 shares in Bangkhenchai Co., Ltd. (BKC), representing 100 percent of its registered and paid-up capital, amounting to Baht 234,250,000, at the price of Baht 225 per share;
 - 2) 664,500 shares in Nakhon Ratchasima Solar Co., Ltd. (NRS), representing 30 percent of its registered and paid-up capital, amounting to Baht 221,500,000, at the price of Baht 128.50 per share.
- On August 31, 2012, the Company acquired 8,809,000 shares in SEAN from TEAM Consulting Engineering and Management Co., Ltd., representing 1.33 percent of its registered and paid-up capital, thereby resulting in an increase in the Company's shareholding in SEAN to 369,977,999 shares, or 56.00 percent of its registered and paid-up capital.
- On December 26, 2012, the Company acquired from CK ordinary shares in two companies, which comprised a solar power project and a cogeneration power project, as follows:
 - 1) 875,250 shares in Chiangrai Solar Co., Ltd. (CRS), representing 30 percent of its registered and paid-up capital, amounting to Baht 291,750,000, at the price of Baht 122.88 per share;
 - 2) 63,019,999 shares in Bangpa-in Cogeneration Limited (BIC), representing 46 percent of its registered and paid-up capital, at the price of Baht 12.88 per share.
- The Company's capital restructure was optimized by way of a decrease in registered capital in accordance with the resolution passed by the Company's Extraordinary General Meeting of Shareholders No. 2/2012 which was held on November 28, 2012, by Baht 6,133.30 Million from Baht 9,200 Million. The capital decrease was undertaken to return the decreased capital to the shareholders in proportion to their shareholding percentages, and as a result, the Company's registered capital amounted to Baht 3,066.70 Million, divided into 306.67 million ordinary shares, at the par value of Baht 10 each. The Company registered the capital decrease on January 11, 2013.

2013

- On January 2, 2013, the Company acquired additional 26,029,999 shares in BIC, representing 19 percent of its registered and paid-up capital, at the price of Baht 12.88 per share, from Bangpa-in Land Development Co., Ltd., and as a result, the Company held a total of 89,049,998 shares in BIC, or 65 percent of BIC's registered and paid-up capital, amounting to Baht 1,370 Million.
- On February 4, 2013, the Company's Extraordinary General Meeting of Shareholders No. 1/2013 resolved to approve the increase of its registered capital from Baht 3,066.70 Million to Baht 4,600 Million, by way of the issuance of new 153,330,000 ordinary shares, at the par value of Baht 10 each, for sale to the existing shareholders in proportion to their shareholding percentages, at the price of Baht 40.00 per share; resolved to change the par value from Baht 10 per share to Baht 5 per share; concurrently resolved to increase the Company's registered capital from Baht 4,600 Million to Baht 5,500 Million, by way of the issuance of new 180 million shares, at the par value of Baht 5 each; resolved to allocate the newly issued shares for capital increase for public offering; and resolved to convert the Company into a public company and change its name to CK Power Public Company Limited.
- The Company registered its conversion into a public company and change of its name to CK Power Public Company Limited on February 6, 2013.
- On July 18, 2013, the Company started trading on the Stock Exchange of Thailand (SET).

2014

- On April 22, 2014, the 2014 Annual Ordinary General Meeting of Shareholders granted approval for the Company to transfer the share premium in the amount of Baht 170 Million to compensate for the Company's deficit in the Company's separate financial statements.
- On November 11, 2014, BIC executed the Agreement for Engagement of CK as EPC Contractor for Construction of the Cogeneration Power Plant Project No. 2, with a total value not exceeding Baht 4,310 Million, in accordance with the resolution of the Company's Extraordinary General Meeting of Shareholders No. 1/2014 which was held on October 28, 2014.

Shareholding Structure of the Company Group

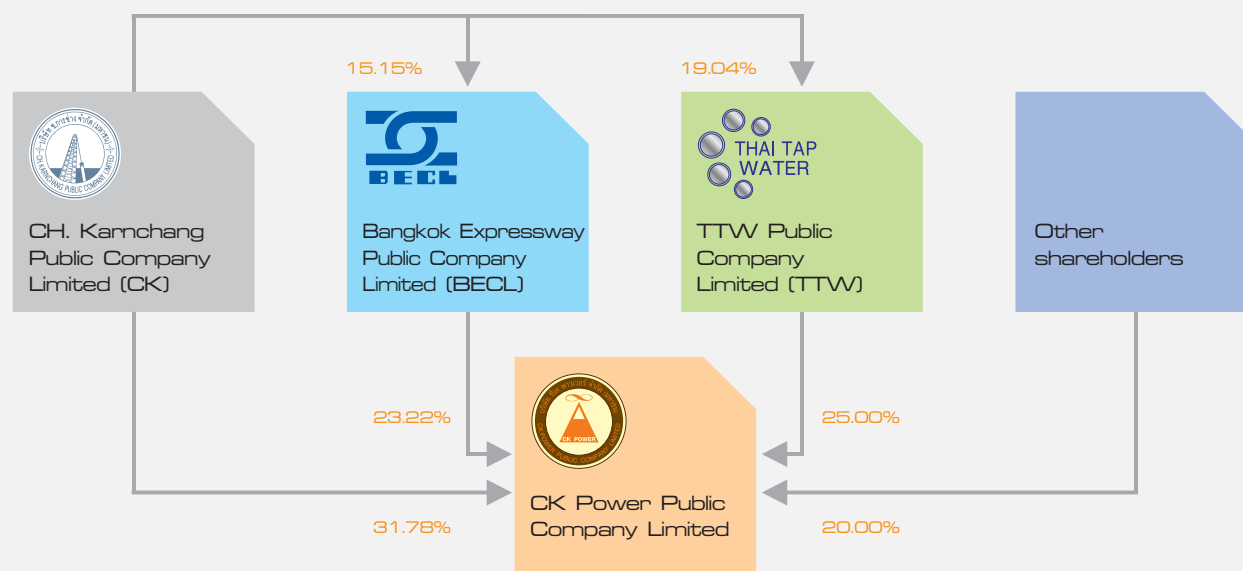
The Company operates its business as a holding company in its core business of production and sales of electricity generated from various types of energy. The total investment value in companies operating such core business is 100 percent, which is in accordance with the criteria for holding companies. The details are as follows:



Group of Companies Operating Core Business	Nature of Business	Shareholding Percentage (%)	Other Shareholders
1. SouthEast Asia Energy Limited	Investment in hydroelectric power production business	56%	<ul style="list-style-type: none"> • Ratchaburi Electricity Generating Holding Public Company Limited 33.34% • P.T. Sole Company Limited 5.33% • Shlapak Development Company Limited 5.33%
2. Bangpa-in Cogeneration Limited	Production and sales of electricity and steam from the cogeneration power plant	65%	<ul style="list-style-type: none"> • PTT Public Company Limited 25% • Industrial Estate Authority of Thailand 8% • Other minority shareholders 2%
3. Bangkhenchai Co., Ltd.	Production and sales of electricity from the solar power plant	100%	-
4. Chiangrai Solar Co., Ltd.	Production and sales of electricity from the solar power plant	30%	<ul style="list-style-type: none"> • Sonnedix Thailand II Limited 70%
5. Nakhon Ratchasima Solar Co., Ltd.	Production and sales of electricity from the solar power plant	30%	<ul style="list-style-type: none"> • Sonnedix Thailand I Limited 70%
6. CKP Solar Company Limited	Development of electricity production business of various types	100%	-
7. Vis Solis Company Limited	Development of electricity production business of various types	100%	-
8. Helios Power Company Limited	Development of electricity production business of various types	100%	-
9. Apollo Power Company Limited	Development of electricity production business of various types	100%	-
10. Sole Power Company Limited	Development of electricity production business of various types	100%	-

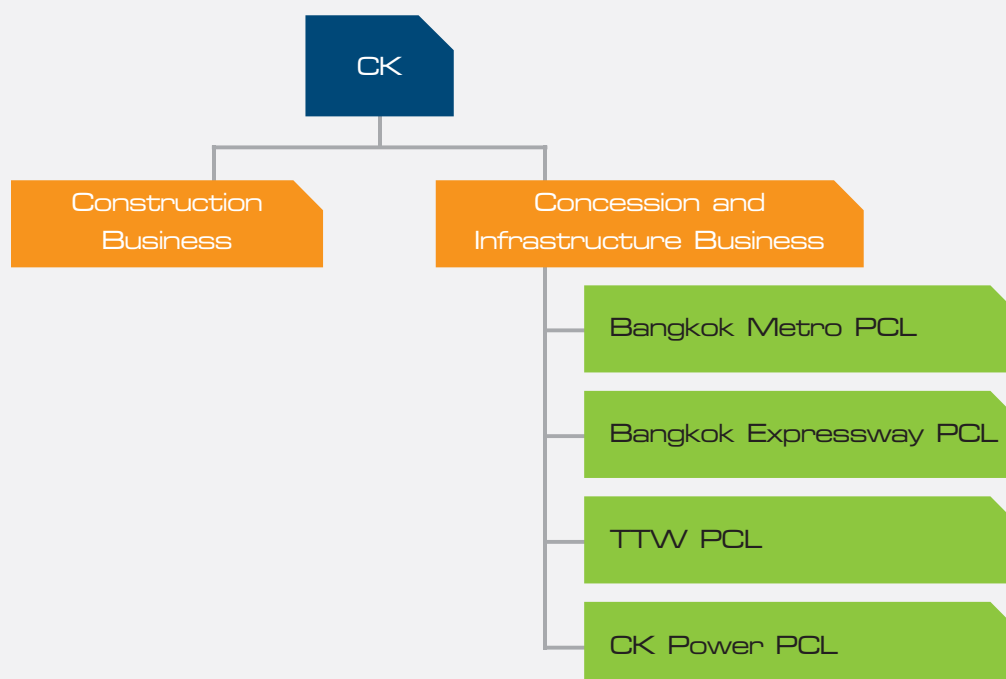
Relationship with Business Sectors of Major Shareholders

The Company's shareholding structure and percentages as at the closing of the share register for the right to attend the Extraordinary General Meeting of Shareholders No. 1/2014 on September 16, 2014, were as follows:



The Company's three major shareholders comprise CH. Karnchang Public Company Limited (31.78 percent), Bangkok Expressway Public Company Limited (23.22 percent), and TTW Public Company Limited (25 percent), all of which, including CK Power Public Company Limited, are deemed to be in the CH. Karnchang Group.

CH. Karnchang Public Company Limited's original core business is the large-scale project construction business. Subsequently, CH. Karnchang Public Company Limited has invested in the concession and infrastructure business, in order to secure its revenue and diversify its business operations. CK Power Public Company Limited is considered the Group's flagship company with respect to energy in the concession and infrastructure business sector. In the future, the development of the energy business of CH. Karnchang Group will be conducted via CK Power Public Company Limited.





Nature of Business Operation

The Company operates as a holding company, holding shares in other companies engaging in the core business of production and sales of electricity. The holding company structure has enabled the Company to establish subsidiaries for financing new projects without any impact on the existing projects. It is therefore convenient for the Company to expand its business and separately manage those subsidiaries, thereby improving the performance of the respective subsidiaries as well as resulting in more comprehensive reports on operational results.

The Company classifies its investments into three business sectors as follows:

1. Hydroelectric Power Business: SouthEast Asia Energy Limited (SEAN);
2. Cogeneration Power Business: Bangpa-in Cogeneration Limited (BIC);
3. Solar Power Business: Bangkhenchai Co., Ltd. (BKC), Chiangrai Solar Co., Ltd. (CRS) and Nakhon Ratchasima Solar Co., Ltd. (NRS)

The Company's revenue structure from its investments in such business sectors over the past two years is as follows:

Revenue from Core Businesses	Operated by	Shareholding Percentage	Revenue in 2014 (Million Baht)	% of Total Revenue	Revenue in 2013 (Million Baht)	% of Total Revenue
Revenue from core businesses						
Hydroelectric power	SEAN	56%	3,976.45	56.31%	4,115.15	72.85%
Cogeneration power	BIC	65%	2,803.12	39.69%	1,292.80	22.88%
Solar power	BKC	100%	162.58	2.30%	160.33	2.84%
Total revenue from core businesses			6,942.14	98.30%	5,568.27	98.57%
Share of profit from associated companies						
Cogeneration power	BIC ¹	65%	-	-	(6.78)	(0.12%)
Solar power	CRS	30%	22.18	0.31%	12.66	0.22%
Solar power	NRS	30%	12.49	0.18%	9.86	0.17%
Total share of profit from associated companies			34.67	0.49%	15.73	0.28%
Other income						
Project management income	Company and Subsidiary		56.86	0.81%	44.05	0.78%
Other income	Company and Subsidiary		28.37	0.40%	21.10	0.37%
Total other income			85.23	1.21%	65.15	1.15%
Total revenue			7,062.04	100.00%	5,649.16	100.00%

Note: ¹ BIC was an associated company until June 28, 2013 and thereafter became the Company's subsidiary.



Nature of Hydroelectric Power Business

The power plant in this sector is the Nam Ngum 2 Hydroelectric Power Project.

Nature of Products or Services of Hydroelectric Power Business

The Company holds shares in SouthEast Asia Energy Limited (SEAN), representing 56 percent of its registered and paid-up capital, and SEAN holds shares representing 75 percent of the registered and paid-up capital of Nam Ngum 2 Power Co., Ltd. (NN2), which is a company registered in the Lao People's Democratic Republic (Lao PDR) and which is awarded the concession for the development of the Nam Ngum 2 Hydroelectric Power Project from the Government of the Lao PDR.

The Nam Ngum 2 Hydroelectric Power Project is located on the Nam Ngum River between Phou Xay and Phou Houat, Ban Houaymo, Muang Hom, Vientiane Province, Lao PDR, 35 kilometers northeast and upstream of the existing Nam Ngum 1 Dam, and 90 kilometers from the capital city Vientiane, Lao PDR. This power project has an installed capacity of 615 MW and achieved its Initial Operation Date (IOD) on March 26, 2011, and thereafter the Commercial Operation Date (COD) on January 1, 2013. All electricity generated by the plant is sold to the Electricity Generating Authority of Thailand (EGAT) pursuant to the Power Purchase Agreement for a period of 25 years from the Commercial Operation Date.

NN2's revenue from sales of electricity

The Power Purchase Agreement determines the Annual Supply Target of 2,310 GWh (million units) to be purchased by EGAT, divided into:

- (a) Primary Energy or PE: 2,218 GWh per year

The production capacity must not exceed 16 hours per day. The payments for PE are made in Thai Baht and USD.

- (b) Secondary Energy or SE: 92 GWh per year

The production is only during August, September and October each year. All payments for SE are made in Thai Baht.

- (c) Excess Energy or EE:

This refers to the electricity energy generated in excess of such electricity generated under (a) and (b), in any month in which the volume of water exceeds the forecast, thereby enabling NN2 to generate electricity in excess of the amount declared in advance to EGAT. All payments are made in Thai Baht.

In addition, if NN2 is able to generate electricity in excess of the designated target of PE or SE as determined in the Agreement, such exceeding amount may be accumulated in the Reserve Account, which may be utilized in the future in any year in which it cannot generate and sell electricity to EGAT to meet the target as specified in the Power Purchase Agreement.



Marketing and Competition in Hydroelectric Power Business

The Hydroelectric power project development relies on the suitability of the geographical locations. Neighboring countries the Lao PDR have high potential for development of such projects to sell back the generated electricity to Thailand. At present, the overseas hydropower projects, selling electricity to EGAT comprise:

Projects	Country	Capacity (MW)
1. Theun-Hinboun (including expansion)	Lao PDR	440
2. Houay Ho	Lao PDR	126
3. Nam Theun 2	Lao PDR	948
4. Nam Ngum 2	Lao PDR	597*

Note: * Based on the data of the Energy Policy and Planning Office, Ministry of Energy, the total capacity purchased by EGAT from the Nam Ngum 2 Project at the Delivery Point is 597 MW, while the installed capacity of the Nam Ngum 2 Project is at 615 MW.

In case project developers intend to sell electricity to Thailand by way of a power purchase agreement with EGAT, the types of power plants and power periods of electricity sales must comply with the current Thailand Power Development Plan 2012 - 2030 (Revision 3), which is the long-term plan for power generation. This Plan has determined the foreign power purchases during 2015 - 2030 as follows:

Year	Projects	Fuel Types	Country	Contract Capacity (MW)
2015	Hongsa #1-2	Lignite	Lao PDR	491 MW each
2016	Hongsa #3	Lignite	Lao PDR	491 MW
2017	-	-	-	-
2018	Nam Ngiep 1	Hydro	Lao PDR	269 MW
	Xe-Pian	Hydro	Lao PDR	390 MW
2019	Xayaburi	Hydro	Lao PDR	1,220 MW
2020	-	-	-	-
2021	Foreign Power Purchase Additional #1	N/A	N/A	300 MW
2022	Foreign Power Purchase Additional #2	N/A	N/A	300 MW
2023	Foreign Power Purchase Additional #3	N/A	N/A	300 MW
2024	Foreign Power Purchase Additional #4	N/A	N/A	300 MW
2025	Foreign Power Purchase Additional #5	N/A	N/A	300 MW
2026	Foreign Power Purchase Additional #6	N/A	N/A	300 MW
2027	Foreign Power Purchase Additional #7	N/A	N/A	300 MW
2028	Foreign Power Purchase Additional #8	N/A	N/A	300 MW
2029	Foreign Power Purchase Additional #9	N/A	N/A	300 MW
2030	Foreign Power Purchase Additional #10	N/A	N/A	300 MW

Note: Source: Thailand Power Development Plan 2012 - 2030 (Revision 3) prepared by the Ministry of Energy

Currently, the number of potential investors interested in Hydroelectric power project development has given rise to competition in project development and electricity sales. However, Hydroelectric power project development requires relatively high investments, involves time-consuming feasibility studies, includes more sophisticated construction than other types of power projects, and requires design and construction experiences and expertise. In addition, an environmental impact assessment is mandatory as the construction of a large-sized Hydroelectric power project utilizes huge areas, which may affect the living of local people in the vicinity of project sites, as well as surrounding natural resources. Therefore, a social and environmental impact assessment, including efficient and appropriate mitigation and remedial measures, is absolutely essential. For such reasons, the number of project investors and developers is limited by financial competency and project development expertise.

The Company is confident in its competitiveness through experience and expertise in large-sized Hydroelectric power projects in the Lao PDR. Other than the Nam Ngum 2 Hydroelectric Power Project, there are other Hydroelectric power projects under development and construction by the Company's subsidiary and major shareholders, as follows:

- Nam Bak Hydroelectric Power Project, with a capacity of 160 MW, is implemented by SEAN, a subsidiary of the Company, which has already signed the Project Development Agreement with the Government of the Lao PDR. The Project is scheduled to be completed for commercial operation in 2018, and all output will be sold to the **Electricité du Laos**.
- Xayaburi Hydroelectric Power Project, with a capacity of 1,285 MW, is implemented by the Company's major shareholders, namely CH. Karnchang Public Company Limited, which holds 30 percent of the shares in Xayaburi Power Company Limited (XPCL), the developer of such Project, and Bangkok Expressway Public Company Limited, which holds 7.5 percent of the shares. At present, the Project is under construction and is expected to start commercial operation in 2019. Electricity in the amount of 1,220 MW will be sold to EGAT and 60 MW will be sold to the **Electricité du Laos**. The Company's major shareholders will grant the Company the right to acquire investments in XPCL, as they may deem appropriate.

Supply of Products or Services in Hydroelectric Power Business

Power Generation by Hydroelectric Power Plants

The Nam Ngum 2 Hydroelectric Power Project is a storage dam, which impounds water in a reservoir for power generation. The project is constructed with the water storage level higher than the powerhouse to establish different levels of water to generate high pressure when water is released. The volume of water released from the reservoir down through tunnels towards the powerhouse is controlled at the desired quantity. The immense pressure of water in the tunnels will drives the turbine to spin at high velocity, and the turbine shaft mounted to the shaft of the generator will rotates in the enclosed generator and hence produces electricity.

The powerhouse of the Nam Ngum 2 Hydroelectric Power Project has three vertical Francis Turbines (reaction turbine type), which are suitable for hydropower plants with moderate water level such as the Nam Ngum 2 Hydroelectric Power Project. The generators comprise three synchronous generators with a capacity of 205 MW each, thereby bringing the total capacity to 615 MW.



Source of Energy for Power Generation by Hydroelectric Power

The Nam Ngum 2 Hydroelectric Power Project relies solely on the water in the Nam Ngum River, which originates from the Xiangkhouang Plateau, with a total length of approximately 354 kilometers. Its reservoir covers approximately 107 square kilometers, with the full water capacity of 4,886 million cubic meters at full supply level of 375 meters FSL.

Despite the fact that the water supply has no cost for power generation, as it is derived from natural sources, hydropower generation is subject to some limitations due to the uncertain and unpredictable volume of water from time to time depending on weather conditions and seasons. According to the feasibility study of the Nam Ngum 2 Hydroelectric Power Project, which takes into account the 50-year rainfall database (during 1954 - 2003), the amount of rainfall in the Nam Ngum 2 River is sufficient to feed the dam and for storage for power generation to meet the supply target under the Power Purchase Agreement with EGAT.

The volume of water in the Nam Ngum 2 Hydroelectric Power Project in 2013 and 2014 was as follows:

	2014		2013	
	Height (m.MSL)*	Water Volume (cubic meters)	Height (m.MSL)	Water Volume cubic meters
January	371	4,432	369	4,280
February	368	4,191	366	3,981
March	359	3,368	359	3,314
April	351	2,667	350	2,618
May	344	2,193	345	2,263
June	344	2,195	348	2,442
July	352	2,753	353	2,848
August	367	4,105	370	4,365
September	374	4,479	372	4,591
October	374	4,756	371	4,446
November	374	4,754	370	4,399
December	374	4,750	371	4,440

Note: Source: Nam Ngum 2 Power Company Limited

* m.MSL refers to meters above Mean Seal Level.



Nature of Cogeneration Power Business

The power plant in this sector is the Bangpa-in Cogeneration Power Plant Phase 1.

Nature of Products or Services of Cogeneration Power Business

The Company holds 65 percent of the shares in Bangpa-in Cogeneration Limited (BIC). BIC is a producer of electricity and steam from the natural gas-fired cogeneration power plant. The Bangpa-in Cogeneration Power project Phase 1 (BIC-1) is located in Bangpa-in Industrial Estate, Amphoe Bangpa-in, Phra Nakhon Si Ayutthaya Province, with a capacity of 117.5 MW of electricity and 19.6 tons of steam per hour. The Project is committed under the Power Purchase Agreement with EGAT to sell 90 MW of electricity for a period of 25 years from the Commercial Operation Date, with the remainder of electricity and steam to be sold to industrial operators in Bang Pa-in Industrial Estate. BIC-1 commenced its commercial operation on June 28, 2013.

In addition, BIC is in the process of developing the Bangpa-in Cogeneration Power Plant Phase 2 (BIC-2), with a capacity of 120 MW of electricity and 20 tons of steam per hour. This Project is located in the same premises as BIC-1 in Bang Pa-in Industrial Estate, Amphoe Bangpa-in, Phra Nakhon Si Ayutthaya Province. BIC-2 will produce and sell 90 MW of electricity to EGAT pursuant to the Power Purchase Agreement for a period of 25 years from the Commercial Operation Date, which is scheduled for June 1, 2017. The remainder of electricity and steam will be sold to industrial users in Bangpa-in Industrial Estate.

Revenue from sales of electricity by BIC 1 to EGAT comprises:

- (a) Capacity Payment, which is determined from EGAT's long run avoided capacity cost from purchase of electricity from large commercial fuel power plants, including transmission system cost;
- (b) Energy Payment, which is determined from fuel costs for power generation, operation and maintenance costs, and the EGAT's long run avoided energy cost from purchase of electricity from small cogeneration power plants;
- (c) Fuel Saving Payment, which is determined based on benefits derived from small power plants' efficiency from thermal and cogeneration power production.

Revenue from sales of electricity by BIC-1 to industrial operators

The selling price of electricity to industrial users is generally based on the reference tariff of the Provincial Electricity Authority (PEA) for large general services with discount for certain customers.

Revenue from steam supply of BIC-1

Steam supply agreements for industrial operators are concluded by way of negotiations with the respective customers in the same manner as the power purchase agreements. The steam price is based on the avoided cost basis, which may be adjusted to reflect changes in various indices, including gas prices and Thailand's Consumer Price Index.



Marketing and Competition in Cogeneration Power Business

The Company's expansion to the cogeneration power business is based on the model of selling most of the electricity to EGAT and selling the remaining electricity and steam to other operators. Revenue based on this model is relatively steadier than the sales of electricity to industrial operators without selling to the EGAT's system.

The government's announced intention, since 2002, to purchase electricity from cogeneration power plants (firm type), with a capacity not exceeding 90 MW, has resulted in a great number of power projects of such type. As at November 30, 2014, the status of cogeneration power plants was as follows:

Operational		Power Purchase Agreement signed under Power Purchase Regulations 2007, but not operational		Power Purchase Agreement signed under Power Purchase Regulations 2010, but not operational	
projects	MW	projects	MW	projects	MW
42	3,301	2	180	38	3,420

Note: Source: The Energy Regulatory Commission of Thailand as at November 30, 2014

The development of new cogeneration power projects under the Thailand Power Development Plan 2012 - 2030 (Revision 3) will continue with EGAT's power purchase during 2020 - 2027 as follows:

Year	Projects	Fuel Types	Contract Capacity (MW)
2020	Small Power Producer (SPP) Cogeneration, Additional #1	Natural Gas	90 MW
2021	SPP Cogeneration, Additional #2 -3	Natural Gas	180 MW
2022	SPP Cogeneration, Additional #4 -5	Natural Gas	180 MW
2023	SPP Cogeneration, Additional #6 -7	Natural Gas	180 MW
2024	SPP Cogeneration, Additional #8 -9	Natural Gas	180 MW
2025	SPP Cogeneration, Additional #10 -11	Natural Gas	180 MW
2026	SPP Cogeneration, Additional #12 -13	Natural Gas	180 MW
2027	SPP Cogeneration, Additional #14 -15	Natural Gas	180 MW

Note: Source: Thailand Power Development Plan 2012 - 2030 (Revision 3) prepared by the Ministry of Energy

The Company is confident in its potential to compete in the cogeneration power project development as evidenced by its experience from previous selections as power producers under the Power Purchase Regulations 2007 (Bangpa-in Cogeneration Power project, Phase 1) and the Power Purchase Regulations 2010 (Bangpa-in Cogeneration Power project, Phase 2). Moreover, the Company has continuously made preparations in various aspects essential to project development, namely, its capability for fuel supply, connection with purchasing points, potential customers for electricity and steam, etc.

Supply of Products or Services in Cogeneration Power Business

Power Generation by Cogeneration Power Project

The production of electricity by BIC's cogeneration power project is fueled by natural gas whose combustion creates thermal pressure that rotates the gas turbines. The rotating gas turbines then spin the power generator to produce electricity. Steam produced by such combustion passes to the heat recovery steam generator (HRSG) to produce high pressure steam that rotates the steam turbine. Such rotating steam turbine further spins the power generator to produce electricity accordingly.

Source of Energy for Power Generation by Cogeneration Power Project

BIC's cogeneration power project utilizes natural gas and tap water supply as raw materials in the power generation. In this regard, BIC 1 signed a Natural Gas Purchase Agreement with PTT Public Company Limited on March 18, 2011 for a period of 25 years and also entered into a Water Purchase Agreement with TTW Public Company Limited on February 15, 2011 for a period of 25 years.

Nature of Solar Power Business

The power plants in this sector include:

- Solar power project of Bangkhenchai Co., Ltd.
- Solar power project of Chiangrai Solar Co., Ltd.
- Solar power project of Nakhon Ratchasima Solar Co., Ltd.

Nature of Products or Services of Solar Power Business

Solar Power Project of Bangkhenchai Co., Ltd. (BKC)

The Company holds 100 percent of the shares in Bangkhenchai Co., Ltd. (BKC), which is situated at Moo 9 Tambon Khok Thai, Amphoe Pak Thong Chai, Nakhon Ratchasima Province, on approximately 180 rai of land. The project employs the thin film photovoltaic module technology with a capacity of 8 MW, and entered into a Power Purchase Agreement for Very Small Power Producer with the Provincial Electricity Authority (PEA) on July 28, 2009 for a period of five years, which is automatically renewable for five years each until the Agreement is terminated. Under the said Agreement, PEA agrees to purchase electricity at the maximum capacity of 8 MW, and BKC receive a premium payment (Adder) at the rate of Baht 8 per kWh (unit) for a period of 10 years from the Commercial Operation Date. BKC started the production and sale of electricity to PEA on August 10, 2012. In addition, BKC applied for a certificate of emission reduction for the right to trade carbon credits, and obtained such certificate on August 29, 2012.

Solar Power Project of Chiangrai Solar Co., Ltd. (CRS)

The Company holds 30 percent of the shares in Chiangrai Solar Co., Ltd. (CRS), which is situated at Tambon Tha Khao Plueak, Amphoe Mae Chan, Chiang Rai Province, on approximately 160 rai of land. The project employs the multi-crystalline solar cells technology with a capacity of 8 MW, and CRS entered into a Power Purchase Agreement for Very Small Power Producer with PEA for a period of five years, which is automatically renewable for five years each until the Agreement is terminated. Under the said Agreement, PEA agrees to purchase electricity at the maximum capacity of 8 MW, and CRS receives Adder at the rate of Baht 8 per kWh (unit) for a period of 10 years from the Commercial Operation Date. CRS started the production of electricity for PEA on January 17, 2013. In addition, CRS applied for a certificate of emission reduction for the right to trade carbon credits, and obtained such certificate on September 11, 2012.



Solar Power Project of Nakhon Ratchasima Solar Co., Ltd. (NRS)

The Company holds 30 percent of the shares in Nakhon Ratchasima Solar Co., Ltd. (NRS), which is situated at Tambon Ta Khian, Amphoe Dan Khun Thot, Nakhon Ratchasima Province, on approximately 300 rai of land. The project employs the thin film photovoltaic module technology with a capacity of 6 MW, and NRS entered into a Power Purchase Agreement for Very Small Power Producer with PEA for a period of five years, which is automatically renewable for five years each until the Agreement is terminated. Under the said Agreement, PEA agrees to purchase electricity at the maximum capacity of 6 MW, and NRS receives Adder at the rate of Baht 8 per kWh (units) for a period of 10 years from the Commercial Operation Date. NRS started the production of electricity for PEA on March 8, 2012. In addition, NRS applied for a certificate of emission reduction for the right to trade carbon credits, and obtained such certificate on August 30, 2012.

Revenues from sales of electricity of BKC, CRS and NRS comprise:

- a. The energy charge rate for electricity sold to PEA at the voltage of 11-13 kV must be in accordance with the Notification of the PEA in combination with the “Ft” charge.
- b. The Adder will be at the rate of Baht 8 per unit (kWh) for a period of 10 years from the commencement of power purchase with PEA.

Marketing and Competition in Solar Power Business

Thailand’s potential for solar power generation is relatively high due to its geographical location in the region of the equator, which is exposed to higher solar radiation on average than other regions of the earth. Based on the study on the satellite data along with ground surveys by the Department of Alternative Energy Development and Efficiency (DEDE), the majority of the areas which have solar energy potential for Thailand with the yearly average solar radiation intensity of approximately 18.2 MJ/m² are located in the Northeastern region, while some of the areas are located in the lower Central region. In this respect, Thailand has potentials to generate solar energy up to 10,000 MW (Source: The Department of Alternative Energy Development and Efficiency).

The National Energy Policy Council’s Meeting No. 1/2014 (No. 1) on August 15, 2014 resolved to approve the Feed-in-Tariff (FiT) for solar power projects in 2014 - 2015, for a period of 25 years, as follows:

- 1) Solar Farm, with an installed capacity not exceeding 90 MWp, FiT at Baht 5.66 per unit;
- 2) Solar PV Rooftop
 - 2.1) Household Group, with an installed capacity of 0 - 10 kWp, FiT at Baht 6.85 per unit;
 - 2.2) Business/Factory Building Group
 - (1) Installed capacity exceeding 10 - 250 kWp, FiT at Baht 6.40 per unit;
 - (2) Installed capacity exceeding 250 - 1,000 kWp, FiT at Baht 6.01 per unit;
- 3) Solar Farm for Government Agencies and Agricultural Cooperatives, FiT at Baht 5.66 per unit

In addition, the National Energy Policy Council resolved to approve the acceptance of solar power purchase of three types, as follows:

1) Solar Farms

1.1) Accepting purchase of remaining power of approximately 576 MW (to reach the target at 2,000 MW), at FiT of Baht 5.66 per unit, for a period of 25 years, with the Scheduled Commercial Operation Date by the end of December 2015;

1.2) Authorizing the Department of Alternative Energy Development and Efficiency (DEDE) to consider and negotiate with persons submitting project proposals for applying for power sales as usual, who have not yet been considered for acceptance of power purchase, with applications pending consideration of 1,057 MW, and to negotiate to accept purchase of approximately 576-MW remaining power, at FiT of Baht 5.66 per unit for a period of 25 years, in the same locations per the existing proposal, with the Scheduled Commercial Operation Date by the end of December 2015. Should the results of the negotiations with the existing project proposers indicate that an agreement could not be reached and the acceptance of power purchase not be approved by the end of 2015, it is deemed appropriate to terminate such proposal.

2) Solar PV Rooftop

2.1) Granting an extension of time for the Scheduled Commercial Operation Date for Solar PV Rooftops as already bound with the government sector in the amount of 130.64 MW from December 2013 to the end of December 2014.

2.2) Opening for acceptance of additional purchases of solar power from Solar PV Rooftops in the Small Power Producer program for households not exceeding 10 kilowatts in an amount of 69.36 MW, at FiT of Baht 6.85 per unit, with the Scheduled Commercial Operation Date by the end of December 2015.

3) Solar Farm for Government Agencies and Agricultural Cooperatives

3.1) Requiring change of operation of solar farm projects located in communities to operation of solar farm projects for government agencies and agricultural cooperatives, with an installed capacity not exceeding 5 MW per location, totaling 800 MW, at FiT of Baht 5.66 per unit, for a period of 25 years, with the Scheduled Commercial Operation Date by the end of December 2015.

3.2) Authorizing the Managing Committee on Power Generation from Renewal Energy Promotion, which was appointed by the National Energy Policy Council, to specify rules and regulations for project selection, and consider accepting power purchase by taking into account the efficiency in power production from solar cells and the accommodating capacity of the transmission system.

The Company has been well-prepared in respect of location and selection of the state-of-the-art technology in development of solar power plants under the conditions of acceptance of power purchases from the government sector by mainly focusing on solar farms.



Supply of Products or Services in Solar Power Business

Power Generation by Solar Power

Solar power generation utilizes solar cells to receive solar energy to produce electricity, which is the direct process of conversion of the solar energy into electricity. When the solar energy, in the form of electromagnetic waves carrying energy, contacts the semiconductors, which are capable of absorbing the solar energy spectrum, the semiconductors so exposed to sunlight will convert the solar energy into direct current. However, due to the low electromotive force produced from one solar cell, it is necessary to connect several solar cells in series to boost the electromotive force, for commercial utilization. These connected solar cells in appropriate number and size are called a solar module or solar panel.

The solar power plants of BKC, CRS and NRS produce electricity based on the above process. BKC and NRS employ the thin film photovoltaic module technology while CRS utilizes the multi-crystalline solar cells technology. These solar panels are exposed to sunlight which, once it contacts the panels, will produce electricity. Electricity produced from the panels is a low voltage direct current, which must pass through an inverter for conversion into a low voltage alternating current. The low voltage alternating current will then flow through a transformer to increase its voltage, which will be sent to the transmission system of the PEA for further distribution to customers.

Source of Energy for Power Generation by Solar Power

The major source of energy in support of the solar power project of BKC, CRS and NRS is sunlight, which is derived free of charge from natural resources. Even though sunlight is a major natural and clean energy source, its utilization is somewhat limited to only the daytime, not to mention the uncertain intensity of solar radiation depending on geography and climate, as well as different seasons.

Prior to selecting locations or sites for such solar power project, BKC, CRS and NRS conducted studies, which revealed whether the solar radiation intensity of the respective power plant sites was sufficient to produce electricity. BKC's solar power project, located at Latitude 14.7°N and Longitude 102.0°E, has an average solar radiation of 17.62 MJ/m²/day, which is sufficient to design a solar power plant with a capacity of 8 MW.

CRS's solar power project, located at Latitude 20.17°N and Longitude 100.02°E, has an average solar radiation of 16.97 MJ/m²/day, which is sufficient to design a solar power plant with a capacity of 8 MW.

NRS's solar power project, located at Latitude 15°N and Longitude 101°E, has an average solar radiation of 19.00 MJ/m²/day, which is sufficient to design a solar power plant with a capacity of 6 MW.

Electricity Industry in Thailand

EGAT is the authority responsible to produce and distribute electricity in response to the electricity demand countrywide through the power generating units, comprising its own power plants combined with power purchases from private power producers, the Lao People's Democratic Republic, and Malaysia. EGAT sells electricity to its consumers, namely, the Metropolitan Electricity Authority ("MEA"), the Provincial Electricity Authority ("PEA") and direct customers (certain industrial factories as specified in the Royal Decrees). EGAT distributes electricity through high voltage stations, and MEA and PEA are responsible for distribution and retail sales to the general public. Electricity purchased from EGAT at the connection points is transmitted to the substations for further distribution to the consumers.

National Capacity

The combined on-grid capacity as of December 31, 2014 divided by types of power plants is as follows:

Types of Power Plants	Capacity (MW)	percent
EGAT	15,482	45
Independent Power Producers	13,167	38
Small Power Producers	3,615	10
Foreign Purchases	2,405	7
Total	34,669	100

Note: Source: EGAT as of December 31, 2014

The combined on-grid capacity as at September 30, 2014 divided by fuel types is as follows:

Fuel Types	Generating Units (GWh)	percent
Natural Gas	87,733	67.03
Lignite	27,199	20.78
Hydro	11,190	8.55
Fuel Oil	1,521	1.16
Diesel	119	0.09
Renewable Energy	3,013	2.30
Foreign Purchases	113	0.09
Total	130,887	100.00

Note: Source: EGAT as of September 30, 2014

Thailand's Total Electricity Demand

The peak electricity demand refers to the highest amount of electricity used by consumers altogether on any given day of each year, and units refers to the total number of units of electricity generated by all power plants for a given period of time. Both values depend on weather conditions, consumption periods, number of consumers, economic circumstances, etc. During the period from 2009 to 2014, the peak electricity demand and units were as follows:

Year	Peak Electricity Demand			Units		
	MW	Increase		million units	Increase	
		MW	%		million units	%
2010	24,010	1,965	8.91%	160,190	11,818	7.97%
2011	23,900	-110	-0.45%	159,137	-1,053	-0.66%
2012	26,121	2,221	9.29%	173,205	14,068	8.84%
2013	26,598	477	1.83%	173,535	330	0.19%
2014	26,942	344	1.29%	177,292	3,757	2.16%

Note: Source: EGAT as of December 31, 2014



Thailand Power Development Plan

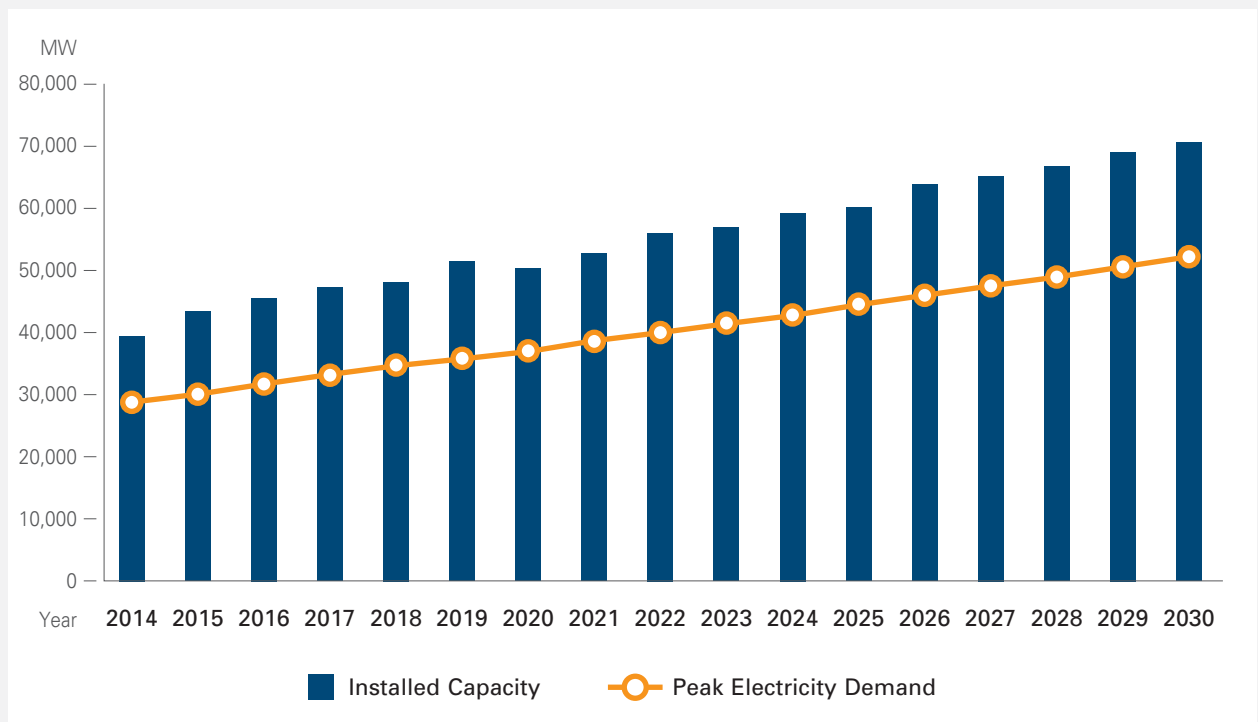
Thailand Power Development Plan (PDP 2010) covers the period from 2010 - 2030 prepared by the Ministry of Energy, with three revisions, namely, PDP 2010 Revision 1, Revision 2 and Revision 3.

Revision 1 addressed the higher actual electricity demand than forecast in the original PDP 2010 and the construction issues encountered by the independent power producers, which resulted in postponement of the synchronization, and as such, EGAT's power plant projects were accelerated, along with additional power purchases from small power producers. The PDP 2010 Revision 1 was approved by the Council of Ministers on November 30, 2010.

In 2011, the tsunami in Japan affected the Fukushima Daiichi Nuclear Power Plant, which jeopardized the public acceptance and trust in Thailand's nuclear power project development. The Ministry of Energy then proposed to postpone the nuclear power project for three years so as to review safety measures, preparations for legislative and regulatory frameworks as well as stakeholders involvement. The PDP 2010 Revision 2 was approved by the Council of Ministers on May 3, 2011.

Revision 3 of Thailand Power Development Plan reflected such improvements in compliance with the government policy, by proposing an Energy Efficiency Development Plan (EEDP) for 25 percent reduction of energy intensity (ratio of energy consumption to GDP) of the country within 20 years, and an Alternative Energy Development Plan (AEDP) to increase the share of renewable energy and alternative energy uses by 25 percent within 10 years. The PDP 2010 Revision 3 was approved by the Council of Ministers on June 19, 2012.

According to the PDP 2010 Revision 3, the peak electricity demand and installed capacity of the entire system during 2014 - 2030 have been forecast as follows:



Note:

Source: Thailand Power Development Plan 2012 - 2030 (Revision 3)

Thailand's peak electricity demand forecast in 2014 is expected at 28,790 MW with an installed capacity of 39,542 MW, which is likely to increase continuously each year; and in 2030, the peak electricity demand is expected to be 52,256 MW with an installed capacity of 70,686 MW.

Rights and Privileges from Investment Promotion

The Company's subsidiaries and associated companies have been granted investment promotion from the Board of Investment (BOI) per the following Promotional Certificates:

	BKC	CRS	NRS	BIC-1
Promotional Certificates Nos.	1089(1)/2555	2071(1)/2554	1300(1)/2554	1565(2)/2554
Dated	January 23, 2012	August 30, 2011	March 11, 2011	March 18, 2011
Business Category	Public Utilities and Basic Services	Public Utilities and Basic Services	Public Utilities and Basic Services	Public Utilities and Basic Services
1. Permission was granted to bring foreign experts or specialists into the Kingdom in the number and for the period of time as the Board of Investment may consider appropriate.	Granted	Granted	Granted	Granted
2. Permission was granted to hold land ownership to the extent as the Board of Investment may consider appropriate.	None	Granted	Granted	None
3. Import duty exemption/reduction for machinery was granted as the Board of Investment may approve.	Exempted (by July 23, 2014)	Exempted (by February 28, 2014)	Exempted (by September 11, 2013)	Exempted (by November 18, 2013)
4. Rights and privileges of corporate income tax exemption was granted for the net profit derived from the promoted business.	8 years	8 years	8 years	8 years (not exceeding Baht 4,934 Million)
5. Period for carrying forward loss during the promoted period to set off against net profits to be derived after the corporate income tax exemption period.	5 years	5 years	5 years	5 years
6. Exemption from including dividend from the promoted business in the calculation for income tax payment.	8 years	8 years	8 years	8 years
7. 50 percent reduction of corporate income tax for the net profit derived from the promoted business.	5 years (from the day after the period in item 6)	5 years (from the day after the period in item 6)	5 years (from the day after the period in item 6)	None
8. 200 percent deduction of costs of transportation, electricity and water supply.	10 years (from the first day of receiving income from the promoted business)	10 years (from the first day of receiving income from the promoted business)	10 years (from the first day of receiving income from the promoted business)	None
9. Deduction of investment funds in installation or construction of facilities.	25 percent of investments	25 percent of investments	25 percent of investments	None
10. Permission was granted to bring or remit foreign currencies out of the Kingdom.	None	Granted	Granted	None



Risk Factors

The Company realizes the significance of risk management in its business operation from the perspective of both holding company and electricity production and sales business. The Board of Directors then appointed the Corporate Governance and Risk Management Committee on January 14, 2013 and authorized it to prepare an annual risk management plan, and to assess and monitor various risks via working groups, comprising executives from every line of work. In this regard, the results of risk assessment will be reported each quarter to the Board of Directors to inform them of the ongoing changes in circumstances which might affect the Company. Moreover, in considering investments in various projects, the Company thoroughly considers risks in each project stage, beginning with project selection, project development, and construction until implementation, by considering technical, financial, legal, environmental and social risks, which might affect the Company's returns on investments.

The significant risks and guidelines for risk management may be summarized as follows:

Risks to Business Operation of the Company and the Group

1. Risks to the Company's Investments

The Company operates its business as a holding company by investing in other businesses and not operating the core business itself, so the Company's cash flow and operational results depend on dividends derived from the Company's Investments. In 2014, 52.72 percent of revenue under the separate financial statements came from dividend income. Should the Company's subsidiaries and associated companies be affected by various risks, the operational results would not meet the target and it would not be able to pay dividend as expected.

The Company generally invests in both Greenfield and Brownfield (acquisition) projects. Both forms of investments involve risk factors as a result of uncertainty of the business circumstances and risk factors from particular projects. Such risks for Greenfield projects include incomplete construction or delayed construction resulting in project cost overrun, while those for Brownfield projects include risks from business operation and cost management. All of these risks may have an impact on returns on investments. Therefore, the Company sets out its management guidelines as follows:

Project Selection

The Board of Directors realizes the significance of selection of investment projects and thus has set out a clear investment policy on investing in other companies operating the business of electricity production and sales to ensure the acceptable risk management and reasonable returns. The Business Development Department is responsible for analysis of various related factors in support of consideration of project selection, in respect of both returns on investment and risk factors, and to propose investment information to the Board of Directors for approval.

Management of Projects under Construction

The Company has a project under construction, namely Bangpa-in Cogeneration Phase 2 (BIC-2), which will start construction in early 2015 and for which construction is expected to continue for 29 months, with the Scheduled Commercial Operation Date in June 2017. The Company expects to be able to complete the construction according to schedule. However, the Company does realize that risks from delayed construction and increased construction cost might have a direct impact on its return on investment. As such, the Company has executed the Engineering, Procurement and Construction Contract with CH. Karnchang Public Company Limited (“CH. Karnchang”), with experience in construction of large-scale power projects and experience in construction of Bangpa-in Cogeneration Phase 1 (BIC-1), an identical power project. Such EPC Contract is on a fixed cost lump sum turnkey basis, it could thus reduce the risk from potential construction cost increase. Moreover, the Company has taken out insurance to cover possible damages resulting from natural disasters and regularly followed up progress of construction. These arrangements could ensure that it would be likely to complete the construction according to schedule and that the cost could be controlled.

Monitoring of the Operational Results

The Company sets out clear Control and Governance Mechanisms of its subsidiaries and associated companies in the Control Policy, and the Company appoints its representatives to serve as directors or executives of its subsidiaries and associated companies according to their shareholding percentage. The Company also clearly determines the scope of power to exercise the discretion as the Company’s representatives. Moreover, the subsidiaries and associated companies must regularly report on their respective financial positions and operational results in comparison with the specified goals to the Board of Directors’ Meeting on a quarterly basis. The subsidiaries will submit information of new investment projects to the Company and also report on progress of the respective investment projects. Furthermore, the Company’s Internal Audit Division will collaborate with its subsidiaries and associated companies to inspect the internal control systems in terms of prudence and strict compliance therewith. This enables the Company to closely follow up the financial positions and operational results of the respective businesses as invested in by the Company in order to minimize and manage risks from such investments.

2. Business Risks

The Company’s core revenue is dividends derived from three subsidiaries, namely, SouthEast Asia Energy Limited (SEAN), Bangkhenchai Co., Ltd. (BKC) and Bangpa-in Cogeneration Limited (BIC), and two associated companies, namely, Chiangrai Solar Co., Ltd. (CRS) and Nakhon Ratchasima Solar Co., Ltd. (NRS). Therefore, any changes in the results of operations of the subsidiaries and associated companies will certainly directly affect the results of operations of the Company in the form of dividend income to be derived by the Company. The following risk factors may have an impact on the results of operations of the subsidiaries and associated companies:

2.1 Risk in respect of raw materials in electricity production

Raw materials for electricity production are key factors contributing to the capacity of the electricity production, which will affect its ability to generate revenue. In regard to hydroelectric and solar power projects, raw materials in electricity production are at no cost, but somewhat fluctuate, while fuel cost for cogeneration business accounts for 49.21 percent of total cost of sale under the consolidated financial statements for 2014, thereby resulting in supply risk and price risk which may affect its cost.



Hydroelectric Power Plant

The Nam Ngum 2 Hydroelectric Power Project is operated by NN2 which has SEAN as its major shareholder. Therefore, water is the raw material essential for electricity production. The significant source of water in the Nam Ngum River is derived from the rainfall in the catchment area. Certain limitations came from the uncertain and unpredictable amount of rainfall in different seasons and weather conditions. The risk in securing raw materials for the production has been efficiently managed through appropriate design of dam and reservoir structures, and negotiations on various terms in the Power Purchase Agreement to fairly cover such risk, including electricity tariff structure and power purchase guidelines for fair water risk management for both contractual parties. For example, in the event that the Primary Energy (PE) production period is lower than the average of 8 hours per day in any month or lower than the average of 10 hours per day in any year, NN2 must pay a fine to the Electricity Generating Authority of Thailand (EGAT) at the rate of 23.7 percent of PE charge multiplied by the shortfall. However, in the project design and prior to execution of the Power Purchase Agreement with EGAT, NN2 studied the statistics of actual amount of water in the Nam Ngum River flowing into the catchment area of the Nam Ngum 2 Hydroelectric Power Project over the past 50 years to identify the electricity production capacity to determine the target volume of electricity to be distributed to EGAT in the Power Purchase Agreement. In the event that the amount of water is less to the extent that the electricity produced by NN2 is lower than the requirement under the Power Purchase Agreement, it may consider declaring such year as a draught year. According to the Power Purchase Agreement, a draught year may be declared twice throughout the entire period of the Agreement. During such draught year, no fine due to electricity production shortfall will be imposed.

Furthermore, should in any year, the amount of water be high such that the project produces electricity in excess of the target of 2,218 GWh (million units) for PE and 92 million units for the Secondary Energy (SE), NN2 may carry forward the exceeding amount to be recognized as revenue for the year in which the amount of water is insufficient to produce electricity to meet the target, and as such, the revenue stream is steady despite the fluctuating amount of water. This target is not related to the average hours of electricity production as mentioned above. In addition, no fine will be imposed for failure to produce electricity to meet the target which is merely a projection for each year. According to the actual records in 2013, the large amount of water flowing into the Nam Ngum 2 Hydroelectric Power Project caused the production and sales of electricity to EGAT to exceed the target, whereby 95.92 million units of electricity were recorded as Energy Account for future use in respect of the PE Account, and 3.21 million units in respect of SE Account. Subsequently, in 2014, the amount of water was less than that in 2013; a shortfall of 102.9 million units of electricity was lower than the target in respect of PE, and 76.39 million units in respect of SE. However, NN2 could use 102.09 million units of PE Account and 8.77 million units of SE Account to make up such shortfall. As such, the Company was able to achieve the target 2,218 million units of PE and also retained 94.12 million units of PE Account for use in following years. Even if in 2014 the Company failed to meet the target SE, the overview of the mechanism of recording and utilization of such reserve energy could minimize risks relating to revenue fluctuations between a wet year and a dry year. This could be seen from NN2's revenue from sales of electricity in 2014 which was lower than that in 2013 by only Baht 138.76 Million or representing 3.37 percent although the amount of water reduced by 687 cubic meters or representing 9.77 percent.

Cogeneration Power Plant Fueled by Natural Gas

BIC is a small power producer utilizing natural gas as fuel. Should there be a shortage of natural gas or should natural gas suppliers be unable to supply fuel, the project will not be able to produce electricity and steam. Then, the Company may be unable to comply with the power and steam purchase agreements, and need to purchase the reserve energy for sale to the operators in the industrial estate instead. BIC realizes the significance of the fuel security, and has thus entered into a natural gas purchase agreement for a period of 25 years from COD with PTT Public Company Limited (PTT), on condition that PTT must compensate BIC for its failure to supply natural gas in the volume as specified in the agreement. Furthermore,

Global Power Synergy Public Company Limited (GSPC), an affiliate of PTT, also holds shares in BIC, and as such, it is believed that such shareholding structure will help minimize risk in respect of fuel. Moreover, the tariff structure for electricity sold to EGAT was designed to vary according to the fuel price fluctuations (Pass-through), which will help minimize the risk in respect of fuel price accordingly.

Solar Power Plants

Solar energy is the raw material essential for electricity production of BKC, CRS and NRS, which are the solar power projects. Given that the solar radiation directly affects revenue from sales of electricity, therefore, in the selection of solar power project locations, appropriate solar radiation has been taken into account, based on the information from NASA and Meteotest software of METEOTEST in support of the selection of project sites, along with regular monitoring and measurement of solar radiation in order to assess the sunlight adequacy. The Power Purchase Agreements made with the Provincial Electricity Authority (PEA) are on a non-firm basis, and so, no fine is imposed should these power projects be unable to produce electricity due to the sunlight fluctuations.

2.2 Risk in respect of availability of power plants

Risk from the unavailability of equipment of power projects other than the shortage of raw materials may occur for many reasons, thereby impairing the efficiency of the electricity production or interrupting the production process, which may cause damage to power projects and danger to personnel and reduce revenue but increase expenses for repair of defective equipment. Any interruption of the electricity production for any reason other than normal maintenance, without prior notice to power purchasers, may be subject to a fine. In this regard, all power projects have mitigations and regular preventive maintenance policies performed by professionals as follows:

Hydroelectric Power Plant

The management of a hydroelectric power project requires personnel with considerable experience and expertise given the high value of investment in the hydroelectric power project. Apart from the control of machinery and equipment in the electricity production to meet the quality and electricity security, the amount of water in the reservoir must be managed to ensure its adequacy for electricity production for distribution in the quantity, quality and stabilization as specified in the Power Purchase Agreement with EGAT. Any water mismanagement or malfunction of the electricity production, including equipment, may result in damage to the dam, generators and related equipment and also have an impact on revenue and operating results.

NN2 has personnel who have abilities and experience as hydropower project managers. Moreover, the Project also entered into an agreement for engaging of Ratch-Lao Services Company Limited (Ratch-Lao), a subsidiary of Ratchaburi Electricity Generating Holding Public Company Limited, to provide services under the Operation and Maintenance Agreement throughout the period of the Concession Agreement and under the Agreement on Major Maintenance Services, for a period of seven years. Ratch-Lao entered into an agreement engaging EGAT to provide certain material technical services, which are of great benefit to NN2, since EGAT is the only agency in Thailand having personnel with experience and expertise in management of Hydroelectric Power Projects for a long time, not to mention the fact that EGAT is the sole power purchaser under the Power Purchase Agreement of NN2. Then, it is believed that the execution of the agreement engaging Ratch-Lao is of benefit to NN2 in production and sales of electricity under the conditions as specified in the Power Purchase Agreement with EGAT.

With respect to the preventive maintenance plans, NN2 implements partial overhaul and major overhaul plans every seven years and 14 years, respectively. Moreover, an independent consultant is also engaged to measure the efficiency and stability in various aspects of the dam and power plant. In addition, the Company regularly follows up relevant reports to enhance the availability of the power project. Due to the fact that the Company realizes the significance of a body of



knowledge in hydropower plant management, and the Company plans to further invest in the future, the Company entered into an agreement for knowledge sharing and staff training to enhance its ability in the hydropower management. The Company believes that such policy is necessary for risk management in operation and direction in expansion of the Company's business in the future.

Cogeneration Power Plants Fueled by Natural Gas

BIC engages personnel having knowledge and experience in cogeneration power plants to carry out repair and maintenance, with inspection of utilization of equipment according to schedules as specified by manufacturers. Moreover, the Company maintains essential spare parts available for repair of equipment of the power project in order to prevent any delay from procurement process. In addition, BIC engages GE Power & Water, which possesses technical know-how and expertise, to provide inspection and maintenance services for gas turbines, and also is considering executing an agreement for spare gas turbine leasing to replace the main turbine sent for repair and maintenance in order to prevent any loss of income in such period.

BIC plans to engage additional personnel and provide its staff with training for continual development of their knowledge and ability in order to accommodate the operations of BIC-2, the construction of which will be completed in June 2017, and the future expansion of the cogeneration power plant business.

Solar Power Plants

BKC engages ENSYS Co., Ltd. to operate and maintain the solar power project while CRS and NRS engage Assyce Fotovoltaica (Thailand) Co., Ltd. for such purpose. Both companies have experience and expertise in management of solar power projects. Inspection and maintenance of machinery and equipment are scheduled in advance to ensure their efficient performance and guarantee the availability of power projects in accordance with the agreements. Furthermore, the essential equipment of the power projects is under manufacturers' warranty. In addition, as the Company has invested in three solar power projects which require different technology, the exchange of information among the projects then helps make the management more efficient and helps increase the bargaining in negotiations with business partners.

2.3 Risk from natural disaster

In case of force majeure due to natural disasters, such as, flood, earthquake, etc., all power projects invested in by the Company manage such risk by selecting the least risky locations to establish the power projects and designing the power projects to accommodate potential natural disasters. The Nam Ngum 2 Hydroelectric Power Project is located in an area where the highest magnitude of an earthquake in recorded history did not exceed 5.8 on the Richter scale. The Nam Ngum 2 Hydroelectric Power Project has been designed to accommodate an earthquake up to 8 on the Richter scale, and also was constructed the overflow prevention system, namely, spillway with three gates, each of 15 meters in width and 16.7 meters in height, to drain water up to 6,756 cubic meters per second. Therefore, it is believed that the durability of the dam structure will be able to accommodate earthquakes, and that the dedicated spillway is sufficient to cope with the volume of overflow water. The three solar power projects are constructed on high ground, which is less likely to be flooded and was not affected by the severe floods in 2011. Even though BIC-1 and BIC-2 are located in Phra Nakhon Si Ayutthaya Province, which is a lowland and flood-prone area, the Bang Pa-in Industrial Estate has constructed concrete flood barriers surrounding the estate of six meters in height above sea level, which is higher than the severe floods that occurred in 2011, and as a result, it is certain that it will no longer be affected by any flood.

In addition, its subsidiaries and associated companies have taken out insurance to cover potential damage to assets used in the electricity production by way of property damage insurance, business interruption insurance, and public liability insurance.

3. Financial Risks

3.1 Risk from exchange rate fluctuations

The Company is at risk of its consolidated financial statements' being affected by the fluctuating revenue and expenses of NN2 due to changes in exchange rate between USD and Baht. This is because, according to the Power Purchase Agreement with EGAT, a certain portion of the tariff is denominated in USD. In 2013 and 2014, the Nam Ngum 2 Hydroelectric Power Project derived USD revenue in the amount of USD 54.90 Million and USD 54.89 Million, respectively.

Therefore, any material changes in the Baht to USD exchange rate will have an impact on revenue of NN2. In case of Thai Baht depreciation against USD, the USD revenue will increase upon conversion into Baht. On the other hand, in case of Thai Baht appreciation against USD, the USD revenue will decrease upon conversion into Thai.

Furthermore, NN2 entered into the long-term USD loan agreement in the amount of USD 180 Million to partially finance the construction of the Nam Ngum 2 Hydroelectric Power Project, with the principal repayment in installments until full repayment in 2022. Thus, while the principal of the loan remains outstanding, any changes in exchange rate as at the closing of any accounting period will affect the profit and loss statement of NN2 accordingly. That is, Thai Baht appreciation will result in unrealized gain on exchange rate while Thai Baht depreciation will be result in unrealized loss on exchange rate.

NN2 borrowed USD loans from financial institutions and also incurred certain major expenses payable in USD. In 2013 and 2014, NN2's USD revenue, expenses and principal repayment of the long-term loans were as follows:

(Unit : USD Million)	2013	2014
Revenue		
- Revenue from sales of electricity	54.90	54.89
Disbursement		
- Principal repayment	9.00	11.70
- Interest expense	4.83	4.44
- Royalty fee	1.87	1.87
Net	39.20	36.88

By the nature of business operation of NN2, which derives revenue in USD and at the same time incurs disbursement in USD, the exchange rate risk has been managed by way of natural hedge.

Since July 2013, NN2 started applying hedge accounting in order to hedge the foreign exchange exposure on a certain portion of its forecasted revenue from sales of electricity in USD currency, whereby such revenue from sales of electricity was designated as the hedged item and the long-term loans in USD were designated as the hedging instrument. Based on the cash flow hedge accounting principles, the fluctuation of gain and loss on exchange rate could be minimized, whereby the effective portion of the change in the fair value of the cash flow hedging instrument is recognized in other comprehensive income, instead of profit and loss, and then transferred to profit or loss when the hedging item affects profit or loss.



3.2 Risk from interest rate fluctuations

Based on the Company's consolidated statement of financial position as at December 31, 2014, its loans amounted to Baht 22,564.45 Million, all of which were subject to floating interest rate. Therefore, any material changes in the interest rate will have an impact on finance cost of the Company and its subsidiaries. However, the Company and its subsidiaries manage such interest rate risk through regular monitoring of the tendency of changes in interest rate, continuing management and improvement of finance cost, and consider making arrangements for hedging agreements by changing from floating interest rate to fixed interest rate as appropriate to market conditions, without any purpose of speculation.

Risks to Investment by Securities Holders

1. Risk from the Company's major shareholders with more than 25 percent shareholding

The Company's major shareholders are CH. Karnchang and TTW Public Company Limited (TTW), with their respective shareholdings of 31.78 percent and 25¹ percent of all issued shares, respectively. Such major shareholders may exercise the right to object to or disapprove of any resolutions by the shareholders' meeting on various matters, which, under the Company's articles of association or applicable laws, require not less than three-fourths of all votes of the shareholders attending the meeting and having the voting rights. However, CH. Karnchang and TTW, as the Company's shareholders, intend to allow the Company to operate its business to the best interests of and with fairness to all shareholders in the long run. Additionally, in executing a connected transaction with its major shareholders, approval for such transaction must comply with the applicable rules and provisions of laws. Moreover, the Company's Board of Directors structure comprises four independent directors who are knowledgeable, competent and independent, which should serve as an additional inspection mechanism.

2. Management risk in its core subsidiaries due to less than 75 percent shareholding

The Company holds 56 percent of SEAN's registered and paid-up capital, and in 65 percent of BIC's registered and paid-up capital. Despite the fact that the Company's voting right in the shareholders' meeting is more than half, the Company is unable to control all voting rights since certain transactions, e.g., capital increase, capital decrease, business acquisition or takeover, all business sale or transfer, etc., require affirmative votes of not less than three-fourths of the shareholders attending the meeting and having the voting rights.

However, considering the shareholding percentage, board composition and authorized directors, as well as control and governance mechanisms, the majority of votes in the board meetings and the shareholders' meetings are under the Company's control. In addition, as for certain major transactions which may require affirmative votes from other groups of shareholders, both in the board meetings and in the shareholders' meetings, the Company believes that such transactions which will be beneficial to business operations will be approved by those other groups of shareholders.

¹ As at the closing date of the share register for the right to attend the Extraordinary General Meeting of Shareholders No 1/2014 on September 16, 2014

General Information and Other Significant Information

General Information

1. Information of CK Power Public Company Limited

Company Issuing Securities	CK Power Public Company Limited (the Company) or CKP for trading on the Stock Exchange of Thailand
Business	Holding company by holding shares in other companies engaging in core business of production and sales of electricity
Registration No.	0107556000167
Sector	Energy & Utilities
Industry	Resources
Registered Capital	1,100 million ordinary shares, fully paid-up, being the total registered and paid-up capital of Baht 5,500 Million
Par Value	Baht 5 per share
Offering Date of Newly Issued Shares on the Stock Exchange of Thailand	July 18, 2013
Foreign Limit	49 percent
Free Float	20 percent (as at the closing date of the share register for the right to attend the Extraordinary General Meeting of Shareholders No. 1/2014 on September 16, 2014)
Head Office	No. 587 Viriyathavorn Building, Sutthisarn Road, Dindaeng Subdistrict, Dindaeng District, Bangkok 10400
Telephone/Fax	02-691-9720-2 / 02-691-9723
Website	www.ckpower.co.th
Board of Directors	directors@ckpower.co.th
Corporate Secretary	compliance@ckpower.co.th
Investor Relations	ir@ckpower.co.th
Auditor	EY Office Limited No. 193/136-137, 33rd Floor, Lake Rajada Office Complex, Rajadapisek Road, Klongtoey, Bangkok 10110, Telephone: 02-264-7777, Fax: 02-264-0789
Securities Registrar	Thailand Securities Depository Co., Ltd. The Stock Exchange of Thailand Building, No. 62 Rachadapisek Road, Klongtoey District, Bangkok 10110 Telephone: 02-229-2800, Fax: 02-359-1259



2. Information of the Company's Subsidiaries

The Company invests in a total of nine subsidiaries, as follows:

Company/Address	Business	Registered Capital (Million Baht)	Par Value per share (Baht)	Paid-up Capital (Million Baht)	Shareholding Percentage (indirect*) (percent)
SouthEast Asia Energy Limited (SEAN) Head Office is located at No. 587 Viriyathavorn Building, Sutthisarn Road, Dindaeng Subdistrict, Dindaeng District, Bangkok	Investment and development of the Nam Ngum 2 Hydroelectric Power Project	6,607	10	6,607	56
Nam Ngum 2 Power Company Limited (NN2) Head Office is located at No. 215 Lane Xang Avenue, Ban Xiang Yuen, Chanthabuly District, Vientiane Province, Lao People's Democratic Republic	Production, sales, purchase and sale of electricity both inside and outside the country	8,809	10	8,809	42* (SEAN directly holds 75 percent of shares in NN2)
Bangpa-in Cogeneration Limited (BIC) Head Office is located at No. 587 Viriyathavorn Building, Sutthisarn Road, Dindaeng Subdistrict, Dindaeng District, Bangkok	Production and sales of electricity and all other types of energy (with its power plant located within Bang Pa-in Industrial Estate, Phra Nakhon Si Ayutthaya Province)	2,705 (EGM 1/2014 resolved to approve the registered capital increase to 1,335 MB.)	10	1,370	65
Bangkhenchai Co., Ltd. (BKC) Head Office is located at No. 587 Viriyathavorn Building, Sutthisarn Road, Dindaeng Subdistrict, Dindaeng District, Bangkok	Production and sales of electricity (with its power plant located at Tambon Khok Thai, Amphoe Pak Thong Chai, Nakhon Ratchasima Province)	234	100	234	100
CKP Solar Company Limited Head Office is located at No. 587 Viriyathavorn Building, Sutthisarn Road, Dindaeng Subdistrict, Dindaeng District, Bangkok	Development of electricity production business of various types	1	100	1	100
Helios Power Company Limited Head Office is located at No. 587 Viriyathavorn Building, Sutthisarn Road, Dindaeng Subdistrict, Dindaeng District, Bangkok	Development of electricity production business of various types	1	100	0.25	100

Company/Address	Business	Registered Capital (Million Baht)	Par Value per share (Baht)	Paid-up Capital (Million Baht)	Shareholding Percentage (indirect*) (percent)
Apollo Power Company Limited Head Office is located at No. 587 Viriyathavorn Building, Sutthisarn Road, Dindaeng Subdistrict, Dindaeng District, Bangkok	Development of electricity production business of various types	1	100	0.25	100
Sole Power Company Limited Head Office is located at No. 587 Viriyathavorn Building, Sutthisarn Road, Dindaeng Subdistrict, Dindaeng District, Bangkok	Development of electricity production business of various types	1	100	0.25	100
Vis Solis Company Limited Head Office is located at No. 587 Viriyathavorn Building, Sutthisarn Road, Dindaeng Subdistrict, Dindaeng District, Bangkok	Development of electricity production business of various types	1	100	0.25	100

3. Information of the Company's Associated Companies

The Company invests in a total of two associated companies, as follows:

Company/Address	Business	Registered Capital (Million Baht)	Par Value per share (Baht)	Paid-up Capital (Million Baht)	Shareholding Percentage (indirect*) (percent)
Chiangrai Solar Co., Ltd. (CRS) Head Office is located at No. 23/56 Sorachai Building, 17 th Floor, Soi Sukhumvit 63, Sukhumvit Road, North Klongton Subdistrict, Wattana District, Bangkok	Production, purchase and sale of electricity, with its plant located at No. 249 - 250, Moo 6, Tambon Tha Khao Plueak, Amphoe Mae Chan, Chiang Rai Province	291	100	277.21	30 (a joint investment with Sonnedix Thailand II Limited)
Nakhon Ratchasima Solar Co., Ltd. (NRS) Head Office is located at No. 23/56 Sorachai Building, 17 th Floor, Soi Sukhumvit 63, Sukhumvit Road, North Klongton Subdistrict, Wattana District, Bangkok	Production, purchase and sale of electricity, with its power plant located at No. 90 - 91, Tambon Takhian, Amphoe Dan Khun Thot Nakhon Ratchasima Province	221	100	188.42	30 (a joint investment with Sonnedix Thailand I Limited)

Other Significant Information

As at December 31, 2014, there is no information which may materially affect the decision of investors.



Information on Securities and Shareholders of the Company

1. Registered Capital and Issued and Paid-up Capital as at December 31, 2014

- (1) Registered capital: Baht 5,500 Million, Baht 5,500 Million of which has been paid up, divided into 1,100 million ordinary shares, at the par value of Baht 5 per share
- (2) The Company has no other shares than ordinary shares.

2. Shareholders

(1) List of Major Shareholders of the Company

(a) Top 10 major shareholders as at the closing of the share register for the right to attend the Extraordinary General Meeting of Shareholders No. 1/2014 on September 16, 2014 are as follows:

No.	Name	Number of Shares	Shareholding Percentage
1	CH. Karnchang Public Company Limited	349,600,000	31.78
2	TTW Public Company Limited	275,000,001	25.00
3	Bangkok Expressway Public Company Limited	255,399,999	23.22
4	Miss Surirat Techakamonsuk	10,523,700	0.96
5	Mr. Wichai Wachiraphong	9,533,300	0.87
6	CH. Karnchang-Tokyu Construction Co., Ltd.	8,000,000	0.73
7	Thai Life Insurance Public Company Limited	7,097,000	0.65
8	Mr. Sombat Phanichewa	6,300,000	0.57
9	Mr. Wichai Ekudomsin	5,550,000	0.50
10	Thai NVDR Co., Ltd.	3,869,008	0.35
	Total	930,873,008	84.63

(b) Major shareholders who have substantial influence on the Company's management policy or operations comprise:

No.	Name	Number of Shares	Shareholding Percentage
1	CH. Karnchang Public Company Limited	349,600,000	31.78
2	TTW Public Company Limited	275,000,001	25.00
3	Bangkok Expressway Public Company Limited	255,399,999	23.22
	Total	880,000,000	80.00

Remarks: - Top 10 shareholders of CH. Karnchang Public Company Limited as at the closing of the share register for the right to receive dividend on September 9, 2014 comprise:

No.	Name	Number of Shares	Shareholding Percentage
1	Mahasiri Siam Co., Ltd.	340,412,365	20.10
2	CH. Karnchang Holding Co., Ltd.	175,496,530	10.36
3	CK. Office Tower Co., Ltd.	93,348,212	5.51
4	Thai NVDR Co., Ltd.	70,119,718	4.14
5	Bangkok Bank Public Company Limited	38,950,000	2.30
6	STATE STREET BANK EUROPE LIMITED	30,160,631	1.78
7	Thai Value Focus Equity-Dividend Fund (VFOCUS-D)	24,001,200	1.42
8	EGAT Registered Provident Fund by UOB Asset Management (Thailand) Co., Ltd.	18,024,600	1.06
9	Mrs. Sophida Trivisvavet	15,383,225	0.91
10	Mr. Suchon Siriworakanwanich	13,400,000	0.79
	Total	819,296,481	48.37

- Top 10 shareholders of TTW Public Company Limited as at the closing of the share register for the right to attend the Extraordinary General Meeting of Shareholders No. 1/2014 on October 31, 2014 comprise:

No.	Name	Number of Shares	Shareholding Percentage
1	Mitsui Water Holdings (Thailand) Company Limited	1,036,500,000	25.98
2	Bangkok Expressway Public Company Limited	801,436,800	20.09
3	CH. Karnchang Public Company Limited	759,877,400	19.04
4	Thai NVDR Co., Ltd.	170,288,349	4.27
5	Bangkok Life Assurance Public Company Limited	166,177,800	4.16
6	Mr. Min Tieworn	72,000,000	1.80
7	STATE STREET BANK EUROPE LIMITED	59,903,924	1.50
8	AIA COMPANY LIMITED - AIA D-PLUS	59,800,000	1.50
9	HSBC (SINGAPORE) NOMINEES PTE LTD	43,645,533	1.09
10	AIA COMPANY LIMITED - APEX	38,198,600	0.96
	Total	3,207,828,406	80.39



- Top 10 shareholders of Bangkok Expressway Public Company Limited as at the closing of the share register for the right to receive dividend on September 11, 2014 comprise:

No.	Name	Number of Shares	Shareholding Percentage
1	CH. Karnchang Public Company Limited	116,669,550	15.15
2	Thai NVDR Co., Ltd.	78,665,882	10.22
3	THE BANK OF NEW YOURK (NOMINEES) LIMITED	60,149,912	7.81
4	Bangkok Bank Public Company Limited	53,795,390	6.99
5	Bangkok Life Assurance Public Company Limited	38,541,800	5.01
6	Krung Thai Bank Public Company Limited	38,500,550	5.00
7	Mr. Min Tieworn	22,500,000	2.92
8	STATE STREET BANK EUROPE LIMITED	22,411,734	2.91
9	HSBC (SINGAPORE) NOMINEES PTE LTD	14,407,400	1.87
10	United Overseas Bank (Thai) Public Company Limited	11,391,470	1.48
	Total	457,033,688	59.36

(2) List of Shareholders of Subsidiaries Operating Core Businesses

(a) SouthEast Asia Energy Limited (SEAN)

No.	Name	Number of Shares ¹	Shareholding Percentage
1	CK Power Public Company Limited	369,977,999	56.00
2	Ratchaburi Electricity Generating Holding Public Company Limited	220,225,000	33.33
3	PT Sole Co., Ltd. ²	35,236,000	5.33
4	Shlapak Development Company Limited ³	35,236,000	5.33
5	Mr. Nopadol Intralib	1	0.00
	Total	660,675,000	100.00

Remarks: ¹ Information as at the 2014 Annual Ordinary General Meeting of Shareholders on March 26, 2014. In 2014, SEAN's number of shares and shareholding percentage remained unchanged.

² Incorporated in the Lao People's Democratic Republic and registered for change of the company's name on February 20, 2014.

³ Incorporated in the Bahamas.

(b) Nam Ngum 2 Power Company Limited (NN2)

No.	Name	Number of Shares ¹	Shareholding Percentage
1	SouthEast Asia Energy Limited	660,675,000	75.00
2	EDL - Generation Public Company Limited ²	220,225,000	25.00
	Total	880,900,000	100.00

Remarks: ¹ Information as at the 2014 Annual Ordinary General Meeting of Shareholders on March 26, 2014. In 2014, NN2's number of shares and shareholding percentage remained unchanged.

² A subsidiary of Electricite du Laos

(c) Bangpa-in Cogeneration Limited (BIC)

No.	Name	Number of Shares ¹	Shareholding Percentage
1	CK Power Public Company Limited	175,824,998	65.00
2	Global Power Synergy Public Company Limited	67,625,001	25.00
3	Industrial Estate Authority of Thailand	21,640,000	8.00
4	Mrs. Napaporn Poowuttikul	5,410,000	2.00
5	Mr. Nopadol Intralib	1	0.00
	Total	270,500,000	100.00

Remark: ¹ Information as at the Extraordinary General Meeting of Shareholders No. 1/2014 on November 10, 2014. The Extraordinary General Meeting of Shareholders No. 1/2014 resolved to approve the registered capital increase and the offering of shares according to the shareholding percentages.

(d) Bangkhenchai Co., Ltd. (BKC)

No.	Name	Number of Shares ¹	Shareholding Percentage
1	CK Power Public Company Limited	2,342,498	100.00
2	Mr. Narong Sangsuriya	1	0.00
3	Mr. Vorapote Uchupaiboonvong	1	0.00
	Total	2,342,500	100.00

Remark: ¹ Information as at the 2014 Annual Ordinary General Meeting of Shareholders on April 29, 2014. In 2014, BKC's number of shares and shareholding percentage remained unchanged.

(e) CKP Solar Company Limited

No.	Name	Number of Shares ¹	Shareholding Percentage
1	CK Power Public Company Limited	9,997	100.00
2	Mr. Viboon Mongkolpiyathana	1	0.00
3	Mr. Vorapote Uchupaiboonvong	1	0.00
4	Miss Supamas Trivisvavet	1	0.00
	Total	10,000	100.00

Remark: Currently, CKP Solar Company Limited has not started its business operation.

¹ Information as at the 2014 Annual Ordinary General Meeting of Shareholders on April 28, 2014. In 2014, CKP Solar Company Limited's number of shares and shareholding percentage remained unchanged.



(f) Helios Power Company Limited

No.	Name	Number of Shares ¹	Shareholding Percentage
1	CK Power Public Company Limited	9,997	100.00
2	Mr. Viboon Mongkolpiyathana	1	0.00
3	Mr. Vorapote Uchupaiboonvong	1	0.00
4	Miss Supamas Trivisvavet	1	0.00
	Total	10,000	100.00

Remark: Currently, Helios Power Company Limited has not started its business operation.

¹ Information as at the 2014 Annual Ordinary General Meeting of Shareholders on April 28, 2014. In 2014, Helios Power Company Limited's number of shares and shareholding percentage remained unchanged.

(g) Apollo Power Company Limited

No.	Name	Number of Shares ¹	Shareholding Percentage
1	CK Power Public Company Limited	9,997	100.00
2	Mr. Viboon Mongkolpiyathana	1	0.00
3	Mr. Vorapote Uchupaiboonvong	1	0.00
4	Miss Supamas Trivisvavet	1	0.00
	Total	10,000	100.00

Remark: Currently, Apollo Power Company Limited has not started its business operation.

¹ Information as at the 2014 Annual Ordinary General Meeting of Shareholders on April 28, 2014. In 2014, Apollo Power Company Limited's number of shares and shareholding percentage remained unchanged.

(h) Sole Power Company Limited

No.	Name	Number of Shares ¹	Shareholding Percentage
1	CK Power Public Company Limited	9,997	100.00
2	Mr. Viboon Mongkolpiyathana	1	0.00
3	Mr. Vorapote Uchupaiboonvong	1	0.00
4	Miss Supamas Trivisvavet	1	0.00
	Total	10,000	100.00

Remark: Currently, Sole Power Company Limited has not started its business operation.

¹ Information as at the 2014 Annual Ordinary General Meeting of Shareholders on April 28, 2014. In 2014, Sole Power Company Limited's number of shares and shareholding percentage remained unchanged.

(i) Vis Solis Company Limited

No.	Name	Number of Shares ¹	Shareholding Percentage
1	CK Power Public Company Limited	9,997	100.00
2	Mr. Viboon Mongkolpiyathana	1	0.00
3	Mr. Vorapote Uchupaiboonvong	1	0.00
4	Miss Supamas Trivisvavet	1	0.00
	Total	10,000	100.00

Remark: Currently, Vis Solis Company Limited has not started its business operation.

¹ Information as at the 2014 Annual Ordinary General Meeting of Shareholders on April 28, 2014. In 2014, Vis Solis Company Limited's number of shares and shareholding percentage remained unchanged.

(3) Shareholders' Agreement

As at December 31, 2014, the Company has no shareholders' agreement.

3. Issuance of Securities

As at December 31, 2014, the Company has not issued any other securities.

4. Policy on Dividend Payment**4.1 CK Power Public Company Limited**

The Company has a policy on dividend payment to shareholders from its separate financial statements at the rate of not less than 40 percent of the net profit after deduction of corporate income tax and legal reserve. In this regard, the rate of such dividend payment may vary from the specified rate subject to the operational results, financial position, liquidity, necessity in current investments, working capital, additional investments, business expansion, conditions and restrictions specified in the loan agreement, and other relevant factors in the management as the Board of Directors and/or the Company's shareholders may deem appropriate.

4.2 SouthEast Asia Energy Limited (SEAN)

SEAN has a policy on dividend payment to shareholders from SEAN's separate financial statements at the rate of not less than 40 percent of the net profit after deduction of corporate income tax and legal reserve. In this regard, the rate of such dividend payment may vary from the specified rate subject to the operational results, financial position, liquidity, necessity in current investments, working capital, additional investments, business expansion, conditions and restrictions specified in the loan agreement, and other relevant factors in the management as the Board of Directors and/or SEAN's shareholders may deem appropriate.

4.3 Nam Ngum 2 Power Company Limited (NN2)

NN2 has a policy on dividend payment to shareholders from NN2's separate financial statements at the rate of not less than 40 percent of the net profit after deduction of corporate income tax and legal reserve. In this regard, the rate of such dividend payment may vary from the specified rate subject to the operational results, financial position, liquidity, necessity in current investments, working capital, additional investments, business expansion, conditions and other relevant factors in the management as the Board of Directors and/or NN2's shareholders may deem appropriate, as well as restrictions specified in the loan agreement. The conditions in the long-term loan agreement specify that NN2 may make the dividend payment only after:



Reserves have been made to fully meet the following requirements:

- 1.1 Operating Account: The Company must reserve funds for payment of the operating expenses for three months;
- 1.2 Accrual Account: The Company must reserve funds for payment of the principal and interest in the next installment;
- 1.3 Debt Service Reserve Account: The Company must reserve funds in the amount equivalent to the principal and interest in the next six months;
- 1.4 PPA Bond Drawings Sub-Account: The Company must reserve funds in case where the Company is unable to comply with the conditions of the PPA.

The remaining cash after the provision of reserve in the accounts above will be divided into two parts, whereby the first part of 20 percent of the remaining cash will be used for mandatory prepayment to the creditors; and NN2 may use the second part of 80 percent of the remaining cash to make dividend payment, provided that the DSCR shall not be less than 1.10 times; and after the dividend payment, such ratio shall not be less than 1.05 times.

4.4 BIC's Policy on Dividend Payment

BIC has a policy on dividend payment to shareholders from BIC's separate financial statements at the rate of not less than 40 percent of the net profit after deduction of corporate income tax and legal reserve. In this regard, the rate of such dividend payment may vary from the specified rate subject to the operational results, financial position, liquidity, necessity in current investments, working capital, additional investments, business expansion, conditions and restrictions specified in the loan agreement, and other relevant factors in the management as the Board of Directors and/or BIC's shareholders may deem appropriate, as well as restrictions specified in the loan agreement. The conditions in the long-term loan agreement specify that BIC may make the dividend payment only after:

Reserves have been made to fully meet the following requirements:

- 1.1 Debt Service Reserve Account: The Company must reserve funds in the amount equivalent to the principal and interest in the next six months;
- 1.2 Major Maintenance Reserve Account: The Company must reserve fund for unplanned outage and major maintenance.

The remaining cash after the provision of reserve in the accounts above will be used for dividend payment, provided that the DSCR shall not be less than 1.20 times; and after the dividend payment, such ratio shall not be less than 1.10 times.

4.5 BKC's Policy on Dividend Payment

BKC has a policy on dividend payment to shareholders from BKC's separate financial statements at the rate of not less than 40 percent of the net profit after deduction of corporate income tax and legal reserve. In this regard, the rate of such dividend payment may vary from the specified rate subject to the operational results, financial position, liquidity, necessity in current investments, working capital, additional investments, business expansion, conditions and restrictions specified in the loan agreement, and other relevant factors in the management as the Board of Directors and/or BKC's shareholders may deem appropriate, as well as restrictions specified in the loan agreement. The conditions in the long-term loan agreement specify that BIC may make the dividend payment only after:

Reserves have been made to fully meet the following requirements:

- 1.1 Debt Service Reserve Account: The Company must reserve funds in the amount equivalent to the principal and interest in the next six months;
- 1.2 Major Maintenance Reserve Account: The Company must reserve fund for unplanned outage and major maintenance.

The remaining cash after the provision of reserve in the accounts above will be used for dividend payment, provided that the DSCR shall not be less than 1.20 times; and after the dividend payment, such ratio shall not be less than 1.10 times.

Management Structure

The Company's management structure consists of the Board of Directors and four subcommittees, namely, the Audit Committee, the Executive Committee, the Nomination and Remuneration Committee, the Corporate Governance and Risk Management Committee, and the management team, as follows:

1. Board of Directors

The Board of Directors understands its roles, duties and responsibilities in relation to the Company's management in compliance with the laws, objectives and articles of association of the Company as well as resolutions passed by shareholders' meetings which are legally valid, taking into account the integrity and due care for the interests of the Company and shareholders. The Company's management structure is clear, counterbalancing and auditable.

As at December 31, 2014, the Board of Directors consists of 11 directors, namely:

- 4 executive directors;
- 3 non-executive directors;
- 4 independent directors.

Name	Position	Appointment Date	Number of Meetings in 2014 ¹
Dr. Thanong Bidaya	- Chairman of the Board of Directors - (Independent Director)	August 23, 2012	4/4
Mr. Plew Trivisvavet	- Director - Chairman of the Executive Committee (Executive Director)	March 21, 2013	3/4
Mr. Techapit Sangsingkeo	- Director - Chairman of the Audit Committee (Independent Director)	April 22, 2014	4/4
Mr. Narong Sangsuriya	- Director - Chairman of the Corporate Governance and Risk Management Committee (Non-executive Director)	March 21, 2013	4/4
Dr. Vicharn Aramvareekul	- Director - Chairman of the Nomination and Remuneration Committee - Member of the Audit Committee - Member of the Corporate Governance and Risk Management Committee (Independent Director)	August 23, 2012	4/4



Name	Position	Appointment Date	Number of Meetings in 2014 ¹
Mr. Supong Chayutsahakij	- Director (Non-executive Director)	March 21, 2013	4/4
Mr. Prawet Ingadapa	- Director - Member of the Audit Committee - Member of the Nomination and Remuneration Committee (Independent Director)	April 22, 2014	4/4
Mr. Prasert Marittanaporn	- Director - Executive Director - Member of the Nomination and Remuneration Committee (Executive Director)	April 22, 2014	4/4
Mr. Thanawat Trivisvavet	- Director - Executive Director (Executive Director)	March 21, 2013	3/4
Mr. Alvin Gee	- Director (Non-executive Director)	February 26, 2013	3/4
Dr. Supamas Trivisvavet	- Director - Executive Director - Member of the Corporate Governance and Risk Management Committee - Managing Director - Corporate Secretary (Executive Director)	April 22, 2014	4/4
Mr. Sompodh Sripoom ²	- Director - Executive Director (Executive Director)	September 26, 2011 until March 15, 2014	1/4

Remarks: Information on qualifications of persons holding positions as the Company's directors appears in Attachment 1 - the Company's 2014 Annual Registration Statement (Form 56-1).

¹ Total Number of Meetings/Attendances

² Mr. Sompodh Sripoom tendered his resignation effective on March 15, 2014.

The Chairman of the Board of Directors

It is a policy of the Company that the Chairman of the Board of Directors and the Managing Director not be the same person, in order to clearly distinguish between the policy making, and the day-to-day management. The Company clearly separates roles, duties and responsibilities between the Board of Directors and management and also ensures a counterbalance of power in its operations, whereby the Board of Directors determines policies, supervises and monitors the performance of management at the policy level, while management is responsible to manage the Company's various works to comply with the specified policies. In this regard, Dr. Thanong Bidaya, as an independent director, holds the position of Chairman of the Board of Directors, due to his knowledge, ability and experience, and the Company firmly believes that he will be able to lead the Company to accomplish the Company's vision and mission.

The Company's authorized signatory directors

1. Mr. Prasert Marittanaporn and Dr. Supamas Trivisvavet jointly sign and affix the Company's seal; or
2. Either Mr. Prasert Marittanaporn or Dr. Supamas Trivisvavet jointly sign with Mr. Plew Trivisvavet or Mr. Supong Chayutsahakij or Mr. Narong Sangsuriya or Mr. Alvin Gee or Mr. Thanawat Trivisvavet, totaling two directors, jointly sign and affix the Company's seal.

Appointment, Resignation and Retirement from Directorship

The shareholders' meeting appoints directors who have the qualifications and do not have any prohibited characteristic as specified by law, and do not have any characteristic indicating a lack of appropriateness in respect of trustworthiness in management of a business whose shares are held by public shareholders as specified by the Office of the Securities and Exchange Commission. In this regard, there must be at least five directors, of whom not less than one-third must be independent directors, and not less than one-half must reside in Thailand.

In case of a vacancy on the directorship position otherwise than retirement by rotation, the Board of Directors may select any person who is qualified as a replacement director at the following meeting with the votes of three-fourths of the remaining number of directors. The replacement director will hold office only for the remaining term of the director whom he or she replaces.

At every annual ordinary general meeting, one-third of the number of directors vacate office. If the number of directors is not a multiple of three, then the number nearest to one-third must retire from office, and any director wishing to resign from the Company must submit a resignation letter, effective from the date of the Company's receipt of the resignation letter.

Scope of powers, duties and responsibilities of the Board of Directors per the details under the Board of Directors' Charter are as follows:

1. To convene the annual ordinary general meeting of shareholders within four months from the end of the Company's accounting period; provided that the Company will submit notices of the Board of Directors' meetings and of the shareholders' meetings, including meeting agenda and supporting documents, at least such period of time in advance as specified in the Company's articles of association;
2. To convene the Board of Directors' meetings at least once every three months, and all Board members should attend to consider passing resolutions on material matters or transactions; such material transactions include acquisition or disposition of assets of the Company or its subsidiaries which may materially affect the Company, acquisition or disposition of material assets, expansion of investment projects, consideration and approval of connected transactions under the SET rules, determination of authority levels and determination of policies on financial management and risk management of the Company, etc.;
3. To arrange for a reliable system for accounting, financial reporting and auditing, as well as to maintain a document filing system which is capable of verification of accuracy, together with efficient and effective internal control, internal audit and risk management;



4. To prepare the financial statements at the end of the Company's accounting period to correctly present the financial position and operational results of the previous year which must be realistic, complete and correct in accordance with generally accepted accounting standards, and have the same audited by the Company's auditor prior to submission to the shareholders' meeting;
5. To set goals, direction, policies and business operation plans as well as budget of the Company, conduct the monitoring and supervision of the management and administration by Management to ensure compliance with the specified policies, plans and budget efficiently and effectively as well as monitoring and supervising the Company, its subsidiaries and associated companies, to ensure compliance with the laws on securities and exchange, notifications of the Capital Market Supervisory Board, the SET regulations, together with applicable laws relating to the Company's business;
6. To consider, review, examine and approve the business expansion plan, large scale investment projects, including any joint investment with other operators as proposed by the Management;
7. To apply the Control Policy and Governance Mechanisms to its subsidiaries or associated companies, namely:
 - 7.1 To perform the duties within the scope of duties and responsibilities for directors as specified and approved by the Board of Directors' meeting in connection with the appointment as directors or executives of subsidiaries in accordance with the Company's shareholding in such subsidiaries;
 - 7.2 To continuously monitor the operational results of the subsidiaries and associated companies to ensure compliance with the operation plans and budget;
 - 7.3 To ensure that the subsidiaries disclose accurate and complete information to the Company regarding their financial position and operational results, connected transactions and acquisition or disposition of material assets;
 - 7.4 In case a subsidiary executes a transaction with a connected person, acquires or disposes of assets or executes any other material transactions, the Board of Directors, in particular such directors or any other person approved by resolutions of the Board of Directors' meeting of the Company for appointment as directors or executives of such subsidiary, has a duty to ensure that the subsidiary complies with the mechanisms relating to connected transactions, acquisition and disposition, including material transactions as specified by the Company; provided that the subsidiary will consider and execute such transactions in compliance with the applicable rules on execution of such transactions of similar nature and size as those of the Company which require resolutions of the meeting of the Board of Directors or of shareholders of the Company, as the case may be.
8. To consider and pass a resolution to approve the appointment or replacement of persons as directors and/or executives in subsidiaries or associated companies, in accordance with the Company's shareholding in the subsidiaries or associated companies, and to apply the Control Policy and Governance Mechanisms to the subsidiaries or associated companies, in order to demonstrate that the Company adheres to the governance mechanisms for its subsidiaries under the notifications of the Capital Market Supervisory Board and applicable regulations;
9. To consider specifying the management structure, to have the power to appoint an Executive Committee, Managing Director and other subcommittees as appropriate, e.g., Audit Committee, Nomination Committee, Remuneration Committee, etc., including to determine the scope of power and duties as well as remuneration of the Executive Committee, Managing Director and such subcommittees so appointed in compliance with the rules and notifications of the Capital Market Supervisory Board and/or any other notifications of the relevant authorities, without a manner of empowerment to consider and approve any transaction which may give rise to a conflict of interest or any other benefits, to be executed with the Company or its subsidiaries, except for approval of such transactions in compliance with the policies and rules which have already been considered and approved by the Board of Directors;

10. To authorize one or several directors or any other person(s) to take any action on its behalf, subject to its monitoring and supervision, or may authorize such person(s) to have such powers and for such period of time as it deems appropriate, which may be cancelled, revoked, changed or amended at any time by the Board as appropriate. The said authorization must not be construed to empower such person(s) to consider and approve any transaction in which he or she or other person(s) may have a conflict or interest or any other conflict of interest, except for approval of such transaction in the ordinary course of business and on the general trading conditions or in compliance with the policies and rules which have already been considered and approved by the Board of Directors, subject to the rules, conditions and procedures as specified in relation to connected transactions and acquisition or disposition of material assets of listed companies under the notifications of the Capital Market Supervisory Board and/or any other notifications of the relevant authorities;
11. To report to the Company on their own interests and their related parties' interests in connection with the business management of the Company or its subsidiaries, subject to the rules, conditions and procedures as specified by the Capital Market Supervisory Board;
12. To be liable to traders of securities of the Company for any damage arising from such disclosure to shareholders or the general public of any materially false information or from omission of any material facts that should have been disclosed, as specified in the laws on securities and exchange, except where such directors and executives can prove that they, in their capacities, were not in a position to verify the genuineness of such information or the omission thereof;
13. To refrain from using internal information of the Company and of its subsidiaries or associated companies, whether available through the performance of duties or by any other means, which gives or may give rise to material impact on the Company, its subsidiaries or associated companies, for personal gain or for others, whether directly or indirectly, and whether with or without consideration;
14. To report to the Company on their relationships and transactions with the Company, its subsidiaries or associated companies in any matter which may give rise to a conflict of interest, and to avoid any transaction which may give rise to a conflict of interest with the Company, its subsidiaries or associated companies.

1.1 Subcommittees

Based on the powers under the aforesaid Board of Directors' Charter, the Board of Directors appoints four subcommittees to perform the managerial duties as follows:

(1) Executive Committee

As at December 31, 2014, the Executive Committee comprises four members, per names and number of their meeting attendances listed below:

Name	Position	Number of Meetings in 2014 ¹
Mr. Plew Trivisvavet	Chairman of the Executive Committee	9/9
Mr. Prasert Marittanaporn	Executive Director	9/9
Mr. Thanawat Trivisvavet	Executive Director	8/9
Dr. Supamas Trivisvavet	Executive Director/Managing Director/ Secretary to the Executive Committee	9/9
Mr. Sompodh Sripoom ²	Executive Director (he vacated his position)	2/9

Remarks: The Executive Committee has the scope of powers and duties per the details in Corporate Governance Section Item 2 Subcommittee (1) Executive Committee.

¹ Total Number of Meetings/Attendances

² Mr. Sompodh Sripoom tendered his resignation effective on March 15, 2014.



(2) Audit Committee

As at December 31, 2014, the Audit Committee comprises three independent directors, per names and number of their meeting attendances listed below:

Name	Position	Number of Meetings in 2014 ¹
Mr. Techapit Sangsingkeo ²	Chairman of the Audit Committee	6/6
Dr. Vicharn Aramvareekul ²	Member of the Audit Committee	6/6
Mr. Prawet Ingadapa	Member of the Audit Committee	6/6

Remarks: A member of the Audit Committee shall have a term of office of three years according to the term of office as director. Upon expiration of the term of office, he may be re-appointed under the resolution of the Board of Directors' Meeting. The Audit Committee has the scope of powers and duties per the details in Corporate Governance Section Item 2 Subcommittee (2) Audit Committee.

¹ Total Number of Meetings/Attendances

² As a member of the Audit Committee who is knowledgeable and experienced to review the Company's financial statements.

(3) Corporate Governance and Risk Management Committee

As at December 31, 2014, the Corporate Governance and Risk Management Committee comprises one independent director, one non-executive director, and one executive director, totaling three persons, per names and number of their meeting attendances listed below:

Name	Position	Number of Meetings in 2014 ¹
Mr. Narong Sangsuriya	Chairman of the Corporate Governance and Risk Management Committee	4/4
Dr. Vicharn Aramvareekul	Member of the Corporate Governance and Risk Management Committee	4/4
Dr. Supamas Trivisvavet	Member of the Corporate Governance and Risk Management Committee	3/4

Remarks: A member of the Corporate Governance and Risk Management Committee shall have a term of office of three years according to the term of office as director. Upon expiration of the term of office, he/she may be re-appointed under the resolution of the Board of Directors' Meeting. The Corporate Governance and Risk Management Committee has the scope of powers and duties per the details in Corporate Governance Section Item 2 Subcommittee (3) Corporate Governance and Risk Management Committee.

¹ Total Number of Meetings/Attendances

(4) Nomination and Remuneration Committee

As at December 31, 2014, the Nomination and Remuneration Committee comprises two independent directors and one executive director, totaling three persons, per names and number of their meeting attendances listed below:

Name	Position	Number of Meetings in 2014 ¹
Dr. Vicharn Aramvareekul	Chairman of the Nomination and Remuneration Committee	1/1
Mr. Prawet Ingadapa	Member of the Nomination and Remuneration Committee	1/1
Mr. Prasert Marittanaporn	Member of the Nomination and Remuneration Committee	1/1

Remarks: A member of the Nomination and Remuneration Committee shall have a term of office of three years according to the term of office as director. Upon expiration of the term of office, he/she may be re-appointed under the resolution of the Board of Directors' Meeting. The Nomination and Remuneration Committee has the scope of powers and duties per the details in Corporate Governance Section Item 2 Subcommittee (4) Nomination and Remuneration Committee.

¹ Total Number of Meetings/Attendances

1.2 Board of Directors of Subsidiaries

(1) SouthEast Asia Energy Limited (SEAN)

As at December 31, 2014, SEAN's board of directors consists of ten directors, per names and number of their meeting attendances listed below:

Name	Position	Number of Meetings in 2014 ¹
Dr. Virabongsa Ramangkura	Chairman of the Board of Directors	4/4
Mr. Plew Trivisvavet	Chairman of the Executive Board	4/4
Mr. Supong Chayutsahakij	Director	4/4
Mr. Narong Sangsuriya	Director Executive Director	4/4
Mr. Prasert Marittanaporn	Director	3/4
Mr. Peerawat Pumthong	Director	4/4
Mr. Van Hoang Dau	Director Executive Director	4/4
Mr. Milton William Shlapak	Director	4/4
Mr. Kriengrit Jiajanpong ²	Director Executive Director	2/4
Mr. Somnuk Jindasup ³	Director Executive Director	2/4
Mr. Alvin Gee	Executive Director / Managing Director	4/4

Remarks: Information on qualifications of persons holding positions as the Subsidiaries' directors appears in Attachment 2 - the Company's 2014 Annual Registration Statement (Form 56-1).

¹ Total Number of Meetings/Attendances

² Mr. Kriengrit Jiajanpong served as director and executive director from September 12, 2013 to July 21, 2014.

³ Mr. Somnuk Jindasup serves as director and executive director from July 22, 2014 until the present.

Authorized Signatory Directors of SEAN

- Two of the following four directors, namely, Mr. Plew Trivisvavet, Mr. Narong Sangsuriya, Mr. Prasert Marittanaporn, Mr. Alvin Gee, jointly sign and affix SEAN's seal; or
- Either Mr. Plew Trivisvavet or Mr. Narong Sangsuriya or Mr. Prasert Marittanaporn or Mr. Alvin Gee, and another director, totaling two directors, jointly sign and affix SEAN's seal.

(2) Nam Ngum 2 Power Company Limited (NN2)

As at December 31, 2014, NN2's board of directors consists of 13 directors, per names and number of their meeting attendances, as follows:



Name	Position	Number of Meetings in 2014 ¹
Dr. Virabongsa Ramangkura	Chairman of the Board of Directors	5/5
Mr. Plew Trivisvavet	Chairman of the Executive Board	5/5
Mr. Supong Chayutsahakij	Director	5/5
Mr. Narong Sangsuriya	Director and Executive Director	5/5
Mr. Prasert Marittanaporn	Director	4/5
Mr. Thanawat Trivisvavet	Director Executive Director	5/5
Mr. Peerawat Pumthong	Director	5/5
Mr. Van Hoang Dau	Director Executive Director	5/5
Mr. Milton William Shlapak	Director	5/5
Mr. Bounleua Sinxayvolavong	Director	2/5
Mr. Sisavath Thiravong ²	Director	1/5
Mr. Bounsalong Southidara ³	Director	3/5
Mr. Kriengrit Jiajanpong ⁴	Director Executive Director	2/5
Mr. Somnuk Jindasup ⁵	Director Executive Director	3/5
Mr. Alvin Gee	Executive Director Managing Director	5/5

Remarks: Information on qualifications of persons holding positions as the Subsidiaries' directors appears in Attachment 2 - the Company's 2014 Annual Registration Statement (Form 56-1).

¹ Total Number of Meetings/Attendances

² Mr. Sisavath Thiravong held such position from March 23, 2012 to February 23, 2014.

³ Mr. Bounsalong Southidara holds such position from February 24, 2014 until the present.

⁴ Mr. Kriengrit Jiajanpong held such position from September 12, 2013 to July 21, 2014.

⁵ Mr. Somnuk Jindasup holds such position from July 22, 2014 until the present.

Authorized Signatory Directors of NN2

NN2 is a company incorporated in the Lao People's Democratic Republic (Lao PDR), and no conditions for authorized signatory directors are clearly specified like companies incorporated in Thailand. However, NN2 determines the same criteria for signing to bind the company as SEAN, which is NN2's major shareholder, in its operations as follows:

- Two of the following four directors, namely, Mr. Plew Trivisvavet, Mr. Narong Sangsuriya, Mr. Prasert Marittanaporn, Mr. Alvin Gee, jointly sign and affix NN2's seal; or
- Either Mr. Plew Trivisvavet or Mr. Narong Sangsuriya or Mr. Prasert Marittanaporn or Mr. Alvin Gee, and another director, totaling two directors, and jointly sign and affix NN2's seal.

(3) Bangpa-in Cogeneration Limited (BIC)

As at December 31, 2014, BIC's board of directors consists of five directors, per names and number of their meeting attendances listed below:

Name	Position	Number of Meetings in 2014 ¹
Mr. Narong Sangsuriya	Chairman of the Board of Directors	4/4
Mr. Kamphuy Jiraruensak	Director	4/4
Mr. Vorapote Uchupaiboonvong	Director	4/4
Mr. Vuthikorn Satithit	Director	4/4
Mr. Woravudh Anuruxwongsri	Managing Director	4/4

Remarks: Information on qualifications of persons holding positions as the Subsidiaries' directors appears in Attachment 2 - the Company's 2014 Annual Registration Statement (Form 56-1).

¹ Total Number of Meetings/Attendances

Authorized Signatory Directors of BIC

Two directors jointly sign and affix BIC's seal.

(4) Bangkhengchai Co., Ltd. (BKC)

As at December 31, 2014, BKC's board of directors consists of five directors, per names and number of their meeting attendances listed below:

Name	Position	Number of Meetings in 2014 ¹
Mr. Viboon Mongkolpiyathana	Director	3/3
Mr. Vorapote Uchupaiboonvong	Director	3/3
Dr. Supamas Trivisvavet	Director	3/3
Mr. Somkiat Pattamamongkolchai	Director	3/3
Mr. Sombat Trivisvavet	Managing Director	3/3

Remarks: Information on qualifications of persons holding positions as the Subsidiaries' directors appears in Attachment 2 - the Company's 2014 Annual Registration Statement (Form 56-1).

¹ Total Number of Meetings/Attendances

Authorized Signatory Directors of BKC

Two directors jointly sign and affix BKC's seal.



2. Management Team

2.1 CK Power Public Company Limited

As at December 31, 2014, the Company has a total of nine executives, per names and positions, as follows:

Name	Position
Dr. Supamas Trivisvavet	Managing Director
Mr. Thanawat Trivisvavet	Deputy Managing Director: Management and Acting Assistant Managing Director - Accounting and Finance
Mr. Asa Arthayookti	Deputy Managing Director: Electrical and Mechanical Engineering
Mr. Michael Eric Raeder	Deputy Managing Director: Civil Engineering
Miss Nithawadee Limpodom	Assistant Managing Director - Business Development
Miss Parichat Othayakul	Assistant Managing Director - Compliance Unit
Miss Rujira Chuaybamrung	Assistant Managing Director - Assets & Subsidiary Management
Mr. Varoth Saksucharita	Assistant Managing Director - Administration
Miss Piyanuch Marittanaporn	General Manager of Finance and Accounting Division

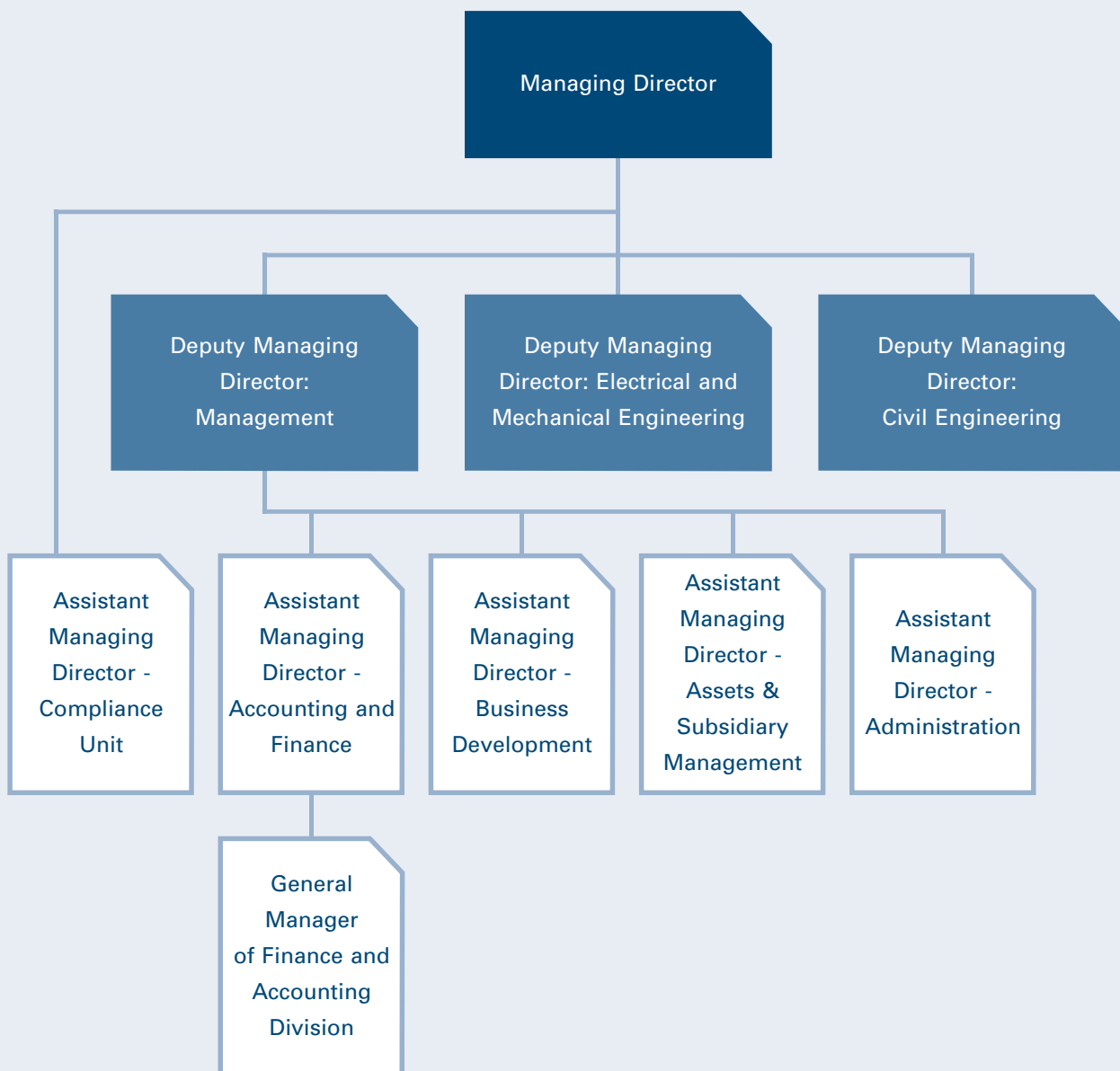
Remark: Information on qualifications of persons holding positions as the Company's executives appears in Attachment 1 - the Company's 2014 Annual Registration Statement (Form 56-1).

Scope of powers, duties and responsibilities of the Managing Director

1. To supervise and ensure proper operations in compliance with the Company's work rules, and to give final decision on any issues in question, and to seek the Board of Directors' approval for amendment of the work rules;
2. To have power to issue orders, set out criteria, procedures and work practices as appropriate;
3. To authorize other staff as substitute to perform works on his/her behalf, provided that the Managing Director shall remain responsible for all actions taken by such substitute;
4. To jointly set out policies, strategies and goals with the Board of Directors for compliance and management to ensure that the operational results achieve such goals;
5. To manage and administer works in all respects in accordance with the vision, missions, policies and strategies;
6. To take care of personnel in various divisions to ensure they can efficiently and effectively perform in line with plans, strategies and goals of each division, and to regularly facilitate personnel development;
7. To develop the organization to ensure its satisfactory operational results and performance, and to regularly and continuously improve its operations to ensure the organization's sustainable growth;
8. To follow up, inspect, supervise and report the Company's overall operational results to the Board of Directors quarterly;
9. To follow up, inspect, and supervise the operational results of subsidiaries and/or associated companies as invested in by the Company to ensure the good operational results in accordance with goals and report on such results to the Board of Directors quarterly as well as seeking opportunities to improve performance;

10. To conduct studies on investment opportunities in new projects taking into account technical and financial feasibility in support of decision-making;
11. To supervise and monitor the business operations and/or day-to-day administration of the Company;
12. To proceed with or manage works in compliance with policies, action plans and budget as approved by the Board of Directors and/or the Executive Committee;
13. To determine policies, business plans, including business strategies, and annual budget of the Company for submission to the Executive Committee and seek approval thereof from the Board of Directors.

The Company's Management Structure as at December 31, 2014





2.2 Executives of Subsidiaries

As at December 31, 2014, executives of four subsidiaries which engage in core businesses, per names and positions, are as follows:

(1) SouthEast Asia Energy Limited (SEAN)

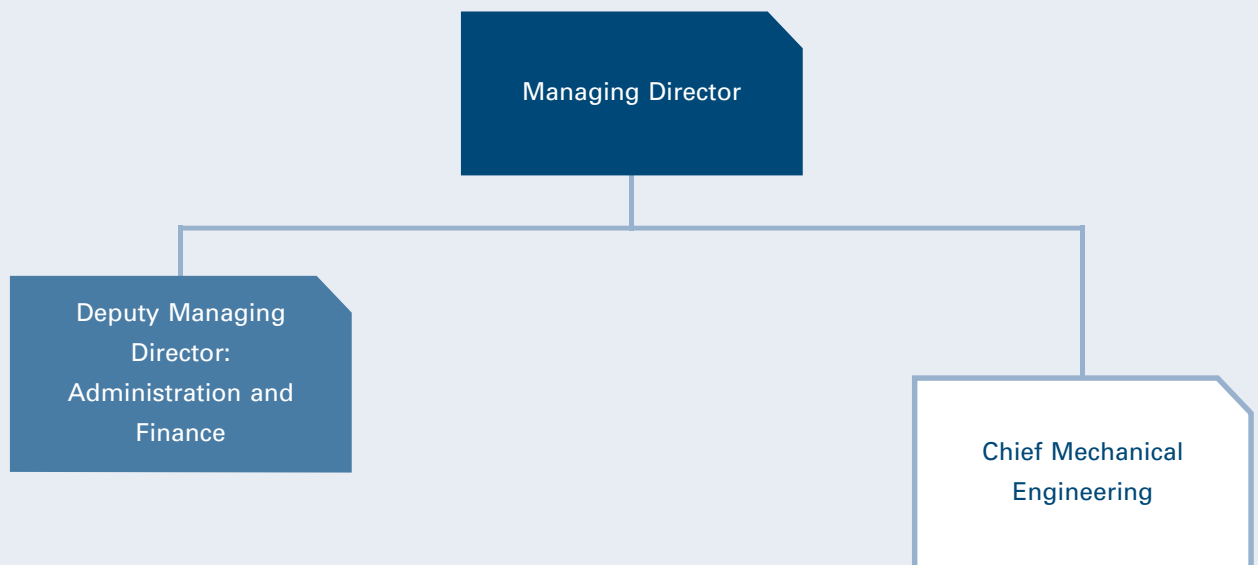
Name ¹	Position
Mr. Alvin Gee	Managing Director and Deputy Managing Director: Administration and Finance
Mr. Rajesh Razdan	Chief Mechanical Engineering

Remarks: Information on qualifications of persons holding positions as the Subsidiaries' executives appears in Attachment 2 - the Company's 2014 Annual Registration Statement (Form 56-1).

SouthEast Asia Energy Limited operates the business as a holding company by holding shares in Nam Ngum 2 Power Company Limited.

¹ SouthEast Asia Energy Limited underwent its organization restructure and transferred most of its staff to CK Power Public Company Limited in February 2014.

SEAN's Management Structure as at December 31, 2014



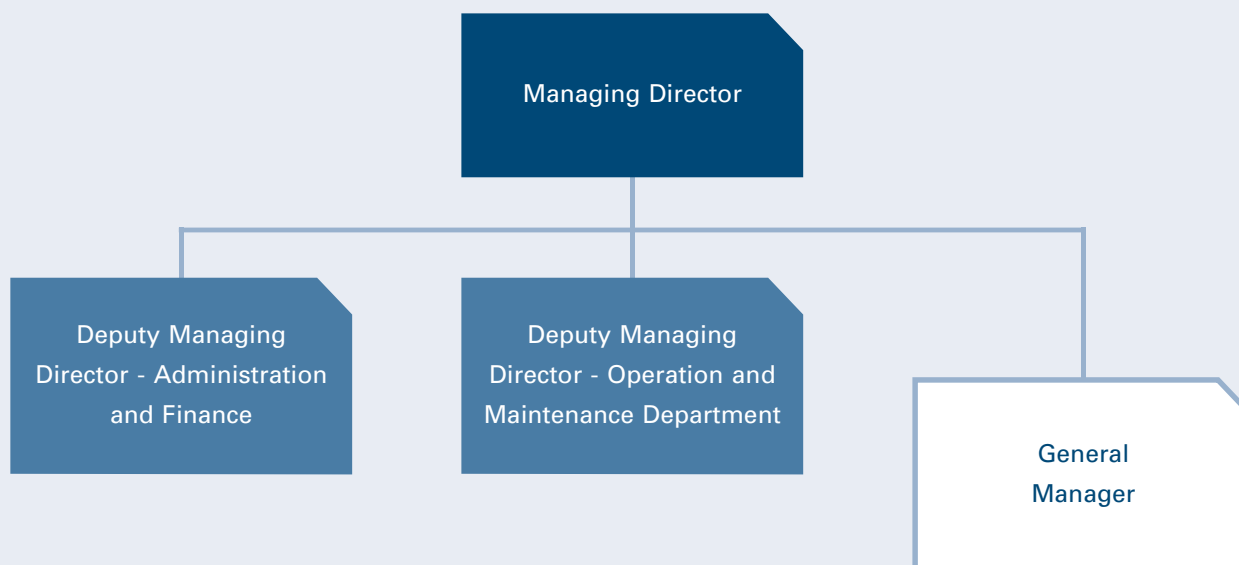
(2) Nam Ngum 2 Power Company Limited (NN2)

Name ¹	Position
Mr. Alvin Gee	Managing Director and Deputy Managing Director, Administration and Finance Department
Mr. Yoshihiro Kawasaki	Deputy Managing Director, Operation and Maintenance Department
Mr. Sakchai Chaiyawan	General Manager

Remarks: Information on qualifications of persons holding positions as the Subsidiaries' executives appears in Attachment 2 - the Company's 2014 Annual Registration Statement (Form 56-1).

¹ Nam Ngum 2 Power Company Limited entered into a technical management service agreement with CK Power Public Company Limited in February 2014.

NN2's Management Structure as at December 31, 2014

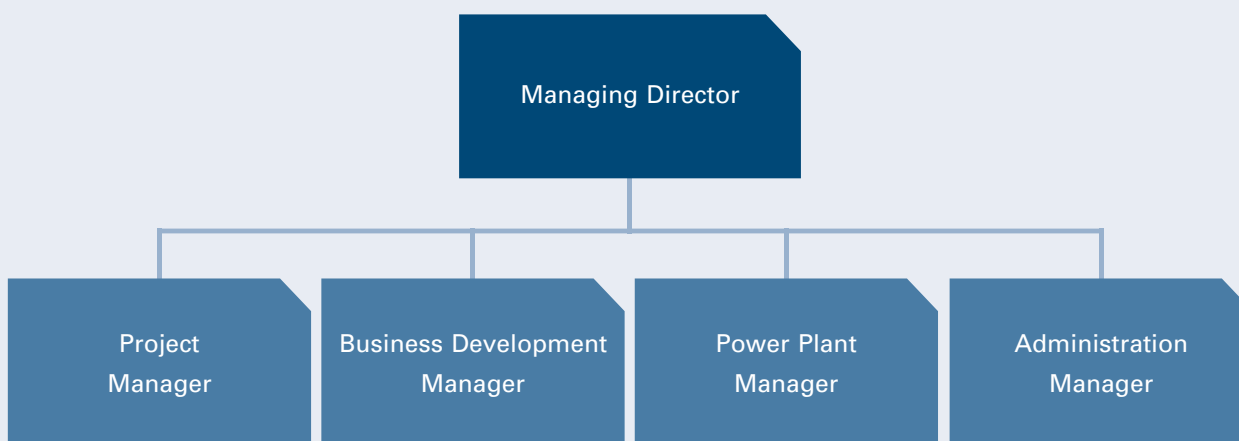


(3) Bangpa-in Cogeneration Limited (BIC)

Name	Position
Mr. Woravudh Anuruxwongsri	Managing Director
Mr. Chumpol Vessabutra	Project Manager
Mr. Tossaporn Thipvoratham	Business Development Manager
Mr. Kitpoat Srasomsub	Power Plant Manager
Miss Najsucha Kwanthong	Administration Manager Acting the Accounting and Finance Manager

Remarks: Information on qualifications of persons holding positions as the Subsidiaries' executives appears in Attachment 2 - the Company's 2014 Annual Registration Statement (Form 56-1).

BIC's Management Structure as at December 31, 2014



(4) Bangkhenchai Co., Ltd. (BKC)

Name ¹	Position
Mr. Sombat Trivisvavet	Managing Director
Mrs. Aranya Thongaranyik	General Manager
Miss Saranpat Suwannawat	Corporate Administration Manager

Remarks: Information on qualifications of persons holding positions as the Subsidiaries' executives appears in Attachment 2 - the Company's 2014 Annual Registration Statement (Form 56-1).

BKC's Management Structure as at December 31, 2014



3. Corporate Secretary

The Board of Directors' Meeting resolved to appoint Dr. Supamas Trivisvavet, Managing Director, to hold office as Corporate Secretary, with powers, duties and responsibilities as described in the Securities and Exchange Act B.E. 2535 (1992) and its Amendment, and as Secretary to the Board of Directors to monitor activities of the Board of Directors and coordinate arrangements to ensure compliance with the resolutions of the Board of Directors, as follows:

1. To convene meetings and prepare and keep the following documents:
 - (1) The register of directors;
 - (2) The notices of directors' meetings, minutes of meetings of the Board of Directors and an annual report of the Company;
 - (3) The notices of shareholders' meetings and minutes of shareholders' meetings;
 - (4) The report on interest filed by directors or executives; to perform other matters.
2. To provide advice to directors relating to relevant legal provisions, rules, requirements, and regulations;

3. To ensure the Company's compliance with laws, the Company's articles of association, relevant regulations and good corporate governance principles, as well as coordinating to ensure compliance with resolutions of the Board of Directors or resolutions of the shareholders with efficiency;
4. To ensure disclosure of information and report on information memoranda to the regulatory units;
5. To contact and communicate with shareholders and the relevant regulatory units;
6. To promote training in various courses and provide information useful for new directors.

The details of qualifications of the person who holds the position of Corporate Secretary are described in Attachment 1 - the Company's 2014 Annual Registration Statement (Form 56-1).

4. Remuneration for Directors and Executives

The Company provides reasonable remuneration for its directors and executives as per the criteria for remuneration for submission to the shareholders' meeting for consideration and approval, as follows:

- (1) Remuneration shall be reasonable for and in line with the scope of duties and responsibilities of each director, e.g., Chairman of the Board of Directors, chair of each subcommittee and members of the Executive Committee, the Audit Committee, the Nomination and Remuneration Committee, and the Corporate Governance and Risk Management Committee, who shall be eligible for additional remuneration for such position;
- (2) Remuneration shall be comparable to that of other companies in the same industry, with comparable experience, including benefits expected from each director, and sufficient to attract and retain knowledgeable and qualified directors to perform duties for the Company;
- (3) Elements of remuneration are clear, transparent and easy to understand.

The remuneration for executives is subject to the criteria as specified by the Board of Directors, namely, such remuneration is appropriate and sufficient to attract and retain qualified high ranking executives to work for the Company, as well as at a rate comparable to that of other companies at the same level or in the same business sector. In 2014, the remuneration of directors and executives is as follows:

4.1 Remuneration for Directors and Executives of CK Power Public Company Limited

The Company sets out a policy on reasonable remuneration for directors and executives of the Company and its subsidiaries, and the Nomination and Remuneration Committee has the duty to consider and review the appropriateness in line with the duties and responsibilities of the Board of Directors and subcommittees, by considering in comparison with other companies in the same industry and similar size. The details of remuneration for directors and executives are as follows:

(a) Remuneration for directors

(1) Monetary remuneration

For the year ended December 31, 2014, the 2014 Annual Ordinary General Meeting of Shareholders on April 22, 2014 considered approving remuneration for directors and subcommittees for 2014 in the form of office remuneration in the total amount not exceeding Baht 5,000,000.00, as per the following details:



Unit : Baht

Name of Director	Position	Office Remuneration for 2014					Bonus for 2013	Total
		Board of Directors	Executive Committee	Audit Committee	Corporate Governance and Risk Management Committee	Nomination and Remuneration Committee		
Dr. Thanong Bidaya	Chairman of the Board of Directors	600,000.00	-	-	-	-	-	600,000.00
Mr. Plew Trivisvavet	Chairman of the Executive Committee	300,000.00	100,000.00	-	-	-	-	400,000.00
Mr. Techapit Sangsingkeo	Chairman of the Audit Committee	300,000.00	-	100,000.00	-	-	-	400,000.00
Mr. Narong Sangsuriya ¹	Director	300,000.00	-	-	100,000.00	-	-	400,000.00
Dr. Vicharn Aramvareekul ²	Member of the Audit Committee	300,000.00	-	40,000.00	40,000.00	100,000.00	-	480,000.00
Mr. Supong Chayutsahakij	Director	300,000.00	-	-	-	-	-	300,000.00
Mr. Prawet Ingadapa	Member of the Audit Committee	300,000.00	-	40,000.00	-	40,000.00	-	380,000.00
Mr. Prasert Marittanaporn	Executive Director	300,000.00	40,000.00	-	-	40,000.00	-	380,000.00
Mr. Thanawat Trivisvavet	Executive Director	300,000.00	40,000.00	-	-	-	-	340,000.00
Mr. Alvin Gee	Director	300,000.00	-	-	-	-	-	300,000.00
Dr. Supamas Trivisvavet	Executive Director Managing Director	300,000.00	40,000.00	-	40,000.00	-	-	380,000.00
Mr. Sompodh Sripoom ³	Executive Director	75,000.00	10,000.00	-	-	-	-	85,000.00
Total		3,675,000.00	230,000.00	180,000.00	180,000.00	180,000.00	-	4,445,000.00

Remarks: ¹ Chairman of the Corporate Governance and Risk Management Committee

² Chairman of the Nomination and Remuneration Committee

³ Mr. Sompodh Sripoom resigned from the directorship and management on March 15, 2014.

(2) Other remuneration

- None -

(b) Remuneration for executives

Remuneration for the Company's executives for 2014 consists of remuneration for executive directors and remuneration of executives, totaling Baht 26,314,948.00. It is noted that executive directors do not receive any remuneration other than office remuneration as executive director, as per the details in the table of remuneration for directors and subcommittees in Clause 4.2.

4.2 Remuneration for directors and executives of subsidiaries

1. SouthEast Asia Energy Limited (SEAN)

(a) Remuneration for directors

(1) Monetary remuneration

SEAN's board of directors concurrently holds office as directors in NN2. Therefore, the board of directors' meeting of SEAN resolved to grant approval for the board of directors and executive board of SEAN to only receive office remuneration as directors and executive directors in NN2.

(2) Other remuneration

- None -

(b) Remuneration for executives

Remuneration for executives for 2014 consists of remuneration for executive directors and remuneration for executives, totaling Baht 13,177,380.00. It is noted that executive directors of SEAN receive office remuneration as executive directors in NN2.

2. Nam Ngum 2 Power Company Limited (NN2)

(a) Remuneration for directors

(1) Monetary remuneration

For the year ended December 31, 2014, the 2014 Annual Ordinary General Meeting of Shareholders on April 26, 2014 considered approving remuneration for directors and subcommittees for 2014 in the form of office remuneration in the total amount not exceeding Baht 12,420,000.00, as per the following details:



Unit: Baht

Name of Director	Position	Office Remuneration for 2014		Bonus for 2013	Total
		Board of Directors	Executive Board		
Dr. Virabongsa Ramangkura	Chairman of the Board of Directors	700,000.00	-	1,000,000.00	1,700,000.00
Mr. Plew Trivisvavet	Chairman of the Executive Board	300,000.00	320,000.00	800,000.00	1,420,000.00
Mr. Supong Chayutsahakij	Director	300,000.00	-	400,000.00	700,000.00
Mr. Narong Sangsuriya	Director/ Executive Director	300,000.00	120,000.00	600,000.00	1,020,000.00
Mr. Prasert Marittanaporn	Director	300,000.00	-	400,000.00	700,000.00
Mr. Thanawat Trivisvavet	Executive Director	300,000.00	120,000.00	600,000.00	1,020,000.00
Mr. Peerawat Pumthong	Director	300,000.00	-	538,630.14	838,630.14
Mr. Van Hoang Dau	Director/ Executive Director	300,000.00	120,000.00	600,000.00	1,020,000.00
Mr. Milton William Shlapak	Director	300,000.00	-	400,000.00	700,000.00
Mr. Bounleua Sinxayvolavong	Director	300,000.00	-	400,000.00	700,000.00
Mr. Sisavath Thiravong ¹	Director	45,000.00	-	400,000.00	445,000.00
Mr. Bounsalong Southidara ²	Director	255,000.00	-	-	255,000.00
Mr. Kriengrit Jiajanpong ³	Director/ Executive Director	167,119.56	66,874.83	184,109.59	418,076.98
Mr. Somnuk Jindasup ⁴	Director/ Executive Director	132,880.44	53,152.17	-	186,032.61
Mr. Noppol Milinhanggoon ⁵	Director	-	-	277,260.27	277,260.27
Mr. Kamphuy Jiraruensak ⁶	Director	-	-	69,041.10	69,041.10
Mr. Alvin Gee	Executive Director/ Managing Director	300,000.00	120,000.00	530,958.90	950,958.90
Total		4,300,000.00	920,027.00	7,200,000.00	12,420,000.00

Remarks: Information on qualifications of persons holding positions as the Subsidiaries' directors appears in Attachment 2 - the Company's 2014 Annual Registration Statement (Form 56-1).

¹ Mr. Sisavath THIRAVONG held such position from March 23, 2012 to February 23, 2014.

² Mr. Bounsalong SOUTHIDARA holds such position from February 24, 2014 until the present.

³ Mr. Kriengrit Jiajanpong held such position from September 12, 2013 to July 21, 2014.

⁴ Mr. Somnuk Jindasup holds such position from July 22, 2014 until the present.

⁵ Mr. Noppol Milinhanggoon held such position in 2013 from January 1 to September 11, 2013.

⁶ Mr. Kamphuy Jiraruensak held such position in 2013 from January 1 to February 25, 2013.

(2) Other remuneration

- None -

(b) Remuneration for executives

Remuneration for executives for 2014 consists of remuneration for executive directors and remuneration for executives. The details of remuneration for executive directors appear in the table of remuneration for directors of NN2 mentioned above while remuneration for executives of NN2 consists of office remuneration for four executives in the total amount of Baht 13,961,871.00.

3. Bangpa-in Cogeneration Limited (BIC)(a) Remuneration for directors

(1) Monetary remuneration

For the year ended December 31, 2014, the 2014 Annual Ordinary General Meeting of Shareholders on March 27, 2014 considered approving remuneration for directors for 2014 in the total amount not exceeding Baht 1,320,000.00.

Unit : Baht

Name of Director	Position	Office Remuneration for 2014	Bonus for 2013	Total
Mr. Narong Sangsuriya	Chairman of the Board of Directors	360,000.00	-	360,000.00
Mr. Kamphuy Jiraruensak	Director	240,000.00	-	240,000.00
Mr. Vorapote Uchupaiboonvong	Director	240,000.00	-	240,000.00
Mr. Vuthikorn Satithit	Director	240,000.00	-	240,000.00
Mr. Woravudh Anuruxwongsri	Director/ Managing Director	240,000.00	-	240,000.00
Total		1,320,000.00		1,320,000.00

(2) Other remuneration

- None -

(b) Remuneration for executives

There is no executive director in BIC, remuneration for executives for 2014 then is remuneration for executives, consisting of salary, bonus and remuneration. There are five executives in BIC. The total remuneration is Baht 10,082,350.00.

4. Bangkhenchai Co., Ltd. (BKC)(a) Remuneration for directors

(1) Monetary remuneration

For the year ended December 31, 2014, the 2014 Annual Ordinary General Meeting of Shareholders on April 29, 2014 considered approving remuneration for directors for 2014 in the total amount not exceeding Baht 300,000.00.



Name of Director	Position	Office Remuneration for 2014	Bonus for 2013	Total
Mr. Viboon Mongkolpiyathana	Director	60,000.00	-	60,000.00
Mr. Vorapote Uchupaiboonvong	Director	60,000.00	-	60,000.00
Dr. Supamas Trivisvavet	Director	60,000.00	-	60,000.00
Mr. Somkiat Pattamamongkolchai	Director	60,000.00	-	60,000.00
Mr. Sombat Trivisvavet	Managing Director	60,000.00	-	60,000.00
Total		300,000.00		300,000.00

(2) Other remuneration

- None -

(b) Remuneration for executives

There is no executive director in BKC, remuneration for executives for 2014 then is remuneration for executives, consisting of salary and bonus. There are three executives in BKC. The total remuneration is Baht 5,143,414.00.

5. Personnel

5.1 Number of Personnel and Remuneration of the Company and its Subsidiaries

As at December 31, 2014, the Company has a total staff of 54 persons. In 2014, the Company paid staff remuneration in the amount of Baht 64,699,055.00, namely, salary, bonus, social security allowance, and contribution to the provident fund (the Company contributes five percent of staff salary to the provident fund).

Moreover, the subsidiaries paid staff remuneration in the same manner as the Company, which amounted to a total of Baht 172,858,530.85.

Company	Number of Personnel ¹	Remuneration ²
CK Power Public Company Limited	54	64,699,055.00
SouthEast Asia Energy Limited	11	18,623,322.31
Nam Ngum 2 Power Company Limited	33	32,942,238.86
Bangpa-in Cogeneration Limited	54	56,593,964.68
Bangkhenchai Co., Ltd. ³	-	-
Total	152	172,858,580.85

Remarks: ¹ The total number of personnel from the executive level downward, which is in accordance with the details in Management Structure Section Item 2 Executive.

² The total remuneration for personnel from the executive level downward, which is in line with the details in Item 2.1 CK Power Public Company Limited.

³ Bangkhenchai Co., Ltd. engages ENSYS Co., Ltd. to operate and maintain the solar power plant.

5.2 Personnel Management of the Company and its Subsidiaries

The Company has a significant change in number of staff due to its human resource management restructure to ensure the Company more efficiently controls and manages each subsidiary. The Company accepted the transfer of staff from SEAN totaling 25 persons.

Other subsidiaries have no any significant change in number of staff.

The Company has not any labor dispute over the past years.

5.3 Personnel Development Policy

Management realizes the significance of improvement of skills and capabilities of staff in respect of management skills, team building and learning about specific professional knowledge. Staff is encouraged to learn and continuously improve themselves by participating in training and seminars, so that they can perform their works efficiently and competitively. The Company is determined to continue its implementation under the personnel development policy to ensure the improvement of staff.



Corporate Governance

The Board of Directors is confident that the good corporate governance serves as an important factor to reflect the efficient, transparent, and auditable management systems and also as an important factor to promote the Company's overall success as a socially responsible organization. These will help build the trust and confidence on the part of shareholders, investors, stakeholders and all related parties. The Company has adhered to and complied with good corporate governance principles through operations of the Board, the management and staff by setting out the Company's corporate governance policy in accordance with the Principles of Good Corporate Governance of the Stock Exchange of Thailand, regulations of the Securities and Exchange Commission (SEC Office), and the Capital Market Supervisory Board, and in line with the ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard) to accomplish the Company's vision and mission with sustainability.

1. Corporate Governance Policy

To ensure clarity and transparency, the Board of Directors sets out the corporate governance policy in writing, covering the significant matters under the Principles of Good Corporate Governance of the Stock Exchange of Thailand (Stock Exchange), comprising five main categories, namely, Rights of Shareholders, Equal Treatment for Shareholders, Role of Stakeholders, Disclosure and Transparency, and Responsibilities of the Board of Directors, per the detail as follows:

1. The Rights of Shareholders

The Company recognizes and realizes the significance of various fundamental rights of shareholders, i.e., right to purchase, sell or transfer shares, right to accept profit sharing of the business, right to access adequate information and news of the business, right to attend meetings to exercise the voting right at shareholders' meetings for appointment or removal of directors, appointment of auditors, and any matters which have an impact upon the Company, such as allocation of dividends, determination or amendment of the Articles of Association and the Memorandum of Association, capital decrease or increase, etc.

In addition to the aforesaid fundamental rights, the Company also proceeds with various matters which support and facilitate shareholders' exercise of the rights, such as:

- The invitation letter to attend a shareholders' meeting and supporting documents are delivered to shareholders at least seven days or 14 days (as the case may be) in advance. Such invitation letter contains details on the agenda, various documents in support of the agenda, together with opinions of the Board of Directors, proxy forms as specified by the Ministry of Commerce, and the list of independent directors, as an option for shareholders to appoint a proxy to attend the meeting, including map of the meeting venue.
- In the event that shareholders are unable to attend the meeting in person, the Company allows shareholders to appoint an independent director or any person as proxy to attend the meeting by using any of the proxy forms delivered by the Company with the notice of the meeting.
- Shareholders may propose any item to the agenda and nominate candidate(s) for appointment as independent director.

- The Company has a policy to have all directors attend the shareholders' meeting, in particular the chairs of subcommittees, to explain or answer shareholders' questions in the meeting, and allows all shareholders to have equal rights to ask questions, share opinions and offer suggestions. Related directors and executives attend the shareholders' meeting to answer questions in the meeting, as well as to take shareholders' opinions and suggestions into consideration or for further actions as appropriate.
- Upon completion of the meeting, the Company will prepare the minutes of the shareholders' meeting, which contain correct and complete information, within 14 days from the meeting date and submit the same to relevant authorities within the specified period of time.

2. The Equal Treatment for Shareholders

The Company has a policy to ensure equal and fair treatment and protection of rights of all shareholders, including executive and non-executive shareholders, Thai or foreign shareholders, major or minor shareholders. The Company provides an option for shareholders who are unable to attend the meeting in person to appoint an independent director or any person as proxy to attend the meeting and vote on their behalf. Minor shareholders are allowed to propose any item to the agenda in advance prior to the shareholders' meeting and nominate candidates for appointment as directors in advance in due course. The meetings are conducted in accordance with the Articles of Association. Full details of each item on the agenda must be provided, together with adequate supporting information. Furthermore, any items which have not been made known to shareholders in advance may not be added to the agenda, except where necessary, especially for such matters on which shareholders must take time to consider relevant information prior to making a decision.

The Board of Directors imposes measures against insider trading by related persons, including directors, executives, staff, and employees, as well as their spouses and minor children, and also imposes punishments for disclosure or use of the Company's information for personal gain in accordance with the corporate governance policy relating to insider trading. Directors and executives of the Company acknowledge the duty to report to the SEC Office on their holdings of securities in the Company, including those of their spouses and minor children, as well as on any changes in such securities holdings.

3. The Role of Stakeholders

The Company realizes the significance of rights of stakeholders and ensures fair treatment of all related parties, with the details as follows:

Shareholders

The Company is committed to serving as good representative of shareholders in its business operation to ensure shareholders' utmost satisfaction, taking into account the long-term growth of the Company's value with good and steady returns, including transparent and reliable disclosures to shareholders.

Staff

The Company regards all of its staff as important and instrumental in facilitating the Company's business development to the future. The Company thus focuses on the continuing development of competency, knowledge, abilities and skills of staff. The Company formulates a policy on payment of remuneration to staff based on the Company's operational results and the average remuneration rates for staff in the electricity production businesses of similar scale, to be reviewed yearly in accordance with the average remuneration for staff in the electricity business sector of similar scale, together with the knowledge and abilities of each staff member. The Company also provides a working environment that ensures the quality of life and work safety. The Company treats all staff members equally and fairly. In this regard, the Company is responsible to regularly maintain a working environment to ensure the safety of life and property for staff, and strictly complies with the labor laws. Staff privacy is well



respected, whereby their personal data, such as salary, medical treatment records, family background, will not be disclosed to any third party or unrelated persons, except for such information required to be disclosed to relevant third parties under the provisions of laws.

Trade Competitors

The Company adheres to fair competition rules and applicable laws, meets standard competition practices, and avoids any dishonest means to discredit competitors.

Communities and Society

The Company, as a Thai organization, is grateful to the country as a responsible member of society and provides social contributions and support to activities in the communities where its business is conducted. The Company is greatly concerned about environmental impacts, and as such, helps raise awareness about the corporate responsibility for communities and society, as well as provides support to activities which are useful for the public and refrains from engaging in any illegal activities.

4. Disclosure and Transparency

The Company is aware of the significance of accurate, complete and transparent disclosure of both financial and general information in accordance with the rules of the SEC Office and the Stock Exchange of Thailand, including material information which may affect prices of the Company's securities, and consequently decision-making on the part of its investors and stakeholders, and ensures equal access to such information for all parties concerned.

The Board of Directors acknowledges its responsibility for the accurate, complete, realistic and justifiable information in financial statements. The Company's financial statements are prepared in accordance with generally acceptable accounting standards, subject to the selected accounting policies and regular compliance, with an exercise of discretion with due care, including adequate disclosure in the notes to the financial statements. Moreover, the Board of Directors manages to maintain an effective internal control system to reasonably assure that accounting records are correct, and complete and adequately monitor its assets; to detect any flaw; and to prevent any fraud or unusual conduct. In this respect, the Audit Committee comprising non-executive directors is appointed to perform the duty to review the financial reports, connected transactions, and the internal control system. The Audit Committee directly reports to the Board of Directors.

5. Responsibilities of the Board of Directors

1. Structure of the Board of Directors

The Board of Directors comprises qualified persons who have knowledge, abilities and experience on an executive level from various organizations and from a diverse variety of professions. The Board of Directors' advisors, who are knowledgeable and specialize in different areas, namely, accounting, finance, administration, and engineering, are appointed for consultation on administrative matters. Therefore, they can efficiently apply their experience, knowledge and abilities to develop and determine policies and directions of the Company's business operations to ensure the utmost benefits to the Company and shareholders. The Board of Directors plays a key role to introduce policies and sustain the corporate image, along with supervision, monitoring, inspection, follow-up on work performance of the management and assessment of the Company's operational results according to plan.

The Board of Directors is composed of a total of 11 directors, comprising four executive directors and seven non-executive directors, with four independent directors (including the Chairman of the Board of Directors) who represent not less than one-third of the total number of directors. Such structure gives rise to a counterbalance of votes on consideration of various matters. Furthermore, the Board of Directors appoints four subcommittees to help supervise and monitor the Company's business, namely, the Executive Committee, the Audit Committee, the Corporate Governance and Risk Management Committee, and the Nomination and Remuneration Committee.

2. Roles, Duties and Responsibilities of the Board of Directors

The Company requires the Board of Directors to comply with the code of best practice for directors of listed companies in accordance with the guidelines of the Stock Exchange of Thailand (Stock Exchange). The Board of Directors must acknowledge and understand their roles, duties and responsibilities, and perform the duties in accordance with the laws, business objectives, the Articles of Association of the Company, together with resolutions of shareholders' meetings, with integrity, in the best interests of the Company and shareholders. The Board of Directors determines policies, business goals, business plans and budget of the Company, and also supervises and monitors to ensure the efficiency and effectiveness of the management's operations in compliance with the specified policies, action plans and budget to ensure the utmost benefits of the Company and shareholders. Furthermore, the Board of Directors arranges for the Board of Directors' performance evaluation, which covers various matters under the Principles of Good Corporate Governance for Listed Companies of the Stock Exchange of Thailand, as described in Responsibilities of the Board of Directors above.

In this regard, the Board of Directors regularly reviews its policies and compliance with such policies, and communicates the good corporate governance policy to all personnel in the organization in order to ensure their full and proper compliance. Moreover, to efficiently supervise and monitor its subsidiaries and associated companies in which the Company invests as if they were business units of the Company, the Company then sets the Control Policy and Governance Mechanisms for those businesses in which the Company invests, for use as a mechanism for supervision and monitoring of those subsidiaries and associated companies. This is to ensure that the subsidiaries and associated companies adopt management and internal control systems in material matters in compliance with the rules of the SEC Office and the Stock Exchange in the same manner as the Company. Furthermore, the Company requires the Board of Directors to regularly meet every three months, and all directors are requested to attend such meetings. In the past, at least three-fourths of all directors attended each meeting, and all directors managed to attend meetings to jointly consider significant agenda items. In 2014, the percentage of meeting attendances of each director exceeds 80 percent, and 80 percent of all directors attended every meeting. The Company gives top priority to information to be used by the Board of Directors in support of its consideration. It then has set out in the Company's Corporate Governance Policy the period of delivery of each meeting's supporting documents to directors at least seven days prior to the meeting date, except for any urgent matters.

Other than the good corporate governance principles and best practices of the Stock Exchange of Thailand, the Company also determines policies and work rules and regulations to promote its good corporate governance, as follows:

(1) Conflict of Interest Policy

The Company realizes the significance of transparent consideration of various transactions which are useful for the Company, and then adopts a policy to prevent any transactions which may give rise to a conflict of interests or represent connected transactions, as follows:

- Directors and executives must inform the Company of their relationships or connected transactions in any business which may give rise to a conflict of interests;
- Any connected transaction with directors which may give rise to a conflict of interest with the Company must be avoided. Any connected transaction which is necessary to be executed must be proposed to the Audit Committee to consider providing an opinion prior to seeking the Board of Directors' approval in accordance with the good corporate governance principles and to ensure compliance with the rules as specified by the Stock Exchange and the SEC Office;
- Executives and staff must comply with the Articles of Association and the code of business ethics of the Company, which is considered a significant matter for strict compliance, in order to ensure all



stakeholders' trust in the Company's reliability, and which is made known to all staff of the Company to ensure their understanding and compliance accordingly.

(2) Internal Control System

The Company is aware of the significance of the internal control system at the management and operating levels, and then clearly determines the scope of powers, duties and authorities in writing, supervises, monitors and maximizes the use of assets, as well as separates the duties and responsibilities for approval, recording of accounting transactions and information memorandum, and storage and care of assets, to ensure an appropriate counterbalance and audit system. Moreover, the Company also implements an internal control relating to financial system by way of financial reporting to the executives in charge. In addition, the Company and its subsidiaries plan to employ the same auditor for convenient control and management of accounting and finance.

The Company sets out clear and measurable business goals. The management must review and compare the actual operational results with the specified goals; assess external and internal risk factors found in the operations; analyze contributing factors and determine measures to follow up events which cause such risk factors, including measures to minimize risks and delegation to relevant units to regularly follow up and report on such risks to the Board of Director.

(3) Remuneration for Directors and Executives

The Company fixes remuneration for directors and executives at the rate which is appropriate and sufficient to retain the qualified directors and executives without any excessive remuneration; and comparable to that of other companies in the same sector. Factors to be considered include experience, duties, and the scope of their roles and responsibilities. Remuneration for directors is subject to consideration and approval from shareholders' meetings of the Company, while remuneration for executives complies with the principles and policies as specified by the Board of Directors, considering duties, responsibilities and performance of each executive, together with the Company's operational results, as described in Management Section clause 4.1.

(4) Development of Directors and Executives

The Board of Directors has a policy to promote, support, and facilitate training and learning for personnel responsible for the Company's corporate governance system, including directors, Audit Committee members, executives, Corporate Secretary, in order to regularly improve their performance on a yearly basis, i.e., relevant programs organized by the Thai Institute of Directors Association (IOD).

(5) Report of the Board of Directors

The Board of Directors is responsible for the Company's financial statements. The Audit Committee is authorized to review the financial report and ensure that the financial report is of good quality and accuracy in accordance with generally acceptable accounting standards, and with transparent and adequate disclosure of the Company's material information. The Accounting Division and/or the auditor jointly meet and propose the financial report to the Board of Directors every quarter. The Board of Directors is responsible for the Company's financial statements, including financial information memoranda (report on responsibilities of the Board of Directors towards financial report) as appears in the Annual Report, that such financial statements are prepared in accordance with the accounting standards and are audited and certified by the Company's auditor, and that the material information and news, both financial and non-financial, is completely and regularly disclosed based on the facts.

2. Subcommittees

The Board of Directors has established four subcommittees to closely follow up and supervise the operations, and regularly report on the results to the Board of Directors, comprising the Executive Committee, the Audit Committee, the Corporate Governance and Risk Management Committee, and the Nomination and Remuneration Committee. The Board of Directors appoints and determines the duties and responsibilities of each subcommittee. As at December 31, 2014, the Company had four subcommittees, per names and details of the scope of power, duties, and responsibilities, as follows:

(1) Executive Committee

The Executive Committee comprises four directors. The Executive Committee sets out the business direction and strategies to meet the goals as specified by the Board of Directors and to ensure smooth administration. The Executive Committee's scope of power and duties under the Executive Committee's Charter is as detailed below:

Scope of powers, duties and responsibilities of the Executive Committee per the details under the Executive Committee's Charter is as follows:

1. The Executive Committee has powers, duties and responsibilities to manage matters in relation to the ordinary course of business and management of the Company; scrutinize and set out policies, business plans, budget, management structure, with managerial powers of the Company; and set out criteria for business operation in line with the economic conditions, for submission to the Board of Directors' Meeting for consideration and approval and/or endorsement, including review and follow up of the Company's operational results in accordance with the specified policies;
2. To propose goals, policies, business plans, including business strategies and annual budget of the Company, business expansion, financial plans, human resources management policies as well as to consider and screen the proposals of Management for submission to the Board of Directors for consideration and approval;
3. To monitor and supervise the Company's business operations to ensure compliance with policies, action plans, and budget as approved by the Board of Directors;
4. To consider approving operations in the ordinary course of business, together with operations in support of the ordinary course of business of the Company on an arm's length basis, but not exceeding budget as approved by the Board of Directors or approved in principle by the Board of Directors' resolution, subject to the rules of the Office of the Securities and Exchange Commission, including the Stock Exchange of Thailand in relation to connected transactions (connected transactions) and acquisition or disposition of assets (acquisition or disposition transactions);
5. To have power to authorize one or several persons to take any action, subject to supervision of the Executive Committee, or such person(s) may be authorized to have such powers and for such period of time as the Executive Committee may deem appropriate, and such authorization may be cancelled, revoked, changed or amended as appropriate at any time by the Executive Committee; provided that the said authorization must not empower person(s) or appoint substitute(s) to enable such person(s) authorized by the Executive Committee to approve any transaction in which he or she or other person(s) may have a conflict or interest or any other conflict of interest, to be executed with the Company or its subsidiaries and/or associated companies, except for approval of such transaction in the ordinary course of business and on an arm's length basis in compliance with the notifications of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or the relevant authorities, subject to approval in principle by the Board of Directors;
6. To consider profit and loss of the Company, proposals for payment of interim or annual dividends for submission to the Board of Directors' consideration or screening and proposing such matters to the shareholders' meeting for approval;
7. To consider approving the interim dividend of subsidiaries;



8. To consider approving any connected transactions in which no member of the Executive Committee has an interest under the same general commercial terms as those an ordinary person would agree with a general counterparty under the same circumstances, on the basis of commercial negotiation without any influence between the Company and its subsidiaries, directors, executives or other parties concerned, as well as to take necessary steps in relation to such transactions, and to consider authorizing any persons to proceed with such matters under the scope of such authorization from time to time. The Executive Committee must report to the Board of Directors' Meeting on such transactions that are of a material high value on a quarterly basis or as required by the Board of Directors;
9. To perform any other functions as assigned by the Board of Directors from time to time.

(2) Audit Committee

There are three independent directors holding the position of members of the Audit Committee, who have qualifications under the regulations as specified and announced by the SEC Office. The Audit Committee's duty is to inspect and control the Company's operations to ensure compliance with the regulations of the relevant regulatory agencies for submission to the Board of Directors for consideration and acknowledgement. In this regard, members of the Audit Committee are Mr. Techapit Sangsingkeo and Dr. Vicharn Aramvareekul, who have adequate knowledge and experience in accounting to review the reliability of the Company's financial statements. Members of the Audit Committee have a term of office for three years according to the term of directorship office. Upon expiration of the term of office, he/she may be re-appointed by the resolution of the Board of Directors' Meeting. The Audit Committee's scope of powers and duties under the Audit Committee's Charter is as detailed below:

Scope of powers, duties and responsibilities of the Audit Committee per the details under the Audit Committee's Charter is as follows:

1. To review to ensure that the Company's financial reports are accurate and adequate;
2. To consider approving the quarterly financial statements for submission to the Board of Directors for acknowledgement in the following Board of Directors' Meeting;
3. To review to ensure that the Company's internal control and internal audit systems are suitable and effective, consider the independence of the internal audit unit and provide opinions on consideration for appointment, transfer, termination of employment of head of the internal audit unit or any other unit responsible for the internal audit;
4. To review to ensure the Company's performance in compliance with the laws on securities and exchange, requirements of the Stock Exchange of Thailand and the laws relating to the Company's business, and review to ensure the Company's subsidiaries' performance in compliance with the regulations specified in the Control Policy and Governance Mechanisms;
5. To consider, select, submit for appointment of a person who is independent to serve as the Company's auditor, and propose remuneration of such person as well as meeting with the auditor without the Management Team at least once a year;
6. To consider connected transactions or transactions which may involve a conflict of interest, including transactions on acquisition or disposition of assets of the Company and its subsidiaries in compliance with the laws and requirements of the Stock Exchange of Thailand, together with the Control Policy and Governance Mechanisms, in order to ensure that such transactions are justified and of the utmost benefit to the Company;
7. To prepare reports of the Audit Committee to be disclosed in the Company's Annual Report, which reports must be signed by the Chairman of the Audit Committee and be comprised of at least the information as required by the Stock Exchange of Thailand;

8. To perform any other activities as assigned by the Board of Directors and approved by the Audit Committee;
9. To report on any matters that it deems should be made known to shareholders and general investors under the scope of duties and responsibilities as assigned by the Board of Directors;
10. To regularly report to the Board of Directors on the Audit Committee's activities;
11. Should it be found or should there be any doubt that any transaction or action may materially affect the Company's financial position and operational results, the Audit Committee must report to the Board of Directors for improvement and correction within the period of time as the Audit Committee deems appropriate. Types of transactions or actions to be reported are as follows:
 - 11.1 Report on occurrence of a conflict of interest;
 - 11.2 Fraud or unusual events or material defects of the internal control system;
 - 11.3 Violation of the laws on securities and exchange, requirements of the Stock Exchange of Thailand or laws applicable to the Company's business. Should the Audit Committee report to the Board of Directors on any matter having a material effect upon the financial position and operational results, it discusses such matter with the Board of Directors and Management. If it is deemed that any improvement and correction is required, and upon the lapse of the specified period of time, should the Audit Committee find that no such correction has been effected without any reasonable grounds, any member of the Audit Committee may report such finding to the Office of the Securities and Exchange Commission and/or the Stock Exchange of Thailand.

(3) Corporate Governance and Risk Management Committee

To ensure efficient performance in compliance with the good corporate governance principles and risk management, the Board of Directors appoints the Corporate Governance and Risk Management Committee, comprising one executive director, one non-executive director and one independent director, totaling three persons, to suitably and timely monitor and manage risks. Members of the Corporate Governance and Risk Management Committee have a term of office for three years according to the term of director office. Upon expiration of the term of office, he/she may be re-appointed by the resolution of the Board of Directors' Meeting. The Corporate Governance and Risk Management Committee's scope of powers and duties is as detailed below:

Scope of powers, duties and responsibilities of the Corporate Governance and Risk Management Committee is as follows:

Corporate Governance

1. To determine and propose policies and directions of operations in respect of the good corporate governance of the Company, including the code of business ethics, to the Board of Directors for consideration and approval for further compliance at all levels;
2. To supervise and monitor the business operation of the Company and performance of the Board of Directors, Management and personnel of the Company to ensure compliance with Clause 1;
3. To evaluate and review policies, directions, code of ethics, and best practices or practical guidelines in respect of the good corporate governance of the Company to ensure compliance with the international practices and recommendations of various institutions, as well as to propose the same to the Board of Directors for further consideration and approval;
4. To follow up on movements, tendencies, as well as to compare performance in respect of the good corporate governance of the Company with the practices of other leading companies;



5. To oversee and support performance in compliance with the corporate governance policy to ensure continual effectiveness and appropriateness to the Company's business;
6. To give advice to the Company, the Board of Directors, Management and working groups on the matters relating to the good corporate governance;
7. To report on the corporate governance of the Company to the Board of Directors on a regular basis, and immediately report to the Board of Directors for consideration in case there is any matter materially affecting the Company, as well as to provide opinions on the practices and suggestions for improvement and correction as appropriate;
8. To disclose information relating to the good corporate governance of the Company to related parties and in the Annual Report, subject to the Board of Directors' prior approval;
9. To establish any working group as it deems appropriate.

Risk Management

1. To determine policies and scope of risk management operations of the Company, as well as to give advice to the Board of Directors and Management on risk management;
2. To oversee and support the risk management to ensure successful implementation by emphasizing the significance of and taking into account risk factors in support of the decision making as appropriate;
3. To consider the Company's material risks in line with the Company's business, e.g., in terms of investment, finance, security, laws, rules and regulations, by suggesting measures to prevent and minimize risks to stay at an acceptable level, as well as to follow up, evaluate and improve the working plans for minimizing risks on a continual basis as appropriate to the condition of the business operation;
4. To report on risk assessment results and operations for minimizing risks to the Board of Directors on a regular basis, and promptly report to the Board of Directors for consideration in case there is any matter materially affecting the Company;
5. To establish any working group as it deems appropriate.

(4) Nomination and Remuneration Committee

To ensure that nomination and consideration of remuneration for directors are conducted transparently and fairly to stakeholders, and efficiently for the purpose of the organization, the Nomination and Remuneration Committee comprises two independent directors and one executive director. Members of the Nomination and Remuneration Committee have a term of office for three years according to the term of director office. Upon expiration of the term of office, she/he may be re-appointed by the resolution of the Board of Directors' Meeting. The Nomination and Remuneration Committee's scope of powers and duties is as detailed below:

Scope of powers, duties and responsibilities of the Nomination and Remuneration Committee is as follows:

1. To consider, select and propose to the Board of Directors qualified persons to hold office as the Company's directors for further nomination to the shareholders' meeting, or to the Board of Directors for appointment;
2. To consider, select and propose to the Board of Directors qualified persons to hold office as committee members for appointment;
3. To consider and determine criteria on consideration for remuneration for directors and the Managing Director;
4. To consider, determine and propose to the shareholders' meeting remuneration for directors for approval;
5. To consider and review rates of salary and other remuneration for directors for submission to the Board of Directors for approval; and to perform any other matters as assigned by the Board of Directors.

3. Nomination and Appointment of Directors and Top Management

A shareholders' meeting must appoint all directors of the Company. All directors appointed by such shareholders' meeting will consider qualifications, work experience, and prohibited characteristics of directors/members in accordance with the Public Limited Company Act, the securities and exchange law, notifications of the Capital Market Supervisory Board, including applicable notifications, rules and/or regulations, in support of criteria of nomination of candidates for the position of independent director, and mutually resolve to appoint such persons as the Company's independent directors who will hold the positions of Chairman of the Board of Directors, member of the Audit Committee, member of subcommittees and Managing Director.

The Nomination and Remuneration Committee has the duty to consider screening and nominating candidates to be considered and appointed as director and Managing Director, as well as to consider and review the structure of the Board of Directors on a yearly basis for submission to the shareholders' meeting for appointment of directors to replace the retiring directors by rotation. In case of appointment of new director(s), the Company will send such director(s) for training in courses in relation to performance of duties as director and subcommittee member, and regularly send the directors to participate in other interesting courses which are useful to and support their performance.

In this regard, the Company allows shareholders to nominate candidate(s) as independent director at the end of each year. The Nomination and Remuneration Committee must consider screening and nominating the candidate(s) to the Board of Directors' Meeting for approval for submission to the shareholders' meeting.

(1) Independent Directors

The Company has a policy to appoint independent directors who must account for at least one-third of all directors, but not less than three directors. The consideration, selection and appointment of candidates as the Company's independent directors must be conducted based on legal requirements, notifications of the Stock Exchange, and the SEC Office regarding qualifications of independent directors, namely, the Notification of the Capital Market Supervisory Board No. TorChor. 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares, including its amendments, together with the Articles of Association regarding the qualifications of independent directors. As at December 31, 2014, the Company had a total of four independent directors, which is more than one-third of all directors. In this regard, the Company determines independent directors' qualifications as follows:

1. Holding not more than one percent of the total number of voting shares of the Company, its parent company, subsidiary, associated company, major shareholder or controller of the Company, including shares held by any related parties of each independent director;
2. Not being or having been a director having involvement in the management, an employee, a staff member, an advisor receiving a regular salary or a controller of the Company, its parent company, subsidiary, associated company, subsidiary at the same level, major shareholder or controller of the Company, unless such independent director has no longer been in such capacity for not less than two years prior to the date of appointment;
3. Not having or having had any business relationship with the Company, its parent company, subsidiary, associated company, major shareholder or controller of the Company in a manner which may prevent the exercise of his or her independent judgment; and not being or having been a substantial shareholder or controller of any person having a business relationship with the Company, its parent company, subsidiary, associated company, major shareholder or controller of the Company, unless such independent director has no longer been in such capacity for not less than two years, and not having any benefit or interest, whether directly or indirectly in respect of finance and management of the Company, its affiliated company, associated company, or a person who may give rise a conflict of interests in a manner which may result in a lack of independence;



4. Not being a person having a relationship by blood or by legal registration in the capacity as parent, spouse, sibling or offspring, including spouse of the offspring, director, executive, major shareholder, or controller with any person to be nominated as director, executive or controller of the Company or its subsidiary;
5. Not being a director appointed as representative to safeguard interests of the Company's director, major shareholder or shareholder who is a related party of the major shareholder; and being capable of giving opinions or reporting in a free manner in accordance with the entrusted task irrespective of any benefit that might influence his/her independent opinion;
6. Not being or having been an auditor of the Company, its parent company, subsidiary, associated company, major shareholder, or controller of the Company or legal entity which may have a conflict of interests; and not being a substantial shareholder, controller, or partner of an audit firm which employs the auditor of the Company, its parent company, subsidiary, associated company, major shareholder, or controller of the Company, unless such independent director has no longer been in such capacity for not less than two years prior to the date of appointment;
7. Not being or having been a professional service provider, including legal advisor or financial advisor which receives an annual service fee exceeding Baht Two Million from the Company, its parent company, subsidiary, associated company, major shareholder, or controller of the Company; and not being a substantial shareholder, controller, or partner of such professional service provider, unless such independent director has no longer been in such capacity for not less than two years prior to the date of appointment;
8. Not engaging in any business of the same nature as and in material competition with the business of the Company or its subsidiary; or not being a substantial partner in a partnership or a director having involvement in the management, an employee, a staff member, an advisor receiving a regular salary or holding more than one percent of the total number of voting shares of another company engaging in any business of the same nature as and in material competition with the business of the Company or its subsidiary;
9. Not having any other characteristics preventing provision of independent opinions on the Company's operations.

As at December 31, 2014, the Company had four independent directors who have the qualifications as defined under the Notification of the Capital Market Supervisory Board, as follows:

Name	Position	Appointment Date ¹
Dr. Thanong Bidaya ²	Chairman of the Board of Directors	August 23, 2012
Mr. Techapit Sangsingkeo ³	Chairman of the Audit Committee	April 22, 2014
Dr. Vicharn Aramvareekul ²	Chairman of the Nomination and Remuneration Committee; Member of the Audit Committee; Member of the Corporate Governance and Risk Management Committee	August 23, 2012
Mr. Prawet Ingadapa ³	Member of the Audit Committee; Member of the Nomination and Remuneration Committee	April 22, 2014

Remarks: ¹ Actual starting date of holding director office.

² Appointed as director by the resolution of the Extraordinary General Meeting of Shareholders No. 1/2012 on August 23, 2012.

³ Re-appointed as director for another term by the resolution of the 2014 Annual Ordinary General Meeting of Shareholders on April 22, 2014.

In this regard, the Company did not appoint any independent director during 2014. All independent directors as listed above neither have any business relationship with nor provide any professional service to the Company.

(2) Nomination of Directors and Top Management

Nomination of Directors

The Nomination and Remuneration Committee screens qualified persons under the criteria of the Notification of the Capital Market Supervisory Board No. TorChor. 28/2551 in respect of qualifications, work experience and without any prohibited characteristics, for proposal to the Board of Directors' Meeting for consideration and approval for submission to the shareholders' meeting for consideration and approval of appointment of new directors.

The appointment of directors to replace the directors retiring by rotation is subject to approval of the shareholders' meeting on an individual basis. The voting criteria under the Articles of Association are as follows:

1. Each shareholder shall have one vote for every one share held by that shareholder.
2. Each shareholder may vote to elect one or several persons as directors, but it shall not exceed the number of directors to be elected at that time.
3. In case a shareholder exercises his or her votes to elect more than one person as director, the shareholder may exercise all his or her votes to each such person and may not allot his or her votes to any person in any number.
4. The candidates receiving the highest number of votes in descending order shall be elected as directors to the fill number of directors to be elected at that time. If there is a tie for the last to be elected and this exceeds the said number of directors to be elected at that time, the Chairman of the meeting shall cast the final vote to fill the number of directors to be elected at that time.

In this regard, the Company will submit information on directors who have been considered and approved by the Board of Directors' Meeting to shareholders for consideration, together with the notice of the shareholders' meeting, comprising education backgrounds, work experience, directorships in other companies, including the number of meetings attended by such person as a director.

In case of a vacancy on the Board otherwise than by rotation, the Nomination and Remuneration Committee shall propose any person who is qualified and not subject to any prohibition under the laws to the Board of Directors' Meeting for consideration and appointment by the votes not less than three-fourths of the remaining number of directors. The replacement director shall hold office only for the remaining term of the director whom he or she replaces.

The Company takes into account the rights, importance and participation of non-strategic shareholders and equitable, transparent and fair treatment towards shareholders. The Board of Directors allows minority shareholders as non-strategic shareholders to propose any persons to be elected as independent directors and to propose agenda items for the Company's ordinary general meeting of shareholders via the information system of the Stock Exchange of Thailand and the Company's website during October 1 to December 31, 2014.

Nomination and Appointment of Management

It is a policy of the Company that the Chairman of the Board of Directors be an independent director, and the Chairman of the Board of Directors and the Managing Director not be the same person to clearly distinguish between the corporate governance policy making and the day-to-day management, with an aim to ensure a counterbalance of power in its operations, transparency, auditability under the good corporate governance principles.

In respect of nomination and appointment of the Managing Director, who is the Company's top management, the Nomination and Remuneration Committee will nominate any qualified director who is not an independent director to the Board of Directors' Meeting for consideration and appointment as Managing Director, and also fix remuneration for the



Managing Director, based on the remuneration rates of top management in the electricity production and distribution businesses of similar scale. The Managing Director's performance will be yearly evaluated to support the Board of Directors' consideration of the proposed remuneration for the Managing Director.

The Deputy Managing Directors will be nominated by the Managing Director to the Executive Committee for consideration and appointment, while management at the Assistant Managing Director level downwards is subject to consideration and appointment by the Managing Director.

4. Supervision of Operations of Subsidiaries and Associated Companies

To ensure that the Company, as a company whose core business is holding shares in other companies (holding company), has operated its business in compliance with laws and relevant regulations of regulatory agencies as well as in line with the good corporate governance principles of the Stock Exchange, the Company sets out the Corporate Governance Policy (CG Policy) and the Control Policy and Governance Mechanisms (Control Policy) in writing, and also sets out written Subsidiaries' Charters in line with the Control Policy. It requires its subsidiaries to adopt the specified rules for compliance therewith like the respective articles of associations of subsidiaries. In addition, the Company's Board of Directors' Meeting will elect persons to hold the positions as directors and/or executives in subsidiaries according to the Company's shareholding percentage in each subsidiary. The Company is certain that such policies and charters will be instrumental in controlling and directing the management of those businesses in which the Company invests as if they were business units of the Company, which is in accordance with the rules specified in the Notification of the Capital Market Supervisory Board No. TorChor. 28/2551, together with any other related rules. It can be assured that such policies and charters will be a mechanism for transparent and auditable management systems of subsidiaries and associated companies in order to actually protect the interests in the Company's investments.

The detailed essence of the CG Policy and the Control Policy can be summarized as follows:

1. Control Policy on Management of Subsidiaries and Associated Companies

The Company appoints and sends persons who have qualifications, roles, duties and responsibilities, without any untrustworthy characteristics, and who have been considered and appointed by the Board of Directors' Meeting, to be the Company's representatives to serve as directors, executives or controllers in subsidiaries and associated companies in accordance with the Company's shareholding percentage, as follows:

- 1.1 The scope of power and duties of the respective board of directors of subsidiaries is in accordance with the Subsidiaries' Charters and the Company's Control Policy. Transactions which are deemed material by the Company's representative, namely, consideration of execution of connected transactions; consideration of execution of transactions on acquisition or disposition of assets; and any transactions outside the annual budget or transactions which are not in the ordinary course of business of the subsidiary and which, once executed, will materially affect the Company's operational results, are subject to written approval or resolution of the Board of Directors or shareholders, as the case may be, prior to the subsidiaries' resolutions approving execution of such transactions. In this regard, any arrangements must be considered under the transaction size as calculated in accordance with the rules specified in the Notifications on Acquisition or Disposition.
- 1.2 The Company's representative must exercise the voting right in the respective shareholders' meetings of subsidiaries and associated companies on various matters under the assignment and in line with the Company's business operation policy.
- 1.3 In the case of a capital increase which does not maintain the existing shareholding percentages of the shareholders and will result in a decrease in the Company's direct and indirect shareholding ratio in the

subsidiary, in any tier, by 10 percent of the subsidiary's registered and paid-up capital or which will result in a decrease in the Company's direct and indirect shareholding ratio in the subsidiary, in any tier, to be less than 50 percent of the subsidiary's registered and paid-up capital or any other arrangements which will result in a decrease in the Company's direct and indirect shareholding ratio in the subsidiary, in any tier, by 10 percent of such subsidiary's registered and paid-up capital or which will result in a decrease in the Company's direct and indirect shareholding ratio in the subsidiary, in any tier, to be less than 50 percent of the subsidiary's registered and paid-up capital; execution of any other transaction which is not in the ordinary course of business of the subsidiary or dissolution of the subsidiary; upon calculation of the size of the subsidiary's business to be dissolved in comparison with the size of the Company under the Notifications on Acquisition or Disposition, such transactions must be subject to consideration and approval of the Company's shareholders' meeting.

1.4 Directors and executives of the subsidiaries, including their related persons, have a duty to report to the boards of directors of the subsidiaries on their relationships and transactions with the subsidiaries in a manner which may give rise to a conflict of interests, and to avoid any transactions which may give rise to a conflict of interests with the subsidiaries. The subsidiaries' boards of directors have a duty to report to the Company on such matters.

1.5 Directors, executives, staff, employees or any authorized persons of the subsidiaries and associated companies, including their spouses and underage children, are prohibited from using internal information of the Company and of the subsidiaries or associated companies, whether available through the performance of duties or by any other means, which has or may have a material adverse effect on the Company, the subsidiaries or associated companies, for personal gain or for the gain of others, whether directly or indirectly, and whether with or without consideration.

2. Control Policy on Financial Matters of Subsidiaries and Associated Companies

To enable the Company to actually control the financial policy of subsidiaries and associated companies, the Company sets out the mechanism for supervision of finance of subsidiaries and associated companies through the policies and the Subsidiaries' Charters, as follows:

2.1 The subsidiaries and associated companies have a duty to submit their monthly reports on operational results and quarterly financial statements reviewed by their certified public accountants, as well as documents in support of the preparation of the financial statements of the subsidiaries and associated companies, to the Company, and will allow the Company to use such information in support of the preparation of the consolidated financial statements or report on operational results of the Company, quarterly or annually, as the case may be.

2.2 The subsidiaries and associated companies have a duty to estimate their operational results and comparative summary between planned and actual operational results on a quarterly basis, and monitor their operational results to ensure compliance with the plans for reporting to the Company. The subsidiaries and associated companies have a duty to report on any financial issues which are material to the Company upon finding or request by the Company for inspection and report.

2.3 The subsidiaries must report to the Company on the business operation plan, business expansion, large-scale projects, together with joint investment with other manufacturers through the monthly report on operational results. The Company has the right to have any subsidiary explain or submit documents in support of consideration of any such matter, in respect of which the subsidiary must strictly comply forthwith. The subsidiaries must also submit information or documents related to operations to the Company upon receipt of request as appropriate.



Other Shareholders' Agreement on Management of Subsidiaries and Associated Companies (Shareholders' Agreement)¹

1. SouthEast Asia Energy Limited (SEAN)

Matters	Details
Material Agreements on Management:	<ul style="list-style-type: none"> SEAN's board of directors comprises not more than 11 directors, and the Agreement specifies the conditions and right of nomination of directors for each group of shareholders; Prior to the Commercial Operation Date (COD), CH. Karnchang Public Company Limited (CK), as a Sponsor, was required to actively participate in the administration and management of SEAN, for example: <ul style="list-style-type: none"> At least one director authorized to sign and bind the Company shall be a director appointed by CK; A quorum of the board of directors must include a director appointed by CK; and CK has the right to appoint the chairman of the board of directors, managing director and the executive committee, etc. <p>However, after COD, such rights will be assigned to the shareholders' meetings and/or the board of directors' meetings (as the case may be).</p>
Restrictions on Share Transfer:	<ul style="list-style-type: none"> Any shareholder intending to transfer shares must first offer shares for sale in writing to other shareholders in proportion to their current shareholdings in the Company, except for a share transfer with prior written consent of all other shareholders of the Company; or a share transfer to any subsidiary of such shareholder holding not less than 50 percent of shares in such subsidiary; or a share transfer to a company under the supervision of the shareholder's company, whereby the share transferee is required to sign an Accession Agreement to accept and to be bound under the rights and duties of the shareholder intending to transfer such shares under the Shareholders' Agreement. If any party fails to comply with the Agreement and is unable to remedy such failure within 30 days from the date of receipt of notice from other shareholders, such other shareholders may 1) exercise a call option to purchase shares from the defaulting shareholder as per their shareholding proportion, or 2) terminate the Agreement. In case where other shareholders exercise a call option to purchase shares from the defaulting shareholder, the purchase price must be equivalent to 70 percent of the fair value of such shares estimated by an independent expert. A group of shareholders in the Agreement must hold at least 51 percent of shares in SEAN until the first anniversary of COD, and must hold at least 25 percent of shares in SEAN until the 5th year of COD.
Termination of Agreement:	<p>This Agreement will be terminated upon the earlier of the following events:</p> <ul style="list-style-type: none"> Acquisition or amalgamation with other business and SEAN's status as a legal entity has ended; Mutual agreement among all parties; Mutual agreement among parties who do not breach the Agreement, in case where any party breaches the Agreement and is unable to remedy such breach within 30 days from the date of receipt of written notice from the non-defaulting party; On the 5th anniversary after COD.

2. Bangpa-in Cogeneration Limited (BIC)

Matters	Details
Material Agreements on Management:	<p>The board of directors comprises not more than five directors, and the parties have the right to appoint directors, as follows:</p> <p>Three directors by CK; one director by Global Power Synergy Public Company Limited (GPSC); and one director by Bangpa-in Land Development Co., Ltd. (BLDC).</p> <p>The following matters must be approved by special resolution of a shareholders' meeting, with a favorable vote of not less than three-fourths of all shares in the shareholders' meeting, which GPSC and CK have attended:</p> <ol style="list-style-type: none"> 1. Amendment of the memorandum of association, articles of association, the company's name; 2. Capital increase or decrease; 3. Dissolution of the company (except those specified by law or in accordance with this Agreement); application for bankruptcy; 4. Amalgamation or merger; 5. Issuance of new shares which are not paid-up in cash; 6. Investment or indebtedness in the value exceeding the power of the board of directors.
Special Matters:	<p>The following special matters must be approved by a favorable vote of at least 75 percent of directors attending the meeting and having the right to vote:</p> <p>Before COD, a mandatory favorable vote of directors appointed by CK and GPSC is required.</p> <ol style="list-style-type: none"> 1. Amendment of the memorandum of association, articles of association, the company's name; 2. Amendment or cancellation of power plant project; 3. Investment in a new project, acquisition of assets, or creation of debt or loan in an amount exceeding Baht 20 Million, but less than Baht 100 Million; 4. Establishment or dissolution of a subsidiary; 5. Amalgamation or merger; 6. Dissolution of the company (except those specified by law or in accordance with this Agreement); application for bankruptcy; 7. Placement of assets as collateral; 8. Creation or waiver of a right to claim with a value exceeding Baht 100 Million; 9. Approval of project value in excess of the specified budget.
Share Transfer:	<p>Subject to the exceptions specified in this Agreement, the parties are not allowed to transfer, sell, pledge or encumber the Company's shares without written consent of the other parties.</p> <p>If other shareholders do not give consent to a share transfer, the shareholder intending to transfer shares must first offer shares for sale in proportion to the other parties (with the right of first refusal); or should the other parties fail to purchase shares within the specified time, the offering shareholder will have the right to sell such shares to other persons, provided that the conditions and selling price must not be more favorable than those offered to such other parties.</p>



Matters	Details
Share Transfer Consent	All shareholders signed their consent to the transfer of BIC shares held by PTT Public Company Limited (PTT) to GPSC, and such share transfer was effected on December 24, 2013.
Breach of Agreement:	<p>If any party breaches any material clause of the Agreement and fails to remedy such breach within 30 days from the date of receipt of written notice from a non-defaulting party, the non-defaulting party shall have an option to purchase the Company's shares held by such defaulting party, or terminate this Agreement.</p> <p>Should any or several (but not all) non-defaulting parties exercise an option to purchase shares, such parties shall have the right to purchase all shares held by the defaulting party in proportion to their shareholdings in the Company.</p>

Remark: ¹ Nam Ngum 2 Power Company Limited and Bangkhengchai Co., Ltd. have no any agreement between the other shareholders in management and administration (Shareholders' Agreement).

5. Insider Trading Control

The Company strictly imposes the insider information usage policy under the good corporate governance principles, by acknowledging the significance and its responsibility to all of its shareholders and stakeholders of the Company on an equitable basis, and also monitors the insider information usage in accordance with the good corporate governance principles, as follows:

1. Guidelines for Storage and Disclosure of Insider Information

The Company determines levels of confidentiality of insider information not to be disclosed to third parties according to its importance. It is noted that use of insider information by the Company's personnel must fall within the scope of authorized functions and responsibilities only. As for any information related to third parties or other stakeholders, consent of the third parties or other stakeholders must be obtained prior to disclosure to the public.

The Company's information disclosure policy is in accordance with the guidelines on information disclosure of listed companies as announced by the Stock Exchange, provided that such information is necessary for a decision-making and sufficiently clear for supporting the decision-making of shareholders and general investors.

In this regard, the Company sets up central units to provide information to the public, i.e., Investor Relations Division.

2. Guidelines for Insider Trading Control

The Company imposes measures requiring directors and executives to promptly report to the SEC Office on their holdings of securities with respect to every purchase, sale, transfer, to ensure due and complete performance in accordance with the rules and procedures of information disclosure of listed companies. The Company also imposes a policy to inform its directors and executives of the quiet period on trading of the Company's securities prior to each disclosure of its financial statements to the public. This is to prevent insider trading, and ensure equal treatment of all stakeholders. In this regard, the Company imposes punishments against any unauthorized persons who abuse the Company's insider information under the Company's work rules.

6. Remuneration for Auditor

6.1 Audit Fee

Unit: Baht

Item	Company	Auditor ¹	Audit Fee
1	CK Power Public Company Limited	Miss Siraporn Ouaanunkun	900,000.00
2	SouthEast Asia Energy Limited	Miss Siraporn Ouaanunkun	172,000.00
3	Nam Ngum 2 Power Company Limited	Miss Siraporn Ouaanunkun	827,000.00
4	Bangpa-in Cogeneration Limited	Miss Waraporn Prapasirikul	560,000.00
5	Bangkhenchai Co., Ltd.	Miss Siraporn Ouaanunkun	480,000.00
Total Audit Fee			2,919,000.00

Remark: ¹ Auditor from EY Office Limited

6.2 Non-Audit Fee

Unit: Baht

Item	Company	Type of Other Services	Service Provider	Non-Audit Fee	
				Paid	To be paid
1	CK Power Public Company Limited	Accounting Advice	EY Office Limited	-	-
2	SouthEast Asia Energy Limited	Accounting Advice	EY Office Limited	-	-
3	Nam Ngum 2 Power Company Limited	Accounting Advice	EY Office Limited	-	-
4	Bangpa-in Cogeneration Limited	Certification of Application for Exercise of BOI Rights	EY Office Limited	-	50,000.00
		Additional Audit Report for GPSC	EY Office Limited	80,000.00	80,000.00
5	Bangkhenchai Co., Ltd.	Certification of Application for Exercise of BOI Rights	-	-	50,000.00
Total Non-Audit Fee				80,000.00	180,000.00



7. Compliance with the Principles of Good Corporate Governance in Other Matters

The Company requires its directors and executives to prepare and report to the Company on their holdings of securities, including those of their spouses and minor children, with respect to every purchase, sale, transfer of the Company's securities, for accurate disclosure to the Stock Exchange pursuant to Section 59 of the rules of the Securities and Exchange Act B.E. 2535 (1992), and its amendments, together with the Notification of the Office of the Securities and Exchange Commission No. SorChor. 12/2552 Re: Preparation and Disclosure of Report on Securities Holding of Director, Executive and Auditor. In 2014, directors and executives reported to the Company on their holdings of securities of the Company, including on any changes in such securities holding, and accurately disclosed their holdings of securities under the rules, as well as regularly reported on their holdings of securities and changes in their holdings of securities to the Board of Directors' Meeting on a quarterly basis. Details and changes in holding of securities¹ of directors and/or executives in 2013 were as follows:

Name	Position	Holding of Securities	Amount of Shares as at Transaction Date (shares)	Amount of Shares after Execution of Transaction Increase/ Decrease (shares)	Shareholding Percentage in the Company/ Transaction Date
Mr. Thanong Bidaya	Chairman of the Board of Directors (Independent Director)	-	-	-	-
Mr. Plew Trivisvavet	Chairman of the Executive Committee	-	-	-	-
Mr. Techapit Sangsingkeo	Chairman of the Audit Committee (Independent Director)	-	-	-	0.0181 (October 8, 2013)
Mr. Supong Chayutsahakij	Director	-	-	-	-
Mr. Narong Sangsuriya	Chairman of the Corporate Governance and Risk Management Committee	-	-	-	-
Mr. Vicharn Aramvareekul	Chairman of the Nomination and Remuneration Committee; Member of the Audit Committee (Independent Director)	-	-	-	-
Mr. Prawet Ingadapa	Member of the Audit Committee; Member of the Nomination and Remuneration Committee (Independent Director)	-	-	-	-
Mr. Prasert Marittanaporn	Executive Director	-	-	-	-
Mr. Sompodh Sripoom	Executive Director	-	-	-	-
Mr. Thanawat Trivisvavet	Executive Director and Deputy Managing Director	-	-	-	-

Name	Position	Holding of Securities	Amount of Shares as at Transaction Date (shares)	Amount of Shares after Execution of Transaction Increase/ Decrease (shares)	Shareholding Percentage in the Company/ Transaction Date
Mr. Alvin Gee	Director	-	-	-	-
Dr. Supamas Trivisvavet	Executive Director and Managing Director	-	-	-	-
Mr. Asa Arthayookti	Deputy Managing Director	-	-	-	-
Mr. Michael Eric Raeder	Deputy Managing Director	-	-	-	-
Miss Parichat Othayakul	Assistant Managing Director	Sold	26,500	18,000	0.0016 (July 18, 2014)
		Sold	18,000	0	- (July 21, 2014)
Miss Nithawadee Limpodom	Assistant Managing Director	-	-	-	-
Miss Rujira Chuaybamrung	Assistant Managing Director	-	-	-	-
Mr. Varoth Saksucharita	Assistant Managing Director	Sold	110,000	0	- (July 18, 2014)
Miss Piyanuch Marittanaporn	General Manager of Finance and Accounting Division	-	-	-	-

Remark: ¹ This includes the securities holding of their spouses and underage offspring.

In 2014, none of the directors or executives committed any offence in respect of corruption or ethics, and none of the director resigned due to corruption or non-compliance with the good corporate governance principles.



Internal Control and Risk Management

The Board of Directors authorized the Audit Committee, which is comprised of the independent directors, to review the evaluation of the internal control system. The Internal Audit Department has the duties to regularly audit and review financial information and other information, as well as to review compliance with the internal regulations of the Company and its subsidiaries, by reporting directly to the Audit Committee and also reporting to the Managing Director on administrative affairs. The scope of audits of the Company, its subsidiaries and associated companies must be in accordance with the annual audit plans as approved by the Audit Committee, to ensure that the internal control system is appropriate, adequate and consistent with the guidelines of the Stock Exchange of Thailand, the Office of the Securities and Exchange Commission (SEC), and the guidelines regarding internal controls of the Committee of Sponsoring Organizations of the Tradeway Commission (COSO); that the efficiency of the internal control system is regularly reviewed; that the Company's operations are properly managed; that the financial reporting is correct, reliable and timely and complies with the policy and the provisions of laws and regulations of the authorities, in the best interests of shareholders and on the basis of fair returns to all stakeholders. In addition, the Audit Committee also has the duties to select and propose the auditor for appointment, including remuneration for the auditor; to disclose the Company's correct and complete information on connected transactions and transactions for which a conflict of interest may exist. In 2014, the Audit Committee convened six meetings, one of which was a meeting with the auditor without the management's presence so as to independently make inquiries on audit plan and other matters found during the audit.

The Company recognizes the significance of risk management, and as such, applies the risk management system to the administration and management. The working group comprising management of all departments was required to identify risk factors, to analyze the impact and the possibility of such risks as well as to establish measures to manage such risks to stay at an acceptable level in compliance with the Company's policy. The risk management measures will then be submitted to the Corporate Governance and Risk Management Committee and the Board of Directors for consideration of their adequacy and appropriateness on a quarterly basis. In this regard, the Internal Audit Department will regularly monitor the risk management and report on the results of its monitoring to management and the Corporate Governance and Risk Management Committee for acknowledgement. (The details of the risk assessment and management are described in Risk Factors.)

In the Board of Directors' Meeting No. 2/2015 on February 17, 2015, which all four independent directors and all three members of the Audit Committee attended, the Board of Directors evaluated the Company's internal control system as per the evaluation report considered by the Audit Committee, together with the responses in the Internal Control Adequacy Evaluation Form as specified by SEC. The Board of Directors and the Audit Committee are of the same opinion that the

internal control system of the Company and its subsidiaries in various aspects comprising five elements, namely, internal control of the organization; risk assessment; operational control; information technology and communications system; and monitoring system, is adequate and appropriate. The Company has arranged for a sufficient number of personnel to efficiently implement the system together with the internal control system to monitor its subsidiaries' operations, in order to prevent the Company's and its subsidiaries' assets from misuse or unauthorized use by directors or executives, including the execution of transactions with a person who may have a conflict of interest. To date, the Audit Committee and the Board of Directors have never been informed on any material faults by the auditor and the Internal Audit Department.

The Audit Committee's Meeting No. 2/2013 on November 12, 2013 appointed CH. Karnchang Public Company Limited as the Company's internal auditor from November 1, 2013 onwards. CH. Karnchang Public Company Limited has authorized Mrs. Sudarat Phoyamjit, in her capacity as internal audit officer, to perform the duty as the Company's internal auditor. The Audit Committee has considered and deemed the qualifications of CH. Karnchang Public Company Limited and Mrs. Sudarat Phoyamjit suitable and adequate in the performance of such duty, based on seven years of experience in internal control and understanding of the Company's activities and operations. In this regard, the consideration and approval, appointment, removal, transfer of any person holding the position of the Head of Internal Audit Unit of the Company must be subject to approval of the Audit Committee.

Moreover, the Company has authorized Miss Parichat Othayakul, Head of Compliance Unit, to supervise the compliance with the rules and regulations of the regulatory agencies in respect of the Company's business operations.

Corporate Social Responsibility



CK Power Public Company Limited believes that the steady and sustainable growth of its business operations depends on sound vision and strategies, the competency of its executives and teams, as well as its adherence to ethics in business operations, which will generate reasonable and fair returns, a good quality of life for communities and society as well as environmental preservation.

Therefore, corporate social responsibility is one of the Company's key missions by "always giving priority to the environment, communities and all stakeholders": focusing on development of an efficient production process which also avoids creating pollution, along with the environmental, community and social development. The Company determines the consistent practical guidelines for the Company and its affiliated companies to meet the same standards, as a guide for its executives and staff to understand and apply such principles and practices in management at all levels, in order to achieve its business goals and missions, generate reasonable and fair returns to shareholders, and operate its business with responsibility to society, the environment and stakeholders under the good corporate governance principles. Such practical guidelines cover both corporate and personnel development under the Guidelines for Corporate Social Responsibility released by the Stock Exchange of Thailand, including a wide variety of social contribution and support.

Corporate Social Responsibility under the Guidelines of the Stock Exchange of Thailand

1) Fair Business Operations

The Company's commitment to stakeholders' rights and fair treatment of all parties concerned starts with a determination of standard policies and practices for stakeholders, under the Board of Directors' responsibility as a whole, which can be described as follows:

Shareholders

The Company is committed to generating reasonable and fair returns to shareholders by means of directing its business operations towards a sustainable growth, and securing long-term values for good and constant returns. The Company adheres to the good corporate governance principles and business ethics, transparent and auditable business operations, sufficient disclosure, and encourages shareholders to offer their opinions. In this regard, the Board of Directors requires regular monitoring and assessment of the results of the corporate governance, together with improvement and remedies to be suitable for the ongoing challenges.

Staff

The Company regards all of its staff as its most valuable resource, who are instrumental in facilitating the Company's business development to the future. The Company focuses on the continuing development of staff competency, awards reasonable remuneration according to the knowledge and abilities of each staff member which is competitive with that of other companies in the same sector, and provides a working environment with the quality of life and work safety. In addition, the Company treats all staff members equally and fairly, regardless of gender, religion or economic and social status. The Company also campaigns for its staff to realize and adopt the code of conduct and corporate governance in their day-to-day work performance.

Trade Competitors

The Company complies with the laws and adheres to applicable rules and codes of business ethics, fair competition, with transparent and auditable business operations, in dealing with all competitors, counterparts and business alliances.

Community and Society

As a member of Thai communities and society, the Company acknowledges its role and participation in the development, support and care for communities, society, the environment and the country. The Company's responsibility to society, communities and the environment is clearly evident from its socially and environmentally responsible investments, and support for activities useful for communities, society and the environment, particularly such communities adjacent to its business locations, as well as promoting its executives' and staff's awareness, volunteer spirit and contribution to social activities.

2) Anti-Corruption

The Company realizes the significance of the good corporate governance principles and transparent and fair business operations by taking into account the benefits of stakeholders, and then sets out the corporate governance policy in writing as guidelines for business operations under the corporate governance. The Company determines the operating procedures, scope of power and duties, access, utilization and disclosure of insider information of personnel in every work unit, including the policy to execute transactions with major shareholders, directors, executives, or their related persons in order to prevent a conflict of interests and misuse of the Company's insider information, whether direct or indirect. Moreover, the Company sets out the requirements relating to ethics, codes of business conduct and desirable practices of directors, executives, and staff of the Company as guidelines for business operations with responsibility in order to realize the significance and benefits to be derived by all parties from the Company's business operations, as well as to encourage its counterparts to comply with such principles.

Meanwhile, the Company establishes the internal audit procedures at the level of internal audit unit to review and audit the work procedures and impose measures to deal with any fraud or corruption found in the Company and its subsidiaries and to report its finding to the Audit Committee. It can be assured that every step of the operating procedures is standard, transparent, and auditable in accordance with the principles of good corporate governance for listed companies on the Stock Exchange of Thailand. In addition to such internal audit measures, the Company also arranges for the external audit channel by way of a whistleblowing channel for any third parties to report any suspected non-compliance with the code of ethics, illegal acts or conduct which may reflect fraud, dishonesty or misconduct of any personnel in the organization, including any flaws in the internal control system caused by either staff or third parties, via the Company's website at www.ckpower.co.th/th/ir. In this regard, the Company provides measures to protect whistleblowers and keep their identity confidential, and the Company will urgently correct and alleviate damage pursuant to the management mechanism and the rules of law as soon as possible.



The Board of Directors, which directs the operations of the company group, has acknowledged and realizes that it has a duty to monitor to ensure the Company's compliance with laws, including opposing to or refusing every form of fraud or corruption, and also requires review of the role and appropriateness of the anti-corruption policy in order to follow up the results of assessment, including regular improvement of the Company's anti-corruption measures on a yearly basis to make it clear and actually applicable. In this connection, the Company is in the process of consideration and discussion with companies in the business group regarding its role and appropriateness of participation in Thailand's Private Sector Collective Action Coalition Against Corruption.

3) Respect for Human Rights

Respect for human rights and values is the foundation of collaboration in an organization, of interaction and of teamwork, as well as development of human resources, is at the heart of the business operations. The Company's respect for human rights is well recognized by its equal treatment of all staff and stakeholders, regardless of and without discrimination against race, nationality, gender, religion, disability, economic or social status. The Company also respects and accepts the differences in thoughts, i.e., each staff member has the right to freedom of thoughts and expression, without any impact on the Company's business operations and any violation of the laws.

4) Fair Treatment of Labors

The staff are the Company's most valuable resources. The Company pays considerable attention to the development of a human resource management system to ensure efficiency, fairness, and quality improvement of its personnel in terms of competency, skills, working condition and ethics, in order for them to become knowledgeable, good and happy and to perform work to the best of their ability, as well as become valuable members of the organization and society.

Personnel Recruitment and Employment

The Company adopts a recruitment and selection process for personnel with proper qualifications, experience and suitability for work positions, taking into account their ethics and positive attitude and morality, in line with the good corporate governance principles. At present, the Company's personnel has a diverse variety of characteristics, e.g., gender, age, educational institution, experience, expertise, as well as religion, which includes Buddhism, Christianity, and Islam.

Personnel Development

The Company always attaches significance to personnel development. The Company encourages all staff to consistently and equally attend training and competency development programs, which focus on both training directly related to their functions and training for other skills, both within the country and overseas. Each year, the Company allocates sufficient budget for both internal and external training for staff, and also allows staff to propose any training programs of their interest to the department of human resources, which will consider assigning them to attend such programs as appropriate.

Study Visits

The Company allows staff to make study visits for knowledge exchange to its power plants of various types, both local and overseas, for example, Nam Ngum 2 Hydroelectric Power Plant in the Lao People's Democratic Republic; Bangkhenchai Solar Photovoltaic Power Plant in Nakhon Ratchasima Province; and Bangpa-in Cogeneration Power Plant, Phase 1, in Phra Nakhon Si Ayutthaya Province. The Company also supports its staff to make study visits in relation to other works. This is aimed at motivating staff to learn and understand the Company's core business and efficiently develop other works. The Company's executives and staff also attend training on energy business, engineering in various fields, accounting, finance, management, rules and regulations governing public limited companies, etc., organized by both local and overseas organizations.

Management of Compensation and Benefits

The Company's compensation and benefit packages comply with labor and other applicable laws, and are fairly and reasonably based on staff's competency and performance. Staff are encouraged to develop themselves for advancement in their career paths. Moreover, the Company provides welfare and benefit programs for staff which are competitive with those of other companies in the same industry, e.g., provident fund, medical treatment allowance, annual health check-up and other financial allowances, etc.

5) Responsibility to Consumers

As electricity is a basic factor for everyone's way of life, electricity production from cheap and sustainable clean energy sources is deemed to be our responsibility to consumers despite the fact that the Company has no direct consumers. This is because the Company is a holding company in the core businesses of electricity production and distribution. In all of its investments, however, the Company mainly takes into account the interests of all related parties.

6) Environmental Care

Based on the Company's mission to generate good, steady and fair returns for its shareholders, without compromising the environment, communities and all parties concerned, the Company has committed itself to environmental responsibility even before any project investment by way of social and environmental impact assessments (SIA and EIA) of each project, and the Company must ensure that such assessments have been conducted by experts and under the applicable laws. Any impacts from the projects must be minimal relative to the expected benefits for communities, society and the country from project implementation. The Company, by the Board's representatives in its subsidiaries which operate various power plants under the Company's investments, monitors and ensures their compliance with the laws, including measures for efficient and effective environmental impact management on a regular basis.

By virtue of adherence to such environmental mission, all projects in which the Company has invested are eco-friendly and efficient power projects which are useful for society. The Company's investments focus on clean and renewable energy projects which cause minimal pollution and environmental impact, and efficiently optimize the utilization of resources in the production process, such as, investments in hydropower, solar and cogeneration power projects, etc.

Hydropower and solar power production refers to electricity production from clean natural resources, without relying on any other fuel in the production process, which does not give rise to any pollution. In addition, such energy comes from natural resources, which is a type of sustainable energy.



Hydropower production refers to utilization of water power generated from the gravitational force of releasing water from above to propel turbines to operate power generators. The produced power will vary according to water volume, different water levels, and efficiency of turbines and power generators.

Solar power production refers to utilization of sunlight concentrated onto solar cells, and the sunlight is converted into direct current, which must be then converted into alternating current via an inverter. Thereafter, it will be sent to electric transformers for voltage regulation before it will be sent to the distribution system. Generally, solar power will be produced for approximately five hours per day since the sunlight intensity is sufficient to generate electric current.

The Company relies on the supply of eco-friendly equipment related to works, from supply of raw materials until management of products after use, and encourages its staff to utilize resources and energy, including recycling.

7) Participation in Community and Social Development

The Company is committed to development of the communities and society surrounding the projects to ensure they are and remain livable, surrounded by a good environment, and suitable for people of all genders and ages. In participating in development, the Company must assess demand and competency of communities, and jointly learn their culture to strengthen relationships with them on the basis of common interest as a member of the same communities and society. The Company focuses on sustainable development of communities by means of inside-out development, by emphasizing youth development activities since youths are key to Thailand's future, which will help develop to ensure our country's growth with efficiency.

8) Innovations and Diffusion

The Company is an investor in power projects which focus on clean and renewable energy. Although the Company is not a technology developer, the Company is determined to diffuse knowledge of clean and renewable energy as well as such innovations designed to save energy and optimize its utilization and sustainability, which are essential to Thailand's energy security in the future. The Company and its subsidiaries regularly participate in various activities contributing to diffusion of such energy innovations and technology.



Corporate Social Responsibility Activities which have been jointly sponsored by the Company

The Company's corporate social and environmental responsibility activity plan focuses on communities adjacent to the sites of power plants under the Company's investments, especially for youths, schools, underprivileged children who are important groups. The Company regards them as important to the future of the country. In addition to its support in the form of scholarships, the Company also provides support related to its business, through activities organized by the Company, focusing on active participation of the communities, the Company's executives and staff.

CK Power sponsored the electricity system installation within schools affected by the geohazard in Amphoe Phan, Chiang Rai Province



On May 5, 2014, a geohazard occurred centering around Tambon Dong Mada, Amphoe Mae Lao, Chiang Rai Province. Amphoe Phan, Chiang Rai Province, was also one of the places affected by such disaster, and after occurrence of such disaster, CH. Karnchang Public Company Limited jointly restored Ban Tha Ho School, Tambon Tha Sai, Amphoe Phan, Chiang Rai Province, and CK Power Public Company sponsored the electricity system installation for such school.



CK Power expanded the electricity service area to area near the power plant

On May 17, 2014, CK Power Public Company Limited, in association with Bangkhenchai Co., Ltd. 100 percent of whose shares are held by CK Power Public Company Limited, held an off-season offering of robes to Buddhist monks (Pha Pa Samakki) for funding the expansion of the electricity service area to Wat Pha Nong Phong, Tambon Khok Thai, Amphoe Pak Thong Chai, Nakhon Ratchasima Province, with the aim to supply electricity to Buddhist monks for their religious activities and to improve the quality of life of communities surrounding the temple and the power plant.

The expansion of the electricity service area to nearby temples and communities was completed and a dedication ceremony was organized for Wat Pha Nong Phong and communities adjacent to the power plant on December 4, 2014.



CK Power renovated Ban Nong Lang Chang School's Library



CK Power Public Company Limited, in association with Bangkhenchai Co., Ltd. 100 percent of whose shares are held by CK Power Public Company Limited, organized a "Construction of New Library for Children with our Two Hands" project to renovate Ban Nong Lang Chang's library, Tambon Khok Thai, Amphoe Phak Thong Chai, Nakhon Ratchasima Province, as well as to supply textbooks, educational tools and media, such as computers, to make the library more attractive to students to study and learn outside the classroom.

The expansion of the electricity service area to nearby temples and communities was completed. The renovated library was officially donated to Ban Nong Lang Chang School on December 4, 2014.



CK Power installed Solar Cell Panels for the Loei Immigration Bureau



CK Power Public Company Limited, in association with Xayaburi Power Company Limited, installed 5-kw solar cell panels for Loei Immigration Bureau for use in the One Stop Service office building in order to reduce the electricity cost of the government and serve as a role model for other government agencies and communities nearby.

In this regard, after completion of installation of solar cell panels and system testing, it was found that the system functions normally and is able to produce 20 units (kWh) per day. Such 5-kw solar cell panels were thus officially donated to the Loei Immigration Bureau on December 23, 2014.





Related Transactions

The Company and its subsidiaries executed related transactions with persons who may have a potential conflict of interest in 2014 based on the following criteria:

Necessity and Justification of Related Transactions

The Company considers executing related transactions as necessary and justifiable for the utmost benefit of the Company, without any transfer of interests between the Company or its subsidiaries and persons who may have a potential conflict of interest. The conditions of such transactions are not different from transactions executed with third parties, which are on an arm's length basis and in the ordinary course of business, and in compliance with regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board, as well as other related rules in all respects, so as to ensure the Company's efficient operation and to equally maintain the optimum benefit of shareholders.

Measures or Procedures for Approval of Related Transactions

The Company specifies measures and procedures for approval of related transactions which are divided into two categories, namely, related transactions in the category of connected transactions in the ordinary course of business and in support of the ordinary course of business with the Board of Directors' approval in principle to authorize management to execute such transactions; and related transactions in other categories, whereby the Company determines the authority of persons authorized to approve the transactions under the rules of the Capital Market Supervisory Board, as well as the rules of the Stock Exchange of Thailand on the conditions and criteria for the execution of the connected transactions. In addition, the Audit Committee is assigned to review and provide opinions on related transactions before proposing the same to the Board of Directors for consideration and approval.

Policy or Trend of Future Related Transactions

The Company expects that related transactions will be executed in the future, as they are in the ordinary course of business of the Company and for the utmost benefit of the Company. The Board of Directors' Meeting has considered granting approval in principle to authorize management to execute such related transactions in the categories of connected transactions in the ordinary course of business and in support of the ordinary course of business on an arm's length basis. With respect to other categories of connected transactions with a size that requires approval of the Board of Directors or shareholders, the Company is required to not only comply with the regulations, notifications, orders or requirements of the Stock Exchange of Thailand and the Capital Market Supervisory Board, but also to assign the Audit Committee to consider and provide opinions as to necessity and justifications for execution of the transactions, and justification of the prices, so as to ensure that the conditions of such transactions are not different from transactions in them category executed with third parties.

In this regard, the Company has disclosed related transactions in the Company's Notes to the Financial Statements as audited by the Company's auditor.

1. Relationship between the Company and its Subsidiaries, and Related Companies/Parties

CK Power Public Company Limited and its Subsidiaries

Company	Shareholding Percentage	Business Operation
CK Power Public Company Limited (the Company)	N/A	The Company operates its core business as a holding company by holding shares in other companies engaging in the business of production and sales of electricity generated from various kinds of energy and provision of consulting service and other services related to electricity production projects.
SouthEast Asia Energy Limited (SEAN)	56 percent of shares held by the Company	SEAN operates the business of investment and development of electricity production business in the Lao People's Democratic Republic (Lao PDR).
Nam Ngum 2 Power Company Limited (NN2)	75 percent of shares held by SEAN	NN2 produces and sells the hydroelectric power as concessionaire under the Concession Agreement for the Nam Ngum 2 Hydroelectric Power Project, awarded by the Government of the Lao PDR, with a production capacity of 615 megawatts.
Bangpa-in Cogeneration Limited (BIC)	65 percent of shares held by the Company	BIC operates the business of production and sales of electricity and steam from a cogeneration power project, using natural gas as fuel, with a production capacity of 117.5 megawatts for electricity and 19.6 tons per hour for steam (for Project 1). Such power project is located in the Bang Pa-in Industrial Estate, Amphoe Bang Pa-in, Phra Nakhon Si Ayutthaya Province.
Bangkhenchai Co., Ltd. (BKC)	100 percent of shares held by the Company	BKC produces and sells solar power with its solar photovoltaic power project located at Amphoe Pak Thong Chai, Nakhon Ratchasima Province, with a production capacity of 8 megawatts.
CKP Solar Company Limited	100 percent of shares held by the Company	This company has been established for electricity production and sales.
HELIOS Power Company Limited	100 percent of shares held by the Company	This company has been established for electricity production and sales.
APOLLO Power Company Limited	100 percent of shares held by the Company	This company has been established for electricity production and sales.
VIS SOLIS Company Limited	100 percent of shares held by the Company	This company has been established for electricity production and sales.
SOLE Power Company Limited	100 percent of shares held by the Company	This company has been established for electricity production and sales.



Related Companies/Parties

CH. Karnchang Public Company Limited (CK)

CK engages in the construction business and a full range of development, investment and management of large-scale infrastructure concession projects within the country and the region. CK is also the Company's related company since CK is the Company's major shareholder, holding shares amounting to 31.78¹ percent of the registered and paid-up capital. Moreover, the Company and CK have three common directors, namely, (1) Mr. Plew Trivisvavet, (2) Mr. Narong Sangsuriya, and (3) Mr. Prasert Marittanaporn.

TTW Public Company Limited (TTW)

TTW engages in the tap water production and sales business. TTW is the Company's related company since TTW is one of the Company's major shareholders, holding 25 percent¹ of the Company's registered and paid-up capital. Both companies also have two common directors, namely, (1) Mr. Plew Trivisvavet and (2) Mr. Narong Sangsuriya.

Bangkok Expressway Public Company Limited (BECL)

BECL engages in the business of construction and operation of the Si Rat Expressway (the Second Stage Expressway) and its extensions, including related businesses, and is the Company's related company since BECL is one of the Company's major shareholders, holding 23.22¹ percent of the Company's registered and paid-up capital. Both companies also have two common directors, namely, (1) Mr. Plew Trivisvavet and (2) Mr. Supong Chayutsahakij.

Xayaburi Power Company Limited (XPCL)

XPCL engages in the business of development of the Xayaburi Hydroelectric Power Project on the Mekong River in Xayaburi Province, the Lao PDR, with a production capacity of 1,285 megawatts, under an electricity production concession awarded by the Government of the Lao PDR, and is the Company's related company since XPCL's shareholders, namely, CK and BECL, as the Company's major shareholders, hold shares in XPCL representing 30 percent and 7.5 percent of its registered and paid-up capital, respectively. Both companies also have four common directors, namely, (1) Dr. Thanong Bidaya, (2) Mr. Plew Trivisvavet, (3) Mr. Thanawat Trivisvavet, and (4) Mr. Supong Chayutsahakij.

Ratchaburi Electricity Generating Holding Public Company Limited (RATCH)

RATCH is a holding company that leads the RATCH group in setting out the direction of operations and various strategies in conformity with the target of business development and expansion by focusing on investments in the electricity production business and related businesses. It is a related company of the Company since RATCH holds shares representing 33.33 percent of the registered and paid-up capital in SEAN, the Company's subsidiary.

Ratch-Lao Services Company Limited (RATCH-Lao)

RATCH-Lao is RATCH's wholly-owned subsidiary. RATCH-Lao was incorporated under the law of the Lao PDR and engages in the business of operation and maintenance of the Nam Ngum 2 Hydroelectric Power Project and also undertakes feasibility surveys for development of other power projects in the Lao PDR in its capacity as RATCH's representative in the Lao PDR. It is related to the Company since RATCH-Lao is a subsidiary of RATCH, one of the major shareholders of SEAN, which is a subsidiary of the Company.

Electricity Generating Authority of Thailand (EGAT)

EGAT, as a state enterprise in the energy sector under the umbrella of the Ministry of Energy and the Ministry of Finance, engages in the core business of production, supply, and distribution of electric power to the Metropolitan Electricity Authority, the Provincial Electricity Authority, electricity users as required by law, and neighboring countries, together with other businesses relating to the electricity business pursuant to the EGAT Act. It is related to the Company since EGAT is RATCH's

¹ As at the closing of the share register for the right to attend the Extraordinary General Meeting of Shareholders No. 1/2014 on September 16, 2014.

major shareholder, holding 45 percent of its registered and paid-up capital, and RATCH is also one of the major shareholders of SEAN, the Company's subsidiary.

Global Power Synergy Public Company Limited (GPSC)

GPSC is a company in the PTT group. Its core business is to produce and sell industrial electricity, steam and water to industrial customers and EGAT, with its major shareholders being PTT Global Chemical Public Company Limited and PTT Public Company Limited (shareholding representing 30.10 percent). GPSC accepted transfer of shares in BIC representing 25 percent of its registered and paid-up capital, from PTT on December 24, 2013, and as a result, GPSC is one of BIC's major shareholders, and GPSC is the Company's related company.

PTT Public Company Limited (PTT)

PTT engages in the petroleum business and other businesses in relation to or in support of the petroleum business, as well as investments in companies engaging in the petroleum-related business. PTT is the Company's related company since it holds shares representing 30.10 percent of GPSC's registered and paid-up capital.

Bang Pa-in Land Development Co., Ltd. (BLDC)

BLDC engages in the businesses of operation of the Bang Pa-in Industrial Estate, sale of areas in the industrial estate, management and service provision of certain utilities. The Bang Pa-in Industrial Estate covers an area of 1,962-1-64 rai, located at Km. 4, Udom-sorayuth Road (Highway Route No. 308) separated from Asian Highway (Highway Route No. 32) in the vicinity of Moo 2, Tambon Khlong Chik, and Moo 16, Tambon Bang Krasan, Amphoe Bang Pa-in, Phra Nakhon Si Ayutthaya Province. It is a party to a Joint Operation Agreement for the Bang Pa-in Industrial Estate Project with the Industrial Estate Authority of Thailand (IEAT) dated December 22, 1989. BLDC is the Company's related company, with two common directors, namely, (1) Mr. Plew Trivisvavet and (2) Miss Supamas Trivisvavet.

Government of the Lao People's Democratic Republic (GOL)

GOL granted a concession for the Nam Ngum 2 Hydroelectric Power Project to SEAN (which subsequently transferred the Concession Agreement to NN2), for a concession period of 25 years from the Commercial Operation Date. NN2 is obliged to pay the royalty fee and taxes to GOL as per the time and rates specified in the Concession Agreement. NN2 began making payment of the royalty fee to GOL on the Initial Operation Date (March 26, 2011). GOL is the Company's related party since GOL is a shareholder of EDL, of which EDL-Generation Public Company (EDL-Gen) is a subsidiary. EDL holds 75 percent of shares in EDL-Gen, and EDL-Gen holds 25 percent of the registered and paid-up capital of NN2, SEAN's subsidiary, which in turn is the Company's subsidiary.

Electricité du Laos (EDL)

EDL, as a state enterprise under the Ministry for Energy and Mines of the Lao PDR, engages in the core business of production, supply, and distribution of electric power in the Lao PDR. It also imports and exports electric power. Moreover, EDL has the duty to develop power plant projects, including hydroelectric power projects of the Lao PDR. EDL is the Company's related company since EDL is EDL-Gen's major shareholder, holding 75 percent of shares in EDL-Gen, and EDL-Gen holds 25 percent of the registered and paid-up capital of NN2, SEAN's subsidiary, which in turn is the Company's subsidiary.

2. Related Transactions of the Company and its Subsidiaries with Related Companies/Parties

The related transactions of the Company and its subsidiaries with related companies/parties for the year ended December 31, 2014 may be divided into main areas as follows:

- 1) Transactions involving electricity production of the Nam Ngum 2 Hydroelectric Power project in respect of which SEAN and NN2 entered into agreements with the Company's related parties, as follows:



- a. The agreement for engagement of RATCH to provide consulting services regarding operation and maintenance of hydroelectric power project;
- b. The agreement for engagement of RATCH-Lao to provide operation and maintenance services¹;
- c. The agreement for engagement of RATCH-Lao to provide major maintenance²;
- d. The agreement for engagement of EDL for operation of transmission systems, namely, Ban Nabong Substation and Transmission Line from Nabong Substation to the delivery point in the middle of the Mekong River;
- e. The agreement for engagement of EGAT as major maintenance service provider of Nabong Substation and Transmission Line.

In this regard, the execution of such agreements with the Company's related parties as per the details above has been made in order to minimize the risk from unavailability to sell electricity. Since RATCH, EDL and EGAT have experience, personnel and expertise in the management of power projects, EGAT is the sole manager of transmission lines in Thailand, and EDL is the manager of transmission lines in the Lao PDR, therefore, both EGAT and EDL have expertise in the management of transmission lines and substations, and as such, such transactions are beneficial to NN2. In addition, the transaction involving power purchase and sale between NN2 and EGAT is considered appropriate in ordinary course of business, since EGAT is Thailand's sole purchaser of imported electricity.

- 2) Transactions involving electricity production of Bangpa-in Cogeneration Phase 1 in respect of which BIC entered into agreements with the Company's related parties, as follows:
 - a. BLDC's land lease agreements in order to use the area for its power project. Such land is located in the industrial estate with areas suitable for construction of power project and for sale of electricity and steam to customers in the industrial estate. In addition, the lease for installation of power poles and gas pipes is reasonable since it is necessary in BIC's business operations.
 - b. The agreement for purchase and sale of natural gas from PTT for electricity production of the cogeneration power project of BIC is considered reasonable, since natural gas is the key raw material in the electricity production, and PTT solely distributes natural gas to the combined-cycle power plants in Thailand and has a standard agreement for purchase and sale of natural gas for general small power producers (SPP) projects, using natural gas as fuel.
 - c. The agreement for purchase and sale of tap water for use in the electricity and steam production system, as well as water treatment service from the electricity production process, with TTW, as the sole tap water distributor in Bang Pa-In Industrial Estate where the power project is located.
- 3) Transactions involving the engagement for management:
 - a. Transaction involving the engagement of CK as the Company's internal audit consultant;
 - b. Transaction involving the engagement of BLDC as the Company's consultant on the development of small power producers (SPP) projects;
 - c. Transactions involving the acceptance of engagement as Owner's Engineer and the agreement for construction contract administration, as well as the operation of the Managing Director Office and Finance and Accounting Department, with XPCL, since the Company had personnel with knowledge and abilities;
 - d. Transaction involving engagement of BLDC for management services to BIC.
- 4) Transactions involving office leases in Viriyathavorn Building of CK, by which the Company, BIC and SEAN took office leases in Viriyathavorn Building of CK, which were beneficial and convenient for their business operations.

^{1, 2} With respect to the agreement for engagement of RATCH-Lao to provide operation and maintenance services and the agreement for engagement of RATCH-Lao to provide major maintenance, RATCH-Lao executed an agreement with EGAT as its subcontractor to provide certain substantial technical services, but RATCH-Lao is still responsible to the Company for EGAT's works, as well as its remaining technical and management services under the agreement until the expiry of the agreement.

3. Details of Connection Transactions

3.1 Related Transactions of the Company with Related Companies/Parties

3.1.1 Transactions between the Company and CK

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Lease of the Company's office area in CK's building				
• Office area rental	0.67	1.97	The Company utilized the area on the CH, 20 th , and 24 th Floors of Viriyathavorn Building of CK. The Company agreed to pay CK for cost of utilization of such area at the rate equal to office area rental and to pay actual utility cost at the normal utility cost rate charged by CK to general lessees. The details of the lease agreements for each floor are as follows: 1. CH Floor covers a total area of 642.50 square meters, with a lease term of 3 years, from September 1, 2014 to August 31, 2017, at the rental rate of Baht 107,940 per month; 2. 20 th Floor covers a total area of 468.92 square meters, with a lease term of 3 years, from June 1, 2014 to May 31, 2017, at the rental rate of Baht 84,405 per month; 3. 24 th Floor covers a total area of 282.91 square meters, from January 1, 2014 to December 31, 2014, at the rental rate of Baht 45,265 per month.	The Audit Committee was of the opinion that the lease of the area for use as the Company's office was justifiable and such rental rate was reasonable since it was the rental rate charged by CK to general customers in Viriyathavorn Building.
• Rental and Utility payable	0.33	0.49		



Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Service Agreement on Secondment of Internal Audit Duties Management Services Agreement between the Company and CK <ul style="list-style-type: none"> • Administrative expenses • Management fee payable 	0.30	1.20	<p>The Company intended to engage a person with knowledge and direct expertise on internal audit and was of the view that CK had personnel with experience in the internal audit. Therefore, the Agreement was executed with CK for one personnel for a period of four months, from October 1, 2013 to February 1, 2014. The Company agreed to pay remuneration for CK in the amount of Baht 100,000 per month. The Agreement was renewed every four months. The existing Agreement started on October 1, 2014 and was valid until January 31, 2015.</p>	<p>The Audit Committee was of the opinion that such transaction was justifiable, since CK had personnel and expertise in management. Moreover, such fee under the Agreement was calculated based on manpower, nature of work and staff remuneration. Therefore, such fee was justifiable.</p>
	0.32	0.11		

3.1.2 Management Income between the Company and XPCL

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
The Owner's Engineer Agreement between the Company and XPCL <ul style="list-style-type: none"> • Project management income • Accounts receivable (project management income) 	-	44.09	<p>XPCL engaged the Company under the Owner's Engineer Agreement to supervise and inspect the quality of construction and testing of mechanical and electrical equipment, contact and coordination with EGAT and EDL, in order to supervise the construction in compliance with the requirements and standards under the Power Purchase Agreement, with a total fee under such Agreement of Baht 40.26 Million (excluding value added tax). The Company also reimbursed actual travelling expenses for on-site services. The term of the Agreement started from February 1, 2014 to December 31, 2014.</p>	<p>The Audit Committee was of the opinion that such transaction was reasonable since after the corporate restructuring, the Company was able to utilize executives and staff with experience in administration and construction of the Nam Ngum 2 Hydroelectric Power Project, to generate other income for the Company. Moreover, such fee was justifiable since it was calculated based on manpower, operating period and scope of work and staff remuneration.</p>
	-	4.24		



Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Secondment Service Agreement between the Company and XPCL <ul style="list-style-type: none"> • Project management income • Accounts receivable (project management income) 	-	8.80	<p>XPCL intended to engage personnel with knowledge and expertise on management of the Managing Director Office, accounting, finance, and engineering, and was of the view that the Company's personnel had experience in such fields, as well as understanding in the power production business. Therefore, the Secondment Service Agreement was executed with the Company for four personnel for a period of 11 months, commencing February 1, 2014 to December 31, 2014. XPCL agreed to pay Baht 800,000 per month to the Company.</p>	<p>The Audit Committee was of the opinion that such transaction was reasonable, since after the corporate restructuring, the Company was able to utilize executives and staff with experience in administration and construction of the Hydroelectric Power Project. In addition, the payment under such Agreement was calculated based on manpower, nature of work, and staff remuneration. Therefore, such payment was justifiable.</p>
	-	0.86		

3.1.3 Management Services between the Company and BLDC

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Management Services Agreement between the Company and BLDC <ul style="list-style-type: none"> • Administrative expenses • Management fee payable 	-	1.44	<p>The Company executed the Management Services Agreement regarding the development of the Cogeneration SPP Project, pursuant to which BLDC would be responsible for contacting, coordinating and taking actions as being notified by both regional and central government and private agencies, to ensure that the project operation complied with relevant laws and regulations, and that the preparation of documents for submission of the applications and proposals for sale of power to EGAT complied with EGAT's regulations on power purchases from small power producers. The term of the Agreement was one year, from January 1, 2014 to December 31, 2014. The Company agreed to pay fee to BLDC in the amount of Baht 120,000 per month.</p>	<p>The Audit Committee was of the opinion that such transaction was justifiable, since BLDC had personnel and expertise in management, with qualifications in accordance with the business objectives. Moreover, such fee under the Agreement was calculated based on manpower, nature of work and staff remuneration. Therefore, such fee was justifiable.</p>
	-	0.13		



3.2 Related Transactions of SEAN and NN2 with Related Companies/Parties

3.2.1 Transactions between SEAN and XPCL for Management Services for the Xayaburi Project

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
The Owner's Engineer Agreement between SEAN with XPCL <ul style="list-style-type: none"> • Project management income • Accounts receivable (project management income) 	43.98 3.92	3.96 -	<p>The Owner's Engineer Agreement was executed between SEAN and XPCL to supervise and inspect the quality of construction and testing of mechanical and electrical equipment, contact and coordinate with EGAT and EDL, in order to supervise the construction in compliance with the requirements and standards under the Power Purchase Agreement. The term of the Agreement started from January 1, 2012 until the first anniversary of the Commercial Operation Date. In 2014, SEAN terminated the Agreement with XPCL, and XPCL entered into the Agreement with the Company instead.</p>	<p>The Audit Committee was of the opinion that such transaction was reasonable since SEAN had experience in operation and construction of the Nam Ngum 2 Hydroelectric Power Project, and it was able to utilize its personnel to generate other income for SEAN. Moreover, such fee was justifiable since it was calculated based on manpower, operating period and scope of work and staff remuneration.</p>

3.2.2 Transaction involving Office Lease between SEAN and CK

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
SEAN's office lease in CK's building <ul style="list-style-type: none"> Office rental Other payable (office utility cost) 	2.26 0.03	0.28 -	SEAN took a lease on office area on the 20 th Floor of Viriyathavorn Building from CK for use as its Bangkok office, covering an area of 468.91 square meters, with a lease term of three years from October 1, 2013 to September 30, 2016, at the rental rate of Baht 75,025.60 per month and service fees for air conditioning and facilities in the amount of Baht 112,538.40 per month. CK and SEAN agreed to terminate the Agreement at the end of May 2014.	The Audit Committee was of the opinion that the lease of the area for use as SEAN's office was justifiable and such rental rate was reasonable since it was the rental rate charged by CK to general customers in Viriyathavorn Building.

3.2.3 Transactions between SEAN and RATCH

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Assignment of RATCH's staff to perform works for SEAN <ul style="list-style-type: none"> Administrative expenses 	2.31	2.47	The agreement among SEAN's shareholders specifies that RATCH, as a result of its experience and expertise in management of hydroelectric power plants, will assign its personnel to jointly perform works in respect of engineering and finance of SEAN for the Nam Ngum 2 Hydroelectric Power Project. Therefore, RATCH entered into an agreement with SEAN for assignment of its staff to perform works in SEAN for management of the Nam Ngum 2 Hydroelectric Power Project.	The Audit Committee was of the opinion that such transaction was justifiable since RATCH had personnel and expertise in management of power projects. Moreover, the service fee under such agreement was calculated based on manpower, nature of work, and staff remuneration, and as such, such price was reasonable.



3.2.4 Transaction between SEAN and NN2 with RATCH

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
<p>Operation and Maintenance Consulting Service Agreement of Nam Ngum 2 Hydroelectric Power Project between SEAN and NN2, and RATCH</p> <ul style="list-style-type: none"> O&M consulting service charges 	25.00	25.00	<p>SEAN and NN2 entered into an Operation and Maintenance Consulting Service Agreement of Nam Ngum 2 Hydroelectric Power Project with RATCH on May 26, 2006. Such Agreement specifies RATCH as Project Consultant in respect of matters relating to project development, contract documents, technical and construction advice, purchase of parts, equipment, and other items related to business; with service charges in the amount of Baht 6.25 Million per quarter (or Baht 25 Million per year). The Agreement would end upon the earlier of the expiry of the Power Purchase Agreement or when the Equity IRR of SEAN and/or NN2 becoming not less than 14 percent per year.</p>	<p>The Audit Committee was of the opinion that such transaction was reasonable since RATCH had experience in power project operation. Moreover, the determination of consideration of such Agreement had been negotiated by management of SEAN, and approved by the resolution of the board of directors and/or the shareholders' meeting of SEAN. Therefore, the Audit Committee was of the opinion that the consideration under such Agreement was in compliance with the applicable practices as at the time of approval of the transaction, and the determination of such price was acceptable to all related parties.</p>

3.2.5 Transactions between NN2 and RATCH-Lao

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Long-Term Operation and Maintenance Service Agreement between NN2 and RATCH-Lao <ul style="list-style-type: none"> • O&M service fees • Other maintenance fees • Trade accounts payable • Other accounts payable (Internet cost, maintenance cost of the surrounding areas, oil cost and traveling costs, etc.) 	142.00 - 31.81 0.58	125.66 0.70 38.10 0.89	<p>On June 25, 2009, NN2 entered into an Agreement for engagement of RATCH-Lao, RATCH's subsidiary, with experience in the operation and maintenance of power projects. The scope of such Agreement covered the operation service for electricity generation, maintenance of generator, hydro turbine, control system and equipment, including dam, powerhouse building, buildings and hydraulic structures, as well as the maintenance of office, residence, public utilities and areas around the project, including works other than those specified in the scope of works under the Agreement to be additionally agreed by NN2 as appropriate. Such Agreement had a service term from July 1, 2009 until the end of the concession period of the Project. Such Agreement divided the services into three phases, namely, (1) Pre-operational Phase, from June 25, 2009 until July 31, 2011, with the service fee of Baht 951,000 per month; (2) Partial Operational Phase, from September 1, 2011 until October 31, 2011, with the service fee of Baht 7,740,000</p>	<p>The Audit Committee was of the opinion that such transaction was reasonable, since RATCH-Lao was RATCH's subsidiary, having experience in the operation of power projects. With respect to the consideration under the Agreement, as the scope of such service agreement was specific for each project, it would be unable to compare based on the information available to the public. However, the determination of such consideration of the Agreement had been negotiated by management of SEAN and NN2, and the board of directors and/or the shareholders' meetings of SEAN and NN2 considered the matter and were of the opinion that such consideration was reasonable and then resolved to approve such transaction. In addition, the consideration payable to RATCH-Lao was acceptable</p>



Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
			per month; and (3) Operational Phase, with the service fee of Baht 9,583,333 per month. Such service fee rate would be increased by 3 percent per annum from January 1, 2012 for five years. The revision of such rate would be reviewed upon (1) the end of every five-year interval; or (2) prior to the commencement of the operation of the extension of the Nam Ngum 2 Hydroelectric Power Project; or (3) the occurrence of any unusual event under the Agreement between both parties.	to EDL-Gen as representative of the Government of the Lao PDR, having experience in management of hydroelectric power projects in the Lao PDR. Moreover, EDL-Gen was not a party to the Shareholders' Agreement of SEAN, it was thus able to independently make decisions on various issues without any obligation to comply with such Shareholders' Agreement. Therefore, the Audit Committee was of the opinion that the consideration under such Agreement was in compliance with the applicable practices as at the time of approval of the transaction and the determination of such price was acceptable to all related parties. As for other expenses such as Internet cost, maintenance costs of the surrounding areas, and traveling costs, the Audit Committee was of the opinion that the transaction was reasonable, since they were expenses to facilitate performance of staff at the Project site, and the price was justifiable based on the scope of works and actual expenses.

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Agreement on Major Maintenance Services between NN2 with RATCH-Lao <ul style="list-style-type: none"> Service fees under the Agreement on Major Maintenance Services 	61.81	63.65	<p>NN2 entered into an Agreement for engagement of RATCH-Lao, as RATCH's subsidiary, with experience in the operation of power projects for the major maintenance of NN2's powerhouse. The scope of such Agreement covered the provision of services, divided into three types, as follows:</p> <p>(1) The Preventive Maintenance Services included the annual test of the generator and other components in accordance with the requirements in the Power Purchase Agreement, which would take 3 days in operation, the minor check up and maintenance every two years which would take 21 days each, and the moderate maintenance every seven years which would be carried out in 2018 and would take 60 days each.</p> <p>(2) The Corrective Maintenance Services referred to the 24-hour Emergency Corrective Maintenance Services.</p> <p>(3) The scheduled and emergency maintenances, which would help minimize idle time of machinery.</p> <p>Such Agreement was signed on September 3, 2011, for a term of seven years, and was renewable subject to the mutual agreement of both parties. Throughout such seven</p>	<p>Please refer to the Long-Term Operation and Maintenance Service Agreement between NN2 and RATCH-Lao.</p>



Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
			years of services, NN2 agreed to pay to RATCH-Lao the service fees in the amount of approximately Baht 460 Million, escalated by 3 percent annually from January 1, 2014, payable in monthly installments, provided that in the first year, the service fees would be a lump sum fixed amount of Baht 60 Million. After that, commencing January 2013, the service fees would be paid monthly in the amount of Baht 5.15 Million, and Baht 5.30 Million per month in 2014.	

3.2.6 Transactions between NN2 and EGAT

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Power Purchase Agreement between NN2 and EGAT <ul style="list-style-type: none"> Revenue from electricity sales Trade accounts receivable Other long-term liabilities Costs of sales: import energy and liquidated damages 	4,155.15 535.85 122.74 13.73	3,976.45 985.63 146.57 21.65	The Power Purchase Agreement of the Nam Ngum 2 Hydroelectric Power Project between SEAN and EGAT which was executed on May 26, 2006 was novated to NN2 on December 27, 2007. The Power Purchase Agreement has a total term of 27 years. The supply targets are divided into two phases, namely, (1) two years prior to COD (IOD), and (2) 25 years from COD throughout the concession period.	The Audit Committee was of the opinion that the execution of the Power Purchase Agreement was reasonable, as the sale of the high voltage electricity into the system in Thailand must be made with EGAT only, and the execution of such Agreement also fell into the scope of the execution of the Agreement with a public agency, having clear pricing regulations and practices.

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Major Maintenance Services Agreement for Nabong Substation and 500,000 V transmission line, Nabong Substation to the delivery point in the middle of the Mekong River, between NN2 and EGAT				
• Service fee under the Major Maintenance Services Agreement	2.92	2.13	NN2 engaged EGAT for major maintenance services for the Nabong Substation and 500,000 V transmission line, which ran from the Nabong Substation to the delivery point in the middle of the Mekong River. The Agreement was executed on August 1, 2012, with a term of five years, from August 1, 2012 to July 31, 2017. Such Agreement covered the maintenance of the Nabong Substation (including certain transmission system at the powerhouse), and related to inspection and emergency support service in case of any failures for which a specific expert would be required. NN2 paid the maintenance service fee under the Maintenance Services Agreement in the total amount of Baht 16,191,500, divided into annual payments over 5 years subject to the scope of work each year.	The Audit Committee was of the opinion that the execution of such transaction was reasonable, as EGAT had expertise in Thailand's transmission system, and the execution of such Agreement also fell into the scope of the execution of the Agreement with a public agency, having clear pricing regulations and practices.
• Trade accounts payable	2.92	2.13		



Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Other expenses for Maintenance Long Line Telephone and metering system adjustment costs <ul style="list-style-type: none"> Maintenance Long Line Telephone and metering system adjustment costs 	0.96	0.99	<p>This transaction related to expenses for two telephone lines in association with EGAT, installed in the powerhouse control room at the Nam Ngum 2 Hydroelectric Power Project for use in communication with the Central Division of EGAT. With respect to such expenses, EGAT has collected payment for telephone line maintenance from NN2 annually. In addition, it included the expenses for engagement of EGAT for metering system adjustment to ensure its precision and accuracy. EGAT would adjust the equipment and certify the adjustment on one occasion, and would annually collect payment from NN2 at the rate of USD 10,000 as specified in the Power Purchase Agreement. As from January 2013, an additional telephone line was connected, which would result in more convenient communication between NN2 and EGAT.</p>	<p>The Audit Committee was of the opinion that the execution of such transaction was reasonable, as NN2 was required to closely communicate with EGAT in Project of operation to maintain the stability of the electricity at all times, and the execution of such Agreement also fell into the scope of the execution of the Agreement with a public agency, having clear pricing regulations and practices.</p>
Other maintenance fees <ul style="list-style-type: none"> Other maintenance fees Trade accounts payable 	- -	0.60 0.15	<p>This transaction related to fees for engaging EGAT for the annual repair of hot spots on the transmission line and inspection of the quality of transformer oil. EGAT had expertise and experience in power project technical issues. NN2 already made one-time payment to EGAT without any renewal of the Agreement.</p>	<p>The Audit Committee was of the opinion that the execution of such transaction was reasonable, as NN2 was required to closely coordinate with EGAT, and EGAT had expertise and experience in power project technical issues and electricity distribution. Therefore, it was suitable to engage EGAT to inspect the equipment. The fee rate was reasonable based on the actual scope of work performed.</p>

3.2.7 Transaction between NN2 and GOL

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Royalty Fee under the Concession Agreement				
• Royalty fee paid under the Concession Agreement	139.80	135.42	Under the Concession Agreement, NN2 was required to pay the Royalty Fee to the GOL at the specified rates:- - For the six months prior to IOD, no Royalty Fee was to be paid, and for two years thereafter, until the COD (thirty months (21/2 years)), 3.4 percent of the gross operating revenue; - First Period (from the COD until the eighth anniversary of COD), 3.4 percent of the gross operating revenue per year; - Second Period (from the start of the year following the First Royalty Period and ending six years thereafter), 3.5 percent of the gross operating revenue per year; - Third Period (from the start of the year following the Second Period and ending two years thereafter), 7.5 percent of the gross operating revenue per year; - Fourth Period (from the start of the year following the Third Period and ending on the 25 th anniversary of the COD), 13.5 percent of the gross revenue per year.	The Audit Committee was of the opinion that the execution of such transaction was reasonable, as the execution of such Agreement was made with the governmental sector of the Lao PDR, having clear pricing regulations and practices.
• Trade accounts payable	77.62	79.45		



3.2.8 Transactions between NN2 and EDL

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Agreement on Operation and Maintenance of Nabong Substation and Transmission Systems between NN2 and EDL <ul style="list-style-type: none"> Service fee under the Agreement on O&M of Nabong Substation and Transmission Systems 	17.14	18.22	<p>NN2 engaged EDL for the operation and maintenance services of Nabong Substation and transmission systems from the Project to the delivery point, namely, the 230 kV transmission line from the Project to Nabong Substation, and the 500 kV transmission line from Nabong Substation to the delivery point in the middle of the Mekong River.</p>	<p>The Audit Committee was of the opinion that the execution of such transaction was reasonable, as EDL had expertise in the transmission systems of the Lao PDR, and the execution of such Agreement was made with the governmental sector of the Lao PDR, having clear pricing regulations and practices.</p>
<ul style="list-style-type: none"> Trade accounts payable 	1.52	1.54	<p>Both parties executed the Agreement on Operation and Maintenance of Nabong Substation and Transmission Systems on January 15, 2010, with the contract period from 2010 until the earlier of the following events, (1) the end of the concession period under the Concession Agreement, and (2) the date on which the Nabong Substation and 500 kV transmission line were taken over by EDL.</p> <p>The term under such Agreement was divided into two phases, namely, the re-operational Phase and the Operational Phase. The payment under the Agreement was as follows:</p> <ul style="list-style-type: none"> Pre-operational Phase (4 months from January 31, 2010) in the amount of USD 66,432.25 per month; 	

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
			<p>- Operational Phase (from June 1, 2010 until the end of the contract period) in the amount of USD 48,642 per month. On January 28, 2011, NN2 and EDL executed the Side Agreement for amendment of the Agreement on Operation and Maintenance of Transmission Systems to ensure more clarity and suitability with the reality. In 2011, the service fee was USD 49,882 per month, escalated by 1 percent annually from 2012. (In 2012, the service fee was USD 50,380.82 per month.) Later, on July 1, 2012, NN2 and EDL executed the Side Agreement Concerning the Agreement on Operation and Maintenance of Nabong Substation and Transmission Systems, reducing the scope of services in long distance control operation from the Northeastern Control Center, to ensure suitability with the changed command of the National Control Center of EGAT. Thus, the rate of service fee decreased to USD 45,589 per month, effective from July 2012. Other terms and conditions remained unchanged.</p>	



Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Assignment of EDL's staff to perform works for NN2 <ul style="list-style-type: none"> Administrative expenses 	1.55	0.80	<p>The Executive Committee's Meeting of NN2 on November 19, 2010 resolved to appoint a member of EDL's staff as NN2's Assistant Managing Director of Maintenance Department, with the duties to supervise works relating to Nabong Substation and Transmission Systems of the Nam Ngum 2 Hydroelectric Power Project, effective from December 1, 2010. NN2 would pay the monthly service fee to EDL in the amount agreed upon between both parties. On January 4, 2011, EDL gave a notice on the service fee for assignment of its staff to perform works for NN2 at the rate of USD 3,500 per month, effective from December 1, 2010, and the payment would be made to EDL's account. In addition, NN2 was required to provide facilitation in accordance with NN2's rules and regulations to EDL's staff.</p>	<p>The Audit Committee was of the opinion that such transaction was reasonable, as EDL had personnel and expertise in management of hydroelectric power project and transmission lines in the Lao PDR. Moreover, the service fee under such Agreement was calculated based on manpower, nature of work, and staff remuneration, and as such, such price was reasonable.</p>

3.3 Related Transactions between BIC and the Related Companies/Parties

3.3.1 Transactions between BIC and CK

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Management Service Agreement between BIC and CK <ul style="list-style-type: none"> Administrative expenses Management fee payable 	2.04 0.18	1.64 -	BIC intended to engage executives having knowledge and expertise in Cogeneration Power business, and considered that CK's executives had more experience in the related field. Therefore, BIC executed the Management Service Agreement with CK for one personnel in 2012, commencing February 1, 2012 to December 31, 2012. BIC agreed to pay Baht 146,000 per month to CK. In 2013 and 2014, BIC renewed such Agreement with CK, with an additional term of one year from the date of execution of the Agreement, with the service fee in the amounts of Baht 170,000 and Baht 164,000 per month, respectively. The Agreement was terminated in October 2014.	The Audit Committee was of the opinion that the execution of such transaction was reasonable, as BIC required personnel with knowledge and skills needed for such business, and therefore engaged CK, which had experienced personnel for service to BIC. Moreover, the service fee under such Agreement was calculated based on manpower, nature of work, and staff remuneration, and as such, such price was reasonable.



Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
BIC's office lease in CK's building <ul style="list-style-type: none"> Office rental 	0.70	0.62	BIC took a lease on office area on the 17 th floor of Viriyathavorn Building from CK, covering an area of 140.91 square meters, with a lease term renewable every three years. The existing Agreement commenced from October 17, 2014 to October 16, 2017, at the rental rate of Baht 20,854.60 per month and service fee of Baht 31,282.02 per month.	The Audit Committee was of the opinion that the lease of the area for use as BIC's office was justifiable and such rental rate was reasonable since it was the rental rate charged by CK to general customers in Viriyathavorn Building.

3.3.2 Related Transactions between BIC and BLDC

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
BIC's leases in Bang Pa-In Industrial Estate from BLDC for construction <ul style="list-style-type: none"> Rental 	1.04	0.91	BIC entered into land lease agreements with BLDC for various utilizations, with the following details: 1. Agreement for land utilization for construction, expansion, utilization, maintenance and repair services of the natural gas pipeline system (natural gas pipeline), from January 1, 2014 to December 31, 2016, at the rental rate of Baht 211,470 per year;	The Audit Committee was of the opinion that the execution of such transaction was reasonable, as the land lease in the second transaction was executed to acquire natural gas as the main raw material for use in BIC's Cogeneration Power Project, as well as for

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
			2. Agreement for land utilization (6-0-62.25 rai for installation of power poles of the 115 kV and 22 kV transmission lines; and 0-0-50.25 rai for steam pipeline installation), from July 1, 2012 to December 31, 2014, at the rental rate of Baht 703,494 per year	purposes relating to electric poles and steam pipeline for sale of electricity and steam so produced to customers within Bang Pa-In Industrial Estate. Moreover, the rental was reasonable, as it was the rate normally charged by BLDC to lessees for similar utilizations of land
Management Service Agreement between BIC and BLDC <ul style="list-style-type: none"> • Administrative expenses • Service fee payable 	-	1.68	BIC executed the Management Service Agreement with BLDC for one personnel for the 120 MW Cogeneration SPP Project, from January 1, 2014 to December 31, 2014. The service fee under the Agreement was Baht 140,000 per month, excluding value added tax, but including other taxes and expenses relating to the work under this Agreement.	The Audit Committee was of the opinion that such transaction was reasonable, since BLDC had personnel and expertise in management, with qualifications in accordance with the business objectives of BIC. Moreover, such service fee under the Agreement was calculated based on manpower and nature of work. Therefore, such service fee was justifiable. The negotiations for such transaction were in accordance with general commercial conditions, without any transfer of interests between the Company and persons who may have had a conflict of interest.



3.3.3 Related Transaction between BIC and PTT

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
BIC's Natural Gas Purchase Agreement with PTT <ul style="list-style-type: none"> Natural gas cost Trade accounts payable 	942.88 326.95	1,979.14 173.64	<p>BIC executed the Natural Gas Purchase Agreement with PTT on March 18, 2011. Such Agreement was in PTT's standard format for sale of natural gas to SPP Projects. The Agreement specified the commencement date for commercial use of natural gas on June 1, 2013, for a term of 25 years from the date of commercial use of gas, with a daily purchase volume of 18.83 million cubic feet per day, and a maximum gas use of not exceeding 21.55 million cubic feet per day. In addition, the Agreement specified a minimum purchase from PTT at not less than 85 percent of the total volume of gas for the whole year as calculated from the formula specified in the Agreement. The gas price comprised gas cost and transmission cost as per the formula specified in the Agreement.</p>	<p>The Audit Committee was of the opinion that the execution of such transaction was reasonable, as it was the purchase and sale of natural gas in the ordinary course of business. The price was justifiable and reasonable, as it was in accordance with the Natural Gas Purchase Agreement for the SPP Projects which PTT used as standard for general SPP customers, with a clear formula for calculation of gas price.</p>

3.3.4 Related Transaction between BIC and TTW

Transaction	Transaction Volume (Million Baht)		Nature of Transaction/Necessity and Justification	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Tap Water Purchase Agreement between BIC and TTW <ul style="list-style-type: none"> Raw water cost Water treatment cost Trade accounts payable 	6.65 0.67 -	25.05 1.56 4.86	BIC executed the Tap Water Purchase Agreement with TTW, Contract No. 001/2554, on February 15, 2011, from February 15, 2011 to February 16, 2012. Upon completion of one year under the Agreement, unless a notice of termination is given at least 90 days in advance, it shall be deemed that the Agreement remains valid until further notice of termination would be given. The rate of tap water charges was Baht 22.50 per cubic meter (excluding value added tax). During the construction period of the power plant, the water treatment cost would be paid at 80 percent of total volume of tap water consumption. During the period from the operation commencement, the water treatment cost would be paid at 20 percent of total volume of tap water consumption.	The Audit Committee was of the opinion that such transaction was reasonable, as it was the purchase and sale of raw water in the ordinary course of business. The price was justifiable and reasonable, as it was in accordance with the standard form of the Agreement.

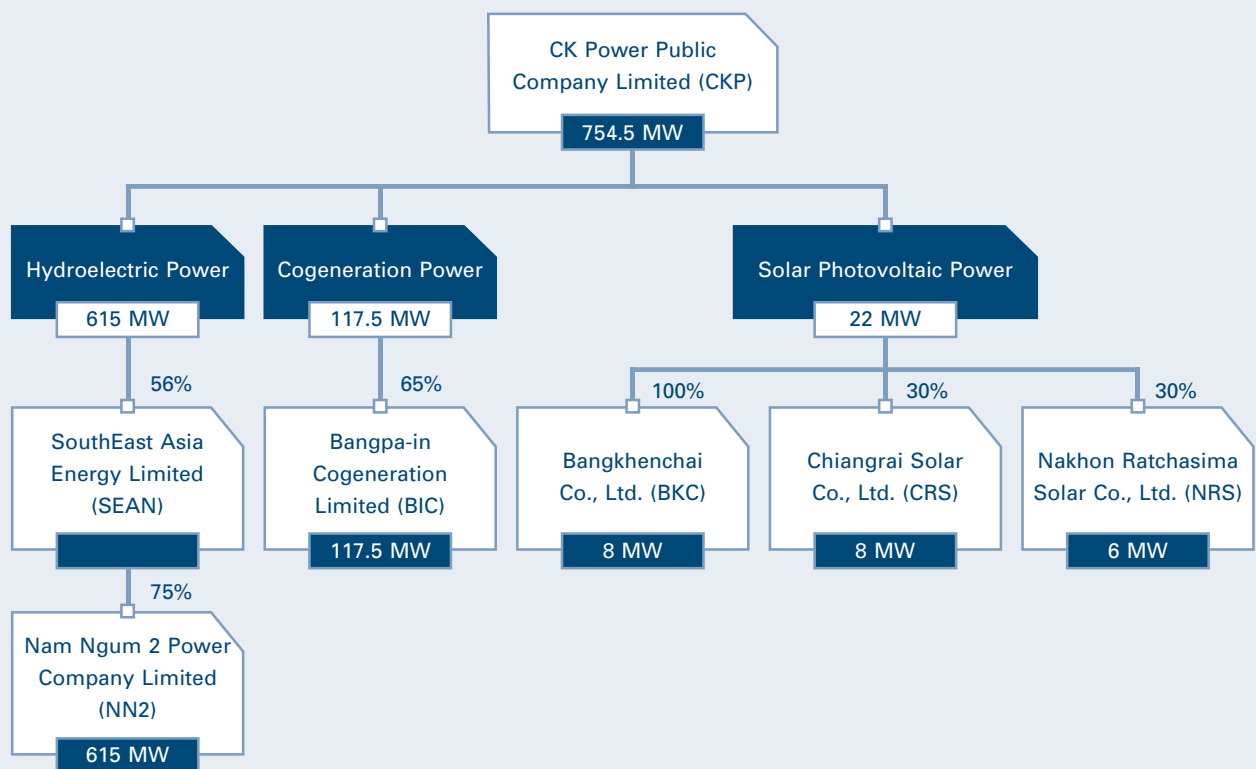


Management Discussion and Analysis

1. Overview

1.1 Past Operation Overview

The Company operates its core business by holding shares in other companies (Holding Company) that engage in the business of production and sales of electricity generated from various types of energy. At present, the Company holds shares in five companies which produce electricity from three sources of energy, i.e., one company for hydroelectric power project, namely, SouthEast Asia Energy Limited (SEAN); one company for cogeneration power project, namely, Bangpa-in Cogeneration Limited (BIC); and three companies for solar power projects, namely, Bangkhengchai Co., Ltd. (BKC), Chiangrai Solar Co., Ltd. (CRS) and Nakhon Ratchasima Solar Co., Ltd. (NRS).



According to the Company's consolidated financial statements in 2014, the total revenues of the Company and its subsidiaries amounted to Baht 7,027.37 Million, an increase of Baht 1,393.94 Million from the previous year. The core revenue was derived from sales of electricity and steam in the amount of Baht 6,942.14 Million, representing 98.79 percent of the total revenues, divided into revenue from hydroelectric power in the amount of Baht 3,976.45 Million; revenue from cogeneration power in the amount of Baht 2,803.12 Million; and revenue from solar power in the amount of Baht 162.57 Million. In 2013, the total revenues of the Company and its subsidiaries amounted to Baht 5,633.43 Million. The core revenue was derived from sales of electricity and steam in the amount of Baht 5,568.27 Million, representing 98.84 percent of the total revenues, divided into revenue from hydroelectric power in the amount of Baht 4,115.15 Million; revenue from cogeneration power in the amount of Baht 1,292.79 Million; and revenue from solar power in the amount of Baht 160.33 Million.

The Company's cost of sales in 2014 amounted to Baht 4,021.67 Million, representing 57.93 percent of the revenues from sales of electricity and steam, resulting in a gross profit of Baht 2,920.47 Million, representing 42.07 percent. In 2013, the cost of sales amounted to Baht 2,786.45 Million, representing 50.04 percent of the revenues from sales of electricity, resulting in a gross profit of Baht 2,781.82 Million, representing 49.96 percent in 2013.

In 2014, net profit attributable to equity holders of the Company and its subsidiaries amounted to Baht 471.82 Million, an increase of Baht 252.94 Million or 115.56 percent from the previous year.

1.2 Significant Events in 2014

- In February 2014, the Company established a project management unit for technical and management services to its subsidiaries and a related company. At present, the Company has executed management service agreements with NN2, BIC, BKC and Xayaburi Power Company Limited (XPCL).
- On April 22, 2014, the 2014 Annual Ordinary General Meeting of Shareholders granted approval for the Company to use the ordinary share premium in the amount of Baht 170 Million to compensate for the Company's deficit in the separate financial statements.
- On July 14, 2014, the Company entered into a Memorandum of Agreement with Asia Industrial Estate Co., Ltd. for joint development of two cogeneration power projects, with a production capacity of 120 MW each, totaling 240 MW, in Asia Industrial Estate (Suvarnabhumi).
- In September 2014, BIC executed additional Power Purchase Agreements with industrial operators in Bangpa-in Industrial Estate, in respect of the remaining production capacity of 5.5 MW.
- On November 11, 2014, BIC executed an EPC Contract with CH. Karnchang Public Company Limited for construction of Bangpa-in Cogeneration Phase 2 (BIC-2), with a value not exceeding Baht 4,310.15 Million, in accordance with the resolution of the Company's Extraordinary General Meeting of Shareholders No. 1/2014 on October 28, 2014; and on December 25, 2014, BIC executed a loan agreement for BIC-2, with a long-term loan amount of Baht 4,005.00 Million.

2. Analysis of Operational Results

Summary of Operational Results between 2014 and 2013

Description	Consolidated Financial Statements			
	2014	2013	Changes	
	Million Baht	Million Baht	Million Baht	percent
Revenue from sales of electricity and steam	6,942.14	5,568.27	1,373.87	24.67
Project management income	56.86	44.05	12.81	29.08
Other income	28.37	21.10	7.27	34.41
Operating expenses	(4,960.67)	(3,704.37)	(1,256.30)	33.91
Share of profit from investments in associated companies	34.67	15.73	18.94	120.34
Earnings before interest and tax	2,101.36	1,944.79	156.57	8.05
Finance cost	(1,218.97)	(1,340.30)	121.33	(9.05)
Income tax expenses	(0.24)	(1.89)	1.65	(87.09)
Net profit for the period	882.15	602.61	279.54	46.39
- Equity holders of the Company	471.82	218.88	252.94	115.56
- Non-controlling interests of the subsidiaries	410.33	383.73	26.60	6.93



2.1 Revenue

The Company's revenue structure is divided into 4 categories, namely, (1) revenue from sales of electricity, comprising hydroelectric power, cogeneration power and solar power; (2) revenue from sales of steam; (3) project management income; and (4) other income, with the details as follows:

Description	Revenues from Consolidated Financial Statements					
	2014		2013		Changes	
	Million Baht	percent	Million Baht	percent	Million Baht	Percent
Revenue from sales of electricity	6,862.07	97.65	5,547.67	98.48	1,314.40	23.69
Revenue from sales of steam	80.07	1.14	20.61	0.37	59.46	288.55
Project management income	56.86	0.81	44.05	0.78	12.81	29.08
Other income	28.37	0.40	21.1	0.37	7.27	34.41
Total revenues	7,027.37	100.00	5,633.43	100.00	1,393.94	24.74

(1) Revenue from sales of electricity

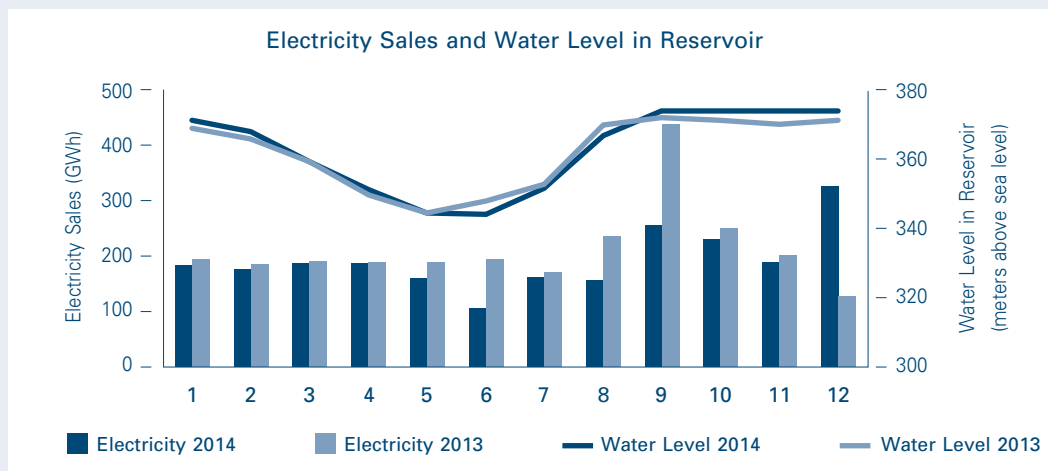
	Electricity Sale Volume Unit: Gigawatt-Hour		Changes Unit: Gigawatt-Hour		Revenue from Sales of Electricity Unit: Million Baht		Changes Unit: Million Baht	
	2014	2013	Increase (Decrease)	percent	2014	2013	Increase (Decrease)	percent
Hydroelectric power	2,321.37	2,559.80	(238.43)	(9.31)	3,976.45	4,115.15	(138.70)	(3.37)
Cogeneration power	760.73	365.07	395.66	108.38	2,723.05	1,272.19	1,450.86	114.04
Solar power	14.08	14.01	0.07	0.47	162.57	160.33	2.24	1.40
Total	3,096.18	2,938.88	157.30	5.35	6,862.07	5,547.67	1,314.40	23.69

In 2014, the revenue from sales of electricity of the Company and its subsidiaries amounted to Baht 6,862.07 Million, representing 97.65 percent of the total revenues, which increased from the revenue from sales of electricity in 2013 of Baht 5,547.67 Million. The increase in revenue from sales of electricity of Baht 1,314.40 Million or representing 23.69 percent, was mainly due to:

- **Recognition of BIC's full-year revenue compared to recognition of merely six-month revenue in 2013**

Bangpa-in Cogeneration Phase 1 (BIC-1) commenced its commercial operation on June 28, 2013 for sales of 90 MW of electricity to the Electricity Generating Authority of Thailand (EGAT), with the remaining electricity to industrial operators in Bang Pa-in Industrial Estate. In 2014, the Company recognized BIC's full-year revenue from sales of electricity in the amount of Baht 2,723.05 Million, representing 39.68 percent of the total revenues from sales of electricity, which increased from the previous year by Baht 1,450.86 Million or 114.04 percent. In 2013, the Company recognized BIC's revenue from sales of electricity for six months in the amount of Baht 1,272.19 Million, representing 22.93 percent of the total revenues from sales of electricity. In addition, BIC continued to enhance the efficiency in its operation, and entered into negotiations with customers in the Industrial Estate for sales of additional electricity, thereby resulting in the increased revenue during the year.

- Decreased volume of water to the Nam Ngum 2 Dam in 2014 compared to 2013



The graph above indicates the electricity sales and the reservoir water level in comparison between 2014 and 2013. In 2014, NN2 was able to produce less electricity than it produced in 2013 due to the decreased volume of water flowing through the reservoir compared to the previous year. In 2014, the volume of water flowing through the dam was 6,342 million cubic meters, compared to 7,029 million cubic meters of the previous year. Moreover, the rainy season was delayed, and there was no rainstorm in the upstream areas of the dam during the monsoon season in 2014. As NN2 had Reserve Energy in the Primary Energy Account (PE Account)¹ which was brought forward from the previous year, NN2 therefore managed to meet the target volume of 2,218 million units of Primary Energy (PE) according to the Power Purchase Agreement. On the other hand, due to NN2's insufficient Reserve Energy in the Secondary Energy Account (SE Account), NN2 was able to sell merely 15.61 million units of electricity. In addition, in September and October, during which rainfall was rather abundant, NN2 was able to generate 87.76 million units of Excess Energy (EE)² which amounted to Baht 79.04 Million of revenue. The sales of electricity in 2014 can be summarized as follows:

Million Units	2014	2013
PE Production	2,115.91	2,313.92
PE Account	102.09	-
PE Sales	2,218.00	2,313.92
SE Production	6.84	95.21
SE Account	8.77	-
SE Sales	15.61	95.21
EE Sales	87.76	150.67
Total Sales	2,321.37	2,559.80

As a result, NN2's revenue from sales of electricity amounted to Baht 3,976.45 Million in 2014, a decrease of Baht 138.70 Million or 3.37 percent, compared to the revenue from sales of electricity in the amount of Baht 4,115.15 Million in 2013.

¹ Energy Account refers to the volume of electricity produced in excess of the supply target (2,310 million units) and such excess can be recorded in the Reserve Energy Account for make-up in any year with insufficient water volume to produce electricity to meet the supply target.

² Excess Energy refers to the volume of electricity produced in excess of forecast. Normally, the sales of Primary Energy and Secondary Energy must first be declared in advance to the EGAT by the 10th day of the preceding month. In case the water volume is more than forecast, such excess will be sold as Excess Energy.



- **Increase in average selling price of electricity**

The average selling price of electricity of 2014 was Baht 2.22 per unit; while the average selling price of electricity of 2013 was Baht 1.89 per unit. The increase in the average selling price of electricity was due to changes in proportions of the energy sources. The tariff structure of electricity prices varies by different energy sources. The selling price of electricity from solar power is the highest, followed by cogeneration power and hydroelectric power, respectively. As a result, the revenue from sales of electricity increased by 23.69 percent, which was higher than the increased electricity volume which increased by 5.35 percent.

(2) Revenue from sales of steam

BIC produces steam as by-product from its cogeneration power, with an installed capacity of 19.6 tons per hour. In 2014, BIC sold 94,328 tons of steam for Baht 80.07 Million, an increase of Baht 59.46 Million or 288.55 percent from the previous year. BIC started selling steam to industrial operators in the Industrial Estate in October 2013, and as a result, sold merely 24,442 tons of steam for Baht 20.60 Million in 2013.

(3) Project management income

Project management income in the Company's consolidated financial statements was mostly recognized from the project management income under the Owner's Engineer Agreement with XPCL. Originally, SEAN was the service provider, but after the restructuring of the Company group, the service provider was changed to be CK Power Public Company Limited on February 1, 2014. The value of the Agreement for 2014 was approximately Baht 40.33 Million. In addition, the Company also received revenue from the Secondment Service Agreement with XPCL, with a value of the Agreement for 2014 of approximately Baht 8.80 Million.

(4) Other income

Other income comprises interest income derived from restricted bank deposits and short-term investments and gains on exchange rates.

2.2 Operating expenses

The Company's expenses comprise cost of sales of electricity, amortization of right to produce and sell electricity, cost of project management, administrative expenses, and loss on exchange with the details as follows:

Description	Expenses in Consolidated Financial Statements					
	2014		2013		Changes	
	Million Baht	percent	Million Baht	percent	Million Baht	percent
Cost of sales of electricity and steam	4,021.67	81.07	2,786.45	75.22	1,235.22	44.33
Fuel costs	1,979.15	39.90	929.33	25.09	1,049.82	112.96
Depreciation	1,312.06	26.45	1,218.87	32.90	93.19	7.65
Operation and maintenance cost	462.91	9.33	347.07	9.37	115.84	33.38
Royalty fee	135.42	2.73	139.80	3.77	(4.38)	(3.13)
Others	132.13	2.66	151.38	4.09	(19.25)	(12.71)
Amortization of right to produce and sell electricity	521.28	10.51	508.09	13.72	13.19	2.60
Cost of project management	68.51	1.38	-	-	68.51	N/A
Administrative expenses	344.47	6.94	409.83	11.06	(65.36)	(15.95)
Loss on exchange rate	4.74	0.10	-	-	4.74	N/A
Total	4,960.67	100.00	3,704.37	100.00	1,256.30	33.91

- **Cost of sales of electricity and steam**

In 2014, the cost of sales of electricity and steam of the Company and its subsidiaries amounted to Baht 4,021.67 Million, representing 57.93 percent of the revenue from sales of electricity and steam. The increase of Baht 1,235.22 Million or 44.33 percent in the cost of sales of electricity from 2013 was mainly due to BIC's fuel costs, which corresponded with the increased production volume.

- **Fuel costs:** BIC uses natural gas as fuel in its production of electricity and steam while other projects in the group incur no fuel costs. The heat rate in 2014 was 7,777 BTU per kilowatt-hour equivalent, a decrease from 7,875 BTU per kilowatt-hour equivalent, which demonstrated improved production efficiency.
- **Depreciation:** This represents the major cost for power projects, which require huge investment, particularly hydroelectric and solar power projects, using the straight-line method throughout the project period. The increase of Baht 93.19 Million in depreciation was due to BIC's full-year operation in 2014 compared to half-year operation in 2013.
- **Operation and maintenance cost:** Most of this item is fixed cost as the subsidiaries engaged specialized contractors for maintenance. The increase of Baht 115.84 Million or 33.38 percent in the operation and maintenance cost from the previous year was partially caused by allocation of salaries of operating staff from administrative expenses, engagement of J-Power as O&M consultant for NN2 since January 2014 for three years, and payment of service fees to GE Power & Water Co., Ltd. under BIC's long-term gas turbine maintenance service agreement.
- **Royalty fee:** This refers to payments to the Government of the Lao PDR, which directly vary according to revenue from sales of electricity of NN2.
- **Others:** This comprises costs of environment and public consultation, rentals, insurance premium, power development funds and other costs directly related to power productions.
- **Amortization of right to produce and sell electricity** refers to the amortization of intangible assets as a result of business acquisitions, which is a non-cash transaction.
- **Cost of project management** refers to shared cost directly related to provision of services to the subsidiaries and a related company, mostly comprising salary, traveling expenses and consultant expenses.
- **Administrative expenses** mostly comprise salary, remuneration for directors, office expenses, professional fees and depreciation.

2.3 Share of profit from investments in associated companies

In 2014, the Company's share of profit from investments in associated companies amounted to Baht 34.67 Million, which included the operational results of CRS and NRS, in each of which the Company holds 30 percent. The share of profit increased by Baht 18.94 Million from the previous year, representing 120.34 percent, as in 2013, BIC was considered an associated company for six months and became a subsidiary after its commencement of commercial operation.

2.4 Finance cost

Finance cost decreased by Baht 121.33 Million or 9.05 percent. In 2014, finance cost amounted to Baht 1,218.97 Million; while in 2013, finance cost amounted to Baht 1,340.30 Million, as a result of gradual debt repayment during the year and reduced interest rates.



2.5 Profitability and Significant Financial Ratios

Description	2014	2013	Changes
Gross Profit Margin	42.07%	49.96%	(7.89%)
Earnings before interest, tax, depreciation and amortization margin (EBITDA margin)	56.34%	65.57%	(9.23%)
Net Profit Margin	12.55%	10.70%	1.85%
Return on Equity	3.42%	2.53%	0.89%

The decrease in the gross profit margin and EBITDA margin was due to changes in proportions of the energy sources, since the structure of revenue and costs of each subsidiary was different. However, the 2014 operational results showed net profit attributable to owners of the Company in the amount of Baht 471.82 Million, an increase of Baht 252.94 Million or 115.56 percent from the previous year.

3. Analysis of Financial Position

3.1 Analysis of Assets

As at December 31, 2014, the total assets of the Company and its subsidiaries amounted to Baht 49,327.35 Million, a decrease of Baht 1,154.16 Million or 2.29 percent from the end of 2013, with the details of significant increases and decreases as follows:

Description Unit : Million Baht	December 31, 2014	December 31, 2013	Change	
			Increase (Decrease)	percent
Cash and cash equivalents	1,830.13	1,791.47	38.66	2.16
Short-term restricted bank deposits	516.13	464.83	51.30	11.04
Current investments	235.05	64.35	170.70	265.28
Trade and other receivables	1,483.18	1,002.31	480.87	47.98
Spare parts and supplies	44.95	20.40	24.55	120.36
Other current assets	53.31	158.66	(105.35)	(66.40)
Restricted bank deposits	1,194.90	1,360.62	(165.72)	(12.18)
Investments in associated companies	235.82	219.15	16.67	7.61
Right to produce and sell electricity - Company	5,251.88	5,494.23	(242.35)	(4.41)
Right to produce and sell electricity - Others	6,599.97	6,878.90	(278.93)	(4.05)
Project costs during construction phase	464.90	366.65	98.25	26.80
Assets of hydroelectric power project under concession agreement	25,385.66	26,458.46	(1,072.80)	(4.05)
Property, plant and equipment	5,830.29	5,993.21	(162.92)	(2.72)
Other non-current assets	201.18	208.28	(7.10)	(3.41)
Total assets	49,327.35	50,481.51	(1,154.16)	(2.29)

- **Short-term restricted bank deposits** increased by Baht 51.30 Million to reserve for the loan repayment.
- **Current investments** increased by Baht 170.70 Million from investment in short-term fixed income funds.

- **Trade and other receivables** increased by Baht 480.87 Million as sales in November - December 2014 were higher than those in November - December 2013, thereby resulting in a larger amount of accounts receivable.
- **Other current assets** decreased by Baht 105.35 Million, mostly from value added tax refund.
- **Restricted bank deposits** decreased by Baht 165.72 Million due to the lending banks' approval for partial reduction of reserve for certain loans.
- **Investments in associated companies** amounted to Baht 235.82 Million, representing investments in CRS and NRS, per the following details:

Company	Shareholding Percentage	Value by Equity Method (Million Baht)		Change	
		December 31, 2014	December 31, 2013	Amount	percent
CRS	30%	124.39	120.21	4.18	3.48
NRS	30%	111.43	98.94	12.49	12.62
Total		235.82	219.15	16.67	7.61

- **Right to produce and sell electricity** decreased by Baht 521.28 Million due to amortization during the period.
- **Project costs during construction phase** increased by Baht 98.25 Million, mostly from investment in BIC-2.
- **Assets of hydroelectric power project under concession agreement and property, plant and equipment** decreased by a total of Baht 1,235.72 Million due to depreciation during the period.

3.2 Analysis of Liabilities

As at December 31, 2014, the total liabilities of the Company and its subsidiaries amounted to Baht 23,223.77 Million, a decrease of Baht 1,844.12 Million or 7.36 percent from the end of 2013, with the details of significant increases and decreases as follows:

Description Unit : Million Baht	December 31, 2014	December 31, 2013	Change	
			Increase (Decrease)	percent
Trade and other payables	427.73	674.11	(246.38)	(36.55)
Liabilities under financial lease agreements	9.83	14.70	(4.87)	(33.12)
Short-term loans from financial institutions	71.33	60.00	11.33	18.89
Long-term loans from financial institutions	22,493.12	24,134.08	(1,640.96)	(6.80)
Other current liabilities	44.15	55.78	(11.63)	(20.84)
Derivative financial liabilities	20.21	-	20.21	N/A
Provision for long-term employee benefits	10.83	6.48	4.35	67.19
Other long-term liabilities - related party	146.57	122.74	23.83	19.41
Total liabilities	23,223.77	25,067.89	(1,844.12)	(7.36)

- **Trade and other payables** amounted to Baht 427.73 Million, a decrease of Baht 246.38 Million or 36.55 percent, due to the fact that at the end of 2013, there were outstanding fuel costs for November and December; while at the end of 2014, there were outstanding fuel costs for December only.



- **Long-term loans from financial institutions** amounted to Baht 22,493.12 Million (including USD-denominated loan of USD 152.10 Million), a decrease of Baht 1,640.96 Million, due to repayment of long-term loans during the period.
- **Derivative financial liabilities** amounted to Baht 20.21 Million from entering into an interest rate swap agreement for certain portions of BIC's long-term loans from floating interest rates to fixed interest rates. Fair value of derivatives must be measured at the end of the period.

3.3 Analysis of Shareholders' Equity

As at December 31, 2014, the total shareholders' equity of the Company and its subsidiaries amounted to Baht 26,103.58 Million, representing an increase from the end of the previous year by Baht 689.96 Million or 2.71 percent, with the details of significant increases and decreases as follows:

Description Unit : Million Baht	December 31, 2014	December 31, 2013	Change	
			Increase (Decrease)	percent
Issued and fully paid-up capital	5,500.00	5,500.00	-	-
Share premium	5,796.91	5,966.91	(170.00)	(2.85)
Retained earnings - statutory reserve	10.28	-	10.28	N/A
Retained earnings - unappropriated	866.61	235.07	631.54	268.66
Other components of shareholders' equity	(125.67)	(112.19)	(13.48)	12.01
Non-controlling interests of the subsidiaries	14,055.45	13,823.83	231.62	1.68
Total shareholders' equity	26,103.58	25,413.62	689.96	2.71

- **Share premium** decreased by Baht 170.00 Million as a result of the Company's compensation for deficit by using the share premium, with the approval of the Shareholders' Meeting on April 22, 2014.
- **Other components of shareholders' equity** amounted to Baht 125.67 Million, mostly comprising unrealized losses due to cash flow hedges, divided into two portions:
 - 1) NN2 applied hedge accounting in order to hedge the foreign exchange exposure on a certain portion of its forecasted revenue from sales of electricity in USD currency, whereby such revenue from sales of electricity was designated as the hedged item and the long-term loans in USD was designated as the hedging instrument, which could minimize fluctuations of gains and losses arising from changes in exchange rates.
 - 2) BIC applied hedge accounting in order to hedge the loan interest rates, whereby cash flows relating to interest expenses were designated as the hedged item and the derivative financial instrument (interest rate swap) was designated as the hedging instrument, which could minimize fluctuations of gains and losses from measurement of fair value of the derivative financial instrument.

The effective portion of the changes in the fair value of the hedging instruments is recognized in other comprehensive income instead of being recognized in the Company's income statement, and is transferred to be recognized in profit or loss when the hedged cash flow transactions occur.

4. Liquidity and Capital Adequacy of the Company

4.1 Source and Use of Capital

As at December 31, 2014, cash and cash equivalents amounted to Baht 1,830.13 Million, an increase of Baht 38.66 Million from the end of 2013, comprising:

Description Unit : Million Baht	December 31, 2014	December 31, 2013	Change	
			Increase (Decrease)	percent
Net cash flows from operating activities	3,263.62	3,980.78	(717.16)	(18.02)
Net cash flows used in investing activities	(229.73)	(1,925.15)	1,695.42	(88.07)
Net cash flows used in financing activities	(2,984.89)	(850.23)	(2,134.66)	251.07
Effect of exchange rate changes on cash	(10.34)	13.24	(23.58)	(178.10)
Net increase in cash flows	38.66	1,218.64	(1,179.98)	(96.83)

Operating activities

Net cash flows from operating activities amounted to Baht 3,263.62 Million, due to operating profit and reversed non-monetary expenses, such as, depreciation and amortization of right.

Investing activities

Net cash flows used in investing activities amounted to Baht 229.73 Million, due to an increase in current investments, investments in projects under construction and property, plant and equipment.

Financing activities

Net cash flows used in financing activities amounted to Baht 2,984.89 Million, as a result of the loan repayment, fees, as well as interest expenses during the period.

Debt to Equity Ratio Unit : Times	December 31, 2014	December 31, 2013	Change
Consolidated Financial Statements	0.89	0.99	(0.10)
Separate Financial Statements	0.04	0.04	-

4.2 Liquidity Adequacy

Liquidity Ratio Unit : Times	December 31, 2014	December 31, 2013	Change
Consolidated Financial Statements	1.87	1.40	0.47
Separate Financial Statements	21.89	28.98	(7.09)



Independent Auditor's Report

CK Power Public Company Limited and its subsidiaries
31 December 2014

To the Shareholders of CK Power Public Company Limited

I have audited the accompanying consolidated financial statements of CK Power Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2014, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of CK Power Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CK Power Public Company Limited and its subsidiaries and of CK Power Public Company Limited as at 31 December 2014, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Siraporn Ouaanunkun

Certified Public Accountant (Thailand) No. 3844

CK Power Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2014

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2014	2013	2014	2013
Assets					
Current assets					
Cash and cash equivalents	7	1,830,132,583	1,791,473,304	487,115,744	491,512,047
Short-term restricted bank deposits	7	516,133,527	464,831,748	-	-
Current investments		235,048,767	64,348,124	179,644,234	10,270,124
Trade and other receivables	6, 8	1,483,177,493	1,002,307,606	18,655,133	2,910,428
Spare parts and supplies		44,947,155	20,397,163	-	-
Other current assets		53,309,293	158,659,539	4,760,696	105,297
Total current assets		4,162,748,818	3,502,017,484	690,175,807	504,797,896
Non-current assets					
Long-term restricted bank deposits	9	1,194,900,016	1,360,617,411	-	-
Investments in subsidiaries	10	-	-	11,084,075,400	11,084,075,400
Investments in associated companies	11	235,817,892	219,147,179	192,938,970	192,938,970
Right to produce and sell electricity					
- Equity attributable to owners of the Company	12	5,251,881,839	5,494,228,856	-	-
Right to produce and sell electricity					
- Non-controlling interests of the subsidiaries	12	6,599,965,198	6,878,902,004	-	-
Project costs during construction phase	13	464,900,336	366,650,526	-	-
Assets of hydroelectric power project under concession agreement	14	25,385,664,684	26,458,463,976	-	-
Property, plant and equipment	15	5,830,294,634	5,993,207,108	39,867,297	9,755,360
Other non-current assets		201,177,454	208,277,334	4,983,230	362,127
Total non-current assets		45,164,602,053	46,979,494,394	11,321,864,897	11,287,131,857
Total assets		49,327,350,871	50,481,511,878	12,012,040,704	11,791,929,753

The accompanying notes are an integral part of the financial statements.



(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2014	2013	2014	2013
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	6, 16	427,731,675	674,111,183	10,663,064	6,841,346
Current portion of liabilities under finance lease agreements		6,124,535	4,867,485	1,203,978	-
Short-term loans from financial institutions	17	71,333,690	60,000,000	-	-
Current portion of long-term loans from financial institutions	18	1,671,794,820	1,713,605,080	15,000,000	10,000,000
Income tax payable		228,383	626,153	-	-
Retention payable		2,361,526	4,544,373	88,037	40,685
Other current liabilities		41,564,075	50,610,445	4,578,227	534,608
Total current liabilities		2,221,138,704	2,508,364,719	31,533,306	17,416,639
Non-current liabilities					
Liabilities under finance lease agreements, net of current portion		3,705,659	9,830,195	1,873,380	-
Long-term loans from financial institutions, net of current portion	18	20,821,320,392	22,420,476,393	468,991,713	483,823,665
Derivative financial liabilities		20,207,730	-	-	-
Provision for long-term employee benefits		10,829,805	6,477,690	5,124,736	2,295,852
Other long-term liabilities - related party	6, 19	146,570,112	122,743,625	-	-
Total non-current liabilities		21,002,633,698	22,559,527,903	475,989,829	486,119,517
Total liabilities		23,223,772,402	25,067,892,622	507,523,135	503,536,156

The accompanying notes are an integral part of the financial statements.

CK Power Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Shareholders' equity					
Share capital	20				
Registered					
1,100,000,000 ordinary shares of Baht 5 each		5,500,000,000	5,500,000,000	5,500,000,000	5,500,000,000
Issued and fully paid up					
1,100,000,000 ordinary shares of Baht 5 each		5,500,000,000	5,500,000,000	5,500,000,000	5,500,000,000
Share premium	20	5,796,908,660	5,966,908,660	5,796,908,660	5,966,908,660
Retained earnings (deficit)					
Appropriated - statutory reserve	21	10,280,115	-	10,280,115	-
Unappropriated		866,605,141	235,069,281	195,322,187	(178,663,679)
Other components of shareholders' equity		(125,668,901)	(112,192,854)	2,006,607	148,616
Equity attributable to owners of the Company		12,048,125,015	11,589,785,087	11,504,517,569	11,288,393,597
Non-controlling interests of the subsidiaries		14,055,453,454	13,823,834,169	-	-
Total shareholders' equity		26,103,578,469	25,413,619,256	11,504,517,569	11,288,393,597
Total liabilities and shareholders' equity		49,327,350,871	50,481,511,878	12,012,040,704	11,791,929,753

The accompanying notes are an integral part of the financial statements.



CK Power Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2014

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
Note		2014	2013	2014	2013
Profit or loss:					
Revenues					
Revenue from sales					
Revenue from sales of electricity and steam	6	6,829,958,493	5,456,624,340	-	-
Revenue from sales of electricity					
- electricity tariff adders		112,183,680	111,648,960	-	-
Project management income	6	56,856,445	44,048,130	170,465,517	2,600,000
Dividend income	6, 10, 11	-	-	205,682,684	161,784,224
Other income					
Interest income		24,329,941	16,212,277	12,924,705	5,843,887
Gain on exchange		-	2,680,881	-	-
Others		4,037,127	2,211,644	1,105,569	121,625
Total revenues		7,027,365,686	5,633,426,232	390,178,475	170,349,736
Expenses					
Cost of sales					
Cost of sales of electricity and steam	6	4,021,671,507	2,786,448,353	-	-
Amortisation of right to produce and sell electricity		521,283,824	508,090,538	-	-
Cost of project management		68,507,848	-	68,507,848	-
Administrative expenses	6	344,470,312	409,830,054	82,294,408	66,315,786
Loss on exchange		4,739,447	-	1,279	-
Total expenses		4,960,672,938	3,704,368,945	150,803,535	66,315,786
Profit before share of profit from investments in associated companies, finance cost and income tax expenses					
		2,066,692,748	1,929,057,287	239,374,940	104,033,950
Share of profit from investments in associated companies					
	11	34,670,713	15,734,753	-	-
Profit before finance cost and income tax expenses					
		2,101,363,461	1,944,792,040	239,374,940	104,033,950
Finance cost		(1,218,970,712)	(1,340,295,662)	(25,108,959)	(76,449,644)
Profit before income tax expenses		882,392,749	604,496,378	214,265,981	27,584,306
Income tax expenses	23	(243,731)	(1,887,392)	-	-
Profit for the year		882,149,018	602,608,986	214,265,981	27,584,306
Other comprehensive income:					
Gain on changes in value of available-for-sale investments		1,857,991	148,616	1,857,991	148,616
Unrealised loss from cash flow hedges		(25,443,480)	(275,495,220)	-	-
Other comprehensive income for the year		(23,585,489)	(275,346,604)	1,857,991	148,616
Total comprehensive income for the year		858,563,529	327,262,382	216,123,972	27,732,922

The accompanying notes are an integral part of the financial statements.

CK Power Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2014

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Profit attributable to:				
Equity holders of the Company	471,815,975	218,883,795	214,265,981	27,584,306
Non-controlling interests of the subsidiaries	410,333,043	383,725,191		
	882,149,018	602,608,986		
Total comprehensive income attributable to:				
Equity holders of the Company	458,339,928	103,324,418	216,123,972	27,732,922
Non-controlling interests of the subsidiaries	400,223,601	223,937,964		
	858,563,529	327,262,382		
Earnings per share	25			
Basic earnings per share				
Profit attributable to equity holders of the Company	0.43	0.22	0.19	0.03
Weighted average number of ordinary shares (shares)	1,100,000,000	1,003,835,616	1,100,000,000	1,003,835,616

The accompanying notes are an integral part of the financial statements.



CK Power Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements									
	Equity attributable to owners of the Company									
	Issued and paid-up share capital	Share premium	Retained earnings		Other comprehensive income			Other change by the owners		Total equity attributable to owners of the Company
			Appropriated	Unappropriated	Surplus on changes in value of available-for-sale investments	Unrealised loss from cash flow hedges	Surplus on change in interest in equity of subsidiary	Total other components of shareholders' equity	Equity attributable to non-controlling interests of the subsidiaries	
Balance as at 1 January 2013	9,200,000,000	-	-	16,185,486	-	-	3,366,523	3,366,523	13,053,209,067	22,272,761,076
Total comprehensive income for the year	-	-	-	218,883,795	148,616	(115,707,993)	-	(115,659,377)	223,937,964	327,262,382
Capital reduction (Note 20)	(6,133,300,000)	-	-	-	-	-	-	-	-	(6,133,300,000)
Issuance of ordinary shares (Note 20)	2,433,300,000	5,966,908,660	-	-	-	-	-	-	-	8,400,208,660
Increase in non-controlling interests of the subsidiary from additional investments in the subsidiary (Note 10)	-	-	-	-	-	-	-	-	699,347,108	699,347,108
Decrease in non-controlling interests of the subsidiary from dividend payment of the subsidiary	-	-	-	-	-	-	-	-	(152,669,970)	(152,669,970)
Balance as at 31 December 2013	5,500,000,000	5,966,908,660	-	235,069,281	148,616	(115,707,993)	3,366,523	(112,192,854)	13,823,834,169	25,413,619,256
Balance as at 1 January 2014	5,500,000,000	5,966,908,660	-	235,069,281	148,616	(115,707,993)	3,366,523	(112,192,854)	13,823,834,169	25,413,619,256
Total comprehensive income for the year	-	-	-	471,815,975	1,857,991	(15,334,038)	-	(13,476,047)	400,223,601	858,563,529
Transfer of premium on ordinary shares to reduce deficit (Note 20)	-	(170,000,000)	-	170,000,000	-	-	-	-	-	-
Decrease in non-controlling interests of the subsidiary from dividend payment of the subsidiary	-	-	-	-	-	-	-	-	(168,604,316)	(168,604,316)
Transfer to statutory reserve (Note 21)	-	-	10,280,115	(10,280,115)	-	-	-	-	-	-
Balance as at 31 December 2014	5,500,000,000	5,796,908,660	10,280,115	866,605,141	2,006,607	(131,042,031)	3,366,523	(125,668,901)	14,055,453,454	26,103,578,469

The accompanying notes are an integral part of the financial statements.

CK Power Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2014

(Unit: Baht)

	Separate financial statements					
	Issued and paid-up share capital	Share premium	Retained earnings (deficit)		Other components of equity	Total
			Appropriated	Unappropriated		
Balance as at 1 January 2013	9,200,000,000	-	-	(206,247,985)	-	8,993,752,015
Total comprehensive income for the year	-	-	-	27,584,306	148,616	27,732,922
Capital reduction (Note 20)	(6,133,300,000)	-	-	-	-	(6,133,300,000)
Issuance of ordinary shares (Note 20)	2,433,300,000	5,966,908,660	-	-	--	8,400,208,660
Balance as at 31 December 2013	5,500,000,000	5,966,908,660	-	(178,663,679)	148,616	11,288,393,597
Balance as at 1 January 2014	5,500,000,000	5,966,908,660	-	(178,663,679)	148,616	11,288,393,597
Total comprehensive income for the year	-	-	-	214,265,981	1,857,991	216,123,972
Transfer of premium on ordinary shares to reduce deficit (Note 20)	-	(170,000,000)	-	170,000,000	-	-
Transfer to statutory reserve (Note 21)	-	-	10,280,115	(10,280,115)	-	-
Balance as at 31 December 2014	5,500,000,000	5,796,908,660	10,280,115	195,322,187	2,006,607	11,504,517,569

The accompanying notes are an integral part of the financial statements.



CK Power Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from operating activities				
Profit before tax	882,392,749	604,496,378	214,265,981	27,584,306
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	1,336,889,493	1,241,202,575	3,372,092	241,935
Share of profit from investments in associated companies	(34,670,713)	(15,734,753)	-	-
Gain on sales of equipment	(2,653,914)	(999,999)	(1,192)	-
Unrealised loss on exchange	29,139,783	26,161,144	-	-
Amortisation of interest rate reduction fee	8,883,963	3,233,424	-	-
Amortisation of right to produce and sell electricity	521,283,824	508,090,537	-	-
Interest expenses	1,202,670,621	1,331,228,476	24,940,910	76,375,980
Provision for long-term employee benefit	4,331,831	4,345,790	2,828,885	2,295,852
Dividend income	-	-	(205,682,684)	(161,784,224)
Profit (loss) from operating activities before changes in operating assets and liabilities	3,948,267,637	3,702,023,572	39,723,992	(55,286,151)
Operating assets (increase) decrease				
Trade and other receivables	(484,175,638)	(51,920,010)	(15,744,705)	(2,735,213)
Spare parts and supplies	(24,549,992)	(10,903,097)	-	-
Other current assets	105,653,698	(15,292,700)	(4,389,755)	1,913,617
Other non-current assets	(5,174,092)	(3,754,529)	(4,895,861)	(123,020)
Operating liabilities increase (decrease)				
Trade and other payables	(223,321,527)	411,931,650	2,608,042	1,469,427
Retention payable	(2,182,847)	903,673	47,352	40,685
Other current liabilities	(8,893,784)	40,120,621	4,043,619	(307,871)
Other long-term liabilities - related company	14,156,690	21,383,437	-	-
Cash flows from (use in) operating activities	3,319,780,145	4,094,492,617	21,392,684	(55,028,526)
Cash paid for interest expenses	(55,098,821)	(111,127,797)	(25,155,551)	(76,817,795)
Cash paid for income tax expenses	(1,059,732)	(2,586,013)	(265,643)	(98,914)
Net cash flows from (used in) operating activities	3,263,621,592	3,980,778,807	(4,028,510)	(131,945,235)

The accompanying notes are an integral part of the financial statements.

CK Power Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from investing activities				
Increase in short-term restricted bank deposits	(55,756,562)	(161,979,236)	-	-
Decrease (increase) in long-term restricted bank deposits	153,744,266	(87,494,534)	-	-
Decrease (increase) in current investments	(168,842,651)	(43,863,558)	(167,516,119)	10,214,442
Increase in investments in subsidiaries	-	-	-	(495,865,787)
Net cash paid for acquisition of a subsidiary (Note 10)	-	(412,236,911)	-	-
Increase in project costs during construction phase	(91,704,166)	(13,983,882)	-	-
Increase in assets of hydroelectric power project under concession agreement	-	(5,579,201)	-	-
Increase in property, plant and equipment	(88,668,320)	(1,106,115,761)	(28,598,258)	(8,997,516)
Proceeds from sales of equipment	4,699,650	1,000,000	63,900	-
Dividend income from subsidiaries	-	-	187,682,684	161,784,224
Dividend income from an associate	18,000,000	-	18,000,000	-
Cash paid for interest capitalised as part of project costs during construction phase	(1,198,406)	(94,903,662)	-	-
Net cash flows from (used in) investing activities	(229,726,189)	(1,925,156,745)	9,632,207	(332,864,637)
Cash flows from financing activities				
Cash receipt from short-term loans from financial institutions	1,181,333,690	643,866,386	-	583,866,387
Repayment of short-term loans from financial institutions	(1,170,000,000)	(1,913,114,694)	-	(1,913,114,694)
Decrease in long-term loans from financial institutions	(1,649,636,850)	(234,055,675)	(10,000,000)	(5,000,000)
Cash paid for loan extension fee and for interest rate reduction fee	(28,449,795)	-	-	-
Decrease in long-term loans from related companies	-	(250,000,000)	-	-
Cash paid as result of capital reduction	-	(6,133,300,000)	-	(6,133,300,000)
Cash receipt from issuance of ordinary shares	-	8,400,208,660	-	8,400,208,660
Cash paid for interest expenses	(1,149,536,152)	(1,209,920,080)	-	-
Cash paid for loan arrangement fee	-	(1,250,000)	-	(1,250,000)
Dividend payment of a subsidiary	(168,604,316)	(152,660,026)	-	-
Net cash flows from (used in) financing activities	(2,984,893,423)	(850,225,429)	(10,000,000)	931,410,353
Effect of exchange rate changes on cash and cash equivalents	(10,342,701)	13,243,349	-	-
Net increase (decrease) in cash and cash equivalents	38,659,279	1,218,639,982	(4,396,303)	466,600,481
Cash and cash equivalents at beginning of year	1,791,473,304	572,833,322	491,512,047	24,911,566
Cash and cash equivalents at end of year	1,830,132,583	1,791,473,304	487,115,744	491,512,047

Supplemental disclosures of cash flows information

Non-cash transactions

Increase in project costs during construction phase from project payables	7,267,673	5,736,126	-	-
Increase in property, plant and equipment from trade and other payables	4,568,818	1,024,847	1,428,316	-
Increase in property, plant and equipment from liabilities under finance lease agreements	-	-	-	113,837
Transfer project costs during construction phase to property, plant and equipment	-	14,090,012	-	-
Transfer deposit for purchase of equipment to equipment	3,607,874	-	-	-

The accompanying notes are an integral part of the financial statements.



CK Power Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2014

1. General information

CK Power Public Company Limited (“the Company”) is a limited company incorporated on 8 June 2011 and domiciled in Thailand and registered the change in the Company’s status to a public company limited, in accordance with the Public Limited Companies Act B.E. 2535, on 6 February 2013. The major shareholder of the Company is CH. Karnchang Public Company Limited, which is incorporated in Thailand. The Company is principally engaged in investment in companies whose the principal business operation is the generation of electricity for sales, and provision of consulting services and other services relating to electricity generating projects both locally and overseas.

The registered office of the Company is at 587 Viriyathavorn Building 19th Floor, Sutthisarn Road, Kwaeng Dindaeng, Khet Dindaeng, Bangkok.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of CK Power Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2014 Percent	2013 Percent
Investments in subsidiaries (held by Company)				
SouthEast Asia Energy Limited (including equity interest in Nam Ngum 2 Power Company Limited)	Investing in Nam Ngum 2 Power Company Limited and provision of consulting services relating to electricity generating projects	Thailand	56	56
Bangkhenchai Company Limited	Generating and sale of electricity for solar power	Thailand	100	100
Bangpa-in Cogeneration Limited	Generating and sale of electric power and power from other sources	Thailand	65	65
CKP Solar Company Limied ⁽¹⁾	Generating and sale of electricity	Thailand	100	100
Apollo Power Company Limied ⁽¹⁾	Generating and sale of electricity	Thailand	100	100
Vis Solis Company Limied ⁽¹⁾	Generating and sale of electricity	Thailand	100	100
Sole Power Company Limied ⁽¹⁾	Generating and sale of electricity	Thailand	100	100
Helios Power Company Limied ⁽¹⁾ (held by subsidiary company)	Generating and sale of electricity	Thailand	100	100
Nam Ngum 2 Power Company Limited (75 percent held by SouthEast Asia Energy Limited)	Generating and sale of electricity for the Nam Ngum 2 Hydroelectric Power Project	Lao People's Democratic Republic	42	42

⁽¹⁾ Not commenced their business activities

In January 2013, the Company acquired ordinary shares of Bangpa-in Cogeneration Limited. As a result, the Company's equity interest in Bangpa-in Cogeneration Limited increased from 46 percent to 65 percent, as described in Note 10. The condition in an agreement drawn up among the shareholders regarding the management structure and decision-making on finance matters and economic operations, which was required to be approved by both the Company and another shareholder, was released on the date on which Bangpa-in Cogeneration Limited started its commercial operation (28 June 2013). As a result, the Company has control over Bangpa-in Cogeneration Limited and the Company therefore classified Bangpa-in Cogeneration Limited as a subsidiary. The Company has included the financial statements of such subsidiary in the consolidated financial statements from 28 June 2013.

- b) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.



- d) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- e) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements, which present investments in the subsidiaries and associates under the cost method, have been prepared solely for the benefit of the public.

3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

(a) Financial reporting standards that became effective in the current accounting year

Conceptual Framework for Financial Reporting (revised 2014)

Accounting Standards:

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets

Financial Reporting Standards:

TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

Accounting Standard Interpretations:

TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosures
TSIC 32	Intangible Assets - Web Site Costs

Financial Reporting Standard Interpretations:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

Accounting Treatment Guidance for Stock Dividend

These financial reporting standards were amended primarily to align their content with the corresponding International Financial Reporting Standards. Most of the changes were directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of the accounting standards. These financial reporting standards do not have any significant impact on the financial statements, except as follows.

Accounting Standard Interpretation TSIC 29: Service Concession Arrangements: Disclosures and Financial Reporting Standard Interpretations TFRIC 12: Service Concession Arrangements

TSIC 29 provides guidelines on disclosures related to service concession arrangements, while TFRIC 12 provides accounting guidelines for concession operators with respect to public-to-private service concession arrangements, if they meet the criteria defined by the standard.

The Company's management considers the arrangement under the Nam Ngum 2 Hydroelectric Power Project's Concession Agreement between Nam Ngum 2 Power Company Limited and the Government of the Lao People's Democratic Republic to be outside the scope of TFRIC 12.

Financial Reporting Standard Interpretations TFRIC 4: Determining Whether an Arrangement Contains a Lease

This Financial Reporting Standard Interpretations provides guidelines on determining whether an arrangement is or contains a lease. If so, a company is required to apply Accounting Standard No. 17 Leases.

The Company's management considers the arrangement under the Power Purchase Agreement ("PPA") between Nam Ngum 2 Power Company Limited and the Electricity Generating Authority of Thailand ("EGAT") to be within the scope of TFRIC 4. The PPA contains components of a lease, and based on the principles of Accounting Standard No. 17 Leases, the company retains the risks and rewards of ownership of a majority of the assets of the Nam Ngum 2 Hydroelectric Power Project. The Company therefore considers the agreement to be an operating lease.



The Hydroelectric Power Project of such company is presented as assets under the caption “Assets of hydroelectric power project under concession agreement” in the statement of financial position. Depreciation is calculated over the useful life of the assets, based on the concession agreement.

Since the terms of the Power Purchase Agreement with EGAT do not stipulate a minimum amount that EGAT is to pay Nam Ngum 2 Power Company Limited, such company recognises revenue from sales of electricity under the project based on actual electricity sales to EGAT (actual amount of electricity delivered and amount available for delivery) and the rates stipulated in the power purchase agreement.

The Power Purchase Agreement between Bangkhengchai Company Limited and the Provincial Electricity Authority and the Power Purchase Agreement between Bangpa-in Cogeneration Limited and EGAT are considered to be outside the scope of TFRIC 4.

(b) Financial reporting standards that will become effective in the future

The Federation of Accounting Professions has issued a number of revised and new financial reporting standards that become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of accounting standards. The management of the Company believes they will not have any significant impact on the financial statements in the year in which they are adopted. However, some of these financial reporting standards involve changes to key principles, as discussed below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in profit or loss, or in other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company and its subsidiaries already recognised actuarial gains and losses immediately in other comprehensive income.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the part dealing with consolidated financial statements as included in TAS 27 Consolidated and Separate Financial Statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over the investees and determine which entities have to be included for preparation of the consolidated financial statements.

At present, the management of the Company and its subsidiaries is evaluating the impact of this standard to the financial statements in the year when they are adopted.

TFRS 11 Joint Arrangements

TFRS 11 supersedes TAS 31 Interests in Joint Ventures. This standard requires an entity to account for an investment in a jointly controlled entity using the equity method, while TAS 31 allows the entity to apply either the proportionate consolidation method or the equity method to account for such investment.

At present, the management of the Company and its subsidiaries is evaluating the impact of this standard to the financial statements in the year when they are adopted.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard affects disclosure and presentation only and has no financial impact to the financial statements of the Company and its subsidiaries.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognised prospectively.

Based on the preliminary analysis, the management of the Company and its subsidiaries believes that this standard will not have any significant impact on the Company and its subsidiaries' financial statements.

4. Significant accounting policies**4.1 Business Combinations**

The Company accounts for business combinations under the acquisition method. The cost of acquisition is the sum of the transferred consideration at its acquisition-date fair value and any non-controlling interest in the acquiree. Non-controlling interests (if any) in the acquiree are measured at either fair value or the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The Company recognises cost of acquisition as an expense when it is incurred and when service has been rendered.

4.2 Revenue and expense recognition*Revenue from sales of electricity and steam*

Revenue from sales of electricity and steam is recognised when the significant risks and rewards pass to the buyer.

Revenue from sales of electricity from the hydroelectric power project is recognised based on the amount of electricity agreed to be sold to EGAT (actual amount of electricity delivered and electricity available and awaiting delivery to EGAT) and the rates stipulated in the Power Purchase Agreement.

Revenue from sales of electricity from solar power includes electricity tariff adders and fuel adjustment charges (Ft) but is net of PEA operating charges.

Project management income

Project management income is recognised when services have been rendered taking into account the stage of completion.



Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends

Dividends are recognised when the right to receive the dividends is established.

Other revenues and expenses

Other revenues and expenses are recognised on an accrual basis.

4.3 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.4 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

4.5 Spare parts and supplies

Spare parts and supplies are valued at the lower of cost (under the weighted average method) and net realisable value and are charged to production costs whenever consumed.

4.6 Investments

- a) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit or loss when the securities are sold.
- b) Investments in associates are accounted for in the consolidated financial statements using the equity method.
- c) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method.

4.7 Right to produce and sell electricity and amortisation

Intangible assets (Right to produce and sell electricity) acquired in a business combination were measured initially at their acquisition-date fair values. Subsequent to initial recognition, right to produce and sell electricity has been stated at cost less accumulated amortisation and allowance for loss on impairment (if any).

Amortisation of rights to produce and sell electricity is calculated by reference to cost on a straight-line basis over the remaining terms of the rights to produce and sell electricity, from the date on which the Company assumes control over the subsidiaries or, if the subsidiary has not yet commenced sale of electricity at the date the Company assumes control, recognition of amortisation begins from the date on which the subsidiary first sells electricity under the Power Purchase Agreement (estimated around 10 to 27 years). The Company reviews assets for impairment whenever events or changes in circumstances indicate that an asset may be impaired, and reviews the amortisation period and the amortisation method used for right to produce and sell electricity at least every year. Amortisation is recognised as an expense in profit or loss.

4.8 Project costs during construction phase

All expenditures and other related expenses which are incurred during the construction of a power plant to enable it to become operational are capitalised as assets. Such project costs during construction phase include, inter alia, project administrative and management costs, consulting fees, design fees, interests and other financing costs.

4.9 Assets of hydroelectric power project under concession agreement

Nam Ngum 2 Power Company Limited capitalised all expenditures and other expenses related to the construction of the hydroelectric power plant as assets under the caption “Assets of hydroelectric power project under concession agreement” in the statement of financial position.

Assets of the hydroelectric power project under the concession agreement are stated at costs less accumulated depreciation and allowance for loss on impairment of assets (if any). Depreciation of assets of the hydroelectric power project under the concession agreement are calculated by reference to their costs on the straight-line basis over estimated useful lives of 27 years, in accordance with the concession agreement. Depreciation is included in determining income.

4.10 Property, plant and equipment/Depreciation

Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of building and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Solar Power Plant	25 years
Thermal Power Plant and equipment	5 to 25 years
Furniture and office equipment	3, 5 and 10 years
Motor vehicles	5 years
Leased asset improvements of the subsidiaries	10 and 24 years

Depreciation is included in determining the operating result.

No depreciation is provided on land and assets under construction.

4.11 Borrowing costs

Borrowing costs directly attributable to the construction of the power plant project, which necessarily takes a substantial period of time to get ready for its intended use, are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.12 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company’s operations.



4.13 Long-term leases

Leases of property, plant and equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in other long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases are depreciated over the useful life of the assets.

Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

4.14 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items included in the consolidated financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining the operating result. Gains and losses on exchange relevant to the construction of the power plant project are included as part of project costs during construction phase.

4.15 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss

4.16 Employee benefits

Short-term employee benefits

Salaries, wages, bonus, annual rewards and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and its subsidiaries and their employees have jointly established provident funds. The funds are monthly contributed by employees and by the Company and the subsidiaries. The fund's assets are held in separate trust funds and the Company's and subsidiaries contributions are recognised as expenses when incurred.

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

4.17 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.18 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on calculation determined in accordance with tax legislation and concession agreement.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.



4.19 Derivative financial instruments and hedging

Derivative financial instrument

A subsidiary uses a derivative financial instrument to manage its risks associated with interest rate, namely an interest rate swap agreement.

Such derivative is initially recognised and measured at fair value on the date on which the derivative contract is entered into and is subsequently remeasured at fair value, which has been calculated using the quoted market rates, at the end of reporting period. Gain or loss resulting from changes in the fair value of the derivative financial instrument is recognised as financial assets or financial liabilities when the gain or loss occurs. However, where the derivative qualifies for hedge accounting, recognition of any resultant gain or loss from changes in the fair value depends on the nature of the item being hedged.

Hedge accounting - Cash flow hedges

The subsidiaries apply hedge accounting when the risk that has been hedged can be clearly identified and the effectiveness of the hedge can be measured.

Gains or losses arising from changes in the fair value of hedging instruments that effectively hedge exposure to fluctuations in cash flows that are either attributable to a particular risk associated with a recognised financial asset or financial liability, or to a highly probable forecast transactions, are recognised directly in other comprehensive income and transferred to be recognised in profit or loss when the hedged cash flow transactions occur. However, if the hedging instruments are not effective, any gains or losses from changes in the fair value of the hedging instruments are recognised immediately to profit or loss.

5. Use of accounting estimates

The preparation of financial statements in conformity with financial reporting standards requires management to make estimates and assumptions in certain circumstances, affecting amounts reported in these financial statements and related notes. Actual results could differ from these estimates.

6. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2014	2013	2014	2013	
<u>Transactions with subsidiaries</u> (eliminated from the consolidated financial statements)					
Project management income	-	-	118	3	Based on contracts
Other income	-	-	1	-	Based on contracts
Dividend income	-	-	188	162	As declared
<u>Transactions with associates</u>					
Dividend income	-	-	18	-	As declared
<u>Transactions with related parties</u>					
Revenue from sales of electricity	3,976	4,115	-	-	Based on contracts
Project management income	57	44	52	-	Based on contracts
Cost of sales of electricity and steam	2,455	1,448	-	-	Based on contracts
Administrative expenses	21	18	12	2	Based on contracts
Project administration and management ⁽¹⁾	3	3	-	-	Based on contracts
Interest expenses ⁽¹⁾	-	3	-	-	Interest rate at MLR+1
Purchase of investment	-	335	-	335	Based on contracts
Dividend payment of subsidiary	169	153	-	-	As declared

⁽¹⁾ included as part of project costs during construction phase

The balances of the accounts as at 31 December 2014 and 2013 between the Company, its subsidiaries and those related parties are as follows:

(Unit: Thousand Baht)

	Related by	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
<u>Trade and other receivables - related parties</u> (Note 8)					
<u>Trade receivables - related parties</u>					
Subsidiaries		-	-	12,050	-
Related parties					
- Electricity Generating Authority of Thailand	Major shareholder of a shareholder of a subsidiary	985,628	531,921	-	-
- Xayaburi Power Company Limited	Common directors	5,094	3,915	5,094	-
		990,722	535,836	17,144	-



(Unit: Thousand Baht)

	Related by	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Other receivables - related parties					
a) Advances - related party					
Subsidiaries		-	-	77	-
Related parties					
- CH. Karnchang (Lao) Company Limited	Common shareholders	-	11	-	-
		-	11	77	-
b) Other receivables - related parties					
Subsidiaries		-	-	-	321
Total trade and other receivables - related parties		990,722	535,847	17,221	321
Trade and other payables - related parties					
(Note 16)					
Trade payables - related parties					
Related parties					
- PT Sole Company Limited	A shareholder of a subsidiary	31,088	64,571	-	-
- RATCH - LAO Services Company Limited	A group shareholder of a subsidiary	38,101	31,812	-	-
- Electricité du Laos	Major shareholder of a shareholder of a subsidiary	1,539	1,517	-	-
- Electricity Generating Authority of Thailand	Major shareholder of a shareholder of a subsidiary	2,288	2,924	-	-
- The Government of the Lao People's Democratic Republic	A group shareholder of a subsidiary	79,449	77,622	-	-
- PTT Public Company Limited	A group shareholder of a subsidiary	173,639	326,953	-	-
- Bangpa-in Land Company Limited	Common directors	58	55	-	-
- TTW Public Company Limited	Common directors	4,886	-	-	-
		331,048	505,454	-	-

(Unit: Thousand Baht)

	Related by	Consolidated		Separate	
		financial statements	financial statements	financial statements	financial statements
		2014	2013	2014	2013
Other payables - related parties					
a) Project payable - related party					
Related parties					
- PT Sole Company Limited	A shareholder of a subsidiary	-	750	-	-
b) Other payables - related parties					
Subsidiaries		-	-	54	-
Related parties					
- CH. Karnchang Public Company Limited	Common directors	691	560	595	331
- Ratchaburi Electricity Generating Holding	A shareholder of a subsidiary	221	206	-	-
Public Company Limited					
- RATCH - LAO Services Company Limited	A group shareholder of a subsidiary	891	584	-	-
- Xayaburi Power Company Limited	Common directors	-	1,200	-	-
- Electricité du Laos	Major shareholder of a shareholder	10	259	-	-
	of a subsidiary				
- Bangpa-in Land Company Limited	Common directors	439	11	129	-
		2,252	2,820	778	331
Total trade and other payables - related parties		333,300	509,024	778	331
Retention payable - related company					
- PT Sole Company Limited	A shareholder of a subsidiary	2,237	4,504	-	-
		2,237	4,504	-	-
Other long-term liabilities - related party					
- Electricity Generating Authority of Thailand	Major shareholder of a shareholder	146,570	122,744	-	-
	of a subsidiary				
		146,570	122,744	-	-

Directors and management's benefits

During the years ended 31 December 2014 and 2013, the Company and the subsidiaries had employee benefit expenses of their directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Short-term employee benefits	89.1	62.4	38	15.7
Post-employment benefits	4.9	2.2	1.2	1.4
Total	94.0	64.6	39.2	17.1



7. Cash and cash equivalents/Short-term restricted bank deposits

Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash	943	805	200	56
Bank deposits	1,829,190	1,790,668	486,916	491,456
Total	1,830,133	1,791,473	487,116	491,512

The subsidiaries have pledged and assigned rights of claim in bank accounts with outstanding balances as at 31 December 2014 totaling approximately Baht 1,360 million (2013: Baht 1,301 million) with lenders to secure long-term loans of the subsidiaries, in accordance with conditions stipulated in the long-term loan agreements. However, the subsidiaries are able to withdraw these deposits for payments of their regular operating expenses, in accordance with purpose of each account.

As at 31 December 2014, bank deposits in saving accounts and fixed accounts carried interests between 0.10 and 3.25 percent per annum (2013: 0.10 and 3.25 percent per annum).

Short-term restricted bank deposits

A subsidiary has pledged and assigned rights of claim in bank accounts with outstanding balances as at 31 December 2014 totaling approximately Baht 516 million (2013: Baht 465 million) with lenders to secure long-term loans of the subsidiary, in accordance with conditions stipulated in the long-term loan agreements. Those bank accounts have restrictions on withdrawal in order to repay loan principal and interest due within 6 months.

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	990,722	535,836	17,144	-
Past due				
Up to 3 months	-	-	-	-
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	-
Over 12 months	-	-	-	-
Total Trade receivables - related parties	990,722	535,836	17,144	-

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	490,699	463,872	-	-
Past due				
Up to 3 months	-	-	-	-
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	-
Over 12 months	-	-	-	-
Total Trade receivables - unrelated parties	490,699	463,872	-	-
Total Trade receivables	1,481,421	999,708	17,144	-
<u>Other receivables</u>				
Advance to - related parties	-	11	77	-
Other receivables - related parties	-	-	-	321
Other receivables - unrelated parties	34	-	34	-
Interest receivables	1,722	2,589	1,400	2,589
Total other receivables	1,756	2,600	1,511	2,910
Total trade and other receivables	1,483,177	1,002,308	18,655	2,910

9. Long-term restricted bank deposits

The subsidiaries have pledged and assigned rights of claim on bank accounts with outstanding balances as at 31 December 2014 totaling approximately Baht 1,195 million (2013: Baht 1,361 million) with lenders to secure long-term loans of the subsidiaries in accordance with conditions stipulated in the long-term loan agreements.

Those bank accounts have restrictions on withdrawal in order to reserve cash for loan principal repayment and interest payment under the long-term loans agreements.

10. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2014	2013	2014	2013	2014	2013	2014	2013
			(%)	(%)				
SouthEast Asia Energy Limited	6,606,750	6,606,750	56	56	9,249,450	9,249,450	122,093	96,194
Bangkhenchai Company Limited	234,250	234,250	100	100	527,062	527,062	65,590	65,590
Bangpa-in Cogeneration Limited	1,370,000	1,370,000	65	65	1,305,563	1,305,563	-	-
CKP Solar Company Limited ⁽¹⁾	1,000	1,000	100	100	1,000	1,000	-	-



(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2014	2013	2014	2013	2014	2013	2014	2013
			(ร้อยละ)	(ร้อยละ)				
Apollo Power Company Limited ⁽¹⁾	250	250	100	100	250	250	-	-
Vis Solis Company Limited ⁽¹⁾	250	250	100	100	250	250	-	-
Sole Power Company Limited ⁽¹⁾	250	250	100	100	250	250	-	-
Helios Power Company Limited ⁽¹⁾	250	250	100	100	250	250	-	-
Total					11,084,075	11,084,075	187,683	161,784

⁽¹⁾ Not commenced their business activities

SouthEast Asia Energy Limited

The Company entered into an Equity Contribution Agreement with SouthEast Asia Energy Limited and Nam Ngum 2 Power Company Limited (co-borrower), other shareholders and lenders of that company. Under the agreement, the Company agreed to provide equity contributions of up to Baht 307.5 million for any revenue shortfall in the event that the construction of the Nam Ngum 3 Hydroelectric Power Project negatively impacts on the energy production of the above company, causing such company to be unable to comply with its obligations under the Financing Documents. The Company also agreed to provide additional equity contributions of up to Baht 205 million if the co-borrower of that company defaults on loan payment or is unable to comply with its obligations under the Financing Documents.

The Company has pledged share certificates for its investment in SouthEast Asia Energy Limited with banks to guarantee loan facilities granted to that company by the banks.

Bangpa-in Cogeneration Limited

In January 2013, the Company acquired 26 million ordinary shares of Bangpa-in Cogeneration Limited from a related company at Baht 12.88 each, for a total of Baht 335 million. As a result, the Company's equity interest in the above company increased from 46 percent to 65 percent.

In the first and the second quarter of 2013, the Company made share payments in proportion to its investment in Bangpa-in Cogeneration Limited amounting to Baht 158.6 million, as such company called up an additional 20 percent of the value of the 79.3 million ordinary shares held by the Company which were not fully paid, with a par value of Baht 10 each.

In addition, the condition in an agreement drawn up among the shareholders regarding the management structure and decision-making on finance matters and economic operations, which the date on which Bangpa-in Cogeneration Limited started its commercial operation (28 June 2013). As a result, the Company has control over Bangpa-in Cogeneration Limited and the Company therefore classified Bangpa-in Cogeneration Limited as a subsidiary. The Company has included the financial statements of such subsidiary in the consolidated financial statements from 28 June 2013.

The fair values of identified assets and liabilities of Bangpa-in Cogeneration Limited as at the acquisition date (the date the Company has control over the subsidiary) were as follow:

	(Unit: Million Baht)
Cash and cash equivalents	82
Trade receivables	43
Other current assets	107
Right to produce and sell electricity	660
Project costs during construction phase	5
Property, plant and equipment - net	5,173
Other non-current assets	206
Total assets	6,276
Trade and other payables	1,121
Other current liabilities	5
Long-term loans from financial institutions	3,152
Total liabilities	4,278
Total net assets	1,998
Less: The fair value of interests in subsidiary held by the Company prior to the date of acquisition	(805)
Non-controlling interests of the subsidiary	(699)
Cash paid for investment in subsidiary	494
Reconciliation of net cash	
Cash paid for investment in subsidiary	494
Less: Cash and cash equivalents of subsidiary	(82)
Net cash paid for investment in subsidiary	412

The Company measured the fair value of identified assets and liabilities acquired as at the acquisition date and completed this measurement in July 2013, which is within the measurement period of 12 months from the acquisition date stipulated in TFRS 3 (revised 2009).

Trade receivables derived from the business combination during the period, amounting to Baht 43 million, consisted of short-term receivables with contract values equal to their fair values.

The Company measured the value of non-controlling interests of the subsidiary based on the value of the identified net assets of the acquiree, in proportion to the shareholding of the non-controlling interests.

Revenue and profit of Bangpa-in Cogeneration Limited for the period from the acquisition date (28 June 2013) to 31 December 2013, as included in the consolidated statement of comprehensive income, amounted to Baht 1,294 million and Baht 21 million, respectively.

Revenue and profit attributable to equity holders of the Company (excluding other comprehensive income) derived from the merger, included in the consolidated financial statements as if the business combination that occurred during the period had occurred at the beginning of the reporting period (1 January 2013) amounted Baht 5,650 million and Baht 219 million for the year ended 31 December 2013, respectively.



The Company entered into a Sponsor Undertaking Agreement with Bangpa-in Cogeneration Limited, other shareholders and lenders of such company. Under the agreement, the Company agreed to provide financial support to that company in the proportion to its shareholding stipulated in the agreement, in the event of any budget cost overruns in the construction of the power plant project.

11. Investments in associated companies

11.1 Detail of associated companies:

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Consolidated financial statements		Separate financial statements	
					Carrying amounts based on equity method		Cost of investment	
			2014	2013	2014	2013	2014	2013
Nakhon Ratchasima Solar Company Limited	Generating and sale of electricity from solar power	Thai	(%) 30	(%) 30	111,427	98,941	85,388	85,388
Chiang Rai Solar Company Limited	Generating and sale of electricity from solar power	Thai	30	30	124,391	120,206	107,551	107,551
					235,818	219,147	192,939	192,939

11.2 Share of profit (loss) and dividend received

During the years, the Company has recognised its share of profit (loss) from investments in associated companies in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements		Separate financial statements	
	Share of profit/loss from investments in associated companies during the years		Dividend received during the years	
	2014	2013	2014	2013
Nakhon Ratchasima Solar Company Limited	12,486	9,857	-	-
Chiang Rai Solar Company Limited	22,185	12,655	18,000	-
Bangpa-in Cogeneration Limited ⁽¹⁾	-	(6,777)	-	-
Total	34,671	15,735	18,000	-

⁽¹⁾ Change status from an associated company to a subsidiary on 28 June 2013.

11.3 Summarised financial information of associated companies

Financial information of associated companies is summarised below.

(Unit: Million Baht)

Company's name	Paid-up capital		Total assets		Total liabilities		Total revenues		Profit	
	as at		as at		as at		for the year ended		for the year ended	
	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Nakhon Ratchasima Solar Company Limited	188	188	842	856	532	596	128	123	50	42
Chiang Rai Solar Company Limited	277	277	1,039	1,088	690	761	172	134	82	50

Nakhon Ratchasima Solar Company Limited

The Company entered into a Shareholders Agreement with Nakhon Ratchasima Solar Company Limited and another shareholder. Under the agreement, the Company agreed to provide financial support to such company in the proportion stipulated in the agreement (30 percent), or in total not more than Baht 12.6 million, if such company has continually negative working capital for a certain period stipulated in the agreement.

The Company has pledged all of share certificates for its investment in Nakhon Ratchasima Solar Company Limited with a bank to guarantee a loan facility granted to that company by the bank.

Chiang Rai Solar Company Limited

The Company entered into a Shareholders Agreement with Chiang Rai Solar Company Limited and another shareholder. Under the agreement, the Company agreed to provide financial support to such company in the proportion stipulated in the agreement (30 percent), or in total not more than Baht 16.5 million, if such company has continually negative working capital for a certain period stipulated in the agreement.

The Company has pledged all of share certificates for its investment in Chiang Rai Solar Company Limited with a bank to guarantee a loan facility granted to that company by the bank.

12. Right to produce and sell electricity

(Unit: Thousand Baht)

	Consolidated	
	financial statements	
	2014	2013
Right to produce and sell electricity	13,203,679	13,203,679
Less: Accumulated amortisation of right to produce and sell electricity	(1,351,832)	(830,548)
Right to produce and sell electricity - net	11,851,847	12,373,131
Right to produce and sell electricity - net consisting of		
Equity attributable to shareholders of the Company	5,251,882	5,494,229
Non-controlling interests of the subsidiaries	6,599,965	6,878,902
Total	11,851,847	12,373,131



13 Project costs during construction phase

(Unit: Thousand Baht)

	Consolidated financial statements	
	2014	2013
Project administrative and management fee and other costs	368,459	271,408
Interest expenses and other financial cost during construction phase	96,441	95,243
Total	464,900	366,651

As at 31 December 2014 and 2013, the balances of project costs during construction phase represented Nam Bak Hydroelectric Power Project and the second Thermal power project.

During the year ended 31 December 2014, the subsidiary had the borrowing costs totaling approximately Baht 1 million (2013: Baht 3 million) capitalised for project costs during construction phase. The interest rate used to determine the amount of borrowing cost was the Rate of 6.40 percent per annum (2013: MLR +1 per annum).

14. Assets of hydroelectric power project under concession agreement

Movements of assets of hydroelectric power project under concession agreement for the year ended 31 December 2014 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements
Cost	
1 January 2013	29,422,965
Additions	5,258
31 December 2013	29,428,223
31 December 2014	29,428,223
Accumulated depreciation	
1 January 2013	1,897,114
Depreciation for the year	1,072,645
31 December 2013	2,969,759
Depreciation for the year	1,072,799
31 December 2014	4,042,558
Net book value	
31 December 2013	26,458,464
31 December 2014	25,385,665

The subsidiary has mortgaged immovable assets and pledged other movable assets of the Nam Ngum 2 Hydroelectric Power Project with a group of lenders to secure the long-term loans.

15. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements							
	Land	Solar power plant	Thermal power Plant and equipment	Leased asset improvements	Furniture and office equipment	Motor vehicles	Assets under improvements	Total
Cost								
1 January 2013	95,983	742,372	-	23,740	41,292	82,007	589	985,983
Additions	-	-	47,724	94	7,019	1,723	7,056	63,616
Transfer in (out)	-	338	-	-	302	-	(390)	250
Disposals	-	-	-	-	(2)	(2,900)	-	(2,902)
Acquisition of the subsidiary during the year	165,101	-	5,007,166	741	3,089	-	-	5,176,097
31 December 2013	261,084	742,710	5,054,890	24,575	51,700	80,830	7,255	6,223,044
Additions	-	-	41,112	12,065	19,120	5,479	10,589	88,365
Transfer in (out)	-	-	-	17,529	2,458	(1,953)	(17,844)	190
Disposals/write off	-	-	-	(6,289)	(4,354)	(11,516)	-	(22,159)
31 December 2014	261,084	742,710	5,096,002	47,880	68,924	72,840	-	6,289,440
Accumulated depreciation								
1 January 2013	-	11,683	-	5,557	17,782	32,280	-	67,302
Depreciation for the year	-	29,697	110,926	1,402	8,323	12,589	-	162,937
Depreciation on disposals	-	-	-	-	(1)	(2,900)	-	(2,901)
Acquisition of the subsidiary during the year	-	-	1,650	101	748	-	-	2,499
31 December 2013	-	41,380	112,576	7,060	26,852	41,969	-	229,837
Depreciation for the year	-	29,708	197,572	3,700	10,916	10,909	-	252,805
Depreciation on disposals/write off	-	-	-	(6,289)	(2,543)	(11,516)	-	(20,348)
Depreciation on transfer out	-	-	-	-	(1,427)	(1,722)	-	(3,149)
31 December 2014	-	71,088	310,148	4,471	33,798	39,640	-	459,145
Net book value								
31 December 2013	261,084	701,330	4,942,314	17,515	24,848	38,861	7,255	5,993,207
31 December 2014	261,084	671,622	4,785,854	43,409	35,126	33,200	-	5,830,295

Depreciation for the year

2013 (Baht 141 million included in cost of sales of electricity and steam, and the balance in administrative expenses)

162,937

2014 (Baht 234 million included in cost of sales of electricity and steam, and the balance in administrative expenses)

252,805



(Unit: Thousand Baht)

	Separate financial statements				
	Leased asset improvements	Office equipment	Motor vehicles	Assets under improvements	Total
Cost					
1 January 2013	-	239	-	589	828
Additions	-	2,445	-	6,666	9,111
31 December 2013	-	2,684	-	7,255	9,939
Additions	7,879	8,750	1,836	10,589	29,054
Disposals	-	(70)	-	-	(70)
Transfer in (out)	17,530	314	4,046	(17,844)	4,046
31 December 2014	25,409	11,678	5,882	-	42,969
Accumulated depreciation					
1 January 2013	-	15	-	-	15
Depreciation for the year	-	168	-	-	168
31 December 2013	-	183	-	-	183
Depreciation for the year	660	1,479	791	-	2,930
Depreciation on disposals	-	(11)	-	-	(11)
31 December 2014	660	1,651	791	-	3,102
Net book value					
31 December 2013	-	2,501	-	7,255	9,756
31 December 2014	24,749	10,027	5,091	-	39,867

Depreciation for the year included in administrative expenses

2013	168
2014	2,930

As at 31 December 2014, the Company and a subsidiary had vehicles under finance lease agreements with net book values amounting to Baht 12 million (2013: Baht 16 million).

As at 31 December 2014, certain furniture and office equipment items of a subsidiary have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 2 million (2013: Baht 4 million).

Bangkhengchai Company Limited has mortgaged some plots of land and the solar power plant project with a total net book value as at 31 December 2014 of approximately Baht 733 million (2013: Baht 763 million) to the lender as collateral against credit facilities received from the bank.

Bangpa-in Cogeneration Limited has mortgaged land and the thermal power plant project with a total net book value as at 31 December 2014 of Baht 4,882 million (2013: Baht 5,094 million) to the lenders as collateral against credit facilities received from the banks.

16. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Trade payables - related parties	331,048	505,454	-	-
Trade payables - unrelated parties	44,131	85,456	-	-
Project payable - related party	-	750	-	-
Project payable - unrelated parties	14,781	9,183	-	-
Other payables - related parties	2,252	2,820	778	331
Other payables - unrelated parties	10,123	13,029	2,259	694
Accrued expenses	19,120	19,180	7,493	5,468
Accrued finance cost	6,277	38,239	133	348
Total trade and other payables	427,732	674,111	10,663	6,841

17. Short-term loans from financial institutions

The balance as at 31 December 2014 and 2013 represented loans under the Tranche B Facility of Bangpa-in Cogeneration Limited, as described in Note 18.

18. Long-term loans from financial institutions

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Long-term loans	22,493,115	24,134,081	483,992	493,824
Less: Current portion of long-term loans	(1,671,795)	(1,713,605)	(15,000)	(10,000)
Long-term loans, net of current portion	20,821,320	22,420,476	468,992	483,824



Movement in the long-term loans account during the year are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2014	24,199,999	495,000
Less: Repayment during the period	(1,649,637)	(10,000)
Add: Unrealised loss on exchange	5,236	-
	22,554,698	485,000
Less: Deferred loan arrangement fee	(25,042)	(1,008)
Deferred extension fee of the loan	(7,833)	-
Deferred interest rate reduction fee	(28,708)	-
Balance as at 31 December 2014	22,493,115	483,992

The Company

On 25 July 2013, the Company made an addendum to the loan agreements with the bank whereby the bank agreed that the Company shall repay the loan with funds from the public offering amounting to approximately Baht 1,914 million, and the remaining balance of the loan amounted to Baht 500 million. This loan carries interests of the Minimum Loan Rate minus a stipulated margin (MLR - margin) and the Minimum Loan Rate (MLR) per annum and is to be paid in 15 semi-annual installments, in the amounts stipulated in the loan agreements, with the first installment due in December 2013 and the final installment in December 2020.

SouthEast Asia Energy Limited

As at 31 December 2014, the long-term loans that the branch of SouthEast Asia Energy Limited and Nam Ngum 2 Power Company Limited entered into loan agreements with a consortium of commercial banks in Thailand had the outstanding balance totaling Baht 17,485 million. Such loan comprise the following 3 credit facilities.

- 1) Tranche A Facility: Baht 15,003 million for use in the payment of project costs.
- 2) Tranche B Facility: USD 180 million for use in the payment of project costs.
- 3) Tranche C Facility: A bank guarantee of USD 25 million provided to guarantee its subsidiary's obligations under the Power Purchase Agreement with the Electricity Generating Authority of Thailand.

The rate of interest under Tranche A Facility is MLR plus a stipulated margin for the Initial Operation Date. Subsequently, the lenders have approved a reduction in the interest rate of the Tranche A Facility to be MLR per annum, effective from April 2012 onwards. In October 2013 the lenders have approved a reduction in the interest rate of the Tranche A Facility to be MLR less a stipulated margin per annum for the three years, effective from November 2013 onwards. The rate for the Tranche B Facility is LIBOR plus a stipulated margin per annum. The principal repayments under Tranche A and B Facilities shall be made semi-annually in 22 installments, in the amounts stipulated in the long-term loan agreements. The first repayment date is the earlier of (a) the last Business Day of the 12th calendar month after the month in which the Initial Operation Date falls and (b) the calendar month falling 72 months after the date of the long-term loan agreement.

Under the long-term loan agreements, those companies are to conform to covenants imposed by the lenders in respect of, among other things, the increase in the registered capital, the maintenance of a certain debt to equity ratio and provision of securities by mortgaging of its immovable properties, the pledge of movable properties located in the Lao People's Democratic Republic, pledges of share certificates of SouthEast Asia Energy Limited and some of share certificates of Nam Ngum 2 Power Company Limited, pledges and assignments of rights in bank accounts, the assignment of beneficiary rights under insurance policies, and the assignment of rights and obligations under the relevant agreements relating to the Nam Ngum 2 Hydroelectric Power Project.

Bangkhenchai Company Limited

As at 31 December 2014, the long-term loan that Bangkhenchai Company Limited entered into a long-term loan agreement with a local commercial bank which granted the loan facility of Baht 703 million had the outstanding balances of loan totaling Baht 566 million. The long-term loan carries interest at the Minimum Loan Rate minus a stipulated margin (MLR - margin) per annum and the lender will reduce the stipulated margin two times, in November 2014 and November 2016. Principal is to be paid in 40 quarterly installments in the amounts stipulated in the long-term loan agreement, with the first payment due on the earlier of (a) 3 months after the Commercial Operation Date and (b) 30 September 2012. As collateral for this loan, that company mortgaged some plots of land and constructions and assigned the rights in bank accounts.

Under the long-term loan agreement, Bangkhenchai Company Limited is to conform to covenants imposed by the lenders in respect of, among other things, the maintenance of a certain debt to equity ratio.

Bangpa-in Cogeneration Limited

As at 31 December 2014, the balance of loans, totaling Baht 3,958 million is under agreements made between Bangpa-in Cogeneration Limited and two local commercial banks, granting the following 3 credit facilities:

- 1) Tranche A Facility is a long-term loan of Baht 4,110 million for use in the payment of project costs. The rate of interest of the Tranche A Facility is the fixed deposit rate plus a stipulated margin per annum, with the lender to reduce the stipulated margin as from the Commercial Operation Date. Principal is to be paid in 26 semi-annually installments in the amounts stipulated in the long-term loan agreement, with the first payment in March 2013. Thereafter, payment is made in June and December of each year, with the final payment in June 2026. In June 2014, the lenders approved an extension of the loan repayment period of this long-term loan, from the former terms of 26 semi-annual installments to 33 semi-annual installments, at the rates stipulated in the loan agreement, with the final installment to be paid in December 2029.
- 2) Tranche B Facility is short-term working capital loan facilities of Baht 120 million in the form of promissory notes, bank overdrafts and letters of credit.
- 3) Tranche C Facility is a bank guarantee facility of Baht 803 million provided for the subsidiary's obligations under the Power Purchase Agreement with the Electricity Generating Authority of Thailand and other guarantees.

As collateral for the loans, the subsidiary mortgaged some plots of land and constructions thereon, and equipment as well as assigned the rights in bank accounts, benefits under insurance policy and commitments under agreements related to the project and others as stipulated in loan agreement.



Under the long-term loan agreements Bangpa-in Cogeneration Limited is to conform to covenants imposed by the lenders such as registered capital increase and the maintenance of a certain debt to equity ratio.

In addition, in December 2014, the subsidiary entered into a loan agreement with two local commercial banks, grant which of loans for the other power plant project. These consist of 3 of credit facilities, namely long-term loan facilities of Baht 4,005 million, short-term loan facilities of Baht 250 million and bank guarantee facilities of Baht 686 million. As at 31 December 2014, the subsidiary has not yet drawn down the loans.

19. Other long-term liabilities - related party

The balance of other long-term liabilities is excess cash which Nam Ngum 2 Power Company Limited received from sales of electricity to EGAT as excess energy under the Nam Ngum 2 Hydroelectric Power Project, and which it is obligated to repay to EGAT in 2022, in accordance with a condition in the Power Purchase Agreement. Nam Ngum 2 Power Company Limited records such long-term liabilities at the present value of the amounts to be repaid, calculated using a discount rate tied to the cost of financing rate of that company, and records gains from the calculation of the present value of long-term liabilities in profit or loss. In addition, the carrying amount of the liabilities increases in each period to reflect the passage of time, with Nam Ngum 2 Power Company Limited recognising this increase as a finance cost.

20. Share capital / Share premium

On 4 February 2013, the Extraordinary General Meeting of the Company passed the following resolutions.

- a) Approved the increase of the registered share capital from Baht 3,066.7 million to Baht 4,600 million through the issuance of 153.33 million shares with a par value of Baht 10 each, to be offered to the existing shareholders in proportion to their shareholding at a price of Baht 40 per share, resulting in share premium of Baht 4,600 million. The Company received from proceeds issuance of ordinary shares amounting to Baht 6,133.3 million on 5 February 2013.
- b) Approved the change of the value of its ordinary shares from 460 million shares at Baht 10 each to 920 million shares of Baht 5 each.
- c) Approved the increase of its registered capital from Baht 4,600 million to Baht 5,500 million through the issuance of 180 million shares at a par value of Baht 5 each to reserve for the initial public offering.

The Company registered the significant matters described in a) to c) with the Ministry of Commerce in February 2013.

From 10 to 12 July 2013, the Company made a public offering of the 180 million additional shares at a price of Baht 13 per share, or for a total of Baht 2,340 million. On 15 July 2013, the Company received proceeds of this share capital increment and registered the increase in its paid-up capital with the Ministry of Commerce. The Company incurred expenses relating to the share offering amounting to approximately Baht 73 million and these expenses were recorded as a deduction against share premium.

On 16 July 2013, the Stock Exchange of Thailand (“SET”) approved the listing of the ordinary shares of the Company.

On 22 April 2014, the Annual General Meeting of Shareholders for the year 2014 passed the resolution approving the offsetting of share premium amounting to Baht 170 million against the Company’s deficit.

21. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

22. Expenses by nature

Significant expenses by nature are as follow:

(Unit: Thousand Baht)

	Consolidated financial statements		Seperate financial statements	
	2014	2013	2014	2013
Fuel costs	1,979,144	929,332	-	-
Depreciation and amortisation	1,334,038	1,239,883	3,000	237
Operation and maintenance of power plant and transmission systems	413,652	347,768	-	-
Salary and other employee benefits	173,631	125,622	69,040	20,602
Royalty fee	135,421	139,804	-	-
Insurance premium	74,841	103,105	-	-
Environment and public consultation	42,530	104,030	-	-
Traveling expenses	39,829	36,614	11,390	2,682
Consultant expenses	34,901	45,892	3,774	10,014
Director's benefits	23,985	22,805	9,945	9,400
Project management fee	22,069	3,620	11,338	-

23. Income tax

Income tax expense reported in the statement of comprehensive income is current income tax.

As at 31 December 2014 the Company has deductible temporary differences and unused tax losses totaling Baht 342 million (2013: Baht 208 million), on which deferred tax assets have not been recognised as the Company believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

Corporate income tax of Nam Ngum 2 Power Company Limited is calculated by multiplying net income by the tax rate as specified in the Concession Agreement for each period commencing from the Initial Operation Date (26 March 2011) to the end of the concession period of the Nam Ngum 2 Hydroelectric Power Project. However, for a period of 5 years from the Initial Operation Date, that company has been granted exemption from the corporate income tax. Therefore, no corporate income tax was payable for the current year.



24. Promotional privileges

Bangkhenchai Company Limited received promotional privileges from the Board of Investment for generation of electricity from solar power, pursuant to the promotion certificate No. 1089(1)/2555 on 23 January 2012. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted activity commenced generating revenues (10 August 2012).

Bangpa-in Cogeneration Limited received promotional privileges from the Board of Investment for generation of electricity and steam from thermal power, pursuant to the promotion certificate No. 1565(2)/2554 on 18 May 2012. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted activity commenced generating revenues (23 June 2013).

25. Earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year after reflecting the effect of stock split (as discussed in Note 20).

26. Provident fund

The Company and its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, the subsidiary and their employees all contribute to the fund monthly at the rate of 5 percent of basic salary. The funds, which are managed by TMB Asset Management Company Limited and Kasikorn Asset Management Company Limited (Separate financial statements: TMB Asset Management Company Limited), will be paid to employees upon termination in accordance with the fund rules. During the years 2014 and 2013, the Company and its subsidiaries contributed Baht 3.0 million and Baht 1.7 million, respectively (Separate financial statement: Baht 2.0 million and Baht 0.7 million, respectively) to the funds.

27. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as Chairman of the Executive Board. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements.

The Company is principally engaged in investment in other companies, while the subsidiaries' core businesses are the generation and sale of electricity and steam and the operation of secondary businesses, which are the provision of consulting and other services related to power generation projects.

For management purposes, the Company and its subsidiaries are organised into business segments based on the type of power plant and the three reportable segments are (1) generation of electricity from hydroelectric power (2) generation of electricity and steam from solar power and (3) generation of electricity from thermal power. The geographic areas in which these activities are carried on are Thailand (generation of electricity from solar and thermal power) and the Lao People's

Democratic Republic (generation of electricity from hydroelectric power), where operations are carried out by subsidiary of SouthEast Asia Energy Limited.

The investment and project management segments were included in other operating segments.

Inter-segment revenues are eliminated on consolidation.

The following tables present revenue and profit (loss) information regarding the Company and its subsidiaries' operating segments for the year ended 31 December 2014 and 2013.

(Unit: Million Baht)

For the year ended 31 December 2014	Generation of electricity from hydroelectric power segment	Generation of electricity from solar power segment	Generation of electricity from thermal power segment	Other operating segment	Total segments	Adjustments and eliminations	Consolidated financial statement
Revenue							
Revenue from external customers	3,976	163	2,803	57	6,999	-	6,999
Inter-segment	-	-	-	118	118	(118)	-
Total revenue	3,976	163	2,803	175	7,117	(118)	6,999
Depreciation and amortisation	1,089	30	209	9	1,337		1,337
Segment operating profit (loss)	1,600	92	358	(12)	2,038		2,038
Unallocated income and expenses:							
Other income							28
Share of profit from investments in associated companies							35
Finance cost							(1,219)
Profit for the year							882

In 2014, the Company and its subsidiaries had revenues from a group of government agencies amounting to Baht 6,448 million.

(Unit: Million Baht)

For the year ended 31 December 2013	Generation of electricity from hydroelectric power segment	Generation of electricity from solar power segment	Generation of electricity from thermal power segment	Other operating segment	Total segments	Adjustments and eliminations	Consolidated financial statement
Revenue							
Revenue from external customers	4,115	160	1,293	44	5,612	-	5,612
Inter-segment	-	-	-	39	39	(39)	-
Total revenue	4,115	160	1,293	83	5,651	(39)	5,612



(Unit: Million Baht)

For the year ended 31 December 2013	Generation of electricity from hydroelectric power segment	Generation of electricity from solar power segment	Generation of electricity from thermal power segment	Other operating segment	Total segments	Adjustments and eliminations	Consolidated financial statement
Depreciation and amortisation	1,073	30	113	25	1,241		1,241
Segment operating profit (loss)	1,775	88	106	(58)	1,911		1,911
Unallocated income and expenses:							
Other income							18
Share of profit from investments in associated companies							16
Finance cost							(1,340)
Income tax expenses							(2)
Profit for the year							603

In 2013, the Company and its subsidiaries had revenues from a group of government agencies amounting to Baht 5,433 million.

Non-current assets of the Company and its subsidiaries by segment as at 31 December 2014 and 2013 are as follows.

(Unit: Million Baht)

Non-current assets*	Generation of electricity from hydroelectric power segment	Generation of electricity from solar power segment	Generation of electricity from thermal power segment	Other operating segment	Consolidated financial statement
As at 31 December 2014	38,014	995	5,867	289	45,165
As at 31 December 2013	39,672	1,054	5,969	3,786	50,481

* Other than financial instruments, deferred tax assets, net defined benefit assets and rights arising under insurance contracts.

28. Commitments and contingent liabilities

28.1 Capital commitments

As at 31 December 2014, the Company and its subsidiaries have capital commitments in respect of the following agreements.

- A subsidiary has capital commitments in respect of consultancy coordination and other service agreements for the Nam Bak Hydroelectric Power Project, with a related company and other companies totaling Baht 0.25 million per month and Baht 6.8 million (2013: Baht 0.25 million per month and Baht 10.0 million).
- A subsidiary has commitments in the employment contract engineering consulting services for another power plant project of the subsidiary amounting to Baht 46.6 million.
- A subsidiary has commitments totaling Baht 4,310.1 million under the power plant construction agreement of made with a related company.

28.2 Operating lease and other commitments

As at 31 December 2014, the Company and its subsidiaries have commitments in respect of the following operating lease and other agreements as well as other commitments:

- The Company has service commitments amounting to approximately Baht 1.1 million per month (2013: Baht 0.3 million per month).
- The Company has commitments in respect of its undertakings to provide financial support to two subsidiaries and two associated companies, as stipulated in the conditions in the agreements (as discussed in Note 10 and 11).
- The Company and its subsidiaries have commitments in respect of agreements leasing the location of the office and other service agreements with a major shareholder and car leasing agreements. The terms of the agreements are 3 to 5 years.

As at 31 December 2014, future minimum lease payments required under these operating lease contracts were as follows.

(Unit: Million Baht)

	Consolidated financial statements		Seperate financial statements	
	2014	2013	2014	2013
Payable:				
In up to 1 year	17.3	7.5	15.4	3.1
In over 1 and up to 5 years	35.2	13.8	34.2	8.7

- A subsidiary has commitments in respect of an agreement leasing the location of its office in the Lao People's Democratic Republic. The term of the agreement is 25 years.

As at 31 December 2014, future minimum lease payments required under this operating lease contract were as follows.

(Unit: Thousand USD)

	As at 31 December	
	2014	2013
Payable:		
In up to 1 year	51	51
In over 1 and up to 5 years	217	212
In over 5 years	877	933

- A subsidiary has commitments in respect of an agreement leasing land for locating gas pipelines with the State Railway of Thailand and an agreement leasing land with a related company for a period of 3 years.

As at 31 December 2014, future minimum lease payments under these operating lease contracts were as follows.

(Unit: Million Baht)

	As at 31 December	
	2014	2013
Payable:		
In up to 1 year	0.7	5
2 - 5 years	1.5	-



- f) A subsidiary has commitments in respect of consultancy, administration and other service agreements with a related company and other companies for the Nam Ngum 2 Hydroelectric Power Project, totaling CHF 0.2 million, JPY 22.6 million, Baht 126.5 million and Baht 11.1 million per month (2013: CHF 0.3 million, Baht 164.5 million and Baht 4.8 million per month).
- g) A subsidiary has a commitment in respect of the Agreement on Operation and Maintenance of Dam and Powerhouse for Nam Ngum 2 Hydroelectric Power Project with a related company, amounting to approximately Baht 10.47 million per month for the period from January 2014 to the end of the concession period of the Nam Ngum 2 Hydroelectric Power Project, with the service fee to increase on an annual basis at the rate specified in the agreement.
- h) A subsidiary has a commitment in respect of the Agreement on Operation and Maintenance of Transmission Systems for Nam Ngum 2 Hydroelectric Power Project with a related company, amounting to approximately USD 0.05 million per month for the period from July 2012 to the end of the concession period of the Nam Ngum 2 Hydroelectric Power Project, with the service fee to increase on an annual basis at the rate specified in the agreement.
- i) A subsidiary has a commitment amounting to approximately Baht 25 million per year in respect of the Service Agreement with a related company, for consultancy services relating to operation and maintenance of the Nam Ngum 2 Hydroelectric Power Plant.
- j) A subsidiary has a commitment to pay royalty fees to the Government of the Lao People's Democratic Republic commencing from the Initial Operation Date to the end of the concession period, which is calculated by multiplying revenue from sales of electricity by the royalty rate for each period as specified under the Concession Agreement.
- k) A subsidiary has a commitment totaling approximately Baht 283.3 million in respect of the Agreements on Major Maintenance Services and Transmission System Maintenance Services for the Nam Ngum 2 Hydroelectric Power Plant with related parties (2013: Baht 349.1 million)
- l) A subsidiary has a commitment in respect of the Agreement on Operation and Maintenance of the Solar Power Plant Project, amounting to approximately Baht 10.9 million (2013: Baht 11.7 million).
- m) A subsidiary has a commitment in respect of the Service Agreement and Maintenance of the Solar Power Plant, amounting to approximately Baht 0.9 million (2013: Baht 1.1 million).
- n) A subsidiary has a commitment in respect of the Agreement concerning maintenance of the thermal power plant with a company amounting to USD 0.6 million per quarter for the period from the first quarter of 2014 to the second quarter of 2026, with the service fee to increase on an annual basis at the rate specified in the agreement.
- o) A subsidiary has a commitment in respect of an agreement to purchase natural gas from PTT Public Company Limited in a specified quantity and at a stipulated price as defined in the agreement for a period of 25 years. The agreement will expire in May 2038.
- p) A subsidiary has a commitment in respect of an agreement with a related company to purchase treated water in a specified quantity and at a stipulated price as defined in the agreement for a period of one year, renewable for an additional period of one year.

28.3 Bank guarantees

As at 31 December 2014, there were outstanding bank guarantees of USD 22.5 million (2013: USD 22.5 million) issued by banks on behalf of the subsidiary in respect of the guarantee required under the Power Purchase Agreement with the Electricity Generating Authority of Thailand and Baht 400 million (2013: Baht 306.1 million) in respect of the guarantee required under the Power Purchase Agreement, the filing for sales of electricity of small power producer, the land lease for the gas pipeline, permission for electricity use from the Provincial Electricity Authority and service contract.

29. Financial instruments

29.1 Financial risk management

The Company's and the subsidiaries' financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, current investments, trade and other receivable, restricted bank deposits, trade and other payables, short-term loan, long-term loans and other long-term liabilities - related party. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

Credit risk is the potential for a financial loss as a result of the failure of a customer or counterparty to settle its financial and contractual obligations to the Company or the subsidiaries as and when they fall due.

The Company had no significant concentrations of credit risk because its trade debtors are capable of settling their debts.

The subsidiaries had no significant concentrations of credit risk with any single counterparty or group of counterparties, as the subsidiaries have only two major trade account receivables which are the Electricity Generating Authority of Thailand (EGAT) and Provincial Electricity Authority (PEA) under the long-term Power Purchase Agreements between the EGAT and Nam Ngum 2 Power Company Limited and Bangpa-in Cogeneration Limited and that between the PEA and Bangkhengchai Company Limited. The maximum exposure to credit risk is limited to the carrying amounts of receivables as stated in the statement of financial position.

Interest rate risk

Interest rate risk is the risk that future fluctuations in market interest rates will affect the operating results and cash flows of the Company and the subsidiaries.

The Company's and the subsidiaries' exposure to interest rate risk relates primarily to their cash at banks, short-term loan and long-term borrowings. Most of the Company's and the subsidiaries' financial assets and liabilities bear floating interest rates. Trade and other receivables and trade and other payables, which are financial assets and financial liabilities, are non-interest bearing since they are short-term in nature and arose in the ordinary course of business.

Significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the earlier of (a) maturity date and (b) the repricing date.



(Unit: Million Baht)

	Consolidated financial statements						
	31 December 2014						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within 1 year	1 - 5 years	Over 5 years				
Financial assets							(% per annum)
Cash and cash equivalents	467	-	-	1,353	10	1,830	0.10 to 3.25
Short-term restricted bank deposits	-	-	-	516	-	516	0.10 to 0.50
Current investments	56	-	-	-	179	235	2.63
Trade and other receivables	-	-	-	-	1,483	1,483	
Long-term restricted bank deposits	-	-	-	1,195	-	1,195	0.10 to 0.50
	523	-	-	3,064	1,672	5,259	
Financial liabilities							
Trade and other payables	-	-	-	-	428	428	
Short-term loans from financial institution	35	-	-	36	-	71	6.40 and MOR - margin
Long-term loans from financial institutions	-	-	-	22,493	-	22,493	6M FDR + margin and 1M THBFIX + margin
Derivative financial liabilities	-	-	-	-	20	20	
Other long-term liabilities - related party (Note 19)	-	-	-	-	147	147	
	35	-	-	22,529	595	23,159	

(Unit: Million Baht)

	Consolidated financial statements						
	31 December 2013						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within 1 year	1 - 5 years	Over 5 years				
Financial assets							(% per annum)
Cash and cash equivalents	479	-	-	1,306	6	1,791	0.10 to 3.25
Short-term restricted bank deposits	-	-	-	465	-	465	0.10 to 0.63
Current investments	54	-	-	-	10	64	2.63
Trade and other receivables	-	-	-	-	1,002	1,002	
Long-term restricted bank deposits	-	-	-	1,361	-	1,361	0.10 to 0.63
	533	-	-	3,132	1,018	4,683	
Financial liabilities							
Trade and other payables	-	-	-	-	674	674	
Short-term loans from financial institution	30	-	-	30	-	60	MOR - margin
Long-term loans from financial institutions	-	-	-	24,134	-	24,134	6M FDR + margin and 1M THBFX + margin
Other long-term liabilities - related party (Note 19)	-	-	-	-	123	123	
	30	-	-	24,164	797	24,991	

(Unit: Million Baht)

	Separate financial statements						
	31 December 2014						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within 1 year	1 - 5 years	Over 5 years				
Financial assets							(% per annum)
Cash and cash equivalents	467	-	-	20	-	487	0.50 to 3.25
Current investments	1	-	-	-	179	180	
Trade and other receivables	-	-	-	-	17	17	
	468	-	-	20	196	684	
Financial liabilities							
Trade and other payables	-	-	-	-	11	11	
Long-term loans from financial institution	-	-	-	484	-	484	MLR - margin
	-	-	-	484	11	495	



(Unit: Million Baht)

	Separate financial statements						
	31 December 2013						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within 1 year	1 - 5 years	Over 5 years				
Financial assets							(% per annum)
Cash and cash equivalents	479	-	-	12	-	491	0.50 to 3.25
Current investments	-	-	-	-	10	10	
Trade and other receivables	-	-	-	-	3	3	
	479	-	-	12	13	504	
Financial liabilities							
Trade and other payables	-	-	-	-	7	7	MLR - margin
Long-term loans from financial institution	-	-	-	494	-	494	
	-	-	-	494	7	501	

Detail of the long-term loans as described in Note 18 to the financial statements.

A subsidiary has entered into an interest rate swap agreement with a local bank to manage the risk associated with a part of the long-term loans that have floating interest rates, effective from 30 September 2014 to 31 December 2019. Under the agreement the subsidiary swaps a floating interest rate of the fixed deposit rate plus a margin for a fixed interest rate. As at 31 December 2014, the subsidiary has interest rate swaps in place with a lender bank for long-term loans amounting to Baht 892.4 million.

Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company had no foreign currency risk because the Company has no transactions in foreign currency.

The subsidiary's exposure to foreign currency risk arose mainly from some of its sales of electricity, costs of sales of electricity and borrowings, which are denominated in foreign currencies.

As at 31 December 2014 and 2013, the balances of financial assets and liabilities denominated in foreign currencies of the subsidiary are summarised below.

Consolidated financial statements

Foreign currency	Financial assets		Financial liabilities		Average exchange rate as at 31 December	
	2014	2013	2014	2013	2014	2013
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	27.1	36.7	153.9	166.9	33.1132	32.9494
CHF	-	-	0.1	0.2	33.5627	36.9930
JPY	0.1	-	39.8	-	27.6511	-

As at 31 December 2014 and 2013, the subsidiary did not utilise any contracts to hedge foreign exchange rate risk.

However, since the subsidiary has foreign currency risk exposure as a result of some of its sales of electricity being made in USD currency, the subsidiary has structured its financing so that a portion of its loans from financial institutions are denominated in USD, to match forecasted revenue from sales of electricity.

In July 2013, the subsidiary applied cash flow hedge accounting in order to hedge the foreign exchange exposure on a certain portion of its revenue from sales of electricity in USD currency, which are designated as the hedged item and long-term loans in USD with an outstanding balance of USD 152 million as at 31 December 2014, are the hedging instrument.

As at 31 December 2014, the subsidiary recognised an unrealised loss of Baht 5 million from changes in the fair value of the long-term loans in USD used for cash flow hedging in other comprehensive income.

29.2 Fair values of financial instruments

Since the majority of the Company's and the subsidiaries' financial assets and liabilities are short-term in nature, consisting of trade and other payables, short-term loan and loans from related companies, while restricted bank deposits and long-term loans from financial institutions bear interests at rates close to market rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position. In addition, the subsidiary recorded other long-term liabilities - related party at fair value (as discussed in note 19).

As at 31 December 2014, the fair value of interest rate swap agreement had losses totaling approximately Baht 20 million. The subsidiary determined this fair value based on market price, which is the present value of the net cash flows of the interest rate swap agreement.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instruments or by using an appropriate valuation technique, depending on the nature of the instrument.



30. Capital management

The primary objectives of the Company and the subsidiaries' capital management are to ensure that they have an appropriate capital structure, as stipulated in the long-term loans agreements made between the financial institutions and the subsidiaries, and to preserve their ability to continue their businesses as a going concern.

31. Events after the reporting period

On 21 January 2015, Board of Directors Meeting No. 1/2015 passed the following significant resolutions:

- a) Approved the acquisition of 30 percent of the registered share capital of Xayaburi Power Company Limited, a related company, comprising 805,830,000 shares amounting to approximately Baht 4,344 million from CH. Karnchang Public Company Limited. The Board of Directors also approved the contribution of additional share capital totalling approximately Baht 5,512 million to this company, proportionate to the shareholding, until the construction of this company's project is completed, and the acceptance of CH. Karnchang Public Company Limited's existing obligations to the financial institution creditors of this company.
- b) Approved the change of the par value of its ordinary shares from Baht 5 per share (1,100 million shares) to Baht 1 per share (5,500 million shares).
- c) Approved the issue of not exceeding 3,740 million additional ordinary shares with the par value at Baht 1 each, increasing the registered share capital from Baht 5,500 million (5,500 ordinary shares at Baht 1 each) to Baht 9,240 million (9,240 ordinary shares at Baht 1 each). Not exceeding of 1,870 million of the new ordinary shares will be offered for sale to the existing shareholders in proportion of their shareholding (Rights Offering) at a price of Baht 3 per share, and not exceeding 1,870 million of the new ordinary shares will accommodate the exercise of warrants to purchase ordinary shares of the Company.
- d) Approved the amendment of the Memorandum of Association to reflect the increase in share capital.

On 17 February 2015, Board of Directors Meeting No. 2/2015 passed a resolution to pay a dividend of Baht 0.10 per share, or a total of Baht 110 million, to the shareholders in respect of the profit for the year 2014.

The above resolutions will be proposed to the Annual General Meeting of Shareholders for the year 2015 for approval.

32. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 17 February 2015.

Abbreviation List

The Company or CKP	: CK Power Public Company Limited/ CK Power Plc.
CK	: CH. Karnchang Public Company Limited / CH. Karnchang Plc.
TTW	: TTW Public Company Limited / TTW Plc.
BECL	: Bangkok Expressway Public Company Limited / Bangkok Expressway Plc.
SEAN	: SouthEast Asia Enery Limited
NN2	: Nam Ngum 2 Power Limited
BKC	: Bangkhenchai Company Limited
BIC	: Bangpa-in Cogeneration Company Limited
NRS	: Nakhon Ratchasima Solar Company Limited
CRS	: Chiangrai Solar Company Limited
XPCL	: Xayaburi Power Company Limited
CKL	: CH. Karnchang Lao Company Limited
PTT	: PTT Public Company Limited / PTT Plc.
GPSC	: Global Power Synergy Public Company Limited/ Global Power Synergy Plc.
EGAT	: Electricity Generating Authority of Thailand
PEA	: Provincial Electricity Authority
Laos PDR	: Lao People's Democratic Republic
Ratch-Lao	: Ratch-Lao Service Company Limited
EDL	: Electricite du Loas
EDL-Gen	: EDL Generation Public Company Limited / EDL Generation Plc.
SEC	: The Securities and Exchange Commission
SET	: The Stock Exchange of Thailand
IOD	: Initial Operation Date
SCOD	: Scheduled Commercial Operation Date
COD	: Commercial Operation Date
Dollars (\$)	: US. Dollars
Unit	: KWh
BIC-1	: Bangpa-in Cogeneration Project 1
BIC-2	: Bangpa-in Cogeneration Project 2
SPP	: Small Power Plant
VSPP	: Very Small Power Plant
Adder	: Tariff Adder for Renewable Power
CG Policy	: Corporate Governance Policy
Control Policy	: Control Policy for the Company's Subsidiaries and Affiliates
PPA	: Power Purchase Agreement
DSCR	: Debt Service Coverage Ratio
Connected Transaction Notifications	: Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions dated 31 August 2008 and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure and Other Acts of Listed Companies on Connected Transactions, B.E. 2546 dated 19 November 2003 (as amended)
Acquisition or Disposition Notifications	: Notification of the Capital Market Supervisory Board No. Tor. Jor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated 31 August 2008 and Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B.E. 2547 dated 29 October 2004
Notification of the Capital Market Supervisory Board No. TorChor. 28/2551	: Notification of the Capital Market Supervisory Board No. TorChor. 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares, including its amendments.



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