



บริษัท ซีเค พาวเวอร์ จำกัด (มหาชน)

CK POWER PUBLIC COMPANY LIMITED

587 อาคารวิริยะถาวร ชั้น 19 ถนนสุทธิสารวินิจฉัย แขวงดินแดง เขตดินแดง กรุงเทพฯ 10400

587 Sutthisam Rd., Dindaeng, Dindaeng, Bangkok 10400, Thailand.

Tel. (662) 691-9720-2, Fax : (662) 691-9723

-Translation-

Information Memorandum of CK Power Public Company Limited

Re: Asset Acquisition and Connected Transaction

Concerning the Acquisition of Shares in Xayaburi Power Company Limited from

CH. Karnchang Public Company Limited

(Pursuant to Clause 17 of the SET Notification on Acquisition or Disposition of Assets and

Clause 16 and Clause 20 of the SET Notification on Connected Transaction)

1. Information memorandum disclosed pursuant to schedule 1 to the SET Notification on Acquisition or Disposition of Assets and clause 16 of the SET Notification on Connected Transaction

The meeting of the board of directors of CK Power Public Company Limited (the "**Company**") No. 1/2015, held on January 21, 2015 at 5:00 p.m. at Rajawadee Conference Room, 23th Floor, 587 Viriyathavorn Building, Sutthisarn Vinitchai Road, Dindaeng, Dindaeng, Bangkok 10400, Thailand, resolved to propose to the 2015 annual general meeting of the shareholders to consider and approve the acquisition of shares in Xayaburi Power Company Limited ("**XPCL**") from CH. Karnchang Public Company Limited ("**CK**") and the execution of the sale and purchase agreement in respect of the shares in XPCL. The transactions include the Company's capital injections into XPCL in proportion to its shareholding until the completion of the construction of the project and assumption of existing obligations of CK owed to financial institutional creditors of XPCL. Important details of the proposed transactions are as follows:

Remark: *This Information Memorandum is prepared in accordance with the information required under Schedule (1) and items 1, 2, 3, 5(3), 7 and 8 of Schedule (2) to the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B.E. 2547 dated October 29, 2004 and clause 16 and clause 20 of the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies on Connected Transactions B.E. 2546 dated November 19, 2003.*

1) Date/month/year of the transaction

On January 21, 2015, the meeting of the board of directors of the Company approved the Company's entry into the acquisition of 805,830,000 shares in XPCL, representing 30 percent of the registered capital of XPCL, from CK with the total transaction value of approximately Baht 4,344 million, the capital injections into XPCL in proportion to its shareholding until the completion of the construction of the project, totaling approximately Baht 5,512 million, and the assumption of existing obligations of CK owed to financial institutional creditors of XPCL. The board of directors would propose the matters to the meeting of the shareholders to further consider and approve the same. In this regard, the board of directors approved to convene the 2015 Annual Ordinary General Meeting of the shareholders on April 9, 2015 to consider and approve the entry into the transactions. The proposed transactions, if approved by the shareholders meeting, is expected to be completed within the third quarter of 2015.

2) Involved parties

Buyer: The Company

Seller: CK which has the following relationships with the Company:

- CK was a shareholder of the Company holding 29.87 percent of the total shares (as of March 16, 2015), and thus was a major shareholder and a connected person of the Company.
- Directors of the Company who also hold directorship positions in CK and directors of the Company who are related to the foregoing directors, and are therefore deemed as interested directors, are Mr. Plew Trivisvavet, Mr. Narong Sangsuriya, Mr. Prasert Marittanaporn, Mr. Thanawat Trivisvavet, Mr. Alvin Gee, and Dr. Supamas Trivisvavet.
- As of January 21, 2015, there were three directors of CK who were members of the board of directors of the Company, namely Mr. Plew Trivisvavet, Mr. Narong Sangsuriya, and Mr. Prasert Marittanaporn.

3) The general characteristics, the category, and the size of the transaction

The Company will acquire 805,830,000 shares of XPCL, representing 30 percent of its registered capital, from CK, the major shareholder of the Company. The acquisition of such shares will result in the Company becoming a shareholder of XPCL in place of CK. The Company will issue and offer newly issued ordinary shares of the Company to the existing shareholders, in proportion to their respective shareholdings (rights offering), and will issue and offer warrants to purchase newly issued ordinary shares of the Company to the existing shareholders who subscribe and make payment for the aforementioned newly issued ordinary shares. Part of the proceeds from the offering will be used for payment of consideration to CK under the sale

and purchase agreement in respect of the shares in XPCL. In addition, part of the proceeds will be used as the funding source for the capital injections into XPCL in proportion to the Company's shareholding until the completion of construction of the project, totaling approximately Baht 5,512 million as well as the funding source for working capital and the funding source for future investment of the Company.

The Acquisition of XPCL Shares and the capital injections into XPCL in proportion to the Company's shareholding until the completion of construction of the project are deemed to be an acquisition of assets pursuant to Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: *Rules on Entering into Material Transactions Deemed as Acquisition or Disposition of Assets* dated August 31, 2008, as amended, 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 October 29, 2004, as amended (the "**Acquisition or Disposition Notifications**"), with the maximum transaction size equivalent to 37.34 percent of the net tangible assets ("**NTA**") of the Company according to its consolidated financial statements ended on September 30, 2014 (being the maximum transaction size calculated based on NTA basis). The transaction is categorized as a Type 2 transaction pursuant to the Acquisition or Disposition Notifications.

Accordingly, the Company has the responsibility to disclose the information regarding the transactions to the Stock Exchange of Thailand (the "**SET**"), and to send the information memorandum to its shareholders within 21 days from the date on which it discloses the information to the SET. In this regard, the Company will send the information memorandum regarding the acquisition of assets to its shareholders together with the invitation to a shareholders meeting. The Company will propose the said transactions for the approval from the shareholders meeting at the same time as the shareholders meeting to be held to consider and approve of a connected transaction resulting from the Acquisition of XPCL Shares.

After the Company becomes the shareholder of XPCL in place of CK, the Company must assume existing obligations of CK owed to financial institutional creditors of XPCL, which are consisted of

(1) the payment of equity contribution in place of Electricity du Laos and PT Sole Company Limited in the case that both of the shareholders are not able to pay for the equity contribution under the Equity Contribution Agreement in the maximum aggregate amount of Baht 4,594 million (calculated based on the assumption that both of the shareholders are not able to inject equity contribution, in the Base Equity¹ portion,

¹ Based Equity is the capital in the aggregate amount of Baht 26,861 million, which all shareholders must provide such equity contribution in proportion to their shareholdings to maintain the debt to equity ratio as prescribed by the financial institution creditors of XPCL.

since June 2015 and are unable to inject equity contribution in the Standby Equity² portion in the case that the conditions under the credit facility agreement are met) and

(2) the equity contribution in the form of shareholder's loan under Sponsor Support Agreement in the maximum aggregate amount of Baht 11,506 million in case that cost overrun has occurred before the Unit Operation Period and the shareholders have injected equity contribution, in the Base Equity portion pursuant to the Equity Contribution Agreement or after the Unit Operation Period and the shareholders have injected equity contribution, in the Standby Equity portion pursuant to the Equity Contribution Agreement (as the case may be). In this regard, the Company does not have an obligation to provide additional shareholder's loan if any other party under the Sponsor Support Agreement fails to provide such shareholder's loan in its portion.

Both of the abovementioned obligations have an approximate total maximum aggregate amount of Baht 16,100 million.

Despite the assumption of existing obligations of CK owed to financial institutional creditors of XPCL, it remains uncertain as to whether the Company will have to make payment for the capital injections or as to the timing and the amount of financial support that the Company will have to provide. The Company, therefore, has not yet included these contingent obligations in the calculation of the transaction size of the acquisition of assets. The Company will later propose this transaction to meetings of the board of directors and/or meetings of shareholders of the Company for approval (as the case may be depending on the transaction size) when it is certain that the Company has to comply with the obligations. Nevertheless, if such obligations are included in the calculation of the transaction size of the acquisition of assets, the maximum transaction size is equal to 57.18 percent of the net tangible assets (NTA) of the Company based on the consolidated financial statement ending on September 30, 2014 (which is the maximum transaction size under the NTA basis) and, if the acquisition of assets in the past six months is included, the maximum aggregate of the transaction size is equal to 64.82 percent.

The Acquisition of the shares in XPCL is a transaction entered into between the Company and CK, which is a major shareholder of the Company and is therefore considered a connected person of the Company. Accordingly, the transaction is considered a connected transaction of a listed company and its connected person pursuant to Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: *Rules on Connected Transactions* dated August 31, 2008, as amended, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: *Disclosure of Information and Other Acts of Listed Companies on Connected Transactions B.E. 2546* dated November 19, 2003, as amended (the "**Connected Transaction**

² Standby Equity is the capital in the aggregate amount of Baht 1,959 million, which all shareholders must provide such equity contribution in proportion to their shareholdings to maintain the debt to equity ratio as prescribed by the financial institution creditor of XPCL in the case that the proceeds from sale of electricity during the Installing Period, the Testing Period, and the Unit Operation Period are insufficient, compared with the expected proceeds.

Notifications"). The size of this transaction, which is calculated pursuant to the Connected Transaction Notifications, is equivalent to 68.13 percent of the Company's NTA, based on its consolidated financial statements ended September 30, 2014. As the size of the transaction exceeds 3 percent of the Company's NTA, the Company has to disclose the information regarding this connected transaction to the SET, appoint an independent financial advisor in order to provide an opinion on the justification and benefits of the transaction as well as the fairness of the price and the conditions of the transaction to be proposed to the shareholders of the Company, and hold a shareholders meeting to approve the entry into the transaction. The resolution of the shareholders meeting approving the transaction requires an affirmative vote of no less than three-fourths of the total votes of shareholders attending the meeting and having voting rights, excluding interested shareholders.

The entry into the Acquisition of the shares in XPCL is not considered a purchase or acceptance of the transfer of business from other companies, by the Company, under section 107(2)(b) of the Public Limited Company Act B.E. 2535.

4) Details of the assets acquired or disposed of

The assets to be acquired under this transaction are 805,830,000 ordinary shares of XPCL, representing 30 percent of the registered capital, and any newly issued ordinary shares to be subscribed in proportion to the Company's shareholding upon any increase of registered capital in the future until the completion of the construction of the project.

Currently, XPCL has the registered capital of Baht 26,861,000,000 divided into 2,686,100,000 ordinary shares with a par value of Baht 10.00 per share. As of December 31, 2014, XPCL had the paid-up capital of Baht 9,324,500,000, divided into 675,000,000 ordinary shares with a paid-up value of Baht 10 per share, and 950,000,000 ordinary shares with a paid-up value of Baht 2.71 per share.

XPCL's main business is to be the operator of the Xayaburi hydropower project located on the Mekong River, approximately 100 kilometers from Luang Prabang. The Xayaburi hydropower project is a Run-of-River barrage that generates electricity from a barrage that is built across the Mekong River to raise the water level without diverting water from the Mekong River nor storing water, as storage dams would normally do. Its total installed capacity is 1,285 megawatts and will be capable of generating electricity at the rate of 7,370 million units per year on average.

Currently, the Xayaburi hydropower project is still under construction. As at the end of January 2015, the project is completed for 41.87 percent of its total value. Upon the completion of the construction of the project, it will generate and distribute to Thailand the electricity of 1,220 megawatts at the electricity delivery point located on the Thai-Lao border for a period of 29 years from the commercial operation date which is scheduled to start in October 2019.

Summarized details of XPCL are as follows:

(4.1) General information

Company name	Xayaburi Power Company Limited.
Type of business	Foreign juristic company limited, operating a hydropower plant with installed capacity of 1,285 megawatts.
Office address	215 Lane Xang Avenue, Ban Xieng Yuen, Chantabouly, Vientiane Capital, the Lao People's Democratic Republic (Lao PDR).
Company registration number	Registered in accordance with the laws of the Lao PDR with registration No. 0100013169 442 56 (F/1).
Company registration date	June 22, 2010.

(4.2) List of shareholders as of March 16, 2015

No.	Name	Number of registered shares	Percentage of all shares
1.	CH. Karnchang Public Company Limited	805,830,000	30.00
2.	Natee Synergy Company Limited	671,525,001	25.00
3.	Electricity du Laos	537,220,000	20.00
4.	Electricity Generating Public Company Limited	335,762,500	12.50
5.	Bangkok Expressway Public Company Limited	201,457,499	7.50
6.	PT Sole Company Limited	134,305,000	5.00
Total		2,686,100,000	100.00

(4.3) Members of the Board of Directors as of March 16, 2015

No.	Name	Position
1.	Dr. Thanong Bidaya	Chairman of the Board of Directors
2.	Mr. Plew Trivisvavet	Chairman of the Executive Committee/Director
3.	Mr. Thanawat Trivisvavet	Director/Managing Director
4.	Mr. Van Hoang Dau	Director
5.	Mr. Wisate Chungwatana	Director
6.	Mr. Sahust Pratuknukul	Director
7.	Mr. Supong Chayutsahakij	Director
8.	Mr. Jakchai Barlee	Director
9.	Mr. Bouchom Ubongpaseuth	Director
10.	Mr. Thongpheth Douanggeune	Director

(4.4) Financial information

Unit: thousand baht

	As of December 31, 2011	As of December 31, 2012	As of December 31, 2013	As of December 31, 2014
Statement of financial position				
Assets				
Current assets	50,728	240,483	448,859	667,885
Non-current assets	964,827	9,424,035	23,507,116	37,261,641
Total assets	1,015,555	9,664,518	23,955,975	37,929,526
Liabilities and shareholders' equity				
Current liabilities	76,700	2,096,163	1,015,546	772,940
Non-current liabilities	241	5,792,343	17,310,636	28,805,057
Total liabilities	76,940	7,888,506	18,326,181	29,577,997
Shareholders' equity	938,615	1,776,013	5,629,794	8,351,529
Total liabilities and shareholders' equity	1,015,555	9,664,518	23,955,975	37,929,526
Statement of comprehensive income	For year 2011	For year 2012	For year 2013	For year 2014
Total revenue	378	512	7,227	1,416
Total cost	55,160	129,114	173,237	125,722
Net loss	(54,783)	(128,602)	(166,010)	(124,305)

5) Total value of consideration

(5.1) Total value of consideration

- The Company will pay CK approximately Baht 4,344 million as consideration for the acquisition of 805,830,000 shares in XPCL, representing 30 percent of the registered capital.
- The Company will have the obligation to make payment as capital injections into XPCL in proportion to its shareholding until the completion of the construction of the project, totaling approximately Baht 5,512 million.

(5.2) Payment method

- The Company will issue and offer newly issued ordinary shares to the existing shareholders in proportion to their respective shareholdings, the proceeds of which will be used in part to pay to CK as consideration for the acquisition of 805,830,000 shares in XPCL, representing 30 percent of the registered capital. Payment may be made with cashier's checks or transfer via banking system on the sale and purchase date, or by any other means as otherwise agreed by the parties later on.

- The Company will make payment for newly issued shares in XPCL with cashier's checks or transfer via banking system on the sale and purchase date, or by any other means as otherwise agreed by the parties later on.

6) Value of assets acquired or disposed of

- (6.1) The total value of the assets to be acquired by the Company as a result of the acquisition of 805,830,000 shares in XPCL, representing 30 percent of the registered capital, is approximately Baht 4,344 million.
- (6.2) The total value of the assets to be acquired by the Company as a result of the payment for newly issued shares in XPCL in proportion to its shareholding until the completion of the construction of the project is approximately Baht 5,512 million.

7) Basis used to determine the value of the consideration

- (7.1) The total value of the consideration for the acquisition of 805,830,000 shares in XPCL, representing 30 percent of the registered capital, is approximately Baht 4.344 million, which is the total value resulting from negotiations based on the generally accepted standard basis used for valuations, such as the discounted cash flow basis.
- (7.2) The total value of the consideration for newly issued shares in XPCL in proportion to the Company's shareholding until the completion of the construction of the project is approximately Baht 5,512 million, which is the value prescribed in the agreement between XPCL and the financial institutional creditors.

8) Expected benefits for the Company

The Company expects to benefit from the acquisition of 805,830,000 shares in XPCL, representing 30 percent of XPCL's registered capital as well as the total shareholding in XPCL held by CK, a major shareholder of the Company, and from the capital injections into XPCL in proportion to its shareholding until the completion of the construction of the project as follows:

- (8.1) enabling the Company to implement a shareholding restructure as considered appropriate and in accordance with its business operation policy to be the main investor in the business of electricity production and sales of CK Group, and will increase the value of the Company and its attractiveness to investors, thereby creating a positive effect for fund raising activities by the Company in the future; and
- (8.2) creating opportunities for continuous increase in revenues and return on investments, and enhancing the capacity of the Company's business operations in the long run.

9) Source of funds/plan on utilization of proceeds obtained from the sale

The Company will issue and offer no more than 1,870,000,000 newly issued ordinary shares with a par value of Baht 1 per share to the existing shareholders in proportion to their respective shareholdings (rights offering), at the ratio of one existing ordinary share per 0.34 newly issued ordinary shares and at the offering price of Baht 3.0 per share. The Company will also issue and no more than 1,870,000,000 units of warrants to purchase newly issued ordinary shares of the Company to the existing shareholders who subscribe and make payment for the newly issued ordinary shares, at the rate of 1 allotted new ordinary share per 1 unit of warrant, which is offered at no cost. A unit of warrant provides the rights to purchase 1 newly issued ordinary share at the exercise price of Baht 6.0 per share, which will provide sufficient funding sources for payment of consideration to CK for the shares in XPCL. The proceeds from the offering will also be used as the funding source for the capital injections into XPCL in proportion to the Company's shareholding until the completion of construction of the project and as the funding source for working capital and the funding source for future investment of the Company.

10) Conditions of entering into the transaction

The conditions of the acquisition of 805,830,000 shares in XPCL, representing 30 percent of the registered capital of XPCL, from CK and the capital injections into XPCL in proportion to the Company's shareholding until the completion of the construction of the project will be in accordance with the conditions precedent set out in the conditional share sale and purchase agreement. The relevant conditions precedent are summarized as follows:

- a) CK shall obtain approval for the sale of the shares in XPCL from its board of directors meeting and shareholders meeting (if required);
- b) the Company shall obtain approvals from its shareholders meeting regarding the capital increase, the allocation of newly issued ordinary shares, the issuance and offering of the warrants to purchase newly issued ordinary shares of the Company to the existing shareholders who subscribe and make payment for the newly issued ordinary shares;
- c) the Company shall receive the proceeds from the offering of newly issued ordinary shares to its existing shareholders in proportion to their respective shareholdings in the total amount of Baht 5,610,000,000 (1,870,000,000 shares for Baht 3 per share) as offered, which is sufficient for the acquisition of 805,830,000 shares in XPCL, representing 30 percent of XPCL's registered capital, from CK; and
- d) XPCL shall obtain consents from its creditors under the credit facility agreement and any other party to agreements which contain provision prohibiting transfers in the shares of XPCL.

In the case that the Company does not receive enough proceeds as it offering, the Company or an authorized person from the Annual Ordinary General Meeting of Shareholders may consider postponing the

issuance and offering of newly issued ordinary shares to the existing shareholders and the acquisition of the shares in XPCL from CK, as deemed necessary and appropriate. (If it is necessary to postpone the issuance and offering of newly issued ordinary shares to the existing shareholders of the Company and the acquisition of the shares in XPCL from CK, the Company in turn needs to postpone the issuance and offering of warrants to purchase newly issued ordinary shares of the Company which are offered to the existing shareholders who subscribe and make subscription payment of newly issued ordinary shares of the Company as well.)

11) Nature and scope of the interests of related persons under this connected transaction

As CK is a major shareholder of the Company, the Acquisition of XPCL Shares by the Company from CK, which is considered a connected person, is considered a transaction between a listed company and its connected person and a connected transaction pursuant to the Connected Transaction Notifications.

12) The directors who have interests in the matter

No.	Director	Interest
1.	Mr. Plew Trivisvavet	Director, Chief Executive Officer, and Chairman of the Executive Board of CK; Director and Chairman of the Executive Committee of the Company; and the father of Mr. Thanawat Trivisvavet and Dr. Supamas Trivisvavet.
2.	Mr. Narong Sangsuriya	Director and Senior Executive Vice President: Operation Group of CK; and Director of the Company.
3.	Mr. Prasert Marittanaporn	Director and Senior Executive Vice President: Administration Group of CK; and Director and member of the Executive Committee of the Company.
4.	Mr. Thanawat Trivisvavet	Director, member of the Executive Committee, Deputy Managing Director: Administration of the Company; and a son of Mr. Plew Trivisvavet and a close relative of Dr. Supamas Trivisvavet.
5.	Mr. Alvin Gee	Director of the Company and spouse of Dr. Supamas Trivisvavet, who is the daughter of Mr. Plew Trivisvavet.
6.	Dr. Supamas Trivisvavet	Director, member of the Executive Committee; Managing Director of the Company; and the daughter of Mr. Plew Trivisvavet and a close relative of Mr. Thanawat Trivisvavet, and spouse of Mr. Alvin Gee.

The abovementioned directors who have interests in the matter did not attend or vote on the agenda items to approve the Acquisition of XPCL Shares from CK and the execution of the sale and purchase agreement for XPCL shares.

13) Opinion of the Board of Directors on the transaction

The meeting of the board of directors of the Company No. 1/2558, in which directors who had interests or directors who were connected persons did not participate, having reviewed the information in conjunction with the report of the audit committee on the transaction, was of the opinion that the Acquisition of XPCL Shares will provide the following benefits to the Company:

1) enabling the Company to implement a shareholding restructure as considered appropriate and in accordance with its business operation policy to be the main investor in the business of electricity generation and sales of CK Group, and will increase the value of the Company and its attractiveness to investors, thereby creating a positive effect for fundraising activities by the Company in the future; and

2) creating opportunities for continuous increase in revenues and return on investments, and enhancing capacity for the Company's business operations in the long run.

Moreover, the acquisition of the shares in XPCL during the period which the construction of the project is still undergoing but after the high risk period renders the price reasonable and is in the range that the Company receives its expected profits. The Company is able to manage any risks remained until the end of the project. After considering the reasonableness, including the best interest of the Company, and in comparison with the same transaction entered into with an independent third party who is not categorized as a connected person, the meeting was of the opinion that the Acquisition of XPCL Shares from CK, which was a connected person, and the execution of the sale and purchase agreement in respect of the shares in XPCL, were reasonable and in the best interest of the Company. The terms of the transaction to be entered into have the same commercial terms as those that an ordinary person would enter into with any third party (an arm's length basis), and there were no conflicts of interest between the Company and persons who might have a conflict of interest. The meeting therefore resolved to approve the acquisition of 805,830,000 shares in XPCL, representing 30 percent of XPCL's registered capital, from CK.

14) Opinions of the Audit Committee and/or the Company's Directors, which are different from item 13

-None-

15) Other information

As there still remains approximately four years for the construction period of the Xayaburi hydropower project, there are risk factors including risks relating to changes of scope of the construction, delay in construction, the occurrence of a cost-overrun, and the success of the construction, which are risks generally associated with projects that are under construction and at the level that the Company is able to manage.

Therefore, the value paid by the Company for this investment, when compared with the risks relating to the project, is at an acceptable level.

In addition, as the Xayaburi hydropower project is a massive project on the Mekong River, it is possible that the construction plan might be adjusted for the best interest of the community, the environment, and neighboring countries. If the Lao PDR requests such adjustments, the Lao PDR as the owner of the project is willing to ensure that the returns on the project are at an acceptable level and fair to the investors.

16) Invitation to the shareholders meeting

The Company has sent out an invitation to the 2015 Annual Ordinary General Meeting of the shareholders, which will be held on April 9, 2015, and the opinion of the independent financial advisor to the Office of the Securities and Exchange Commission and the SET, at least five business days before sending the same to the shareholders, and has sent the documents to the shareholders no less than 14 days prior to the meeting date.

2. Information memorandum disclosed pursuant to Pursuant to Clause 17 of the SET Notification on Acquisition or Disposition of Assets and Clause 20 of the SET Notification on Connected Transaction

1) Information memorandum disclosed pursuant to schedule 1 to the SET Notification on Acquisition or Disposition of Assets and clause 16 of the SET Notification on Connected Transaction

Please refer to information under section 1 of the information memorandum disclosed pursuant to schedule 1 to the SET Notification on Acquisition or Disposition of Assets and clause 16 of the SET Notification on Connected Transaction.

2) Responsibilities of the board of directors for the information disclosed in the documents sent to shareholders

The board of directors is responsible for the information disclosed in this information memorandum, and hereby certifies that, to the best of its knowledge and based on the information available to it, the information contained herein is accurate and complete and is not misleading.

3) Qualifications of the independent financial advisor who provides an opinion on the transaction

Capital Advantage Co., Ltd. has been appointed as an independent financial advisor to provide an opinion on the Acquisition of XPCL Shares from CK, which is deemed to be an acquisition of assets and a connected transaction.

The independent financial advisor does not hold shares in the Company and has no relationship with the Company. The independent financial advisor gave its consent to the disclosure of the independent financial advisor's report dated March 16, 2015.

Please refer to the independent financial advisor's report attached to the invitation to the 2015 Annual Ordinary General Meeting of the shareholders.

4) Overview of the business and information concerning the Company

(4.1) General information of the Company

Company name	CK Power Public Company Limited
Type of business	The Company operates its business as a holding company, by holding shares in other companies engaging in the core business of generation and sales of electricity.
Category of business	Energy and utilities
Industry	Natural resources
Office address	587, Viriyathavorn Building 19th Floor, Sutthisarn Road, Dindaeng Subdistrict Dindaeng District, Bangkok 10400

Company registration number	0107556000167
Company registration date	June 8, 2011
Date of conversion to a public limited company	February 6, 2013

(4.2) Business operations of the Company

The Company operates its business as a holding company, by holding shares in other companies engaging in the core business of generation and sales of electricity. These companies produce and sell electricity generated by various types of energy. The Company's main source of revenue is derived from dividends from its investment in subsidiaries and affiliates.

The Company currently invests in other companies with the core business of generation and sales of electricity in three business sectors as follows:

1. Hydroelectric Power Plant

SouthEast Asia Energy Limited ("**SEAN**"), which the Company holds 56 percent of its registered and paid-up capital, engages in the core business of investing in and developing the power generation project in the Lao PDR as well as providing advisory and other services related to the power generation project. SEAN holds shares in a hydroelectric power generation and sales company, namely Nam Ngum 2 Hydroelectric Power Company (NN2), representing 75 percent of NN2's total registered and paid-up shares. NN2 generates and sells electricity generated by a hydroelectric project under a concession granted by the Lao PDR pursuant to a concession agreement in respect of NN2. The concession term is 25 years from the Commercial Operation Date. It has the production capacity of 615 megawatts and is generating under a power purchase agreement (PPA) with EGAT for a period of 25 years from the Commercial Operation Date (January 1, 2013).

2. Solar Power Plant

2.1 Bangkokchai Co., Ltd. ("**BKC**"), which the Company holds 100 percent of its registered and paid-up capital, engages in the core business of generating and selling electricity generated by solar power. The project is located in Nakorn Ratchasima Province. It has the production capacity of 8 megawatts and is under a PPA with Provincial Electricity Authority ("**PEA**") for a period of 5 years with automatic renewal.

2.2 Chiangrai Solar Company Limited ("**CRS**"), which the Company holds 30 percent of its registered and paid-up capital, engages in the core business of generating and selling electricity generated by solar power. The project is located in Chiangrai Province. It has the production capacity of 8 megawatts and is under a PPA with PEA for a period of 5 years with automatic renewal every 5 years.

2.3 Nakorn Ratchasima Solar Company Limited ("NRS"), which the Company holds 30 percent of its registered and paid-up capital, engages in the core business of generating and selling electricity generated by solar power. The project is located in Nakorn Ratchasima Province. It has the production capacity of 6 megawatts and is under a PPA with PEA for a period of 5 years with automatic renewal every 5 years.

3. Cogeneration Power Plant

Bangpa-in Cogeneration Company Limited ("BIC"), which the Company holds 65 percent of its registered and paid-up capital, engages in the core business of producing and selling electricity generated by gas-fired cogeneration. The project is located at Bang Pa-in Industrial Estate, Ayutthaya Province. BIC Phase 1 Project (BIC-1) has the production capacity of 117.5 megawatts and the steam production of 19.6 tons per hour. BIC has entered into a PPA with EGAT for electricity for a production capacity of 90 megawatts for a period of 25 years from the Commercial Operation Date (June 28, 2013). The remaining electricity and steam produced are sold to industrial operators in Bang Pa-in Industrial Estate. BIC Phase 2 Project (BIC-2) is currently under construction and has a scheduled Commercial Operation Date in the year 2017.

In addition, the Company also holds shares in other companies with the core business of developing various types of electricity generation which have not yet commenced their commercial operations, representing 100 percent of each company's shares, as follows: CKP Solar Company Limited, VIS SOLIS Company Limited, HELIOS Power Company Limited, APOLLO Power Company Limited and SOLE Power Company Limited.

(4.3) Members of the Board of Directors as of March 16, 2015

No.	Name	Position
1.	Dr. Thanong Bidaya	Chairman of the Board of Directors (Independent Director)
2.	Mr. Plew Trivisvavet	Chairman of the Executive Committee
3.	Dr. Supamas Trivisvavet	Managing Director
4.	Mr. Supong Chayutsahakij	Director
5.	Mr. Narong Sangsuriya	Director
6.	Mr. Prasert Marittanaporn	Director
7.	Mr. Thanawat Trivisvavet	Director
8.	Mr. Alvin Gee	Director
9.	Mr. Techapit Sangsingkeo	Chairman of the Audit Committee (Independent Director)
10.	Dr. Vicharn Aramvareekul	Member of the Audit Committee (Independent Director)
11.	Mr. Prawet Ingadapa	Member of the Audit Committee (Independent Director)

(4.4) List of Executives as of 16 March 2015

No.	Name	Position
1.	Dr. Supamas Trivisvavet	Managing Director
2.	Mr. Thanawat Trivisvavet	Deputy Managing Director: Administration
3.	Mr. Asa Arthayookti	Deputy Managing Director: Mechanical and Electrical Engineering
4.	Dr. Michael Eric Raeder	Deputy Managing Director: Civil Engineering
5.	Ms. Nithawadee Limpodom	Assistant Managing Director: Business Development
6.	Ms. Parichat Othayakul	Assistant Managing Director: Compliance Unit
7.	Ms. Rujira Chuaybamrung	Assistant Managing Director: Assets and Subsidiary Management
8.	Mr. Varoth Saksucharita	Assistant Managing Director: Administration
9.	Ms. Piyanuch Marittanaporn	General Manager of Finance and Accounting

(4.5) List of shareholders at the most recent book closure date as of March 16, 2015

No.	Name	Number of registered shares	Percentage of all shares
1.	CH. Karnchang Public Company Limited	328,600,000	29.87
2.	TTW Public Company Limited	275,000,001	25.00
3.	Bangkok Expressway Public Company Limited	213,425,499	19.40
4.	Ms. Woraphan Jungsubpaisal	17,764,000	1.61
5.	Miss Sureerate Techakamoluk	13,735,200	1.25
6.	Mr. Wichai Eakudomsin	13,500,000	1.23
7.	Mr. Kumpol Virathepsuporn	10,000,000	0.91
8.	Mr. Wichai Wachirapong	7,091,600	0.65
9.	Mr. Sombat Phanichewa	6,300,000	0.57
10.	Mr. Charoen Eak-Udomsin	6,300,000	0.57
11.	Others	208,283,700	18.94
Total		1,100,000,000	100.00

(4.6) Financial information

Statement of Financial Position (Unit: Baht)	Consolidated Financial Statements		
	2012	2013	2014
Cash and cash equivalents	572,833,322	1,791,473,304	1,830,132,583
Short-Term restricted bank deposits	295,264,210	464,831,748	516,133,527
Current investments	20,335,951	64,348,124	235,048,767
Trade and other receivables	953,363,063	1,002,307,606	1,483,177,493
Spare parts inventory	-	20,397,163	44,947,155
Other current assets	45,970,239	158,659,539	53,309,293
Total current assets	1,887,766,785	3,502,017,484	4,162,748,818
Long-term restricted bank deposits	1,245,832,048	1,360,617,411	1,194,900,016
Investment in associated companies	1,008,332,517	219,147,179	235,817,892
Right to produce and sell electricity - Equity attributable to owners of the Company	5,299,218,426	5,494,228,856	5,251,881,839
Right to produce and sell electricity - Non-controlling interests of the subsidiaries	6,922,338,646	6,878,902,004	6,599,965,198
Project cost during construction phase	342,717,965	366,650,526	464,900,336
Assets of hydroelectric power project under concession agreement	27,525,851,467	26,458,463,976	25,385,664,684
Property, plant and equipment	918,680,875	5,993,207,108	5,830,294,634
Other non-current assets	3,138,646	208,277,334	201,177,454
Total current assets	43,266,110,590	46,979,494,394	45,164,602,053
Total assets	45,153,877,375	50,481,511,878	49,327,350,871
Trade and other payables	205,573,108	674,111,183	427,731,675
Current portion of liabilities under finance lease agreements	4,289,310	4,867,485	6,124,535
Short-term loans from financial institution	1,829,248,307	60,000,000	71,333,690
Current portion of long-term loans from related companies and accrued interest payable	341,908,765	-	-
Current portion of long-term loans from financial institutions	1,082,594,475	1,713,605,080	1,671,794,820
Income tax payable	1,219,086	626,153	228,383
Retention payable	3,640,699	4,544,373	2,361,526
Other current liabilities	6,275,503	50,610,445	41,564,075
Total current liabilities	3,474,749,253	2,508,364,719	2,221,138,704
Liabilities under finance lease agreements, net of current portion	13,200,917	9,830,195	3,705,659
Long-term loans from financial institutions, net of current portion	19,297,925,715	22,420,476,393	20,821,320,392
Liabilities under financial derivatives	-	-	20,207,730
Provision for long-term employee benefits	1,628,709	6,477,690	10,829,805
Other long-term liabilities - related party	93,611,705	122,743,625	146,570,112
Total non-current liabilities	19,406,367,046	22,559,527,903	21,002,633,698
Total liabilities	22,881,116,299	25,067,892,622	23,223,772,402

Statement of Financial Position (Unit: Baht)	Consolidated Financial Statements		
	2012	2013	2014
Issued and fully paid-up capital	9,200,000,000	5,500,000,000	5,500,000,000
Share premium	-	5,966,908,660	5,796,908,660
Retained earnings			
appropriated -- statutory reserve	-	-	10,280,115
unappropriated	16,185,486	235,069,281	866,605,141
Other components of shareholders' equity	3,366,523	(112,192,854)	(125,668,901)
Equity attributable to owners of the Company	9,219,552,009	11,589,785,087	12,048,125,015
Non-controlling interests of the subsidiaries	13,053,209,067	13,823,834,169	14,055,453,454
Total shareholders' equity	22,272,761,076	25,413,619,256	26,103,578,469
Total liabilities and shareholders' equity	45,153,877,375	50,481,511,878	49,327,350,871

Statement of Comprehensive Income (Unit: Baht)	Consolidated Financial Statements		
	2012	2013	2014
Revenue from sales of electricity and steam	2,467,315,797	5,456,624,340	6,829,958,493
Revenue from sales of electricity - electricity tariff adders	45,146,856	111,648,960	112,183,680
Project management income	29,836,773	44,048,130	56,856,445
Other income	35,772,951	21,104,802	28,367,068
Total revenues	2,578,072,377	5,633,426,232	7,027,365,686
Cost of sales of electricity and steam	1,118,743,002	2,786,448,353	4,021,671,507
Amortization of right to produce and sell electricity	322,457,837	508,090,538	521,283,824
Project management cost	-	-	68,507,848
Administrative expenses	195,976,053	409,830,054	344,470,312
Loss on exchange	-	-	4,739,447
Total expenses	1,637,176,892	3,704,368,945	4,960,672,938
Profit before share of profit from investments in associated companies, finance cost and income tax expenses	940,895,485	1,929,057,287	2,066,692,748
Share of profit from investments in associated companies	108,494,623	15,734,753	34,670,713
Profit before finance cost and income tax expenses	1,049,390,108	1,944,792,040	2,101,363,461
Finance cost	(935,374,204)	(1,340,295,662)	(1,218,970,712)
Profit before income tax expenses	114,015,904	604,496,378	882,392,749
Income tax expenses	(1,955,371)	(1,887,392)	(243,731)
Profit for the period	112,060,533	602,608,986	882,149,018
Other comprehensive income:			
Gain on changes in value of available-for-sale investments	-	148,616	1,857,991
Unrealized loss from cash flow hedges	-	(275,495,220)	(25,443,480)
Other comprehensive income for the period	-	(275,346,604)	(23,585,489)
Total comprehensive income for the period	112,060,533	327,262,382	858,563,529

Statement of Comprehensive Income (Unit: Baht)	Consolidated Financial Statements		
	2012	2013	2014
<u>Profit (loss) attributable to</u>			
Equity holders of the Company	55,016,440	218,883,795	471,815,975
Non-controlling interests of the subsidiaries	57,044,093	383,725,191	410,333,043
	112,060,533	602,608,986	882,149,018
<u>Total comprehensive income attributable to</u>			
Equity holders of the Company	55,016,440	103,324,418	458,339,928
Non-controlling interests of the subsidiaries	57,044,093	223,937,964	400,223,601
	112,060,533	327,262,382	858,563,529
Profit (loss) per share - equity holders of the Company	0.06	0.22	0.43
Weighted average number of ordinary share (share)	920,000,000	1,003,835,616	1,100,000,000

Cash Flow Statement (Unit: Baht)	Consolidated Financial Statements		
	2012	2013	2014
Cash flows from operating activities	2,024,284,571	3,980,778,807	3,263,621,592
Cash flows used in investing activities	(7,979,291,203)	(1,925,156,745)	(229,726,189)
Cash flows from (used in) financing activities	6,520,705,179	(850,225,429)	(2,984,893,423)
Effect of exchange rate changes on cash and cash equivalents	(2,373,157)	13,243,349	(10,342,701)
Net increase in cash and cash equivalent	563,325,390	1,218,639,982	38,659,279
Cash and cash equivalent at beginning of period	9,507,932	572,833,322	1,791,473,304
Cash and cash equivalent at end of period	572,833,322	1,791,473,304	1,830,132,583

Management Discussion and Analysis

(4.6.1) Overview

a) Past Operation Overview

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 revenue mainly derived from sales of electricity and steam was Baht 6,942.14 million, representing 98.79 percent of the total revenues, divided into revenue from hydroelectric power projects in the amount of Baht 3,976.45 million; revenue from cogeneration power projects in the amount of Baht 2,803.12 million; and revenue from solar power projects 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 revenue mainly derived from sales of electricity and steam was Baht 5,568.27 million, representing 98.84 percent of the total revenues, divided into revenue from hydroelectric power projects in the amount of Baht 4,115.15 million; revenue from cogeneration power projects in the amount of Baht 1,292.79 million; and revenue from solar power projects in the amount of Baht 160.33 million.

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

b) 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 XPCL.

- On April 22, 2014, the 2014 Annual 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 megawatts each, totaling 240 megawatts, in Asia Industrial Estate (Suvarnabhumi).

- In September 2014, BIC executed additional PPAs with industrial operators in Bang Pa-in Industrial Estate, in respect of the remaining production capacity of 5.5 megawatts.

- On November 11, 2014, BIC executed an engineering, procurement, and construction contract (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 held on October 28, 2014; and on December 25, 2014, BIC executed a loan agreement in respect of BIC-2, with a long-term loan amount of Baht 4,005.00 million.

(4.6.2) Analysis of Operational Results

Summary of Operational Results in comparison between 2014 and 2013

Description	Consolidated Financial Statements			
	2014	2013	Changes	
	Million Baht	Million Baht	Million Baht	percentage
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

a) Revenue

The Company's revenue structure is divided into 4 categories, namely, (1) revenue from sales of electricity, comprised of 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	percentage	Million Baht	percentage	Million Baht	Percentage
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	21.10	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

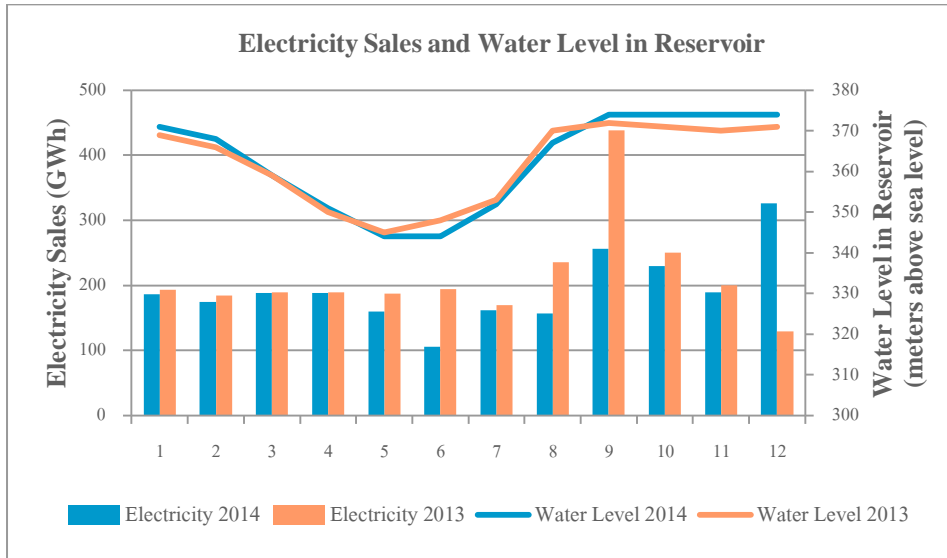
	Electricity Sale Volume		Changes		Revenue from Sales of Electricity		Changes	
	Unit: Gigawatt-Hour		Unit: Gigawatt-Hour		Unit: Million Baht		Unit: Million Baht	
	2014	2013	Increase (Decrease)	percentage	2014	2013	Increase (Decrease)	percentage
Hydroelectric power	2,321.37	2,559.80	(238.43)	(9.31)	3,976.45	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 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 Project (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 sold 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 Hydroelectric Power Project in 2014 compared to 2013**



The chart above shows the electricity sales and the water level in reservoir 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 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 in the Primary Energy Account (PE Account)³ which was carried over from the previous year, NN2 therefore managed to meet the supply target of Primary Energy (PE) of 2,218 million units under the Power Purchase Agreement. Regarding Secondary Energy (SE), however, 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)⁴ which amounted to Baht 79.04 Million of revenue. The sales of electricity in 2014 are summarized as follows:

³ 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 Energy Account for make-up in any year with insufficient water volume to produce electricity to meet the supply target.

⁴ 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.

Million Units	2014	2013
PE Production	2,115.91	2,313.92
PE Account	102.99	-
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.

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

The average selling price of electricity in 2014 was Baht 2.22 per unit, while the average selling price of electricity in 2013 was Baht 1.89 per unit. The increase in the average selling price of electricity was due to changes in proportions of 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 proportionately 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, it 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 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 the Company on February 1, 2014. The value of the agreement for 2014 was approximately Baht 40.33 Million. In addition, the Company also earned revenue from the Secondment Service Agreement with XPCL, with a value of the agreement of approximately Baht 8.80 million for 2014.

(4) Other income

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

(b) Operating expenses

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

Description	Expenses in Consolidated Financial Statements					
	2014		2013		Changes	
	Million Baht	percentage	Million Baht	percentage	Million Baht	percentage
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 costs	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
project management cost	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 generation of electricity and steam, while other projects in the group incur no fuel cost. 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, as the business requires huge investment, particularly hydroelectric and solar power projects. The straight-line method is applied 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 compared to the previous year was partially caused by allocation of salaries of operating staff from administrative expenses, engagement of J-Power as operation and maintenance 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 vary directly with revenue from sales of electricity of NN2.
 - **Others:** This is comprised of costs of environment and public consultation, rentals, insurance premium, power development funds and other costs directly related to power generation.
- **Amortization of right to generate and distribute electricity** refers to the amortization of intangible assets as a result of business acquisitions, which is a non-cash transaction.
 - **Project management cost** 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.

(c) 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.

(d) 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.

(e) 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 as the structure of revenue and costs of each subsidiary was different. However, the 2014 operational results showed net profit attributable to equity holders 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.

(4.6.3) Analysis of Financial Position

(a) 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 <i>Unit : Million Baht</i>	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	(378.93)	(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 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 during November - December 2014 were higher than those during November - December 2013, thereby resulting in a larger amount of accounts receivable.

- **Other current assets** decreased by Baht 105.35 million, mainly as a result of 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	percentage
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 year.

(b) **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 <i>Unit : Million Baht</i>	December 31, 2014	December 31, 2013	Change	
			Increase (Decrease)	percentage
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.

(c) **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 <i>Unit : Million Baht</i>	December 31, 2014	December 31, 2013	Change	
			Increase (Decrease)	percentage
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 held on April 22, 2014.
- **Other components of shareholders' equity** amounted to Baht 125.67 Million, mainly comprised of 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 U.S. dollars, whereby such revenue from sales of electricity was designated as the hedged item and the long-term loans in U.S. dollars 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.

(4.6.4) Liquidity and Capital Adequacy of the Company

(a) 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, comprised of:

Description <i>Unit : Million Baht</i>	2014	2013	Change	
			Increase (Decrease)	percent
Net cash flows <u>from</u> operating activities	3,263.62	3,980.78	(717.16)	(18.02)
Net cash flows <u>used in</u> investing activities	(229.73)	(1,925.15)	1,695.42	(88.07)
Net cash flows <u>used in</u> 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 <i>Unit : Times</i>	December 31, 2014	December 31, 2013	Change
Consolidated Financial Statements	0.89	0.99	(0.10)
Separate Financial Statements	0.04	0.04	-

(b) Liquidity Adequacy

Liquidity Ratio <i>Unit : Times</i>	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)

(4.7) Financial projection for the current year (if any)

-None-

(4.8) Connected transactions (for the past year and the current year up to the last quarter)

Please consider the information in the **Enclosure**.

(4.9) Other information that may materially affect the decision of investors

-None-

5) Pending lawsuits or claims which are significant

As of December 31, 2013, there were no pending lawsuits which might adversely affect the Company or its subsidiaries and associated companies, or might materially affect their business operations.

6) Opinion of the independent financial advisor

Please see the independent financial advisor's report attached to the invitation to the 2015 annual general meeting of the shareholders.

7) Opinion of the Board of Directors concerning the entry into a connected transaction, specifying the justification and the best interest of the Company as compared with the entry into a transaction with any unrelated counterparty

Please refer to the opinion of the board of directors in item 13 of section 1 of the information memorandum disclosed pursuant to schedule 1 to the SET Notification on Acquisition or Disposition of Assets and clause 16 of the SET Notification on Connected Transaction.

8) Opinion of the Audit Committee and/or the Company's Directors which are different from item 6

-None-

9) Proxy form with at least one member of the Audit Committee being nominated as shareholders' proxy

Please refer to the proxy form attached to the invitation to the 2015 annual general meeting of the shareholders.

10) Statement on the Company's connected persons and/or shareholders with interests in the matter, all of whom are not to vote on the matter, including name and number of shares of such shareholders who are not to vote on the matter.

The following table shows the list of connected persons and/or interested shareholders and their respective shareholdings as of March 16, 2015 which was the most recent shareholders register book closure date.

No.	Name of a connected person and/or an interested shareholder	Relationship/Interests	Number of shares
1.	CH. Karnchang Public Company Limited	A major shareholder of the Company holding 29.87 percent of paid-up capital of the Company	328,600,000
2.	Mr. Plew Trivisvavet	A Director, the Chief Executive Officer and the Chairman of The Executive Board of CK and the Chairman of the Executive Committee of the Company and the father of Mr. Thanawat Trivisvavet and Dr. Supamas Trivisvavet.	None
3.	Mr. Narong Sangsuriya	A Director and the Senior Executive Vice President: Operation Group of CK and a director of the Company.	None
4.	Mr. Prasert Marittanaporn	A Director and the Senior Executive Vice President: Administration Group of CK; and a Director and an Executive Director of the Company.	None
5.	Mr. Thanawat Trivisvavet	A Director, an Executive Director and the Deputy Managing Director: Administration of the Company and a son of Mr. Plew Trivisvavet and a close relative of Dr. Supamas Trivisvavet.	None
6.	Mr. Alvin Gee	A Director of the Company and the spouse of Dr. Supamas Trivisvavet.	None
7.	Dr. Supamas Trivisvavet	A Director, an Executive Director and the Managing Director of the Company; and the daughter of Mr. Plew Trivisvavet, a close relative of Mr. Thanawat Trivisvavet, and the spouse of Mr. Alvin Gee	None
8.	Ms. Worluk Tejatussanasoontorn	A daughter of Mr. Vitool Tejatussanasoontorn, who is a director of CK.	50,000

No.	Name of a connected person and/or an interested shareholder	Relationship/Interests	Number of shares
9.	Mr. Prasert Trivisvavet	A close relative of Mr. Plew Trivisvavet, who is a director of CK.	750,000
10.	Mrs. Korakoch Trivisvavet	A close relative of Mr. Sittidej Trivisvavet, who is an Executive of CK.	100,000
11.	Ms. Sawanya Trivisvavet	A daughter of Mr. Sittidej Trivisvavet, who is an Executive of CK.	127,000
12.	Ms. Jansine Santaannop	A daughter of Mr. Ratn Santaannop, who is a director and an executive of CK.	100,000
13.	Ms. Chintana Marittanaporn	A close relative of Mr. Prasert Marittanaporn, who is a Director and an executive of CK	3,500
14.	Ms. Piyanuch Marittanaporn	An Executive of the Company and a daughter of Mr. Prasert Marittanaporn, who is a Director and an executive of CK	None
15.	Mr. Puvanate Treevitsavawate	A close relative of Mr. Sittidej Trivisvavet, who is an Executive of CK	245,000
16.	Mr. Peeraphan Tantisuvanitchkul	A close relative of Mr. Phongsarit Tantisuvanitchkul, who is an Executive of CK	612,000
17.	Mr. Somsak Tantisuvanitchkul	The father of Mr. Pongsarit Tantisuvanitchkul, who is an Executive of CK	900
18.	Mr.Sompol Trivisvavet	A son of Mr. Sittidej Trivisvavet, who is an Executive of CK.	1,000
19.	Dr.Sombat Kitjalaksana	Director of CK	200,000
20.	Mrs.Pranee Thongkittikul	A close relative of Mr. Sittidej Trivisvavet, who is an Executive of CK.	1,170,000

The abovementioned connected persons and/or shareholders will have no right to vote on the items to approve the connected transaction at the 2015 annual general meeting of the shareholders.

Connected Transactions
of
CK Power Public Company Limited and its Subsidiaries

1. Relationship between the Company and its Subsidiaries with 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 generation and distribution of electricity generated from various types of energy and provision of consulting services and other services related to electricity generation projects.
SouthEast Asia Energy Limited (SEAN)	56 percent of shares held by the Company	SEAN operates the business of investment and development of electricity generation 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 a 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 generation and distribution of electricity and steam from a cogeneration power plant, using natural gas as fuel, with a production capacity of 117.5 megawatts for electricity and 19.6 tons per hour for steam (for Phase 1). The 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 electricity 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 generation and distribution.

(Translation)

Company	Shareholding Percentage	Business Operation
HELIOS Power Company Limited	100 percent of shares held by the Company	This company has been established for electricity generation and distribution.
APOLLO Power Company Limited	100 percent of shares held by the Company	This company has been established for electricity generation and distribution.
VIS SOLIS Company Limited	100 percent of shares held by the Company	This company has been established for electricity generation and distribution.
SOLE Power Company Limited	100 percent of shares held by the Company	This company has been established for electricity generation and distribution.

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 distribution 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 various 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.

¹ As at the Book Closure Date for the right to attend the Extraordinary General Meeting of Shareholders No. 1/2014 on September 16, 2014 (the information will be validated and updated accordingly after the Book Closure Date on March 16, 2015).

(Translation)

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 generation concession awarded by the Government of the Lao PDR, and is the Company's related company since XPCL's shareholders, namely, CK and BECL, the Company's major shareholders, hold shares in XPCL representing 30 percent and 7.5 percent of its registered and paid-up capital, respectively. CK and XPCL 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 engages in the business as a holding company that leads the RATCH group in setting out the direction of operations and various strategies to align with business development and expansion objectives by focusing on investments in the electricity generation 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, a state enterprise in the energy sector under the authority of the Ministry of Energy and the Ministry of Finance, engages in the core business of generation, 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 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. Its major shareholders are PTT Global Chemical Public Company Limited and PTT Public Company Limited (holding 30.10 percent of GPSC's shares). GPSC accepted transfer of BIC's shares, representing 25 percent of BIC's registered and paid-up capital, from PTT on December 24, 2013; as a result, GPSC is one of BIC's major shareholders, and is the Company's related company.

(Translation)

PTT Public Company Limited (PTT)

PTT engages in the petroleum business and other businesses related to or in support of the petroleum business, as well as invests 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 management of the Bang Pa-in Industrial Estate, sale of areas in the industrial estate, administration 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) diverted from Asian Highway (Highway Route No. 32) in the area between Moo 2, Tambon Khlong Chik and Moo 16, Tambon Bang Krasan, Amphoe Bang Pa-in, Phra Nakhon Si Ayutthaya Province. The business is under a Joint Operation Agreement for the Bang Pa-in Industrial Estate Project between the Industrial Estate Authority of Thailand (IEAT) and BLDC, dated December 22, 1989. BLDC is the Company's related company because both companies have 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 (who 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 has been making payment of the royalty fee to GOL since 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, a state enterprise under the Ministry for Energy and Mines of the Lao PDR, engages in the core business of generation, 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.

(Translation)

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 generation of the Nam Ngum 2 Hydroelectric Power Project in respect of which SEAN and NN2 have entered into agreements with the Company's related parties, are as follows:
 - a. The service agreement for RATCH to provide consulting services regarding operation and maintenance of the hydroelectric power project;
 - b. The service agreement for RATCH-Lao to provide operation and maintenance services of the hydroelectric power project²;
 - c. The service agreement for RATCH-Lao to provide major maintenance services of the hydroelectric power project³;
 - d. The service agreement for EDL to operate the 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 service agreement for EGAT to be a 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 of incapability to transmit electricity. Because RATCH, EDL and EGAT have experiences, personnel and expertise in the management of power projects, EGAT, moreover, is the sole manager of transmission lines in Thailand, and EDL is the manager of transmission lines in the Lao PDR, both EGAT and EDL have the expertise in the management of transmission lines and substations, which are beneficial to NN2. In addition, the power purchases and sales between NN2 and EGAT are considered as an ordinary course of business and reasonable, since EGAT is Thailand's sole purchaser of imported electricity.

- 2) Transactions, involving electricity generation of Bangpa-in Cogeneration Phase 1 in respect of which BIC has entered into agreements with the Company's related parties, are as follows:

^{2,3} With respect to the service agreement for RATCH-Lao to provide operation and maintenance services and the service agreement for RATCH-Lao to provide major maintenance of the hydroelectric power project, RATCH-Lao executed an agreement with EGAT as its subcontractor to provide certain crucial 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.

(Translation)

- a. Land lease agreements with BLDC in order to use the area for BIC's power project. The leased area is suitable because it is located in the industrial estate and proper for construction of power project and for sales 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 generation of BIC's cogeneration power plant is considered reasonable, since natural gas is the key raw material in the electricity generation, and PTT is the sole distributor of 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, who use 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 for waste water by-products from the electricity generation process, with TTW, who is 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 SPP projects;
 - c. Transactions involving the acceptance of engagement as Owner Engineer and the service 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 administrative services for 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.

(Translation)

3. Details of Connected Transactions

3.1 Connected Transactions of the Company with Related Companies/Parties

3.1.1 Connected Transactions between the Company and CK

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	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 ● Rental and Utility payable	0.67 0.33	1.97 0.49	The Company utilized the area on the CH, 20 th , and 24 th floors of CK's Viriyathavorn Building. The Company agreed to pay CK for actual cost of utilization of such area at the rate equal to office area rental and at the normal utility cost rate charged by CK to general lessees. The details of the lease agreements for each floor are as follows:	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 rates were reasonable since it was the rental rate charged by CK to general customers in Viriyathavorn Building.

(Translation)

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
			<ol style="list-style-type: none">1. The 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. The 20th 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. The 24th 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.	

(Translation)

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
<p>Service Agreement on Secondment of Internal Audit Duties</p> <p>Management Services between the Company and CK</p> <ul style="list-style-type: none"> ● Management expenses ● Management fee payable 	<p>0.30</p> <p>0.32</p>	<p>1.20</p> <p>0.11</p>	<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 experiences in the internal audit. Therefore, the agreement was executed with CK to appoint one personnel for a period of four months, from October 1, 2013 to February 1, 2014. The Company agreed to pay remuneration to CK in the amount of Baht 100,000 per month. The agreement was renewable every four months. The current 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>

(Translation)

3.1.2 Management Income between the Company and XPCL

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
The Owner 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 Engineer Agreement to supervise and inspect the quality of construction and testing of mechanical and electrical equipment, and 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 the agreement of Baht 40.26 million (excluding value added tax). The Company also reimbursed the actual travelling expenses for on-site services. The term of the agreement started from February 1, 2014 until 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 experiences 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		

(Translation)

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
<p>Secondment Service Agreement between the Company and XPCL</p> <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 electricity generation business. Therefore, the Secondment Service Agreement was executed with the Company for four personnel for a period of 11 months, commencing on February 1, 2014 until 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 experiences 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		

(Translation)

3.1.3 Management Services between the Company and BLDC

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Management Service Agreement between the Company and BLDC ● Management expenses ● Management fee payable	-	1.44	<p>The Company executed the Management Service Agreement regarding the development of the Cogeneration SPP Project, pursuant to which BLDC would be responsible for contacting, coordinating and performing actions as 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 a fee of Baht 120,000 per month to BLDC.</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>

(Translation)

3.2 Connected 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/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
<p>The Owner Engineer Agreement between SEAN and XPCL</p> <ul style="list-style-type: none"> ● Project management income ● Accounts receivable (project management income) 	<p>43.98</p> <p>3.92</p>	<p>3.96</p> <p>-</p>	<p>The Owner Engineer Agreement was executed between SEAN and XPCL to supervise and inspect the quality of construction and testing of mechanical and electrical equipment, and 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 experiences in operation and construction of the Nam Ngum 2 Hydroelectric Power Project, and therefore 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>

(Translation)

3.2.2 Transactions involving Office Lease between SEAN and CK

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	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 the office area on the 20 th floor of Viriyathavorn Building from CK to use as its Bangkok office, covering an area of 468.91 square meters, with a lease term of three years from October 1, 2013 until 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 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.

(Translation)

3.2.3 Transactions between SEAN and RATCH

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
<p>Assignment of RATCH's staff to perform works for SEAN</p> <ul style="list-style-type: none"> ● Administrative expenses 	2.31	2.47	<p>The agreement among SEAN's shareholders specified that RATCH will assign its personnel to jointly perform works in respect of engineering and finance for SEAN for the Nam Ngum 2 Hydroelectric Power Project because of RATCH's experiences and expertise in management of hydroelectric power plants,. Therefore, RATCH entered into an agreement with SEAN for assignment of its staff to perform works in SEAN for the management of the Nam Ngum 2 Hydroelectric Power Project.</p>	<p>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 therefore, such price was reasonable.</p>

(Translation)

3.2.4 Transaction among SEAN, NN2 and RATCH

Transaction	Transaction Volume (Million Baht)		Nature /Necessity and Justification of Transaction	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 among SEAN, NN2, and RATCH</p> <ul style="list-style-type: none"> ● O&M consulting service fees 	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. The agreement specifies RATCH as Project Consultant in respect of project development, contract documents, technical and construction advice, purchase of parts and other equipment related to the 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 is no less than 14 percent per year.</p>	<p>The Audit Committee was of the opinion that such transaction was reasonable since RATCH had experiences in power project operation. Moreover, the determination of the consideration of the agreement had been negotiated by SEAN's management, and approved by the resolution of SEAN's board of directors and/or the shareholders' meeting. Therefore, the Audit Committee was of the opinion that the consideration under the 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>

(Translation)

3.2.5 Transactions between NN2 and RATCH-Lao

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	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 a Service Agreement with RATCH-Lao, which was RATCH's subsidiary and had experiences in the operation and maintenance of hydroelectric power projects, in relation to the operation and maintenance of a hydroelectric power project. The scope of the agreement covered the operation services for electricity generation, maintenance of generators, hydro turbines, control system and equipment, including dam, powerhouse building, buildings and hydraulic structures, as well as the maintenance of the office, the residence, public utilities, areas around the project, and additional works other than those</p>	<p>The Audit Committee was of the opinion that such transaction was reasonable, since RATCH-Lao was RATCH's subsidiary and had experiences in the operation of power projects. With respect to the consideration under the agreement, as the scope of the service agreement was specific for each project, the comparison based on the information available to the public was not possible. However, the determination of such consideration of the agreement had been negotiated by managements of SEAN and NN2, and the board of directors and/or the shareholders' meetings of SEAN and NN2 had considered the</p>

(Translation)

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
			<p>specified in the scope of works under the agreement to be agreed by NN2 as appropriate. The agreement had a service term from July 1, 2009 until the end of the concession period of the Project. The 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 per month; and (3) Operational Phase, with the service fee of Baht 9,583,333 per month. Such service fee rates would be increased by 3 percent per annum from January 1, 2012 for five years. The rates would be revised upon (1) the end of every five-year interval, (2) prior to the commencement of the extension operation of the Nam Ngum 2 Hydroelectric Power Project, or (3) the</p>	<p>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 to EDL-Gen, who was the representative of the Government of the Lao PDR and had experiences in management of hydroelectric power projects in the Lao PDR. Moreover, because 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 under the Shareholders' Agreement. Therefore, the Audit Committee was of the opinion that the consideration under the agreement was in compliance with the applicable practices as at the time of approval of the transaction and the determination of the price was acceptable to all</p>

(Translation)

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
			occurrence of any unusual event under the agreement between both parties.	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 operation of staff at the Project site, and the price was based on the scope of works and actual expenses.

(Translation)

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
<p>Long-Term Major Maintenance Service Agreement between NN2 and RATCH-Lao</p> <ul style="list-style-type: none"> • Service fees under the Major Maintenance Service Agreement 	61.81	63.65	<p>NN2 entered into a Service Agreement with RATCH-Lao, which was RATCH's subsidiary and had experiences in the operation of hydroelectric power projects, for the major maintenance of the Nam Ngum 2 Hydroelectric Power Project. The scope of the agreement covered various provisions of services, which divided into three types, as follows:</p> <ol style="list-style-type: none"> 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 check up and maintenance every 7 years which would be carried out in 2018 and would take 60 days each; 	<p>Please refer to the Long-Term Operation and Maintenance Service Agreement between NN2 and RATCH-Lao.</p>

(Translation)

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
			<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>The agreement was signed on September 3, 2011, with a term of 7 years, and was renewable subject to the mutual agreement of both parties. Throughout 7 years of services, NN2 agreed to pay to RATCH-Lao the service fees in the amount of approximately Baht 460 million, increased by 3 percent annually from January 1, 2014, payable as monthly installments, provided that in the first year, the service fees would be a lump sum fixed amount of Baht 60 million. Thereafter, commencing on 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.</p>	

(Translation)

3.2.6 Transactions between NN2 and EGAT

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Power Purchase Agreement between NN2 and EGAT				
● Revenue from electricity sales	4,155.15	3,976.45	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 electricity supply was divided into two phases, namely, (1) two years prior to COD (IOD period), 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 executed with EGAT only, and the execution of such Agreement also fell under the scope of the execution of the agreement with a public agency, which had clear pricing regulations and practices.
● Trade accounts receivable	535.85	985.63		
● Other long-term liabilities	122.74	146.57		
● Costs of electricity sales: import energy and liquidated damages	13.73	21.65		

(Translation)

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
<p>Major Maintenance Service 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</p> <ul style="list-style-type: none"> ● Service fee under the Major Maintenance Service Agreement ● Trade accounts payable 	<p>2.92</p> <p>2.92</p>	<p>2.13</p> <p>2.13</p>	<p>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. The agreement covered the maintenance of the Nabong Substation (including certain equipment for the transmission system at the powerhouse), and the related inspection and emergency support in case of</p>	<p>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 under the scope of the execution of the agreement with a public agency, which had clear pricing regulations and practices.</p>

(Translation)

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
			any failures for which a specialist would be required. NN2 paid the maintenance service fee under the Maintenance Service Agreement in the total amount of Baht 16,191,500, paid as annual installments over 5 years subject to the scope of work each year.	
Other expenses for Maintenance Long Line Telephone and metering system adjustment costs ● Maintenance Long Line Telephone and metering system adjustment costs	0.96	0.99	This transaction related to expenses for two telephone lines in cooperation 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 payments for telephone line maintenance from NN2 annually. In addition, the expenses included the expenses for	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 relation to the operation of the powerhouse to maintain the stability of the electricity at all times, and the execution of the agreement also fell under the scope of the execution of the agreement with a

(Translation)

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
			engagement of EGAT for metering system adjustment to ensure its precision and accuracy. EGAT would adjust the equipment and certify the adjustment in 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.	public agency, which had clear pricing regulations and practices.

(Translation)

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Other maintenance fees <ul style="list-style-type: none"> ● Other maintenance fees ● Trade accounts payable 	-	0.60	<p>This transaction related to fees for engagement of EGAT for the annual repair of hot spots on the transmission line and inspection of the quality of transformer oil. EGAT had expertise and experiences in technical issues relating to power projects. NN2 already made a 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 experiences in technical issues relating to power projects 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>
	-	0.15		

(Translation)

3.2.7 Transactions between NN2 and GOL

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
Royalty Fee under the Concession Agreement <ul style="list-style-type: none"> ● Royalty fee paid under the Concession Agreement ● Trade accounts payable 	139.80	135.42	<p>Under the Concession Agreement, NN2 was required to pay the Royalty Fee to the GOL at the specified rates:-</p> <ul style="list-style-type: none"> - For six months prior to IOD, no Royalty Fee was to be paid, and for two years thereafter until the COD (thirty months (2½ years)), 3.4 percent of the gross operating revenue; - The First Period (from the COD until the eighth anniversary of COD), 3.4 percent of the gross operating revenue per year; - The Second Period (from the beginning of the year following the end of the First Period until six years thereafter), 3.5 percent of the gross operating revenue per year; 	<p>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, which had clear pricing regulations and practices.</p>

(Translation)

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
			<ul style="list-style-type: none">- The Third Period (from the beginning of the year following the end of the Second Period until two years thereafter), 7.5 percent of the gross operating revenue per year;- The Fourth Period (from the beginning of the year following the end of the Third Period and ending on the 25th anniversary of the COD), 13.5 percent of the gross revenue per year.	

(Translation)

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		
<p>Operation and Maintenance of Nabong Substation and Transmission System Agreement between NN2 and EDL</p> <ul style="list-style-type: none"> ● Service fee under the O&M of Nabong Substation and Transmission System Agreement ● Trade accounts payable 	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>Both parties executed the Operation and Maintenance of Nabong Substation and Transmission System Agreement on January 15, 2010, with the contract period from 2010 until the earlier of the following</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, which had clear pricing regulations and practices.</p>

(Translation)

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>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 Pre-operational Phase and the Operational Phase. The payments under the agreement were 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; - 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 amendments and clarifications of the Operation and Maintenance of 	

(Translation)

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>Transmission System Agreement to ensure more clarity and suitability with the actual conditions.</p> <p>In 2011, the service fee was USD 49,882 per month, increased by 1 percent annually from 2012 onwards. (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 Operation and Maintenance of Nabong Substation and Transmission System Agreement to reduce the scope of services in long distance control operation from the Northeastern Control Center in order to ensure suitability with the changes in 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>	

(Translation)

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>Assignment of EDL's staff to perform works for NN2</p> <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 facilities 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 the agreement was calculated based on manpower, nature of work, and staff remuneration, and thus, such price was reasonable.</p>

(Translation)

3.3 Connected Transactions between BIC and the Related Companies/Parties

3.3.1 Transactions between BIC and CK

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	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 with knowledge and expertise in Cogeneration Power business, and considered that CK's executives had more experiences in the related field. Therefore, BIC executed the Management Service Agreement with CK for one personnel in 2012, commencing on February 1, 2012 until December 31, 2012. BIC agreed to pay Baht 146,000 per month to CK. In 2013 and 2014, BIC renewed the 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 for such business, and therefore engaged CK, which had experienced personnel for the service to BIC. Moreover, the service fee under the agreement was calculated based on manpower, nature of work, and staff remuneration, and thus, the price was reasonable.

(Translation)

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	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 an office area lease on the 17 th floor of Viriyathavorn Building from CK, covering an area of 140.91 square meters, with the lease term renewable every three years. The current Agreement commenced on October 17, 2014 until 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 the rental rate was reasonable since it was the rental rate charged by CK to general customers in Viriyathavorn Building.

(Translation)

3.3.2 Transactions between BIC and BLDC

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
<p>BIC's leases in Bang Pa-In Industrial Estate from BLDC for construction</p> <ul style="list-style-type: none"> ● Rental 	1.04	0.91	<p>BIC entered into land lease agreements with BLDC for various utilizations, with the following details:</p> <ol style="list-style-type: none"> 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; 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. 	<p>The Audit Committee was of the opinion that the execution of such transaction was reasonable, as the land lease in the transaction was executed to acquire natural gas as the main raw material for use in BIC's Cogeneration Power Plant, as well as for purposes of installing electric poles and steam pipeline for sales of electricity and steam 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.</p>

(Translation)

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	Opinions of the Audit Committee
	Accounting Period Ended December 31, 2013	Accounting Period Ended December 31, 2014		
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, and without any transfer of interests between the Company and persons who may have had a conflict of interest.
	-	0.30		

(Translation)

3.3.3 Transaction between BIC and PTT

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	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. The agreement was 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 and 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 the maximum gas use of less than 21.55 million cubic feet per day. In addition, the agreement specified a minimum purchase from PTT at no 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 a standard form for general SPP customers, with a clear formula for calculation of gas price.</p>

(Translation)

3.3.4 Transaction between BIC and TTW

Transaction	Transaction Volume (Million Baht)		Nature/Necessity and Justification of Transaction	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, effective 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.