

- TRANSLATED VERSION -

Opinion Report of the Independent Financial Advisor

Regarding

An Asset Acquisition Transaction of ECF Power Company Limited
(a wholly owned subsidiary of East Coast Furnitech Public Company Limited)
in a Share Acquisition of Green Earth Power (Thailand) Company Limited

for

The Shareholders of
East Coast Furnitech Public Company Limited

The logo for ECF, consisting of the letters 'ECF' in a bold, red, serif font, centered within a light beige rectangular background.

Prepared by



I V Global Securities Public Company

May 3, 2017

The English Translation of the Independent Financial Advisor's Opinion Report has been prepared solely for the convenience of foreign shareholders of East Coast Furnitech Public Company Limited and should not be relied upon as the definitive and official document.

The Thai language version of the Independent Financial Advisor's Opinion Report is the definitive and official document and shall prevail in all aspects in the event of any inconsistency with this translation.

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Attachment 1 **Company Information and Operating Results of East Coast Furnitech Public Company Limited (“ECF”)**

Attachment 2 **Information of Green Earth Power (Thailand) Co., Ltd., GEP (Myanmar) Company Limited and their Related Companies**

Attachment 3 **Summary and Feasibility Study of 220 MW Minbu Solar Power Plant Project located in the Magway Region in the Union of the Republic of Myanmar**

Attachment 4 **Historical and Current Transaction of Acquisition of Shares in Green Earth Power (Thailand) Co., Ltd**

GLOSSARY

<u>Abbreviation</u>	<u>Meaning</u>
SEC	The Securities and Exchange Commission
SET	The Stock Exchange of Thailand
Notification on Acquisition or Disposal of Assets	Notification of the Capital Market Supervisory Board No. TorJor 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and the Notification of the Stock Exchange of Thailand Re: Disclosure and Guideline for Listed Company on Acquisition or Disposal of Assets B.E. 2547 and its amendments
“Independent Financial Advisor” or “IFA”	I V Global Securities Public Company Limited
“ECF” or the “Company”	East Coast Furnitech Public Company Limited
ECF-Power	ECF Power Company Limited, a wholly owned subsidiary of ECF
Project Minbu	220 MW or with a maximum amount of output capacity at 170 MW, located in Minbu District, Magway Region, the Republic of the Union of Myanmar
GEP	Green Earth Power (Thailand) Company Limited
GEP-Myanmar	GEP (Myanmar) Company Limited
NP	Noble Planet Pte. Ltd.
PEH	Planet Energy Holdings Pte. Ltd.
AVA Capital	AVA Capital Trading Limited
PPA	Purchase Power Agreement
MEPE	Myanma Electric Power Enterprise
EPGE	Electric Power Generation Enterprise previously known as Myanma Electric Power Enterprises or MEPE
DEP	Department of Electric Power
DICA	Directorate of Investment and Company Administration
MIC	Myanmar Investment Commission

MOA	Memorandum of Agreement
SPA	Share Purchase Agreement
SHA	Shareholders' Agreement
OWL-Energy or "Technical Advisor"	Owl Energy Limited
Legal Advisor	Chandler MHM Limited

Exchange Rate

The exchange rate that is used throughout in this Report is based on the currency conversion based the weighted average interbank exchange rate taken from the Bank of Thailand (*source: www.bot.or.th*) as at March 31, 2017, one day prior to the Board of Directors' resolution in entering into the Transaction.

The exchange rate is 34.45 THB/USD.

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Ref: IB 43/2560

May 3, 2016

- Subject:** Opinion of the Independent Financial Advisor regarding an asset acquisition transaction of East Coast Furnitech Public Company Limited
- To** Audit Committee and Shareholders of East Coast Furnitech Public Company Limited
- Attachment:**
- 1) Company information and operating results of East Coast Furnitech Public Company Limited.
 - 2) Information of Green Earth Power (Thailand) Co., Ltd., GEP (Myanmar) Company Limited and their Related Companies
 - 3) Summary and Feasibility Study of 220 MW Minbu Solar Power Plant Project located in the Magway Region in the Union of the Republic of Myanmar
 - 4) Historical and current transaction of share acquisition of Green Earth Power (Thailand) Co., Ltd.
- References:**
- 1) Resolution of the meeting of East Coast Furnitech Public Company Limited's Board of Directors No. 6/2017 held on April 3, 2017.
 - 2) Information Memorandum on Asset Acquisition of East Coast Furnitech Public Company Limited dated April 3, 2017 and the amendments.
 - 3) Annual Disclosure (Form 56-1) of East Coast Furnitech Public Company Limited for the year ended December 31, 2015 and 2016.
 - 4) Audited financial statements of East Coast Furnitech Public Company Limited for the 12-month period ended December 31, 2014 – 2016.
 - 5) Audited financial statements of Green Earth Power (Thailand) Company Limited for the 12-month period ended December 31, 2015 – 2016.
 - 6) Certificate of company registration, Memorandum of Association, and other documents, as well as interviews with management and relevant personnel of East Coast Furnitech Public Company Limited.
 - 7) Technical Due Diligence Report for Project Minbu by Owl Energy Co., Ltd. as the technical advisor dated March 9, 2017.
 - 8) "Financial and Tax Due Diligence Report" as prepared by tax advisor dated February 2017.
 - 9) "Legal Due Diligence Report" as prepared by Chandler MHM Limited, the legal advisor dated February and March 2017.

Disclaimers:

The result of the study by I V Global Securities Public Company Limited (“**Independent Financial Advisor**” or “**IFA**”) in this report is based on the information and assumptions provided by management of East Coast Furnitech Public Company Limited, and the information disclosed to the public through the website of the Securities and Exchange Commission of Thailand (www.sec.or.th), the Stock Exchange of Thailand (www.set.or.th), and Business Online Public Company Limited (www.bol.co.th).

The opinion of IFA in this report is based on the assumptions that all the information and documents received are accurate and complete, and reflects the operating environment and most up-to-date information at the time of issuance of this report. However, there may be any incident having material impact on the Company’s business operations and plans, as well as decision of the shareholders on the Asset Acquisition Transaction. The Independent Financial Advisor expresses its opinion under the current circumstance. If there is a significant change in the circumstance or any information, the result of the study may be affected.

In rendering its opinion in this report, IVG has considered the reasonableness of conditions of the Transaction as well as other related factors thoroughly and rationally in accordance with the professional judgments.

The attachments to this report are deemed to be a part of IFA opinion and are the information that the Audit Committee and Shareholders should consider jointly with this report.

Executive Summary

The Board of Directors' Meeting of East Coast Furnitech Public Company Limited ("**Company**" or "**ECF**") No. 6/2017 held on April 3, 2017 resolved to propose to the shareholders for an approval for ECF Power Company Limited ("**ECF-Power**"), a subsidiary in which the Company holds 99.99% of paid-up shares to enter into a transaction ("**Transaction**") in an acquisition of 51,512 common shares in Green Earth Power (Thailand) Company Limited ("**GEP**"), representing 20.00% of total paid-up shares of GEP, from Noble Planet Pte. Ltd. ("**NP**") and Planet Energy Holdings Pte. Ltd. ("**PEH**") (collectively referred as the "**Sellers**") at a total value of USD 9 million or equivalent to THB 310.05¹ million. In this regard, there are procedures, conditions precedent and conditions subsequent under the draft share purchase agreement ("**SPA**") dated April 3, 2017 in which ECF-Power and the Sellers are required to conform. In addition all GEP shareholders including ECF-Power and the Sellers will enter into a shareholders' agreement ("**SHA**") to agree on the relationship between each shareholder in GEP. As at the date of the issuance of this report, the Company has paid a deposit of THB 50 million, representing 16.13% of the share value to be sold to the Sellers. The Company thus has a remaining balance to pay for the purchase price of another THB 260.05 million.

Moreover, GEP will have to increase its registered capital to be used for funding the construction of the solar power plant project with a total installed capacity of 220 MW or with a maximum amount of output capacity at 170 MW. Located in Minbu District, Magway Region, the Republic of the Union of Myanmar ("**Myanmar**"), the solar power plant has a fixed power purchase tariffs of USD 0.1275 per kilowatt-hour (kWh) (or equivalent to THB 4.39 per kWh) for 30 years from the Commercial Operation Date ("**COD**") of Phase 1 (the project will hereafter referred as the "**Project Minbu**"). GEP (Myanmar) Company Limited ("**GEP-Myanmar**"), a wholly owned subsidiary of GEP and established under the laws of Myanmar, has entered into a 30-year Power Purchase Agreement ("**PPA**") in the form of Build-Operate-Transfer ("**BOT**") starting from the COD of Phase 1 with Electric Power Generation Enterprise ("**EPGE**") (originally named "Myanma Electric Power Enterprise" or "**MEPE**"²) to construct the power plant and distribute electricity generated from Project Minbu. Project Minbu has a total project value of USD 292.62 million (or equivalent to THB 10,080.76 million), with an expected debt to equity ratio of 65:35. Subsequently, ECF-Power will be committed to an increase in the capital proportionately, according to its 20% holding, or at the amount of USD 20.22 million (or equivalent to THB 696.58 million).

The total value of the Company's investment in this Transaction will be USD 29.22 million (or equivalent to THB 1,006.63 million). In addition, ECF-Power is also reserved under the SPA to support the cash deficiency support ("**CDS**") in proportion to the shareholding to the lenders of Project Minbu but not exceeding USD 5.54 million (or equivalent to THB 190.85 million). According to the financial support contract for the development of Phase 1 of Project Minbu, the financial institutions will call for the payment of Cash Deficiency Support ("**CDS**") when GEP-Myanmar has financial liquidity issues. In sum, the total value of consideration for this Transaction will thus be USD 34.76 (or equivalent to THB 1,197.48 million).

The entry into this Transaction in an acquisition of existing common shares and capital increase in GEP is considered as asset acquisition according to the Notification of the Stock Exchange of Thailand ("**SET**") regarding the Acquisition or Disposal of the Assets. The maximum value of the Transaction, which is calculated from the Company's latest financial statements as of December 31, 2016, is equal to **50.80%** of the total consideration value. When calculated the size of other asset acquisition transactions following the current board's resolution and the asset acquisition transactions that occurred during the 6-month period prior to the date that the Board of Directors' resolved to propose to the shareholders at the general meeting to consider and approve the acquisition of GEP ordinary shares. There were three other asset acquisition transactions, namely: (1) the investment in SAFE Energy Holdings Company Limited of which the transaction's size calculated under the total value of consideration basis equal to 0.02% as approved by the Company's Board of Directors Meeting No. 9/2016 dated December 11, 2016; (2) the investment to establish ECF Power Company Limited of which the transaction's size calculated under the total value of consideration basis equal to 0.05% as approved by the Company's Board of Directors

¹ The exchange rate that is used throughout this IFA Report is based on the currency conversion as at March 31, 2017, one day prior to the Board of Directors' resolution to enter into the Transaction. The exchange rate is 34.45 THB/USD.

² "Myanma Electric Power Enterprise" or "MEPE" changed its entity to "Electric Power Generation Enterprise" or "EPGE" following the merge of Ministry of Energy and Ministry of Electric Power to become Ministry of Electric and Energy or "MOEE". The merge thus results in the change of GEP-Myanmar's counterparty to EPGE (under the MOEE). As of January 9, 2017, GEP-Myanmar and EPGE entered in an "Amendment to Purchase Power Agreement".

For more details of the aforementioned changes, please refer to Part 2 Item 2.14.1 of this IFA Report.

Meeting No. 1/2017 dated January 12, 2017; and (3) the investment in Prize of Wood Green Energy Company Limited's biomass power plant of which the transaction's size calculated under the total value of consideration basis equal to 7.04% as approved by the Company's Board of Directors Meeting No. 2/2017 dated February 13, 2017. The asset acquisitions' transaction size is totaled at **57.91%** of the total consideration value, making it considered as Class 1 Transaction in accordance with the Notification of the Capital Market Supervisory Board No. ThorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and the Notification of the Board of Governors of the Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (the "**SET Notification on Asset Acquisition or Disposal**") which is the agreement to enter into the transaction between a public company or its subsidiary and a private company with a transaction value accounts for 50% or higher but less than 100%. (For more details on the calculation of transaction size, please refer to Part 1, Item "1.1.1.5 Type and Size of the Transaction of this IFA Report.")

The Company is therefore required to promptly prepare a report and disclose the asset acquisition transaction to the SET, presenting therein the information at least as required by the SET and hold a shareholders' meeting to approve the entry into such transaction with a required affirmative vote of not less than three-fourths of the total number of votes of the shareholders or their proxies attending the meeting and having the right to vote, excluding the shareholders with vested interest. A notice containing information on the Company's announced acquisition or disposal of assets, along with the opinion of the independent financial advisor shall be distributed to the shareholders not less than 14 days before the AGM. The Board of Directors Meeting No. 6/2017, held on April 3, 2017, resolved to propose the project investment to the shareholders at the Company's Extraordinary General Meeting (EGM) No. 1/2017, which is to be held on May 31, 2017.

I V Global Securities Public Company Limited ("**Independent Financial Advisor**", or "**IFA**") is appointed as an independent financial advisor to shareholders by ECF. The IFA has studied the information, related documents, as well as interviews with management of the Company and related companies, price and conditions of the investment in Project Minbu. In addition, the IFA has considered the rationale of the Transaction and reasonableness of the Transaction price, benefits, consequences, risks, and pros and cons of the Transaction. The opinion of the IFA on this Transaction can be summarized as follows:

By entering into this transaction, ECF-Power (a wholly-owned subsidiary of ECF) will be one of the shareholders of GEP, investing in Project Minbu. ECF is committed to pay a premium of USD 9 million (or equivalent to THB 310.05 million) to GEP's existing shareholders in exchange of 20% of total registered capital of GEP and expected to increase capital by USD 20.22 million (or equivalent to THB 696.58 million), which is in proportion to ECF-Power's 20% shareholding.

Table 1: Initial investment for Project Minbu & investment commitment by ECF

Item (Unit: USD million)	<i>in percentage</i>	Phase 1 50 MW	Phase 2 50 MW	Phase 3 50 MW	Phase 4 70 MW	Total 220 MW
Total Investment Cost		72.77	66.89	63.88	89.07	292.62
Loan from financial institutions	65%	47.30	43.48	41.52	57.90	190.20
Capital injection by shareholders	35%	25.47	23.41	22.36	31.17	102.42
ECF Investment Cost according to 20% shareholding in GEP	Premium	Phase 1 50 MW ^{1/}	Phase 2 50 MW ^{1/}	Phase 3 50 MW ^{1/}	Phase 4 70 MW ^{1/}	Total 220 MW
ECF Investment (<i>in USD Million</i>)	9.0	4.83	4.68	4.47	6.24	29.22
ECF Investment (<i>in THB Million</i>)	310.05	166.39	161.23	153.99	214.97	1,006.63
Expected Timeframe	Within 10 days after the Conditions Precedent in the SPA are fulfilled ^{2/}	April 2018 ^{3/}	April 2019 ^{3/}	April 2020 ^{3/}	April 2021 ^{3/}	

Source: Summarized and analyzed by the IFA

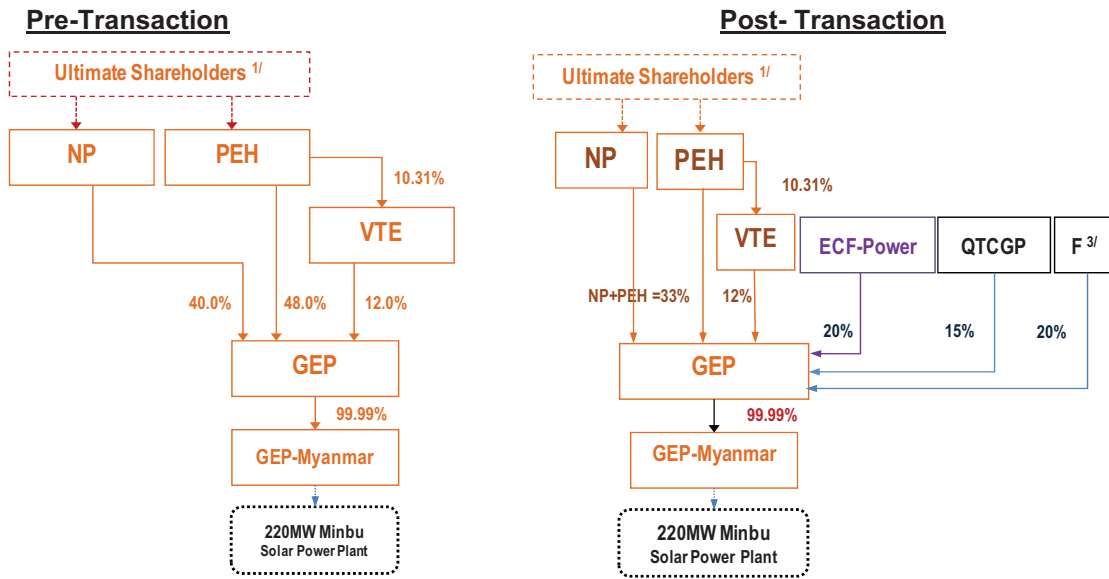
Remark: 1/ According to the draft SPA dated April 3, 2017, the total cost to ECF for four phases in Project Minbu (according to 20% shareholding) will not be more than USD 20.22 million.

2/ Based on the draft SPA dated April 3, 2017.

3/ Based on the preliminary information from GEP.

Details of the Holding Structure of GEP before and after the transaction

Figure 1: List of GEP's shareholders Pre- and Post-Transaction



Source: GEP, draft Shareholders' Agreement: SHA and summarized by the IFA

Remark: 1/ Mr. Supasit Pokinjaruras and Mr. Aung Thiha are the ultimate shareholders with holding 50% equally of NP and PEH's total registered and paid-up capital (via direct and indirect holding).
 2/ QTCGP entered into similar transaction at the same time as ECF. The aforementioned transaction by QTCGP also requires an approval from its shareholders.
 3/ The Sellers has allotted a portion of shares to be sold to Shareholder Group F in the future and VTE is Vintage Engineering Public Company Limited.

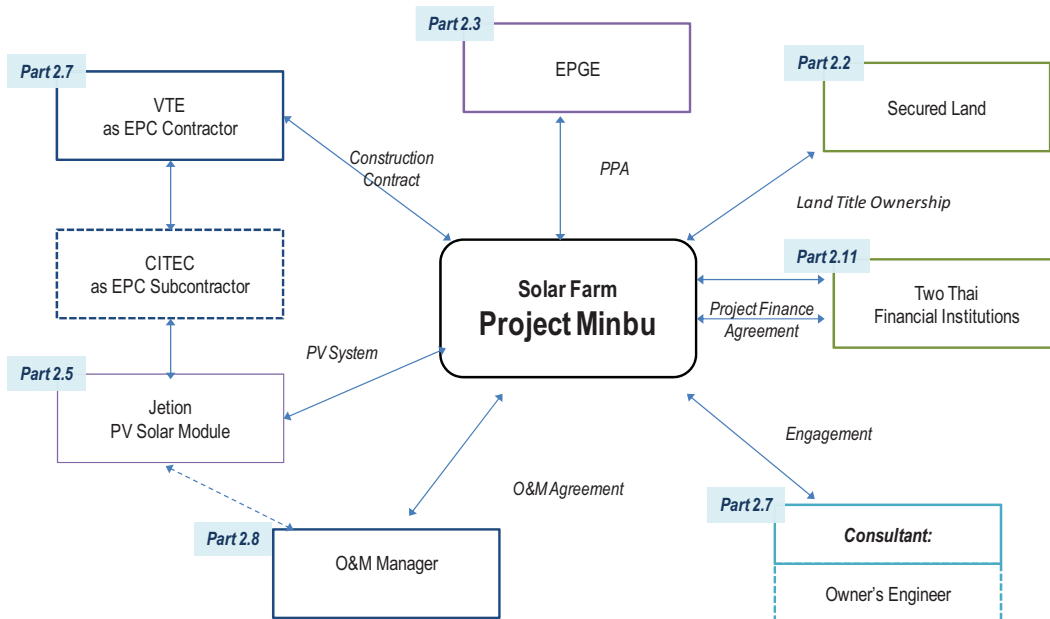
Table 2: Summary of Project Minbu

1. Project Owner Project Type	GEP (Myanmar) Company Limited (a wholly owned subsidiary of GEP) Project Minbu has an installed capacity of 220 MW _{DC} (direct current) to produce 170 MW _{AC} (alternating current). Phase 1 to Phase 3, each phase has an installed capacity of 50 MW _{DC} to produce electricity of 40 MW _{AC} whereas Phase 4 has an installed capacity of 70 MW _{DC} to produce 50 MW _{AC} .
2. Project Location	Minbu District, Magway Region, Myanmar
3. Project Area	<ul style="list-style-type: none"> ▪ The lease term is equal to or greater than the term of the power purchase agreement. ▪ Located on a leasehold land of approximately 836 acres (or equivalent to 2.114.48 rai), which is divided in to two areas as follows: <ol style="list-style-type: none"> 1. The leasehold rights of 700 acres (or equivalent to 1,770.50 rai) will be under AVA Capital Trading Limited (“AVA Capital”)^{1/}. The area is under the supervision of the Ministry of Agriculture, Livestock and Irrigation (MOAI), in which, GEP-Myanmar will sub- lease from AVA Capital. 2. The lease of an area of 136 acres (or equivalent to 343.98 rai) will be under GEP-Myanmar (the area is under the supervision of the Ministry of Natural Resources and Environment and Conservation (MNREC). <p><i>For more details on the update of the lease agreement of the above, please refer to Table 2-17: Summary of Important Permits in Part 2 Section 2.12 of this IFA report</i></p>
4. Power Purchaser Power Purchase Rates	Myanma Electric Power Enterprise (“MEPE”) ^{2/} (later changed to EPGE) under the authority of the Ministry of Electric Power of the Republic of the Union of Myanmar The power purchase tariff is USD 0.1275 per kilowatt-hour, or equivalent to THB 4.39 per kilowatt-hour. This is a fixed rate throughout the 30-year concession period commencing from the commercial operation date (COD) of Phase 1.
5. Power Purchase Agreement (“PPA”) Contract Term	<ul style="list-style-type: none"> ▪ A PPA with the Myanma Electric Power Enterprise (“MEPE”) was signed and approved on March 20, 2015 with an amended version dated January 9, 2017. (On Jan 9, 2016, EPGE and GEP-Myanmar entered into an amendment to Power Purchase Agreement to change the contract parties from MEPE and GEP-Myanmar to EPGE and GEP-Myanmar) <p><i>For more details regarding to the merger and the change of the Ministry name, please refer to Part 2 Section 2.14.1 of this IFA Report</i></p> <ul style="list-style-type: none"> ▪ A 30-year concession effective from the COD of Phase 1.

6. Solar Power Generation Technology	Electricity is to be generated using solar power through Photovoltaic (PV) technology with the use of polycrystalline silicon PV modules.
7. Connection to the Grid	<ul style="list-style-type: none"> The transmission line will span a distance of 1.3 miles to connect the plant to the national grid.
8. Project Value	The total value of the project is USD 292.62 million, or about USD 10,080.76 million.
9. Source of Project Funding	<ul style="list-style-type: none"> The debt-to-equity ratio of Project Minbu is estimated to be not more than 65:35 for Phase 1. (Phase 2-4 is under negotiation with a financial institution). Debt to Equity ratio must not be lower than 65:35. The capital portion must not be higher than 35.)^{2/} The capital amount is USD 102.42 million or equivalent to THB 3,528.27 million. The loan amount is USD 190.20 million or equivalent to THB 6,552.49 million. GEP-Myanmar has entered into a Credit Facilities Agreement with two financial institutions in Thailand for a project finance for Phase 1 of Project Minbu. <p>GEP has entered in a Credit Facilities Agreement with two financial institutions in Thailand as lenders in the form of Project Finance for Phase 1 of Project Minbu. One of the Conditions Precedent in the draft SPA dated April 3, 2017 stated that GEP-Myanmar to receive a Term-Sheet of the facilities agreement with the lenders in relation to Phase two, Phase three and Phase four of the project prior to May 31, 2017. And one of Conditions Subsequent of the same SPA for GEP-Myanmar to enter into the facilities agreement with the lenders in relation to Phase two, Phase three and Phase four of the project by December 31, 2017^{3/}. The above conditions in the SHA to reduce the risk of lack of funding for the development of all four phases of Project Minbu.</p>
10. Commercial Operation Date (“COD”)	<ul style="list-style-type: none"> Phase 1 within 480 days from the date of the Power Purchase Agreement, which falls on July 13, 2017. However, one of the conditions subsequent of Share Purchase Agreement requires that GEP-Myanmar must be granted by EPGE the extension of COD for Phase 1 to December 31, 2017 or after December 31, 2017^{4/}, which GEP expects Project Minbu to be commercially operating by the first quarter of 2018. Phase 2 to 4 within 360 days of the commercial launch date of the previous phase.

Remarks: 1/ Information on the structure of GEP and AVA Capital Trading Limited, please refer to Attachment 2.
 2/ If the debt to equity ratio of project in Phase 2-4 is lower than 65:35 percent, ECF-Power has the right to sell the shares back to the Sellers under the terms of the share purchase agreement.
 3/ Should the above condition not fulfilled by December 31, 2017, ECF-Power has the right to sell the shares back to the Sellers under the terms of the share purchase agreement.
 4/ One of the Conditions Subsequent to the share purchase agreement requires that GEP-Myanmar to be approved or receives an amendment by EPGE for the extension of the commercial commencement on December 31, 2017 or after December 31, 2017. If such condition subsequent has not completed by December 31, 2017, ECF-Power has the right to sell the shares back to the seller under the share purchase agreement

Figure 2: Overview of the relationship among various stakeholders in Project Minbu



Source: Compiled by Independent Financial Advisor

Remark: As Project Minbu is a large-scale project, there are many stakeholders involved in the development of the project. The IFA has summarized the above diagram to illustrate the relationships among the stakeholders involved in Project Minbu. The details will be further elaborated in the Part 2 of this IFA Report.

Opinion of Independent Financial Advisor on reasonableness of Transaction

The IFA is of the opinion that entering into this asset acquisition transaction is **reasonable**. In this respect, we have taken into account important factors, strengths, weaknesses and risks associated with the transaction as follows:

Objective of this investment

The Company took an interest and participated an investment opportunity in renewable energy business by entered into a memorandum of understanding (MOU) to invest solar PV rooftop business in 2014. In 2015, the Company made another investment in a solar power plant in Japan with an installed capacity of 1.5 MW, and also established a joint venture to invest in biomass power plant business. In order to prepare the Company's business structure to ensure the clarity of its operation in energy business, the Company's Board of Directors' Meeting No. 1/2560 on January 12, 2017 has approved the Company to establish a subsidiary, ECF-Power Company Limited, in which the Company holds 99.99% shares. ECF-Power will be investing and operating in all kinds of energy business, such as biomass power plant, solar power plant, and etc.

By entering into this acquisition of GEP's shares to invest in a solar power plant project with an installed capacity of 220 MW in the Republic of the Union of Myanmar (collectively referred as "Myanmar"), this is in accordance with the Company's strategic direction to expand its investment in the business of renewable power generation and distribution which is a business with good prospect and returns. It is also considered as a way to diversify the risk of relying on only one primary source of income from its current furniture business. Moreover, the Company could gain more experience in the business of electricity generation and distribution with an opportunity to make a future investment in Myanmar. In sum, the Company expects that the investment in such renewable energy would help supporting and growing the Company's income in the future, and eventually create good returns to its shareholders in the long run.

Key Strengths of Entering into the Transaction

- An investment in Myanmar as granted by Myanmar Investment Commission (MIC)³
- Opportunity to invest in the country with potential expanding capability in the power generation and distribution business
- Diversification of investments from the Company's current business
- Investment in the asset with a reasonable expected return on capital
- An opportunity to collaborate with multi-national expertise and experience in the construction of solar farm projects

(For additional details of key strengths from entering into this Transaction, please refer to Part 3 Item 3.3.1)

Summary of Weaknesses of Entering into the Transaction

- Investment that increases the Company's debt and interest expense
- The Company's shareholders might be affected by the capital increase as a result of this Transaction
- Investment in a business that is not considered as the main source of income

(For additional details of weaknesses from entering into this Transaction, please refer to Part 3 Item 3.3.2)

³ GEP-Myanmar was approved by the MIC at the Meeting No. 5/2017 on March 13, 2017 ^{1/} which is in accordance with the foreign investment conditions and objectives of the Foreign Investment Law.

^{1/} http://www.dica.gov.mm/sites/dica.gov.mm/files/document-files/mic_5-2017_e_revised_21-3-2017.pdf

Potential Risk from Entering into the Transaction

Direct impact/risk on the Company

- Risk of the counterparty failing to fulfill conditions under the Share Purchase Agreement, which may result in the Company not receiving a refund from the Sellers.
- Risk from unsuccessful issuance and offering of new shares
- Risk related to the inability of the associates to pay dividends and/or do a capital reduction
- Exchange rate risk

Risks associated with Project Minbu / Operational risks associated with the business of solar power plant

- Risk of the uncertainty in project completion / Risk in delay of the project operation date later than planned
- Risk related to uncertainty about the total electricity production
 - Risk of solar irradiance level lower than expected
 - Risk related to PV module deteriorating faster than expected
- Exchange Rate Risk of relying on a sole customer
- Risk of relying on EPC contractor
- Risk associated with GEP-Myanmar breaches the financial institutions' loan agreement
- Interest rate risk
- Exchange rate risk
- Political Risk

(For additional details of risk from entering into this Transaction, please refer to Part 3 Items 3.4 of this IFA Report)

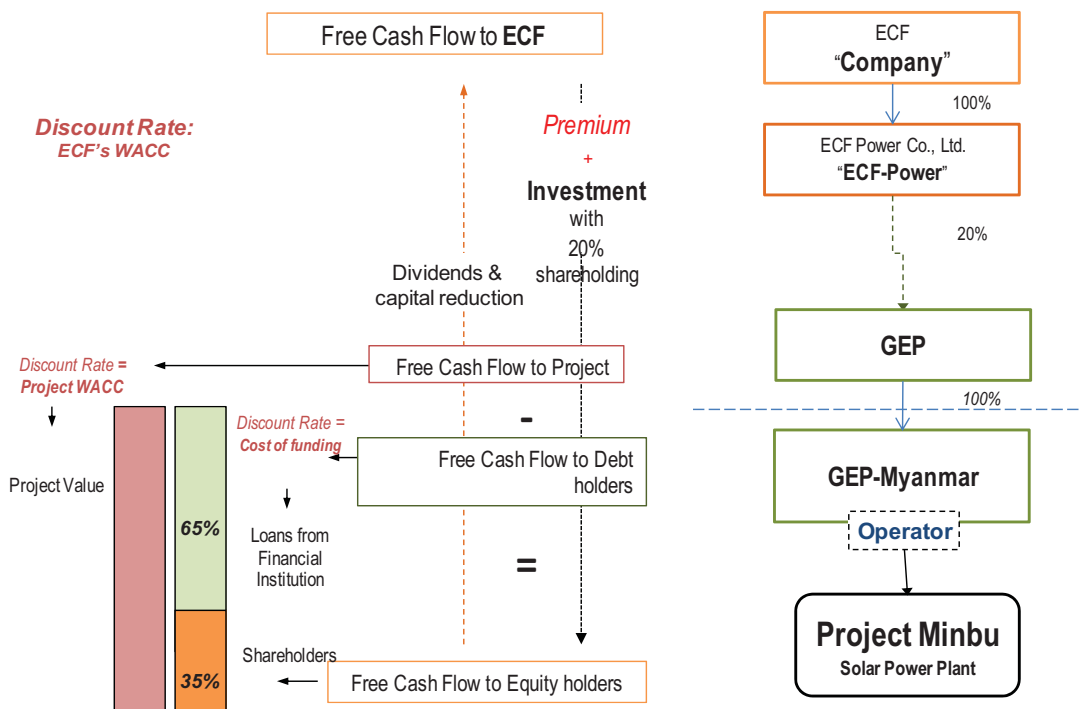
Reasonableness of Investment in Project Minbu via the acquisition of 20% of GEP shares

Located in Minbu District, Magway Region, the Republic of the Union of Myanmar, Project Minbu is a 220 MW Solar Power Plant Project (Solar PV farm). ECF will invest in Project Minbu through an acquisition of GEP shares by ECF-Power (a subsidiary of ECF). As Project Minbu is a Greenfield Project, the IFA is in the opinion that the net present value of expected future cash flows (using discounted cash flows) will provide the most appropriate approach for assessing the reasonableness of this investment. The evaluation is based on free cash flow to ECF as they are actual cash flows ECF would receive from this investment.

In addition, P50 or confidence level of 50% is used as a base case for determining net annual electricity output to be generated and distributed over 30-year power purchase agreement period. This is because, based on OWL-Energy's experience as a technical advisor, involving with solar power plants in Thailand that has been operating for 1-5 years with more than 100 MW installed capacity, OWL-Energy⁴ founded that these solar power plants could generate electricity more than P50 level at least 90% of the time and that the degradation rate of 0.7% per year being used is considered to be on the conservative basis. In addition, P50 is also a level commonly used by Japanese financial Institutions as their basis for loan approval. At P50 level, Project Minbu is expected to generate net annual electricity output of not less than 348,561,510 Kilowatt-hour per year in the first year (under 220 MW installed capacity), while under P75 and P90 levels, net electricity generation in year 1 was lower than P50 at 4.6 and 8.7 percent, respectively

⁴ The Company has engaged Owl Energy Limited ("OWL-Energy") as the technical advisor to conduct technical due diligence on Project Minbu. OWL-Energy is part of the OWL Group, one of the largest energy engineering consultancy companies in East Asia. OWL-Energy was engaged as an advisor of a financial lender in Project Minbu. *(For more information on credentials of OWL-Energy, please refer to Part 2, Section 2.9 of this IFA report)*

Figure 3: Various Free cash flows pertinent to Project Minbu



Summary of Free Cash Flow to ECF via their share acquisition in 20% of GEP

	P50	P75	P90
Energy Production in Year 1 @ installed capacity of 220 MW	348,561,510 kWh	332,565,990 kWh	318,169,523 kWh
Internal Rate of Return (IRR)	8.26%	7.45%	6.72%
Net Present Value (NPV) (in USD million)	3.63	0.69	(1.91)
Payback Period	15.45 years	16.24 years	17.03 years

Base Case

By entering into this transaction, ECF-Power (a wholly-owned subsidiary of ECF) will be one of the shareholders of GEP, investing in the Minbu Power Plant Project. ECF is committed to pay a premium of USD 9 million or THB 310.05 million to GEP's existing shareholders in exchange of 20% of total registered capital of GEP and expected to increase capital by USD 20.22 million or equivalent to THB 696.58 million, which is in proportion to ECF-Power's 20% shareholding. As a result, ECF-Power will be entitled to profit sharing from Project Minbu in a form of dividend and capital reduction, given that there is free cash flow available after dividend payment and debt prepayment. Both dividends and capital reductions will be pay back in proportion to ECF's 20% shareholding.

Nonetheless, according to the credit facilities agreement, one of the mandatory prepayment by the lenders is that loan prepayment has to be made prior to restricted payment such as dividend payment or loan repayment to equity holders in an amount 50% of total cash outflows. (For more information on key terms and conditions of Project Finance, please refer to Part 4, Table 4-6 of this IFA Report). Moreover, ECF-Power will be entitled to the capital reduction according to its 20% shareholding if and only if there is any amount of money in excess from the cash operation after serving its debt and paying the dividends. (For more information on capital reduction can be found the draft shareholders' agreement, please refer to Part 1, Table 1-15 of this IFA Report).

Table 3: Summary of investment returns in Project Minbu at base case of P50

	Free Cash Flow to ECF	Free Cash Flow to Project
Internal Rate of Return: IRR	8.26%	10.74%
Weighted Cost of Capital: WACC	7.26%	9.07%
Project Net Present Value: NPV	USD 3.63 million or equivalent to THB 125.05 million	USD 33.53 million or equivalent to THB 1,155.11 million
Project Payback period	15.45 years	11.47 years

Key assumptions for Base Case:

P50 is being used for the base case. P50 means that, with a probability of 50%, the level of sunlight can generate the annual energy production for year 1 after deducting the degradation rate at 1.0% in year 1 and 0.7% in year 2 to 30

According to the IFA analysis under the Item 4.1.3, Project Minbu is expected to generate USD 42.08 - 44.00 million or equivalent to THB 1,449.7 - 1,515.8 million revenue after year 5 or after complete COD of 4 phases at year 5 and have an average 86.6% of EBITDA margin throughout the project period. In addition, an investment in Project Minbu will add value to the Company, because the project NPV is positive at **USD 3.63 million** or equivalent to THB 125.05 million; the internal rate of return (IRR) is **8.26%** which is higher than the Company's WACC of 7.26%; and the investment is paid back after **15.45 years** (according to Table 3). In other words, the acquisition price that ECF have to pay in order to obtain a 20% of GEP's total registered capital is considered to be reasonable.

Table 4: Summary of key variables used in Sensitivity Analysis

	Name	Description
Sensitivity 1:	Production analysis at various confidence levels ^{1/}	At P50 (Confidence Level at 50%) At P75 (Confidence Level at 75%) At P90 (Confidence Level at 90%) At P99 (Confidence Level at 99%)
Sensitivity 2:	Discount Rate: Weighted Average Cost of Capital (WACC) of ECF	An analysis of the effects of increase/ (decrease) in cost by 0.50% (range in between 6.76% – 7.76%)
Sensitivity 3:	Finance Cost of Project Minbu	An analysis of the effects of increase/ (decrease) in cost by 1.5% (range in between 5.00% – 8.50%)
Sensitivity 4:	O&M and insurance expenses of Project Minbu	An analysis of the effects of increase/(decrease) in cost by 10% (range in between (10.00%) – 10.00%)
Sensitivity 5:	Capital Structure (Debt-to-Equity Ratio) of Project Minbu	Adjust Debt-to-Equity Ratio from 60:40 to 80:20 ^{2/}
Sensitivity 6:	USD/THB currency exchange rate	Adjust exchange rate increased / (decreased) by 10.00% from base case, which ranges from 31.01 - 37.90 THB per USD.
Sensitivity 7:	Country Risk Premium: CRP	Adjust CRP rate in the range of 0.0 - 2.50%

Remark: 1/ P50 means with a probability of 50%, the level of sunlight can generate the required annual energy production.

2/ However, according to Credit Facilities Agreement, for Project Minbu, GEP-Myanmar shall maintain its debt-to-equity ratio at no more than 65:35

In addition, the IFA performed a sensitivity analysis for each case to assess effect of changes in key variables on net present value. According to Sensitivity 1, net energy yields at 50, 75, 90 and 99 percent confidence levels will result in a significant variation in Net Present Value (NPV) of ECF, with positive NPV at P50 and P75 and negative NPV at P90 and P99, which yield the lowest net annual electricity output. In general, solar power plants produce electricity output higher than this level. In Sensitivity 2, when the discount rate or WACC of ECF is adjusted upward by 1.00% from the base case, the NPV of ECF is still positive. In Sensitivity 3, if the finance cost of the project increases by 1.45% from the base case (or when interest rate is 8.00%), the NPV of ECF is still positive. Similarly, in Sensitivity 4, when O&M expenses and insurance expenses, which are still under negotiation, are adjusted upward by 10% from the base case, it causes minor impact on return from this investment. In Sensitivity 5, changing GEP's Debt-to-equity ratio from 65:35 to 80:20 causes ECF's NPV to decline from its base case since Project Minbu would have higher debt burden and consequently pay less dividend. In Sensitivity 6, if the exchange rate of Thai Baht against US Dollar appreciates or falls by 10% from base case, there is a slight impact on return on investment. And lastly in Sensitivity 7, if Country Risk Premium increases by more than 1.5 % (approximately 1.7 %) from the base case, the NPV will turn into negative. However, since GEP-Myanmar has completely received an MIC Permit, the investment is considered as approved by the Myanmar government that: 1) the project will not be suspended from operation before authorized period expires and 2) there will be no expropriation by Myanmar government. In addition, the PPA gives GEP-Myanmar an option to transfer revenue from electricity sale to bank accounts outside Myanmar, which

would lower risk of money repatriation from Myanmar. Moreover, the PPA has granted a right for Project Minbu to adjust electricity tariff rate if there are legal changes that affect the revenue and cost of the project. In addition, GEP-Myanmar plans to purchase Political Risk Insurance (PRI) to mitigate impact of political instability, cost of which has been incorporated into the financial projection. Therefore, the above factors will help reduce negative impact of political risk from investing in Myanmar.

In conclusion, the sensitivity analysis indicates that the key factors that have significant effect on success of Project Minbu are net electricity yield at different confidence level, the project's finance cost and the political risk.

Suitability of the Transaction

Reasonableness of Funding

The Company has sources of funds from 2 sources: (1) funding from the issuance of new ordinary shares and (2) borrowing from external sources of funds by the Board of Directors No, 5/2016, on March 14, 2016. The Company approved (1) the issuance and offering new shares to existing shareholders of not over 170,647,815 shares at a par value of THB 0.25 per share; (2) Offer private placement of not more than 56,882,605 shares at a par value of THB 0.25 per share by which the offering price of the newly issued ordinary shares to private placement must not be less than 90% of the market price. Nevertheless, the issuance and offering of the newly issued shares must not exceed 170,647,815 share which will be based on the issue price and the capital increase, and;(3) Issue and offer debentures of not more than THB 2,000 million which is in addition to the existing amount not exceeding THB 500 million, to be used as working capital for the development of the Company's projects. The allotment of new shares and approval of issuance and offering of debentures were approved by the 2017 Annual General Meeting of Shareholders held on April 28, 2017.

After the Company received shareholders' approval, the IFA has an opinion that the amount of capital increase together with additional THB 1,500 million loan amount the Company has extended are sufficient for remaining shares purchase, together with capital increase, which is THB 956.6349 million, and there are enough reserves to support loan for Project Minbu proportionate to its shareholding or an amount not exceeding THB 190.85 million.

As at April 28, 2017, the Annual General Meeting of ECF Shareholders approved the allotment of new ordinary shares issuance and issuance and offering of debentures. The closing price of ECF's shares on the Stock Exchange of Thailand's website (www.set.or.th) is THB 2.96 per share. If the Company issues and offers new ordinary shares at such price, with total shares are being reserved by existing shareholders of the Company and/or private placement, the Company will receive a total capital of THB 505.18 million. However, the amount of capital the Company will receive from new shares issuance and offering depends on share price offered by the Company.

Suitability of the Transaction

In view of the appropriateness of transaction, the Independent Financial Advisor deems that the conditions for the transaction is **reasonable and fair** to the counterparties for they are beneficial to the Company, and served in the best interests of the shareholders in the long run, as well as reducing various transactional risks.

As at the date of the issuance of this report, the Company has paid a deposit of THB 50 million, representing 16.13% of the share value to be sold to the Sellers. The Company thus has a remaining balance to pay for the purchase price of another THB 260.05 million within 10 days after the Conditions Precedent in the SPA are duly fulfilled. Nonetheless, the above term is deemed as common commercial term.

Additionally, there are various Conditions Precedent in the shareholders' agreement ("SHA") including, the Sellers must obtain the relevant and pertinent licenses of Project Minbu, as well as ECF obtains its approval from its Board of Directors and/or shareholders. Should the outlined Conditions Precedent not fulfilled by May 31, 2017, the Sellers will refund THB 50 million to ECF-Power. Moreover, in the SHA, there are various Conditions Subsequent that the Sellers must fulfil prior to December 31, 2017. In the same respect, ECF has the right to sell back GEP shares to the Sellers and the Sellers are obligated to buy back GEP shares that the Company paid for.

However, the Sellers did not have any securities to guarantee the repayment of shares buyback except personal guarantees, in which ultimate shareholders of the seller are Mr. Supasit Pokinjaruras and Mr. Aung Thiha. This guarantee does not reduce the risk of default by the seller and thus may cause

delay on payment or default on the Company if the seller breach of contract. However, the risk will only occur when the seller fails to comply with the Conditions Precedent or Conditions Subsequent within the specified period. In addition, the legal advisor of the Company commented that by obtaining MIC Permit, which is an important license for foreign investors investing in Myanmar, would help GEP-Myanmar in receiving other significant business licenses for operating power plant in Myanmar. GEP further clarified that obtaining the MIC Permit would facilitate negotiations with relevant parties including, financial institutions for financial support. Therefore, GEP-Myanmar's receipt of MIC Permit on April 12, 2017 will increase the likelihood of seller's success in complying with Conditions Precedent and Conditions Subsequent, which could reduce risk relating to seller's breach of contract.

(For more information on IFA's opinion related to reasonableness of funding and suitability of the transaction, please see Part 4 Section 4.2 and 4.3 of this IFA Report)

The opinion of IFA in this report is based on the assumptions that all the information and documents received are accurate and complete, and reflects the operating environment and most up-to-date information at the time of issuance of this report. The IFA also form its opinion based the draft share purchase agreement dated April 3, 2017 which include various Conditions Precedent and Conditions Subsequent. Should there be any material changes in the above-mentioned draft agreement, there might be inherent risks to the Company. Nevertheless, the Company reaffirms the key terms and conditions in the draft share purchase agreement remain intact.

In conclusion, the Independent Financial Advisor is of the opinion that the entry into this transaction is appropriate and recommends that the shareholders should **approve** this Transaction.

In deciding whether to grant approval for the Company to enter into the transaction, the shareholders can consider the information, reasons and opinion in various aspects provided by the IFA in this report. However, the decision whether to approve the transaction depends primarily on the shareholders' individual judgment.

The details of the opinion of the Independent Financial Advisor can be found in the following parts of this IFA Report, as follow:

Part 1: General Information of the Transaction

1.1 Characteristics and Details of Asset Acquisition Transaction

1.1.1 Objective and Background of the Transaction

The Board of Directors' Meeting of East Coast Furnitech Public Company Limited ("**Company**" or "**ECF**") No. 6/2017 held on April 3, 2017 resolved to propose to the shareholders for an approval for ECF Power Company Limited ("**ECF-Power**"), a subsidiary in which the Company holds 99.99% of paid-up shares to enter into a transaction ("**Transaction**") in an acquisition of 51,512 common shares in Green Earth Power (Thailand) Company Limited ("**GEP**"), representing 20.00% of total paid-up shares of GEP, from Noble Planet Pte. Ltd. ("**NP**") and Planet Energy Holdings Pte. Ltd. ("**PEH**") (collectively referred as the "**Sellers**") at a total value of USD 9 million or equivalent to THB 310.05¹ million. In this regard, there are procedures, conditions precedent and conditions subsequent under the draft share purchase agreement ("**SPA**") dated April 3, 2017 in which ECF-Power and the Sellers are required to conform. In addition all shareholders in GEP including ECF-Power and the Sellers will enter into a shareholders' agreement to agree on the relationship between each shareholder in GEP. As at the date of the issuance of this report, the Company has paid a deposit of THB 50 million, representing 16.13% of the share value to be sold to the Sellers. The Company thus has a remaining balance to pay for the purchase price of another THB 260.05 million.

Moreover, GEP will have to increase its registered capital to be used for funding the construction of the solar power plant project with a total installed capacity of 220 MW or with a maximum amount of output capacity at 170 MW. Located in Minbu District, Magway Region, the Republic of the Union of Myanmar ("**Myanmar**"), the solar power plant has a fixed power purchase rate of USD 0.1275 per kilowatt-hour (kWh) or equivalent to THB 4.39 per kWh for 30 years from the Commercial Operation Date ("**COD**") of Phase 1 (the project will hereafter referred as the "**Project Minbu**"). GEP (Myanmar) Company Limited ("**GEP-Myanmar**"), a wholly owned subsidiary of GEP and established under the laws of Myanmar, has entered into a 30-year Power Purchase Agreement ("**PPA**") in the form of Build-Operate-Transfer ("**BOT**") starting from the COD of Phase 1 with Electric Power Generation Enterprise ("**EPGE**") (originally named "Myanma Electric Power Enterprise" or "**MEPE**"²) to construct the power plant and distribute electricity generated from Project Minbu. Project Minbu has a total project value of USD 292.62 million (or equivalent to THB 10,080.76 million), with an expected debt to equity ratio of 65:35. Subsequently, ECF-Power will be committed to an increase in the capital proportionately, according to its 20% holding, or at the amount of USD 20.22 million (or equivalent to THB 696.58 million).

The total value of the Company's investment in this Transaction will be USD 29.22 million or equivalent to THB 1,006.63 million. In addition, ECF-Power is also reserved under the SPA to support the cash deficiency support ("**CDS**") in proportion to the shareholding to the Lender of Project Minbu but not exceeding USD 5.54 million (or equivalent to THB 190.85 million). According to the financial support contract for the development of the Project Minbu phase 1, the financial institutions will call for the payment of Cash Deficiency Support ("**CDS**") when GEP-Myanmar has financial liquidity issues. In sum, the total value of consideration for this Transaction will thus be USD 34.76 or equivalent to THB 1,197.48 million.

The entry into this Transaction in an acquisition of existing common shares and capital increase in GEP is considered as asset acquisition according to the Notification of the Stock Exchange of Thailand ("**SET**") regarding the Acquisition or Disposal of the Assets. The maximum value of the transaction, which is calculated from the Company's latest financial statements as of December 31, 2016, is equal to **50.80%** of the total consideration value. When calculated the size of other asset acquisition transactions following the current board's resolution and the asset acquisition transactions that occurred during the 6-month period prior to the date that the Board of Directors' resolved to propose to Shareholders at the general meeting to consider and approve the acquisition of GEP ordinary shares. There were three other

1 The exchange rate that is used throughout this Report is based on the currency conversion as at March 31, 2017, one day prior to the Board of Directors' resolution to enter into the Transaction. The exchange rate is 34.45 THB/USD.

2 "Myanma Electric Power Enterprise" or "**MEPE**" changed its entity to "Electric Power Generation Enterprise" or "**EPGE**" following the merge of Ministry of Energy and Ministry of Electric Power to become Ministry of Electric and Energy or "**MOEE**". The merge thus results in the change of GEP-Myanmar's counterparty to EPGE (under the MOEE). As of January 9, 2017, GEP-Myanmar and EPGE entered in an "Amendment to Purchase Power Agreement". For more details of the aforementioned changes, please refer to Part 2 Item 2.14.1 of this IFA Report.

asset acquisition transactions, namely: (1) the investment in SAFE Energy Holdings Company Limited of which the transaction's size calculated under the total value of consideration basis equal to 0.02% as approved by the Company's Board of Directors Meeting No. 9/2016 dated December 11, 2016; (2) the investment to establish ECF Power Company Limited of which the transaction's size calculated under the total value of consideration basis equal to 0.05% as approved by the Company's Board of Directors Meeting No. 1/2017 dated January 12, 2017; and (3) the investment in Prize of Wood Green Energy Company Limited's biomass power plant of which the transaction's size calculated under the total value of consideration basis equal to 7.04% as approved by the Company's Board of Directors Meeting No. 2/2017 dated February 13, 2017. The asset acquisition's the transaction size will be **57.91%** of the total consideration value, making it considered as Class 1 Transaction in accordance with the Notification of the Capital Market Supervisory Board No. ThorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and the Notification of the Board of Governors of the Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (the "**SET Notification on Asset Acquisition or Disposal**") which is the agreement to enter into the transaction between a public company or its subsidiary and a private company with a transaction value accounts for 50% or higher but less than 100%. (For more details on the calculation of transaction size, please refer to Item "1.1.1.5 Type and Size of the Transaction.")

The Company is therefore required to promptly prepare a report and disclose the asset acquisition transaction to the SET, presenting therein the information at least as required by the SET and hold a shareholders' meeting to approve the entry into such transaction with a required affirmative vote of not less than three-fourths of the total number of votes of the shareholders or their proxies attending the meeting and having the right to vote, excluding shareholders with vested interest. A notice containing information on the Company's announced acquisition or disposal of assets, along with the opinion of the independent financial advisor shall be distributed to the shareholders not less than 14 days before the AGM. The Board of Directors Meeting No. 6/2017, held on April 3, 2017, resolved to propose the project investment to the shareholders at the Company's Extraordinary General Meeting (EGM) No. 1/2017, which is to be held on May 31, 2017.

Nonetheless, the acquisition of GEP's ordinary shares is not considered as a purchase or an acceptance of a business transfer of other companies pursuant to the Section 107 of the Public Company Limited Act B.E. 2535 (as amended).

1.1.2 Date of the Transaction

ECF-Power will purchase the ordinary shares of GEP from NP and PEH and will make payment to GEP in cash, after No.1/2017 Extraordinary General Shareholder Meeting which will be convened on May 31, 2017 to approve the entering into the asset acquisition transaction and after conditions precedent specified under the draft share purchase agreement dated April 3, 2017 are fulfilled. In this regard, the Company expects that the Transaction should be completed within June 2017.

1.1.3 Parties Involved and Relationship with the Company

- The Purchaser : ECF Power Company Limited ("**ECF-Power**")
*A wholly-owned subsidiary of East Coast Furnitech PCL (the "**Company**")*
- The Sellers : Noble Planet Pte. Ltd. ("**NP**")
 Planet Energy Holdings Pte. Ltd. ("**PEH**")
*NP and PEH are collectively referred as the "**Sellers**" whereby each of the Sellers has Mr. Aung Thiha and Mr. Supasit Pokinjaruras as the ultimate shareholders, holding 50% of share equally.*
- Relationship : The Company and the Sellers (as well as directors, shareholders and management of the Sellers) do not have any relation, which shall cause the Transaction to be considered as the Connected Transaction under the Notification of the Capital Market Supervisory Board No. TorChor. 21/2008 Re: Rules on Connected Transactions and the Notification of the Board of Governor of the SET Re: Disclosure of Information and Other Acts of Listed Companies concerning Connected Transactions B.E. 2546 (the "*Notification on Connected Transaction*").

General Information of NP and PEH as the Seller:**1) Noble Planet Pte. Ltd. ("NP")****Table 1-1: Overview of NP as of March 27, 2017**

Company Name	: Noble Planet Pte. Ltd. ("NP")
Date of Establishment	: December 30, 2014
Registration No.	: 201438336K
Office Address	: 1 Raffles Place, #28-02 One Raffles Place, Singapore 048616
Registered Capital	: USD 61,669,015 or equivalent to THB 2,124.5 million divided into 5,000 ordinary shares
Paid-up Capital	: USD 61,669,015 or equivalent to THB 2,124.5 million divided into 5,000 ordinary shares

Source: GEP and corporate document with Notary Public

The board of directors and shareholding structure of NP are summarized below:

(a) Board of Directors**Table 1-2: List of NP's Board of Directors as of March 27, 2017**

No.	Name	Nationality	Position
1.	TAN LIAN KIOW@CHAI BAK HUA	Singaporean	Authorized Director
2.	Mr. Aung Thiha	Burmese	Authorized Director
3.	Mr. Supasit Pokinjaruras	Thai	Authorized Director

Source: GEP and corporate document with Notary Public

Remark: LIM MEI JING LISA (LIN MEIJING) is NP's secretary.

(b) Shareholders**Table 1-3: List of NP's Shareholders as of March 27, 2017**

No.	Name	Nationality	Percentage
1.	Wealthy Capital Consulting Ltd ^{1/}	British Virgin Islands	100.0
	Total		100.0

Source: GEP and corporate document with Notary Public

Remark: 1/ Mr. Supasit Pokinjaruras and Mr. Aung Thiha are the ultimate shareholders with holding 50% equally of NP and Wealthy Capital Consulting's total registered and paid-up capital (via direct and indirect holding). Both shareholders and the Board of Directors have no relation with the Company that will cause the transaction to be considered as the Connected Transaction under the Notification on Connected Transaction.

(For more details on the company structure of GEP including NP and related companies, please refer to Appendix 2)

2) Planet Energy Holdings Pte. Ltd. ("PEH")**Table 1-4: Overview of PEH as of March 27, 2017**

Company Name	: Planet Energy Holdings Pte. Ltd.
Date of Establishment	: April 11, 2014
Registration No.	: 201410596H
Office Address	: 1 Raffles Place, #28-02 One Raffles Place, Singapore 048616
Registered Capital	: USD 113,997,268.76 or equivalent to THB 3,927.2 million divided into 5,000 ordinary shares
Paid-up Capital	: USD 113,997,268.76 or equivalent to THB 3,927.2 million divided into 5,000 ordinary shares

Source: GEP and corporate document with notary public

The board of directors and shareholding structure of PEH are summarized below:

(a) Board of Directors

Table 1-5: List of PEH's Board of Directors as of March 27, 2017

No.	Name	Nationality	Position
1.	TAN LIAN KIOW@CHAI BAK HUA	Singaporean	Authorized Director
2.	Mr. Aung Thiha	Burmese	Authorized Director
3.	Mr. Supasit Pokinjaruras	Thai	Authorized Director

Source: GEP and corporate document with Notary Public

Remark: LIM MEI JING LISA (LIN MEIJING) is PEH's secretary.

(b) Shareholders

Table 1-6: List of PEH's Shareholders as of March 27, 2017

No.	Name	Nationality	Percentage
1.	AVA Asia Ltd. ^{1/}	British Virgin Islands	100.0
Total			100.0

Source: GEP and corporate document with Notary Public

Remark: 1/ Mr. Supasit Pokinjaruras and Mr. Aung Thiha are the ultimate shareholders with holding 50% equally of PEH and AVA Asia Ltd.'s total registered and paid-up capital (via direct and indirect holding). Both shareholders and the Board of Directors have no relation with the Company that will cause the transaction to be considered as the Connected Transaction under the Notification on Connected Transaction.

(For more details on the company structure of GEP including PEH and related companies, please refer to Appendix 2 of this IFA Report)

1.1.4 Details of the Acquired Asset

ECF-Power will acquire 51,512 existing common shares with a par value of THB 100 per share in GEP, accounting for 20% of GEP's total registered and paid-up shares and the proportional committed capital increase in GEP for the construction of four phases of power plant of Project Minbu. Consequently, this 20% share acquisition is considered an investment in associate by the Company. Summary of GEP is as follows:

1) General Information of GEP

Table 1-7: Overview of GEP

Company Name	: Green Earth Power (Thailand) Company Limited ("GEP")
Date of Establishment	: April 30, 2005
Office Address	: 63 Atheenee Tower, Floor 30 Room Number 3006, Witthayu Rd, Lumpini, Pathum Wan, Bangkok, Thailand
Registered and Paid-up Capital	: THB 25,755,800 divided into 257,55 ordinary shares at a par value of THB 100.00 per share
Objective of Business	: 1. To engage in power generator business and power generating equipment from clean and renewable energy such as solar and wind. Also, to advise, install, inspect, repair, maintenance, and provide other related services. 2. To generate and supply electricity for both domestic and international government and private organizations

Source: Legal Due Diligence Report dated February 10, 2017 and the affidavit of GEP as issued by Ministry of Commerce dated March 30, 2017

GEP-Myanmar, a wholly owned subsidiary of GEP and established under the laws of Myanmar, is in the process of constructing as solar power plant project with a total installed capacity of 220 MW in Myanmar. The project is divided into four phases with Phase 1 – 3 having an installed capacity of 50 MW each whereas the last Phase will have an installed capacity of 70 MW.

(For more details on Project Minbu, please refer to Part 2 of this IFA Report)

The board of directors and shareholding structure of GEP are summarized below:

2) Board of Directors

Table 1-8: List of GEP's Board of Directors Pre- and Post-Transaction

	Pre -Transaction ^{1/}	Post-Transaction ^{2/}
Name of Directors	1. Mr. Supasit Pokinjaruras	1. Representative from PEH & NP
	2. Mr. Aung Thiha	2. Representative from PEH & NP
	3. Mr. David William Yang	3. Representative from PEH & NP
	4. Mr. Soraj Rojanabenjakul	4. Representative from VTE ^{3/}
	5. Mr. Fung Sai Kong	5. Representative from ECF-Power
	6. Mr. Mongkol Tsunreungjai	6. Representative from ECF-Power
		7. Representative from QTCGP
		8. Representative from Investor F
		9. Representative from Investor F
Composition of Board	Comprises of 6 Directors	^{4/} Comprises of 9 Directors No more than 3 directors from Group A and B No more than 1 director from Group C No more than 2 directors from Group D (i.e. ECF) No more than 1 director from Group E and No more than 2 directors from Group F
Authorized Directors	Either Mr. Supasit Pokinjaruras or Mr. Aung Thiha's signature together with company's seal	The authorized signatory shall comprise of : one representative director from Group A, B or C together with one representative director from Group D, E or F together with the company's seal. However, should there is no transfer of shares from Group A or B to Group B, representative director from Group F will not be entitled to the signatory.

Source: 1/ Affidavit of GEP as issued by Ministry of Commerce dated March 30, 2017

2/ Draft Shareholders' Agreement of GEP dated April 3, 2017

Remarks: 3/ VTE is Vintage Engineering Public Company Limited, one of existing shareholders in GEP

4/ Shareholder Group A and B are NP and PEH respectively and Shareholder Group C is VTE, whereas Shareholder Group E is QTC Global Power Company Limited ("**QTCGP**"), a wholly owned subsidiary of QTC Energy ("**QTC**") holding 100% of the total issued shares and Shareholder Group F is the future shareholder that will buy shares from Shareholder Group A and/or Group B

3) Shareholders

Table 1-9: List of GEP’s shareholders Pre- and Post-Transaction

Shareholders	Pre –Transaction ^{1/}		Post –Transaction	
	Amount (shares) ^{2/}	Percentage	Amount (shares)	Percentage
1. Noble Planet Pte. Ltd.	103,022	40.0	84,993 ^{6/}	33.0%
2. Planet Energy Holdings Pte. Ltd.	123,628	48.0		
3. Vintage Engineering Public Company Ltd. ^{3/}	30,908	12.0	30,908	12.0%
4. East Coast Furnitech Public Company Ltd.	-	-	51,512	20.0%
5. QTC Global Power Company Limited (a subsidiary of QTC) ^{4/}	-	-	38,634	15.0%
6. Investor F			51,512	20.0%
Total	257,558	100.0	257,558	100.0

Source: 1/ Affidavit of GEP as issued by Ministry of Commerce dated March 30, 2017

Remarks: 2/ The par value is THB 100

3/ For more information on the shareholders of Vintage Engineering Public Company Limited, please refer to (www.set.or.th)

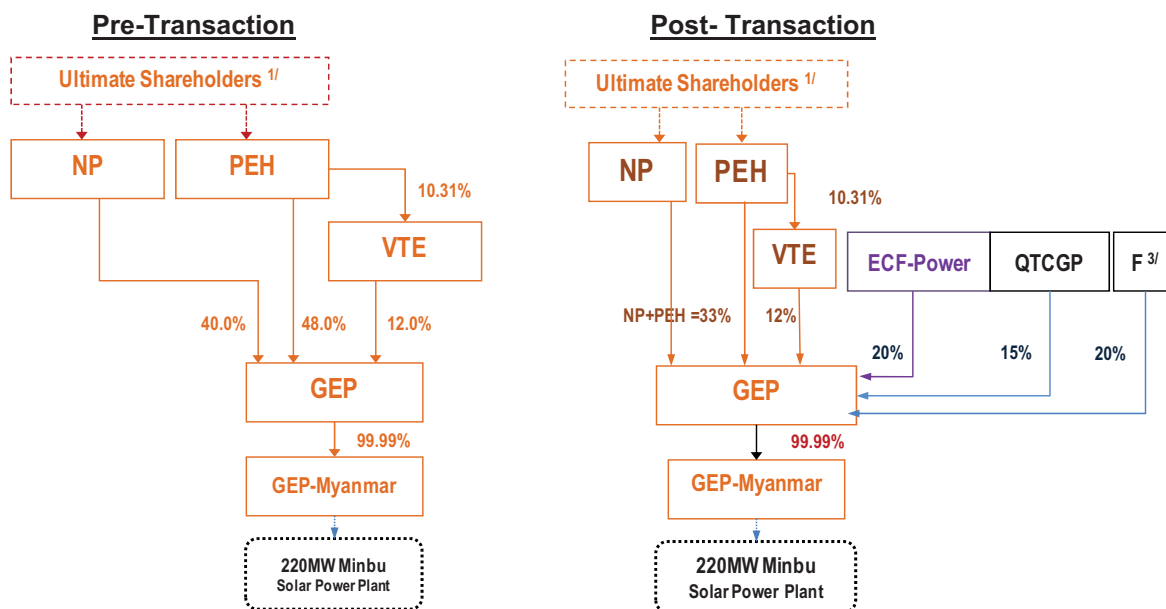
4/ QTCGP has entered into an acquisition of GEP shares at the same time as ECF and the aforementioned transaction by QTCGP also requires an approval from its shareholders.

5/ The Seller has allotted a portion of shares to be sold to Shareholder Group F in the future.

6/ NP and PEH will ultimately hold 33% in GEP’s registered and paid up capital.

Details of the Holding Structure of GEP before and after the transaction

Figure 1-1: List of GEP’s shareholders Pre- and Post-Transaction



Source: GEP, (draft) Shareholders’ Agreement and summarized by the IFA

Remark: 1/ Mr. Supasit Pokinjaruras and Mr. Aung Thiha are the ultimate shareholders with holding 50% equally of NP and PEH’s total registered and paid-up capital (via direct and indirect holding).

2/ QTCGP entered into similar transaction at the same time as ECF. The aforementioned transaction by QTCGP also requires an approval from its shareholders.

3/ The Sellers has allotted a portion of shares to be sold to Shareholder Group F in the future.

1.1.5 Type and Size of the Transaction

The Board of Directors' Meeting of the Company No. 6/2017 resolved to grant approval for ECF Power Company Limited ("ECF-Power"), a subsidiary in which the Company holds 99.99% of paid-up shares, to enter into a transaction by investment in GEP. Based on the calculation of the transaction size in accordance with the Notification of the Capital Market Supervisory Board No. ThorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and the Notification of the Board of Governors of the Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547, dated October 29, 2004, and the amendments thereto (collectively called "the SET Notification on Asset Acquisition or Disposal"), the maximum value of this transaction is 50.80% of the total consideration value based on the Company's latest financial statements as of December 31, 2016 making the transaction to be deemed as Class 1 Transaction which is a transaction with a value of 50% or higher but lower than 100%. Details of such calculation for this Transaction are as follows:

Table 1-11: Details of such calculation for this Transaction according to the various criteria

Criteria	Calculation	Transaction size
1. Net tangible assets (NTA)	$[\% \text{ NTA of target } ^{1/} / \text{NTA of the listed company} ^{2/}] \times 100$ $[(20\% \times 232.18) / (651.87)] \times 100$	7.12%
2. Net profit	$[\% \text{ Net profit of the target} / \text{Net profit of the listed company}] \times 100$ Not applicable as GEP has operating loss in 2015	
3. Total value of consideration	$[\text{Proportionate of the total value of consideration paid} / \text{total assets}] \times 100$ $= [(310.05+696.58+190.85) / 2,357.28] \times 100$ <i>(Total consideration includes the payment for an acquisition of GEP shares of USD 9 million or equivalent of THB 310.05 million + proportionate committed capital increase in GEP of USD 20.22 million or equivalent of THB 696.58 million + obligated cash deficiency support not exceeding USD 5.54 million or equivalent of THB 190.85 million)</i>	50.80%
4. Value of securities	$[\text{Number of issued securities as the compensation} / \text{paid-up shares}] \times 100$ Not applicable as it is not the issuance of securities as the compensation	

Remark: 1/ Calculated from the audited financial statements of GEP, as of December 31, 2016

2/ Calculated from the audited financial statements of the Company, as of December 31, 2016

In addition, there were three asset acquisition transactions that occurred during the 6-month period prior to the date that the Board of Directors resolved to propose to Shareholders at the Extraordinary General Meeting to consider and approve the acquisition of GEP's ordinary shares. The three asset acquisition transactions are summarized below:

Table 1-12: Asset acquisition transactions that occurred during the 6-month period prior to this Transaction

Asset acquisition transactions that occurred during the 6-month period prior to this transaction (October 1, 2016 – March 31, 2017)	In Percentage
1. Investment in SAFE Energy Holdings Co., Ltd. on December 11, 2016	0.02%
2. Investment to establish ECF Power Co., Ltd. on January 12, 2017	0.05%
3. Investment in Prize of Wood Energy Co., Ltd biomass power plant on February 13, 2017	7.04%
Aggregate amount of the asset acquisitions for the last 6 months	7.11%

The transaction size of this GEP's shares acquisition, aggregated with the asset acquisitions for the last 6 months, equals **57.91%** of the total assets of the Company, the transaction is considered as entering into an acquisition or disposition of assets between a listed company or its subsidiary and another non-listed company, whose value exceeds or equals 50%. As a result, such transaction is considered a Class 1 transaction under the Notification of the Board of Governor of the SET re: Disclosure of Information and Practice of Listed Companies Concerning the Acquisition and Disposition of Assets (the "**Notification concerning the Acquisition of Asset**"). Therefore, the Company has a duty to disclose the information of such transaction to the SET and shareholders. The Company must convene a shareholders' meeting and engage an independent financial advisor to give a fairness opinion, so as to consider and approve such transaction.

1.1.6 Summary of Material Agreements in Connection with the Acquired Asset

In order to present an overview of the entire transaction, the IFA would like to summarize the three material agreements as follows:

1.1.6.1 Summary of Memorandum of Agreement: MOA

Table 1-13: Key terms of Memorandum of Agreement: MOA

Counterparties	The Purchaser : ECF Power Company Limited (“ ECF-Power ”) which is a subsidiary of ECF The Sellers : Noble Planet Energy Pte. Ltd (“ NP ”) and Planet Energy Holdings Pte. Ltd. (“ PEH ”) collectively referred as the “Sellers”
Signing Date	December 9, 2016, January 31, 2017 and March 31, 2017
Objective of the Agreement	The purchaser and the sellers intend to enter into a sale and purchase agreement by March 31, 2017. The transaction will happen after the completion of all the required conditions precedent such as the approval of shareholders’ meeting of the purchaser.
Asset being acquired	51,512 existing common shares of GEP which accounts for 20% of GEP’s total registered capital (GEP holds 99.999% shares in GEP Myanmar Company Limited (“ GEP-Myanmar ”) which was established under the law of Myanmar to generate and distribute electricity generated from solar power in Project Minbu Power Plant with an installed capacity of 220 MW and also entered into the power purchase agreement with MOEE or EPGE)
Selling Price	The purchase price may be adjusted by mutual agreement upon conclusion of the due diligence investigation of GEP.
Refundable Deposit	USD 3 million or approximately THB 103.35 million ^{1/} On December 26, 2016, the Company paid a deposit amounting to THB 50 million on December 26, 2016, with the remaining payment to be paid together with share payment.
Other Conditions	<ul style="list-style-type: none"> ▪ Within ten business days after the date that the purchaser finds the due diligence to be unsatisfactory, by giving written notice to the sellers, the sellers shall refund the refundable deposit. ▪ If the parties enter into the share purchase agreement, the refundable deposit shall be treated as a deposit or payment under the share purchase agreement.
Termination of Agreement	<ul style="list-style-type: none"> ▪ By entering into the share purchase agreement by the parties ▪ By giving written notice to the sellers if the purchaser finds the due diligence to be unsatisfactory ▪ By mutually written consent of the parties ▪ This memorandum of agreement shall be effective until March 31, 2017 unless extended by mutual agreement
Governing Law	Law of the Kingdom of Thailand

Source: The Company and Memorandum of Agreement: MOA with the original version in English.

1.1.6.2 Summary of Draft of Share Purchase Agreement

Table 1-14: Key Terms of Draft of Share Purchase Agreement dated Apr 3, 2017

Counterparties	The Purchaser: ECF Power Company Limited (“ ECF-Power ”) which is a subsidiary of ECF The Sellers: Noble Planet Energy Pte. Ltd (“ NP ”) and Planet Energy Holdings Pte. Ltd. (“ PEH ”) collectively referred as the “ Sellers ”
Signing Date	The Company expects to sign this agreement within Apr 30, 2017
Asset being acquired	51,512 existing common shares of GEP
Investment Value	<ul style="list-style-type: none"> ▪ The Purchase Price of 51,512 ordinary shares of GEP of USD 9 million or approximately THB 310.05 million ▪ The total amount of capital to be increased in GEP shall not exceed USD 20.22 million or approximately THB 696.58 million
Term of Payment	Payment in cash within 10 days since the date of completion of conditions precedent or ECF-Power waive some unsatisfied conditions precedent within May 31, 2017

Cash Deficiency Support ("CDS")	ECF-Power has its obligation to support the Cash Deficiency Support (CDS) in proportion to the shareholding to Project Minbu not exceeding USD 5.54 million or approximately THB 190.85 million
Key Conditions Precedent	<p>(1) GEP-Myanmar obtains the investment permit from Myanmar Investment Commission (MIC Permit) and other relevant approvals from the government of Myanmar.</p> <p>(2) GEP-Myanmar enters into the land sub-lease agreement with AVA Capital Trading Limited for the land of 700 acres which can be used for the project;</p> <p>(3) The Environmental and Socio-economic Impact Assessment Report (ESIA) for the project is approved by the Ministry of Natural Resources and Environmental Conservation</p> <p>(4) GEP-Myanmar obtains the letter (or amendment) issued by EPGE to confirm that 1) all conditions precedent under the PPA are fulfilled (saved for the matters in Clause 1 and 2 of conditions subsequent of this SPA), or to extend the deadlines for conditions precedent under the PPA (as the case may be), and 2) the financing closing date of phase one of the project has been met.</p> <p>(5) GEP-Myanmar obtains a consent letter from the lenders under the credit facilities agreement of phase one for 1) the transfer of shares in GEP from the sellers to the ECF-Power, 2) they are satisfied with the amendment providing for the change of off-taker under the PPA to EPGE, and 3) they have agreed to the amendment to the Construction Services Contract dated November 3, 2016 and the amendment to Supply Contract dated November 3, 2016</p> <p>(6) The lenders issue the term sheet for the loans in relation to phase two, phase three and phase four of the project together with their executed cover letter</p> <p>(7) The Company obtains its shareholders' approval for the transaction.</p> <p>In case, the Company and the sellers could not practice completely according to the conditions precedent or ECF-Power does not waive the conditions that could not finish within May 31, 2017, ECF-Power could use the right to terminate the share purchase agreement and the sellers have to return the deposit to ECF-Power.</p>
Key Conditions Subsequent	<p>1) GEP-Myanmar obtains the approval from the Central Bank of Myanmar for the relevant financial transaction for the project.</p> <p>2) GEP Myanmar enters into the land lease agreement with Ministry of Natural Resources and Environmental Conservation for the land of 136 acres, which can be used for the project.</p> <p>3) GEP-Myanmar obtains the letter (or amendment) issued by EPGE to extend the milestone under the PPA for the scheduled commercial operation date for phase one of the project to be December 31, 2017 or any date not earlier than December 31, 2017.</p> <p>4) GEP-Myanmar obtains a consent letter from the lenders under the credit facilities agreement of phase one for (i) the extension of commercial operation date of the PPA (ii) the amendment to the PPA for the extension of the deadline for conditions precedent (if any), (iii) the amendment to extend the milestone under the PPA (if any), and (iv) the extension of the first repayment date, and Tranche A availability period (if applicable) under the credit facilities agreement of phase one.</p> <p>5) GEP-Myanmar enters into the operation and maintenance agreement for the project</p> <p>6) GEP-Myanmar enters into the facilities agreement with the lenders in relation to Phase two, Phase three and Phase four of the project.</p> <p>If the conditions subsequent are not satisfied or waived by ECF-Power within December 31, 2017, ECF-Power sell all purchased shares under the share purchase agreement to the sellers.</p>
Share Buy Back	<p>The Company has the right to sell all the shares back to the sellers at the price that the company paid to the sellers including the amount paid for the capital increase in GEP within January 31, 2018 if,</p> <ul style="list-style-type: none"> ▪ The Lenders of the facilities agreement in relation to Phase Two, Phase Three, and Phase Four of Project Minbu require the Purchaser to provide any Guarantee and any security (whether by cash or any asset) in relation to Project Minbu ▪ If the debt to equity ratio required by the credit facilities agreements for Phase Two, Phase Three and Phase Four is lower than 65:35 ▪ If the Sellers fails to fulfill any obligation set out in Condition Subsequent. <p>The Sellers shall purchase the Sale Shares from the Purchaser within 60 days after the date of its receipt of the notice from the Purchaser.</p>

Termination	<p>Termination Event:</p> <ul style="list-style-type: none"> ▪ The parties cannot fully meet conditions precedent by May 31, 2017 ▪ Event the caused a material adverse effect on GEP-Myanmar (Material Adverse Event) ▪ A material breach of this Agreement <p>To terminate this agreement, the non-breaching Party undertakes to give immediate written notice to the other Party. If such Termination Event cannot be remedied with 10 Business days, It will lead to terminate this agreement. In case that the Sellers are the defaulting Party, the Sellers shall return the Refundable Deposit to the Purchaser within 10 business days after the effective date of the termination of this agreement.</p> <p>In case that ECF-Power is the defaulting party, the Sellers shall retain the Refundable deposit.</p>
Governing Law	Law of the Kingdom of Thailand

Source: Draft of Share Purchase Agreement dated Apr 3, 2017 with the original version in English

Remark: 1/ The Company and ECF-Power have no intention to waive any such waiver if the waiver is not favorable to the Company.

1.1.6.3 Summary of Draft of Shareholders' Agreement

Table 1-15: Key terms of Draft of Shareholders' Agreement dated Apr 3,2017

Counterparty	<p>Group A Shareholder: PEH Group B Shareholder: NP Group C Shareholder: VTE Group D Shareholder: ECF-Power Group E Shareholder: QTCGP <i>(QTCGP has entered into a purchase of GEP shares at the same time as ECF QTCGP must also be approved by its QTC shareholders)</i> Group F Shareholder: Other company which group A shareholder and/or group B shareholder will sell GEP shares to.</p>
Provisions	<ul style="list-style-type: none"> ▪ Group A and B shareholders can transfer 20.00% of the issued and paid-up shares of GEP to the Group F shareholder. ▪ All shareholders can transfer their GEP shares to the group and / or their related companies. ▪ Each shareholder must not transfer his or her GEP shares to a third party. ▪ Each shareholders must not transfer GEP shares to any person competing with GEP-Myanmar or any person who commits wrongdoing, dishonest, unethical or lack of financial liquidity ▪ The period commencing from the date of signing this Agreement and ending on the date falling 1 year after the last Commercial Operation Date in respect of all 4 phases of Project Minbu (Lock Up Period): <ul style="list-style-type: none"> ○ Group A and B Shareholders must hold not less than 33% ○ If Group A and B shareholders transfer all their shares to Group C shareholders, Mr. Supasit Pokinjaruras and Mr. Aung Thiha shall also have the power to control Group A and B shareholders as well as hold a combined share in VTE of not less than 10% and Group C shareholders must hold not less than 40% in GEP ▪ If any shareholders want to sell all their shares, they must notify other shareholders and give the first right to other GEP's shareholders (Right of First Refusal) within 60 days after the date of the offer. After that period, the shares can be sold to outsiders. ▪ After the Lock Up Period has expired, if Group A and B shareholders wish to sell their entire shares and there were no shareholders in the group requesting to buy such shares and Group A and B shareholders would sell their shares to outsiders. Therefore, other GEP shareholders have the right to sell to third parties at the same price and terms as those of Group A and B shareholders. The outsider must buy all the shares that all shareholders wish to sell (Tag Along Right).

Board of Director	<ul style="list-style-type: none"> ▪ Group A and B shareholders shall be entitled to nominate 3 directors ▪ Group C, D, E and F shall be entitled to nominate 1,2,1 and 2 directors, accordingly ▪ Mr. Aung Thiha will serve as a representative for Group A or B shareholder for at least 2 years after the Lock Up Period
Authorized Director	<p>Consist of:</p> <ul style="list-style-type: none"> ▪ Group 1 Director: A representative director of Group A, B or C shareholder jointly signs with ▪ Group 2 Director: A representative director of Group D, E or F together with GEP's seal affixed <p>The Parties agree that so long as Group A Shareholder and/or Group B Shareholder hold Group F Shares, Group F Director shall not have the authority to represent and sign to bind GEP pursuant to clause mentioned above.</p>
Reserved Matters	<p>The following matters shall not be passed if any Director, who is present at such meeting and entitled to vote, exercise his Veto Right:</p> <ul style="list-style-type: none"> ▪ Capital increase and decrease of GEP and/or GEP-Myanmar other than those provided in estimated development cost of the budget ▪ Amendment to the dividend policy and approval of dividend payments of GEP other than payment of dividend of not less than 90% of the net profit less budget and reserve ▪ Amendment to the dividend policy and approval of dividend payments of GEP-Myanmar other than payment of dividend of not less than 90% of the net profit less budget, reserve and mandatory prepayment ▪ Investment by GEP and/or GEP-Myanmar in any business or project ▪ Sale, disposal or transfer of any share in GEP-Myanmar ▪ Any merger or liquidation of GEP or GEP-Myanmar ▪ Incur any financial indebtedness by GEP or GEP-Myanmar other than those provided in estimated development cost of the project or any refinancing of the debt provided in estimated development cost of the project <p>The following matters shall not be passed, if a Veto Right is exercised by either Group C Director or Directors from any two Directors Groups present at such meeting and entitled to vote:</p> <ul style="list-style-type: none"> ▪ Approval of the annual budget of GEP or GEP-Myanmar ▪ Entering into any transaction or series of transactions by GEP or GEP-Myanmar with a total value exceeding THB 50 million which has not been listed in the annual budget or the investment plan approved by the board of directors ▪ Incurrence of financial indebtedness in excess of THB 100 million except for the credit facilities in relation to the project ▪ Creating of any encumbrance over the assets GEP or GEP-Myanmar other than required by the credit facility agreement, the EPC contract, or other credit facilities in relation to the project ▪ Entering into any connected transaction between any related company assets GEP or GEP-Myanmar in relation to the project except any non-material amendment to any existing contract ▪ Any debt forgiveness by assets GEP or GEP-Myanmar other than in favor of any Governmental Entity ▪ Any compromising or settling of any arbitration or litigation of any case with the dispute value exceeding THB 50 million by assets GEP or GEP-Myanmar other than in favor of any Governmental Entity <p>The following matters shall not be passed, if a Veto Right is exercised by either Group C Shareholder or any two Shareholders Groups present at such meeting and entitled to vote:</p> <ul style="list-style-type: none"> ▪ Any amendment of the articles of association and/or the memorandum of association ▪ The liquidation or dissolution of GEP / The capital increase and decrease of GEP / The amalgamation with another company / The issuance of new shares as fully or partially paid-up other than in money / The conversion of GEP to a public company ▪ Entering into any agreement with a value exceeding registered capital of GEP ▪ Incurrence of financial indebtedness by GEP in excess of registered capital of GEP

Practice if unable to resolve Resolutions as Reserved Matters (Deadlock)	<p>If any resolution in respect of the Reserved Matters cannot be passed after two successive attempts:</p> <ul style="list-style-type: none"> ▪ Conduct a meeting between top executives of each shareholder group to find a mutual agreement within 14 days. <p>If the conclusion cannot be reached at the above executive meeting. Group A and / or B shareholders buy back shares from the opposing group. The price will be determined by the financial advisor on the list to be mutually appointed by Group A Shareholder and/or Group B Shareholder, and the Deadlock Shareholder</p>
Non-competition in Myanmar ^{1/}	<ul style="list-style-type: none"> ▪ Group D, E and F shareholders agree not to hold more than 50% of the company operating the power generation business in Myanmar during the lock-up period. Unless that shareholder has offered Group A, B and C Shareholders to hold more than 30 percent in such companies. ▪ Group D, E and F shareholders agree not to hold more than 30% of the shares and must not be the only major shareholder in any Myanmar company operating solar power generation business during Lock Up Period. Unless that shareholder gets the approval of Group A, B and C Shareholders in writing. ▪ Group D and F shareholders agree not to persuade or attempt to solicit management or senior staff of GEP-Myanmar for a period of one year from the date of termination of this agreement and agree not to use any trade mark, service mark or trade name for an unlimited period from the termination date
Other Provisions	<ul style="list-style-type: none"> ▪ Unless and until the shareholders otherwise agree, the sole business of GEP shall be the holding company of an investment in GEP-Myanmar ▪ GEP and GEP-Myanmar have a policy to pay a dividend of more than 90% of net profit after deduction of provisions. ▪ If there is any amount of money in excess from the cash operation, all shareholders agreed to reduce the share capital and distribute it to all shareholders in proportion to shareholding. ▪ GEP shall do a capital reduction within 31 December 2017 in order to eliminate its retained losses so that GEP shall be able to pay the dividends from its profits in the year 2018. ▪ Establish a standardized internal control system by the end of Q1 2018. (Since GEP-Myanmar is a new company newly established in February 2019, there is no standardized internal control system.) ▪ Major shareholders of Group D Shareholders must maintain their stake in Group D Shareholders during the Lock Up Period under the conditions that 1) The proportion of shareholding of Mr.Chalee Suksawad, Mr.Arak Suksawad and Miss Tippawan Suksawad shall remain not less than 25% and be the single largest shareholder; and 2) The Company shall remain the control directly or indirectly in ECF-Power ▪ Group E Shareholders agree to do the following during the Lock Up Period. 1) The parent company of Group E shareholders must have the power to control Group E shareholders directly or indirectly, and 2) The board of directors of the parent company of group E Shareholders at the date of signing this contract will remain the majority vote of the parent company of Group E Shareholders. ▪ The board of directors of GEP must not change more than half during the Lock Up Period.
Termination	This Agreement can be terminated when the shareholders agree to cancel
Governing Law	Law of the Kingdom of Thailand

Source: Draft of Shareholders' Agreement: SHA dated April 3, 2017 with the original version in English.

Remarks: 1/ There is no restriction on Non-Power Business.

The approval of a capital increase in GEP is one of the Reserved Matters. If any of the directors of a particular group oppose, it would lead to Deadlock, the Seller has the right to buy GEP shares returned from the group's shareholders under the terms of the agreement between shareholders. After the acquisition, if GEP has approved the capital increase for the construction of Project Minbu, the debt and capital ratio of GEP-Myanmar will be in line with that of the financial institution. The Seller will make a capital increase in proportion to the number of shares repurchased

In this regard, the Company has appointed Chandler MHM Limited, to act as the Company's legal advisor, to provide advice on the legal matter in relation with the transaction including conducting the legal due diligence of GEP and GEP-Myanmar, share purchase agreement, and shareholders' agreement and also relating scope of works.

1.1.7 Total Consideration Paid

Total consideration value consists of the purchase price in the share purchase agreement and the capital increase in GEP for the development of all 4 phases of Project Minbu as well as Cash Deficiency Support. The details are summarized as below:

- (1) The purchase price of ordinary shares of GEP based on the share purchase agreement is USD 9 million or approximately THB 310.05 million. The Company paid a deposit of THB 50 million on December 26, 2016 and will pay the remaining amount on the completion date of the transfer of GEP's shares. Subsequently, the Company has a remaining obligation to pay for the purchase of GEP's existing shares of THB 260.05 million.
- (2) The value of ordinary shares of GEP which will be subscribed on a pro rata basis in the event of increase of registered capital for the development of the 4-phases of Project Minbu totaling USD 20.22 million or approximately THB 696.58 million
- (3) Obligation under SPA to support the Cash Deficiency Support (CDS) in proportion to the shareholding to the Lender of Project Minbu not exceeding USD 5.54 million or approximately THB 190.85 million

1.1.8 Criteria to Determine the Value of Total Consideration Paid *(in reference to Information Memorandum on the Acquisition of Assets of the Company (Schedule 1))*

The criteria to determining the value of consideration for investment in this transaction is based on the negotiation between the Company and the sellers with reference to appropriate valuation methodology by Discounted Cash Flow Model which was prepared by internal department. The main assumptions are as follows:

- Tariff rate: USD 0.1275 per unit (kWh)
- Average energy output after COD of all 4 phases: approximately 309.29 million units per year
- Debt to equity ratio: approximately 1.86 times
- Interest rate: approximately 6% per annum
- Loan tenor: 12 years
- Average forecast revenue of the project (after COD completion of all 4 phases): approximately THB 1,280 million per year
- Average forecast net income of the project (after COD completion of all 4 phases): approximately THB 400 million per year
- Shareholding percentage of ECF-Power in project : 20 years
- Equity Internal Rate of Return (EIRR): 7.5 percent

1.1.9 Sources of Funds for the Transaction

The transaction value is USD 9 million or equivalent to THB 310.05 million, which was already paid in the amount of THB 50 million on December 26, 2016, with an outstanding remaining payment of THB 260.05 million. In addition, the Company is required to pay for a capital increase in GEP in the amount of USD 20.22 million or approximately THB 269.44 million, which will be paid when GEP requests to increase its registered capital in each phase for the development of Project Minbu of all four phases. In addition, ECF-Power has the obligations under the Cash Deficit Support (“CDS”) in proportion to its shareholding in the Lender of the Project Minbu not exceeding USD 5.54 million or approximately THB 190.85 million. The summary of payment obligations for share purchase and capital increase for each phase is as follows:

Table 1-16: Summary of Payment Obligations for Share Purchase and Capital Increase for Each Phase.

	Remaining shares purchase outstanding payment	Capital Increase Phase 1	Capital Increase Phase 2	Capital Increase Phase 3	Capital Increase Phase 4	Total
ECF Investment (THB Million)	260.05	166.39	161.23	153.99	214.97	956.63
Payment Schedule	Within 10 days from the date on which the conditions precedent are fulfilled ^{1/}	April 2018 ^{2/}	April 2019 ^{2/}	April 2020 ^{2/}	April 2021 ^{2/}	

Source: 1 / Information from draft Sales Purchase Agreement dated April 3, 2017.

2/ Information from GEP

The Company has sources of funds from 2 sources: (1) funding from the issuance of new ordinary shares and (2) borrowing from external sources of funds by the Board of Directors No, 5/2016, on March 14, 2016. The Company approved (1) the issuance and offering new shares to existing shareholders of not over 170,647,815 shares at a par value of THB 0.25 per share; (2) Offer private placement of not more than 56,882,605 shares at a par value of THB 0.25 per share by which the offering price of the newly issued ordinary shares to private placement must not be less than 90% of the market price. Nevertheless, the issuance and offering of the newly issued shares must not exceed 170,647,815 share which will be based on the issue price and the capital increase, and;(3) Issue and offer debentures of not more than THB 2,000 million which is in addition to the existing amount not exceeding THB 500 million, to be used as working capital for the development of the Company’s projects. The allotment of new shares and approval of issuance and offering of debentures were approved by the 2017 Annual General Meeting of Shareholders held on April 28, 2017.

The construction of the four phases Project Minbu will be built phase-by-phase basis; the Company does not need to raise funds for the construction of phase 2, 3 and 4 all at once.

(For more information on the appropriateness of the sources of funds used to enter into the Transaction, please refer to Part 4 and Item 4.2 of this IFA Report.)

1.1.10 Conditions Related to the Transaction

This asset acquisition transaction is subject to the Notification of the Board of Governor of the SET re: Disclosure of Information and Practice of Listed Companies Concerning the Acquisition and Disposition of Assets (the "Notification concerning the Acquisition of Asset"). Therefore, the Company has a duty to disclose the information of such transaction to the SET and shareholders and has to convene a shareholders' meeting, with at least three-fourth of the votes from shareholders who are eligible to vote present, to consider and approve such transaction.

In addition, the transaction will be subject to the conditions precedent in accordance with the share purchase agreement

Table 1-17: Progress of Conditions Precedent

Key Conditions Precedent	Progress ^{1/}
(1) GEP-Myanmar obtains the investment permit from Myanmar Investment Commission (MIC Permit) and other relevant approvals from the government of Myanmar.	<ul style="list-style-type: none"> ▪ MIC Permit of GEP-Myanmar has already been approved. And GEP Myanmar received the original license on April 24, 2017 (The original license is dated April 12, 2017)
(2) GEP-Myanmar enters into the land sub-lease agreement with AVA Capital Trading Limited for the land of 700 acres, which can be used for the project.	<ul style="list-style-type: none"> ▪ In the process (AVA Capital Limited has been granted a formal license to use this land from the Myanmar government. GEP-Myanmar obtained the original license on February 2017. As part of the signing of the lease, GEP-Myanmar is in preparation for signing the lease agreement with AVA Capital.)
(3) The Environmental and Socio-economic Impact Assessment Report (ESIA) for the project is approved by the Ministry of Natural Resources and Environmental Conservation.	<ul style="list-style-type: none"> ▪ Successfully Done (GEP-Myanmar has completed this report by submitting this report along with MIC Permit. Once GEP-Myanmar obtains the MIC permit, it means that it also gets an approval from related government agency.)
(4) GEP-Myanmar obtains the letter (or amendment) issued by EPGE to confirm that 1) all conditions precedent under the PPA are fulfilled (saved for the matters in Clause 1 and 2 of conditions subsequent of SPA), or to extend the deadlines for conditions precedent under the PPA (as the case may be), and 2) the financing closing date of phase one of the project has been met.	<ul style="list-style-type: none"> ▪ In the letter of confirmation from EPGE on item 2) regarding to the financial close, GEP-Myanmar has received a confirmation letter. The contents of the letter indicate that EPGE has accepted the term on the financial closing on November 1, 2016. ▪ In the letter of confirmation item 1), the subject of PPA's precedent conditions, GEP-Myanmar is in the process of collaborating and negotiating with EPGE, which is expected to be received by May 2017.
(5) GEP-Myanmar obtains a consent letter from the lenders under the credit facilities agreement of phase one for 1) the transfer of shares in GEP from the sellers to the ECF-Power, 2) they are satisfied with the amendment providing for the change of off-taker under the PPA to EPGE, and 3) they have agreed to the amendment to the Construction Services Contract dated 3 November 2016 and the amendment to Supply Contract dated 3 November 2016	<ul style="list-style-type: none"> ▪ In the process of coordinating and negotiating with the lender. GEP-Myanmar is expected to receive a formal consent letter from the lender by May 2017.
(6) The lenders issue the term sheet for the loans in relation to phase two, phase three and phase four of the project together with their executed cover letter.	<ul style="list-style-type: none"> ▪ Under negotiation with a financial institution. GEP expects to receive a term sheet from a financial institution by May 2017.
(7) The Company obtains its shareholders' approval for the transaction.	<ul style="list-style-type: none"> ▪ Awaiting the meeting of shareholders of the Company. The conditions approved by the votes of not less than three-fourth of the total votes of the shareholders present at the meeting and entitled to vote.

Remarks: 1/ GEP information

1.2 Information of East Coast Furnitech Public Company Limited (“ECF” or “Company”)

Please refer to Attachment 1 of this IFA Report.

1.3 Information of Green Earth Power (Thailand) Company Limited (“GEP”), GEP (Myanmar) Company Limited (“GEP-Myanmar”), and its Related Affiliates

Please refer to Attachment 2 of this IFA Report.

1.4 Summary and Feasibility Study of 220MW Minbu Solar Power Plant Project located in the Magway Region in the Union of the Republic of Myanmar

Please refer to Attachment 3 of this IFA Report.

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Part 2: Details of Solar Power Plant Project in Minbu, the Republic of the Union of Myanmar

2.1 General Information

Located in Minbu district, the Republic of the Union of Myanmar (“**Myanmar**”), the solar power plant project with an installed capacity of 220 MW (hereby referred as the “**Project Minbu**”), is being developed by GEP with GEP-Myanmar holding a power purchase agreement under the BOT (Build-Operate-Transfer) scheme for a period of 30 years. GEP-Myanmar signed a Power Purchase Agreement (“**PPA**”) with the Myanmar Electric Power Enterprise (“**MEPE**”¹) on March 20, 2016, with an amendment to the PPA on January 6, 2017. Key information about the project can be summarized as follows:

Table 2-1: The Project’s Significant Milestones

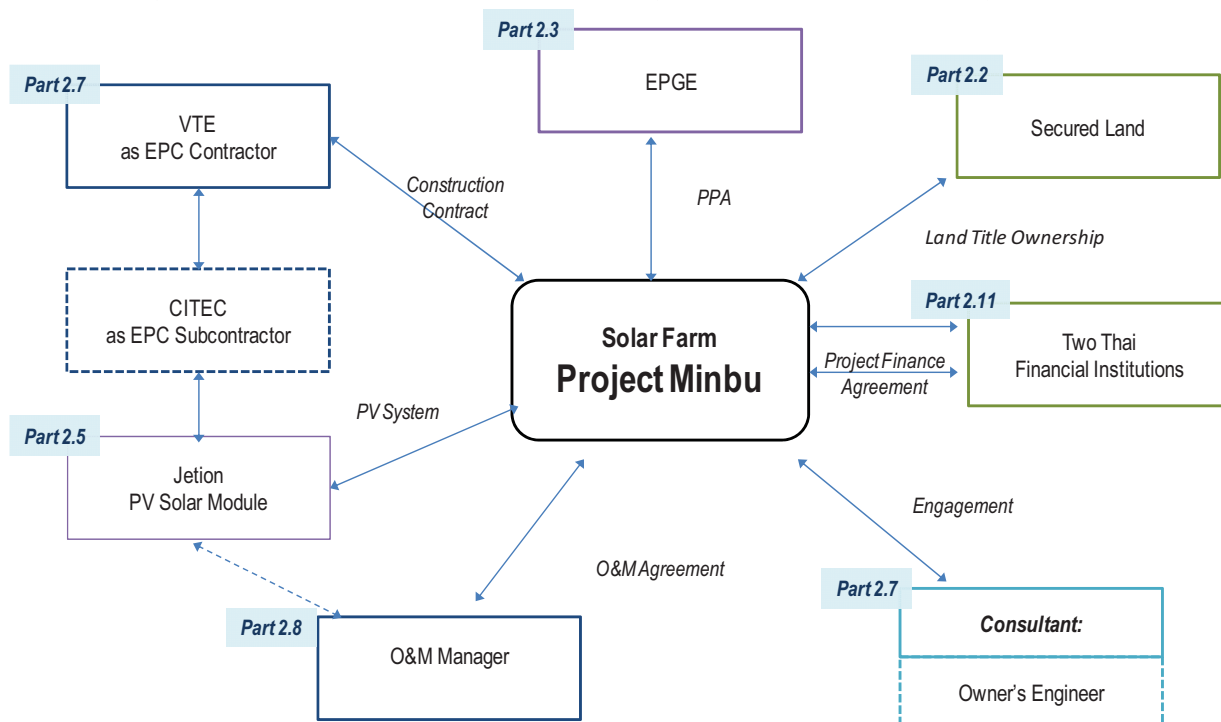
Year	Contracts Executed/ Key Events	Description
2013	Memorandum of Understanding (“ MOU ”)	<ul style="list-style-type: none"> Signed on May 2, 2013 by GEP and the Department of Electric Power (“DEP”) A Memorandum of Understanding (MOU) is a preliminary memorandum of understanding for the implementation of Project Minbu. For the part of Myanmar government party, a MOU was signed by the Department of Electric Power after gaining assurance from the Office of the Attorney General, the Ministry of Nation Planning and Economic Development and the Ministry of Finance GEP was allowed to conduct the feasibility of the Project.
2014	Memorandum of Agreement (“ MOA ”)	<ul style="list-style-type: none"> Signed on October 16, 2014 between GEP and DEP A memorandum of agreement (MOA) defines the basic terms and conditions that are required to complete Project Minbu. For the part of Myanmar Government Party, The MOA has been reviewed by Office of the Attorney General, the Ministry of Nation Planning and Economic Development, Ministry of Electric Power and the Ministry of Finance before the MOA will be passed on to the Union Cabinet to review before approval is granted. Key terms are being defined in this MOA in the form of binding agreements as the framework for the PPA.
2016	GEP-Myanmar established	<ul style="list-style-type: none"> Approval was obtained from the Directorate of Investment and Company Administration (“DICA”). GEP-Myanmar was established on February 16, 2016 with a registered capital of USD 500 million and a paid-up capital of USD 150,000.
2016	Power Purchase Agreement (“ PPA ”)	<ul style="list-style-type: none"> Signed on March 20, 2016 by GEP-Myanmar and Myanmar Electric Power Enterprise (“MEPE”)¹
2016	MIC Permit	<ul style="list-style-type: none"> In accordance with the laws and practices of Myanmar, Project Minbu must be approved by the Myanmar Investment Commission (“MIC”), who will issues a MIC Permit. GEP-Myanmar filed the MIC permit in 2016. (The PPA, signed by GEP-Myanmar, requires that GEP-Myanmar must obtain a MIC Permit before the PPA becomes effective. This clause is one of the precedents condition in the PPA)
2017	MIC Permit	<ul style="list-style-type: none"> GEP-Myanmar was approved by the MIC at the Meeting No. 5/2017 on March 13, 2017^{1/} which is in accordance with the foreign investment conditions and objectives of the Foreign Investment Law. GEP-Myanmar has received an official license on April 24, 2017. (This official license is dated on April 12, 2017)

Source: 1/ http://www.dica.gov.mm/sites/dica.gov.mm/files/document-files/mic_5-2017_e_revised_21-3-2017.pdf

¹ “Myanmar Electric Power Enterprise” or “**MEPE**” changed its entity to “Electric Power Generation Enterprise” or “**EPGE**” following the change in the government from the Union Solidarity and Development Party to the National League for Democracy in April 1, 2016. This later resulted in a consolidation of Ministry of Energy and Ministry of Electric Power to become Ministry of Electric and Energy or “**MOEE**”. The merge thus affected in a change of GEP-Myanmar’s counterparty to EPGE (under the MOEE). As of January 9, 2017, GEP-Myanmar and EPGE entered in an “Amendment to Purchase Power Agreement”. Please see details of the aforementioned changes in Part 2 Item 2.14.1 of this IFA Report.

As Project Minbu is a large-scale project, there are many stakeholders involved in the development of the project. The IFA has summarized the following diagram to illustrate the relationships among the stakeholders involved in Project Minbu. The details will be further elaborated in the second part of this report.

Figure 2-1: Overview of the relationship among various stakeholders in Project Minbu



Source: Summarized by Independent Financial Advisor

Information and Details

Topics

Part 2.1	General Information and summary of Project Minbu
Part 2.2	Location for Project Minbu
Part 2.3	Power Purchase Agreement: "PPA"
Part 2.4	Solar Power generation process
Part 2.5	Main components of Project Minbu
Part 2.6	Assessment of solar irradiance level and energy yield results
Part 2.7	EPC Contractor and EPC-Subcontractor
Part 2.8	Operation and Maintenance : O&M
Part 2.9	Technical Due Diligence
Part 2.10	Initial capital investment for Project Minbu
Part 2.11	Source of fund for Project Minbu
Part 2.12	Related licenses / permits
Part 2.13	Other information related to Project Minbu
Part 2.14	Overview of solar power industry in Myanmar

Table 2-2: Summary of Project Minbu

1. Project Owner Project Type	<p>GEP (Myanmar) Company Limited (a wholly owned subsidiary of GEP)</p> <p>Project Minbu has an installed capacity of 220 MW_{DC} (direct current) to produce 170 MW_{AC} (alternating current). Phase 1 to Phase 3, each phase has an installed capacity of 50 MW_{DC} to produce electricity of 40 MW_{AC} whereas Phase 4 has an installed capacity of 70 MW_{DC} to produce 50 MW_{AC}.</p>
2. Project Location	<p>Minbu District, Magway Region, Myanmar</p>
3. Project Area	<ul style="list-style-type: none"> ▪ The lease term is equal to or greater than the term of the power purchase agreement. ▪ Located on a leasehold land of approximately 836 acres (or equivalent to 2.114.48 rai), which is divided in to two areas as follows: <ol style="list-style-type: none"> 1. The leasehold rights of 700 acres (or equivalent to 1,770.50 rai) will be under AVA Capital Trading Limited (“AVA Capital”)^{1/}. The area is under the supervision of the Ministry of Agriculture, Livestock and Irrigation (MOAI), in which, GEP-Myanmar will sub- lease from AVA Capital. 2. The lease of an area of 136 acres (or equivalent to 343.98 rai) will be under GEP-Myanmar (the area is under the supervision of the Ministry of Natural Resources and Environment and Conservation (MNREC). <p style="text-align: center;"><i>For more details, please refer to Table 2-17: Summary of Important Permits in Part 2 Section 2.12 of this IFA Report</i></p>
4. Power Purchaser Power Purchase Rates	<p>Myanma Electric Power Enterprise (“MEPE”)^{2/} (later changed to EPGE) under the authority of the Ministry of Electric Power of the Republic of the Union of Myanmar</p> <p>The power purchase tariff is USD 0.1275 per kilowatt-hour, or equivalent to THB 4.39 per kilowatt-hour. This is a fixed rate throughout the 30-year concession period commencing from the commercial operation date (COD) of Phase 1.</p>
5. Power Purchase Agreement (“PPA”) Contract Term	<ul style="list-style-type: none"> ▪ A PPA with the Myanma Electric Power Enterprise (“MEPE”) was signed and approved on March 20, 2015 with an amended version dated January 9, 2017. (On Jan 9, 2016, EPGE and GEP-Myanmar entered into an amendment to Power Purchase Agreement to change the contract parties from MEPE and GEP-Myanmar to EPGE and GEP-Myanmar) <p style="text-align: center;"><i>For more details regarding to the merger and the change of the Ministry name, please refer to Part 2 Section 2.14.1 of this IFA report</i></p> <ul style="list-style-type: none"> ▪ A 30-year concession effective from the COD of Phase 1.
6. Solar Power Generation Technology	<p>Electricity is to be generated using solar power through Photovoltaic (PV) technology with the use of polycrystalline silicon PV modules.</p>
7. Connection to the Grid	<ul style="list-style-type: none"> ▪ The transmission line will span a distance of 1.3 miles to connect the plant to the national grid.
8. Project Value	<p>The total value of the project is USD 292.62 million, or about USD 10,080.76 million.</p>
9. Source of Project Funding	<ul style="list-style-type: none"> ▪ The debt-to-equity ratio of Project Minbu is estimated to be not more than 65:35 for Phase 1. (Phase 2-4 is under negotiation with a financial institution). Debt to Equity ratio must not be lower than 65:35. The capital portion must not be higher than 35.)^{3/} ▪ The capital amount is USD 102.42 million, or equivalent to THB 3,528.27 million. ▪ The loan amount is USD 190.20 million or equivalent to THB 6,552.49 million. ▪ GEP-Myanmar has entered into a Credit Facilities Agreement with two financial institutions in Thailand for a project finance for Phase 1 of Project Minbu
10. Commercial Operation Date (“COD”)	<ul style="list-style-type: none"> ▪ Phase 1 within 480 days from the date of the Power Purchase Agreement which falls on July 13, 2017. However, one of the conditions subsequent of Share Purchase Agreement requires that GEP-Myanmar must be granted by EPGE the extension of COD for Phase 1 to December 31, 2017 or after December 31, 2017^{4/}, which GEP expects Project Minbu to be commercially operating by the first quarter of 2018. ▪ Phase 2 to 4 within 360 days of the commercial launch date of the previous phase.

Remarks: 1/ Information on the structure of GEP and AVA Capital Trading Limited, please refer to Attachment 2.

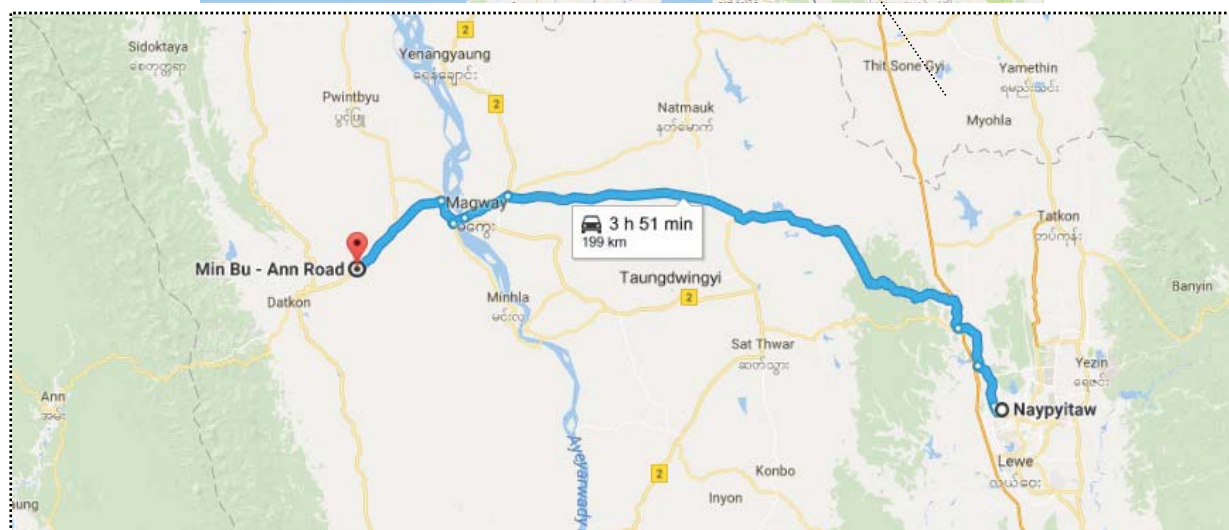
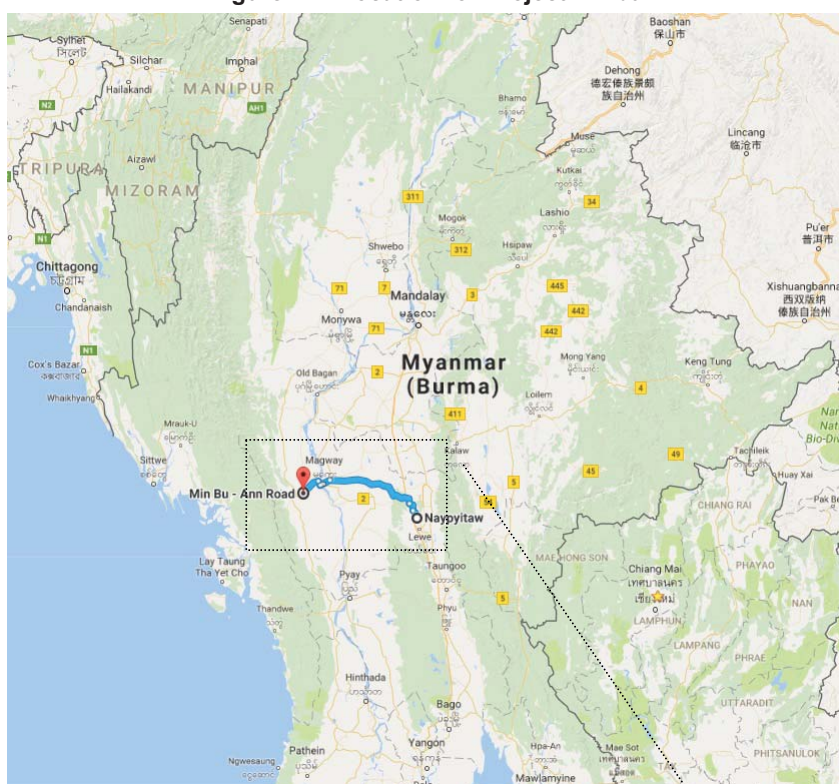
2/ Please refer to Footnote 1 in the previous table.

- 3/ If the debt to equity ratio of project in Phase 2-4 is lower than 65:35 percent, ECF-Power has the right to sell the shares back to the sellers under the terms of the share purchase agreement.
- 4/ Conditions Subsequent to the share purchase agreement requires that GEP-Myanmar to be approved or receives an amendment by EPGE for the extension of the commercial commencement on December 31, 2017 or after December 31, 2017. If such condition subsequent has not completed by December 31, 2017, ECF-Power has the right to sell the shares back to the seller under the share purchase agreement.

2.2 Location for Project Minbu

The project site is located approximately 150 kilometers in the northwest direction from Myanmar’s capital city, Nay Pyi Taw, and is an approximate 4-hour drive (199 kilometers). The site is located in Minbu city, Magwe State with geographical coordinates of 20° 02' 54.932" N (Latitude) by 94° 41' 16.006" E (Longitude). The site is approximately 30 kilometers in the southwest direction from the city of Magway. The main road (Magwe- Nay Pyi Taw highway) is for a travel access to the site from the Magway region.

Figure 2-2: Location for Project Minbu



Source: Google Map showing the location of the project, which is about 199 km. from the national capital Nay Pyi Daw but it takes about 4 hours by car

Figure 2-3: Site Location for Project Minbu from Minbu city



Source: Technical Due Diligence on Project Minbu by OWL-Energy dated March 9, 2017

Project Minbu will be located on a leasehold land of approximately 836 acres (or equivalent to 2,114.8 rai), which is sufficient for the construction of the four phases of Project Minbu. OWL-Energy estimated that Project Minbu will require a total of approximately 750 acres (or equivalent to 1,896.97 rai). Both Phase 1 and Phase 2, require an approximately 700,000 square meters each and in Phase 3 and Phase 4, approximately 737,500 and 900,000 square meters respectively.

Figure 2-4: Layout plan of the four phase of Project Minbu

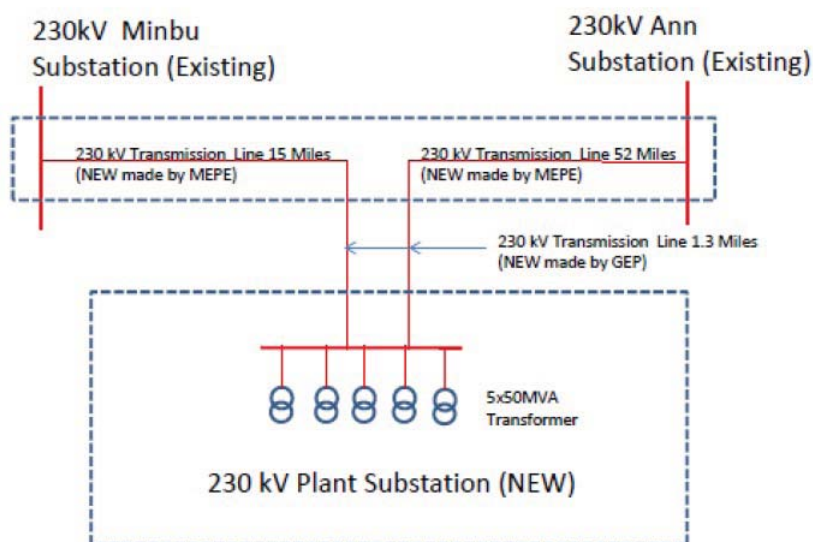


Source: Technical Due Diligence on Project Minbu by OWL-Energy dated March 9, 2017

The leasehold right of Project Minbu area will be equal to or greater than the duration of the power purchase agreement. The leased space of 700 acres (or equivalent to 1,770.50 acres) is owned by AVA Capital Trading Limited ("**AVA Capital**").² The specified area is under the supervision of the Ministry of Agriculture, Livestock and Irrigation (MOAI). GEP-Myanmar will sub-lease the land from AVA Capital. The lease of 136 acres (or equivalent to 343.98 acres) will be under GEP-Myanmar by which the specified area is under the supervision of the Ministry of Natural Resources and Environment (MNREC). Nevertheless, both leasehold areas are still awaiting approval from the government agencies.

Project Minbu is located between 230 kV sub-station of Minbu city and 230kV sub-station of Ann city. The sub-station of Minbu city is located 15 miles (or approximately 24.1 kilometers) to the east of Project Minbu. The sub-station of Ann city is located 52 miles (or approximately 24.1 kilometers) away to the west of Project Minbu. At the present, the electricity demand of Minbu city and surrounding areas is approximately 25 to 35 megawatts. It is expected generated capacity of 50 megawatts, will be used to support the use of electricity in the Minbu district (national grid line). The Minbu Project power plant sub-station will supply electricity to Myanmar's western power transmission line system of 230 kV. The operator of Project Minbu will be responsible for the construction a 5 x 50MVA sub-station within the project. The main transmission line of approximately 1.3 miles (or 2.1 km) long, has been completed and is ready to be connected to the national grid line.

Figure 2-5: Connection of Power Supply from Project Minbu's Substation to the National Grid Line



Source: Technical Due Diligence on Project Minbu by OWL-Energy dated March 9, 2017

In order to conduct due diligence for this Transaction, the Company has engaged Owl Energy Company Limited ("**OWL-Energy**") as a technical advisor to conduct a technical due diligence on Project Minbu. OWL-Energy stated Project Minbu has no significant risk issues. The risks that OWL-Energy has pointed out include: (1) transportation condition to Project Minbu is still in a poor condition; (2) Soil quality monitoring, the design and construction foundations still need to be improved; (3) there is no need to construct a flood protection system as Project Minbu is located in a low flood risk area; (4) there is a low probability of occurrence of earthquakes in Project Minbu area during the power purchase agreement period; and (5) resistance from the community or the public is very unlikely.

² For more information about the corporate structure of GEP, GEP-Myanmar and its related companies, including AVA Capital Trading Limited, please refer to Appendix 2 of this IFA Report.

Figure 2-6: Bird's-eye view of Project Minbu



Source: GEP

Figure 2-7: Picture from Project Minbu's site



Source: Technical Due Diligence on Project Minbu by OWL-Energy dated March 9, 2017

2.3 Power Purchase Agreement

GEP-Myanmar entered into a Power Purchase Agreement or (“PPA”) with Myanmar Electric Power Enterprise or (“MEPE”) which changed the name to Electric Power Generation Enterprise (“EPGE”) on 20 March 2016 with an amendment on January 9, 2017. The key information of Power Purchase Agreement is as follows.

Table 2-3: Key Terms of the PPA

Signing Date	March 20, 2016 An amended version dated January 9, 2017
Counterparties	Purchaser: MEPE (later changed to EPGE) Seller: GEP (Myanmar) Company Limited
Power Purchase Rates or-Tariffs	The power purchase tariff is USD 0.1275 per kilowatt-hour, or equivalent to THB 4.39 per kilowatt-hour. This is a fixed rate throughout the 30-year agreement period commencing from the commercial operation date (COD) of Phase 1. The purchase price will be in USD.
Amount of Electricity to be purchased	EPGE will buy the net amount of electricity that GEP-Myanmar actually produces and transmits into the grid with a maximum power production of 105 percent of the net power expected to be produced under the contract. However in the event that Project Minbu generates more than 105% of its expected power production under the EPGE contract. All the excess electricity generated will be distributed to the system without paying for such excess electricity.
Purchasing Period	30 years after the commercial operation date of Project Minbu Phase 1
Commercial Operation Date	Phase 1 within 480 days ^{1/} after the effective date of the Power Purchase Agreement which is on July 13, 2016 (based on OWL-Energy estimate) Phase 2 to 4 within 360 days after the commercial operation date of the previous phase.
Performance Security	Letter of guarantee which is of USD 3 million worth (or equivalent to THB 105 million).
Curtailement	None (Under normal circumstances)
Facility Fluctuations or Failure Events	<ul style="list-style-type: none"> ▪ If the electricity pressure fluctuates more than 30 percent over a period of 30 minutes or if EPGE system damage or disruption is caused by Project Minbu, GEP-Myanmar has to compensate USD 5,000 per day. ▪ In the event of the disruptions, causing the EPGE system to cease to operate, GEP-Myanmar will be liable for damages in the amount of USD 25,000 per day. ▪ The penalty caused by the above incident would not be more than USD 750,000 per year. <p>(However, OWL-Energy has commented that the above incident is not likely to happen).</p>
Liquidated Damage for Delay	If Project Minbu in any phase fails to be commercially operated within the time-frame specified in the PPA and the cause of the delay is not due to the EPGE, GEP-Myanmar will be fined USD150 per day per MW _{AC} ^{2/}
EPGE (Step-In Rights)	EPGE can act on behalf of GEP-Myanmar or EPGE contractors to support continuous operations of the power plant GEP-Myanmar fail to act according to the PPA or acts on an Event of Default. GEP-Myanmar is responsible for all expenses incurred as a result of EPGE's operation. However, such operations must be approved by the financial institution.
Termination of Agreement	<ul style="list-style-type: none"> ▪ If either party fails to comply with the contract and does not rectify it at the scheduled time. The other party has the right to terminate the contract by written notice. ▪ Event of Default as stated in the contract.
Applicable Law	Law of the Republic of Union of Myanmar

- Source: Power Purchase Agreement dated March 24, and amended version dated January 9, 2017 and technical due diligence report dated March 9, 2017 by OWL-Energy.
- Remarks: 1/ Conditions Subsequent in Share Purchase Agreement requires that GEP-Myanmar to be approved or seek an amendment by EPGE for the extension of commercial commencement on December 31, 2017 or after December 31, 2017. If such condition subsequent has not completed by December 31, 2017, ECF-Power has the right to sell the shares back to the seller under the share purchase agreement.
- 2/ Project Minbu has an installed capacity of 220 MW_{DC} (direct current) to produce 170 MW_{AC} (alternating current) Phase 1 to Phase 3 each phase has an installed capacity of 50 MW_{DC} to produce electricity of 40 MW_{AC} and Phase 4 has an installed capacity of 70 MW_{DC} to produce 50 MW_{AC}.

2.4 Power Generation Process

Project Minbu uses technology that generates electricity by solar cells or Photovoltaic method which is a method for generating electrical power by using solar cells or Photovoltaic cells (PV) to convert energy from sunlight into electricity. The power generation process is as follows:

Figure 2-8: Power Generation from Solar Power Diagram



Source: Summarized by Independent Financial Advisor

When the sunlight strikes the solar cell, electric power is then produced from the solar cell. The generated power is a direct current with low voltage. Such low-voltage direct current is passed through an inverter to convert it into alternating current with low voltage. Subsequently, the low-voltage alternating current is conveyed into a transformer to increase its voltage before transmitting to the national grid line.

For Project Minbu, the alternating current from inverter will be assembled by 33 kV transformer, switchgear and distribution systems. The low-voltage alternating current is boosted up to 230 kV by four 230-33 kV step-up transformers before transmitting to the national grid line.

2.5 Main Components of Project Minbu

The main equipments of Project Minbu are, namely: (1) PV solar modules, (2) inverter, (3) transformer, and (4) 230 kV substation equipment.

According to the preliminary design of Project Minbu, the number of installable solar module is approximately 700,000 modules, which has the capacity of 310-320 watts per module, and will be using about 170 inverters. Moreover, OWL-Energy also recommended that the solar modules should be angled at 18 degrees.

2.5.1 Solar Modules

Project Minbu will be using polycrystalline solar modules from Jetion Solar with the capacity of 310-320 watts per module. Each module is 992 millimeters wide, 1,956 millimeters long, and weighs 25.5 kilograms.

Table 2-4: Summary of Solar Modules to be used in the project

Characteristics	Units	
Model		Jetion Solar
Cell Type		Polycrystalline
Nominal power	Wp	310-320
Power tolerance		0 to +5W
Dimensions		1,956mm * 992mm
Module efficiency		16.5%
Weight	KG	25.5

Source: Technical Due Diligence on Project Minbu by OWL-Energy dated March 9, 2017

2.5.2 Inverter

Project Minbu has submitted a request for using the inverter of SMA, Model SMA-Sunny Central 1000CP XT, which has the maximum Input DC at 1000 kW and Output AC at 350 kW.

2.5.3 Transformer and 230 kV Substation Equipment

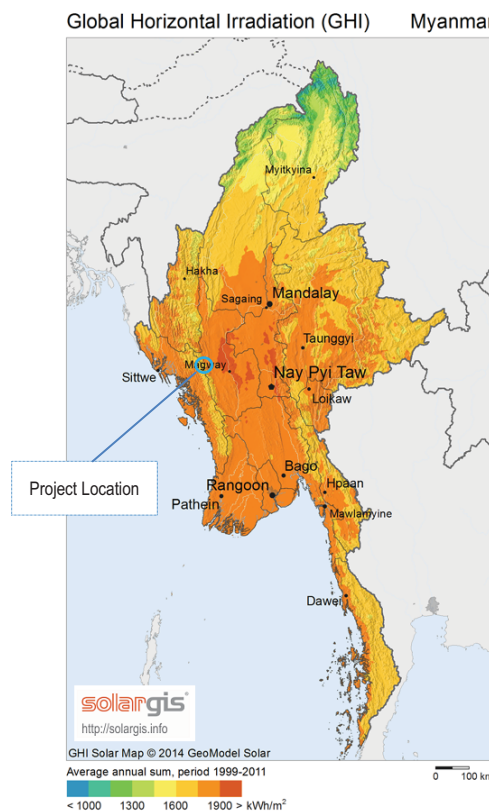
The project has submitted a request for using Simens' brand transformers, systems and equipments for sub station of 230kV project. The transformer and equipment will meet the requirements and standards of EPGE and International Electro-Technical Commission (IEC), which is a universal standard.

2.6 Assessment of solar irradiance level and energy yield results

2.6.1 Assessment of solar irradiance level

OWL-Energy has derived information from iMaps (SolarGIS iMaps application), a global horizontal irradiation map database ("GHI"), which the information from iMaps is based on satellite imagery, atmospheric information inputs, and 19 years of geographic data (1991-2010) compile with the data collection station of the Meteorological Department which is located from Project Minbu's location of 50 square kilometers. As a result, the GHI estimates for Project Minbu at 1,890 kilowatt-hours per square meters per year.

Figure 2-9: Solar Intensity Diagram of the project's site



Source: www.solarqis.com

2.6.2 Energy Yield Results

The feasibility study prepared by OWL-Energy estimates net energy yield using the inputs from solar modules, sunlight exposure data from New Energy and Industrial Technology Development Organization (NEDO), site temperature, shadow effect, power conversion losses, and depreciation rate of the solar modules and inverter data into the PVsyst Simulation Software leading to the energy yield expected to be produced by the installed capacity of 220 megawatts according to the following table.

Table 2-5: Energy Output for Project Minbu at an installed capacity of 220 MW

Year	Degradation Factor ^{1/}	P50 ^{2/}	P75 ^{3/}	P90 ^{4/}	P99 ^{5/}
0	98.0%	352,154,928	335,994,505	321,449,621	296,416,846
1	97.0%	348,561,510	332,565,990	318,169,523	293,392,184
2	96.3%	346,046,118	330,166,029	315,873,454	291,274,921
3	95.6%	343,530,726	327,766,068	313,577,385	289,157,658
4	94.9%	341,015,333	325,366,107	311,281,317	287,040,395
5	94.2%	338,499,941	322,966,147	308,985,248	284,923,132
6	93.5%	335,984,549	320,566,186	306,689,179	282,805,868
7	92.8%	333,469,156	318,166,225	304,393,110	280,688,605
8	92.1%	330,953,764	315,766,264	302,097,042	278,571,342
9	91.4%	328,438,372	313,366,304	299,800,973	276,454,079
10	90.7%	325,922,979	310,966,343	297,504,904	274,336,816
11	90.0%	323,407,587	308,566,382	295,208,836	272,219,552
12	89.3%	320,892,195	306,166,421	292,912,767	270,102,289
13	88.6%	318,376,802	303,766,461	290,616,698	267,985,026
14	87.9%	315,861,410	301,366,500	288,320,629	265,867,763
15	87.2%	313,346,018	298,966,539	286,024,561	263,750,500
16	86.5%	310,830,625	296,566,578	283,728,492	261,633,237
17	85.8%	308,315,233	294,166,618	281,432,423	259,515,973
18	85.1%	305,799,841	291,766,657	279,136,355	257,398,710
19	84.4%	303,284,448	289,366,696	276,840,286	255,281,447
20	83.7%	300,769,056	286,966,735	274,544,217	253,164,184
21	83.0%	298,253,664	284,566,775	272,248,148	251,046,921
22	82.3%	295,738,271	282,166,814	269,952,080	248,929,657
23	81.6%	293,222,879	279,766,853	267,656,011	246,812,394
24	80.9%	290,707,486	277,366,892	265,359,942	244,695,131
25 ^{6/}	80.2%	288,192,094	274,966,932	263,063,874	242,577,868

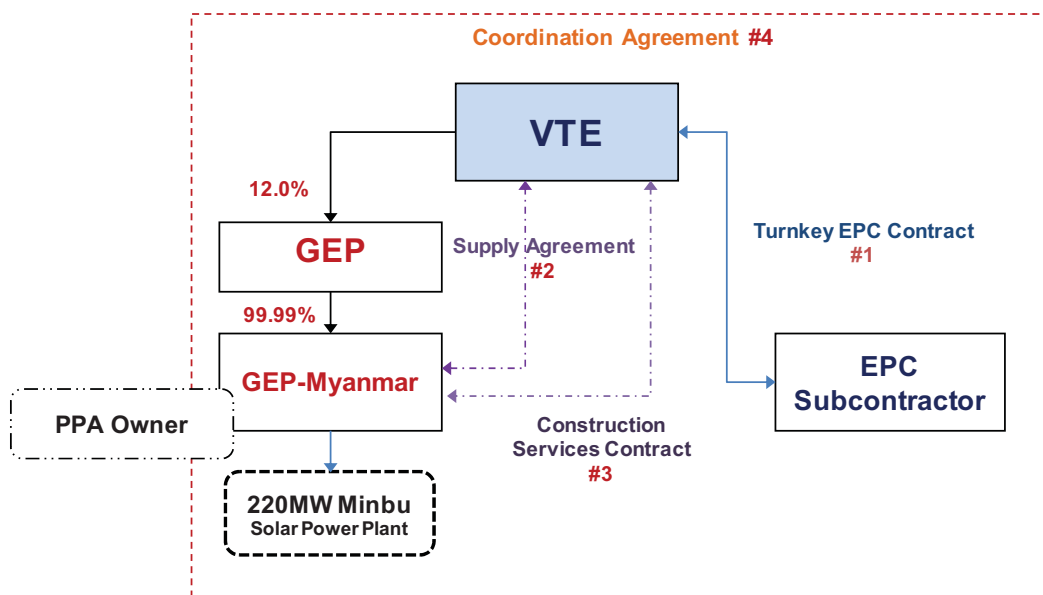
Source: Technical Due Diligence on Project Minbu by OWL-Energy dated March 9, 2017

Remarks: 1/ Degradation Factor is deterioration rate of solar panel which is 1% and 0.70% for year 1 and year 2-25 respectively
2/ P50 means with a probability of 50%, the level of sunlight can generate the annual energy production at least 348,561,510 kWh for year 1 after deducting degradation rate at 1.00%
3/ P75 means with a probability of 75%, the level of sunlight can generate the annual energy production at least 332,565,990 kWh for year 1 after deducting degradation rate at 1.00%
4/ P90 means with a probability of 90%, the level of sunlight can generate the annual energy production at least 318,169,522 kWh for year 1 after deducting degradation rate at 1.00%
5/ P99 means with a probability of 99%, the level of sunlight can generate the annual energy production at least 293,392,184 kWh for year 1 after deducting degradation rate at 1.00%
6/ OWL-Energy has commented that the performance of solar panels after the 25th year will have the same degradation rate of 0.7 percent as such rate 1st year to 25th year.

2.7 EPC contractor and EPC Subcontractor

Project Minbu has contracted VTE Engineering ("VTE") to be the Engineering Procurement and Construction ("EPC Contractor") under a contract to provide construction services which includes civil works, machinery installation and testing, purchasing equipment and tools used in the project (including solar modules), as well as the financing used during construction ("EPC + F Contract")³. VTE has sub-contracted China Triumph International Engineering Group Co., Ltd ("CITEC"), a leading Chinese contractor, as a contractor (EPC Subcontractor) for the construction of Project Minbu, and it has the obligation to implement performance security after completion of the construction work. VTE is responsible for providing financial assistance to Project Minbu, as a financing provider during construction.

Figure 2-10: Structure of various contractors in Project Minbu



Remarks: VTE refers to Vintage Engineering Public Company Limited or the subsidiaries of VTE
 GEP refers to Green Earth Power (Thailand) Company Limited
 GEP-Myanmar refers to GEP (Myanmar) Company Limited
 EPC Subcontractor refers to a Chinese Triumph International Engineering Group Co, Ltd ("CITEC")

Table 2-6: Summary of Material Agreements for Project Minbu’s contractors

	Name of the Contract	Scope of the Contract
#1	Turnkey EPC Contract <i>between</i> VTE and CITEC (EPC Subcontractor)	<ul style="list-style-type: none"> Contract for the construction of Project Minbu consists of civil works, equipment installation and testing. All tools and equipment (including PV modules) for Project Minbu are to be supplied for use in Myanmar.
#2	Supply Agreement <i>between</i> VTE <i>and</i> GEP-Myanmar	<ul style="list-style-type: none"> VTEC (a subsidiary of VTE) is responsible for purchasing the equipments and tools (including PV modules) from outside Myanmar to be used by VTE (or a subsidiary of VTE) to assemble Project Minbu as per the Construction Services Agreement. GEP-Myanmar will pay for the equipments and tools that are provided to VTEC for use in the construction of the Project once Phase 1 has been completed (deferred payment). VTEC is responsible for the equipments and tools supplied to contractors until equipment and tools have been used to complete the construction of Phase 1.

3 EPC+F Contract differs EPC contract, generally in two aspects: (1) EPC contract does not include the arrangement for project financing by the contractor during the construction period; and (2) the payment terms to EPC contractor normally follow the percentage of completion of the project whereas EPC+F contractor will receive the large lump sum (remaining portion) at the end of the project or when the owner of the project able to draw-down on take-out loan from their project finance.

	Name of the Contract	Scope of the Contract
#3	Construction Service Agreement <i>between</i> <i>VTE and GEP-Myanmar</i>	<ul style="list-style-type: none"> ▪ VTIEC (or a subsidiary of VTE) is to construct the project (this includes civil works, installation and system testing) as well as provide financing for Project Minbu during the construction period in Myanmar. ▪ GEP-Myanmar will pay for the construction services provided by VTIEC once Phase 1 has been completed (deferred payment). ▪ VTIEC is responsible for the contractors during the construction period.
#4	Coordination Agreement <i>between</i> <i>GEP-Myanmar and</i> <i>VTE and CITEC</i>	<ul style="list-style-type: none"> ▪ The construction of Project Minbu is governed by a turnkey contract that is subject to various agreements; this agreement outlines the duties and responsibilities of all parties involved. For an overview of the role of the subcontractor, see the turnkey construction contract.

Source: Information provided by GEP and construction contract of various power plants, dated August 3, 2016 and amended November 3, 2016, with the original version in English.

The main contract related to the construction of Project Minbu can be summarized as follows:

Table 2-7: Summary of Supply Agreement

Employer	GEP-Myanmar
Supplier	VTE EPC Company Limited (VTEC) , a subsidiary of VTE
Contract Signing Date	August 3, 2016 and amended on November 3,2016
Scope of Contract	Supply of spare parts and machine for construction of solar power plant project
Effective Date	November 3, 2016
Contract Value	Total contract value is USD 212.04 million, which is divided in to four phases as follows: <ul style="list-style-type: none"> ▪ Phase 1 : USD 50.81 Million ▪ Phase 2: USD 49.00 Million ▪ Phase 3: USD 46.76 Million ▪ Phase 4: USD 65.47 Million
Payment	Within 120 days after the date of delivery all the works to GEP-Myanmar
Processing Period	Phase 1: 270 Days from the date of the Notice to Proceed which is November 3,2016 Phase 2-4: As agreed by the parties
Warranty Period	<ul style="list-style-type: none"> ▪ The Power Generation from Solar Cell: 25 Year ▪ The Use of Solar Cell: 10 Year ▪ The Support Structure of Solar Cell: 10 Year ▪ Inverter, Transformer and Sub station: 5 Year
Power Performance Warrant	24 Month and 28 Days after the completion of construction
Conditions Precedent of the Notice to Proceed for Phase 2 - 4	<ul style="list-style-type: none"> ▪ Previous phase of Project Minbu started commercial operation (COD) ▪ Received a letter from the lender to support the construction of each phase of Project Minbu
Delay in construction or failure to achieve the agreed power agreement	<ul style="list-style-type: none"> ▪ If VTEC cannot supply the equipment on the schedule of each phase. The penalty is 0.05% of the contract value per day until the construction of such phase is completed. This penalty must not exceed 8% of the contract value of each phase. ▪ If VTEC cannot deliver all equipments within 7 days after receiving the notification letter from GEP-Myanmar or VTEC has already paid its fine more than 8% of the contract value, GEP-Myanmar can engage other suppliers to replace VTEC. And VTEC is responsible for all expenses incurred from such engagement. ▪ If Project Minbu can not generate electricity to meet the specified level, VTEC will be subject to the penalty of 0.05% of the contact value per day until the construction of such phase is completed. This penalty must not exceed 8% of the contract value of each phase.
Other important conditions	<ul style="list-style-type: none"> ▪ The Parties cannot assign the right in this contract to other party. ▪ To pledge 60% of GEP's total registered shares to VTEC ▪ VTEC must provide insurance to cover all damages during the delivery process.

Table 2-8: The Summary of Construction Service Agreement.

Employer	GEP-Myanmar
Contractor	VTE International Construction Co., Ltd (VTIEC), a subsidiary of VTE
Signing Date	August 3, 2016 and amended on November 3, 2016
Scope of contract	Design, construction and installation of solar power generation system
Effective Date	November 3, 2016
Contract Value	Total contract value is USD 70.68 Million, which is divided in to four phases as follows: <ul style="list-style-type: none"> ▪ Phase 1 : USD 16.94 Million ▪ Phase 2 : USD 16.33 Million ▪ Phase 3 : USD 15.59 Million ▪ Phase 4 : USD 21.82 Million
Payment	<ul style="list-style-type: none"> ▪ Advance Payment: 20% of the contract value in each phase of Project Minbu ▪ Remaining Amount: Within 120 days after the date of delivery all the works to GEP-Myanmar
Construction Period	Phase 1: 270 Days from the date of the Notice to Proceed which is November 3, 2016 Phase 2-4: As agreed by the parties
Power Performance Warrant	24 Month and 28 Days after the completion of construction
Condition Precedent of the Notice to Proceed for Phase 2 - 4	<ul style="list-style-type: none"> ▪ Receive Advance Payment ▪ Previous phase of Project Minbu started commercial operation (COD) ▪ Receive the confirmation from GEP-Myanmar regarding to the construction layout and operation plan for each phase ▪ GEP-Myanmar agree on conditions to engage O&M contractor for each phase of Project Minbu ▪ Received a letter from the lender to support the construction of each phase of Project Minbu
Delay in construction or failure to achieve the agreed power agreement	<ul style="list-style-type: none"> ▪ If VTIEC cannot finish the construction on the schedule of each phase. The penalty is 0.05% of the contract value per day until the construction of such phase is completed. This penalty must not exceed 8% of the contract value of each phase. ▪ If VTIEC cannot finish the construction of each phase within 7 days after receiving the notification letter from GEP-Myanmar or VTIEC has already paid its fine more than 8% of the contract value, GEP-Myanmar can engage other contractor to replace VTIEC. And VTIEC is responsible for all expenses incurred from such engagement. ▪ If Project Minbu cannot generate electricity to meet the specified level, VTIEC will be subject to the penalty of 0.05% of the contact value per day until the construction of such phase is completed. This penalty must not exceed 8% of the contract value of each phase.
Other important conditions	<ul style="list-style-type: none"> ▪ The Parties can not assign the right in this contract to other party. ▪ Any construction contract that has been executed prior to the signing of this contract (Novated Work) such as ground level adjustment and Transmission system is the responsibility of VTIEC. And the payment made to any contractor under such contract can be deducted form the advance payment in phase 2 ▪ To hire the sub contractor must be approved by GEP-Myanmar ▪ To pledge 60% of GEP's total registered shares to VTEC ▪ VTEC must provide insurance to cover all damages during the construction process.

▪ EPC Subcontractor

VTE has sub-contracted China Triumph International Engineering Group Co., Ltd ("**CITEC**"), a leading Chinese construction contractor as a EPC Subcontractor for the construction of Project Minbu. CITEC is part of the China Building Material Group Corporation, a state-owned company rated by Fortune Magazine to be one of the 500 leading companies, CITEC is a national engineering company which is a high technology enterprise with high qualification and privilege of foreign trade in various fields in all respects such as building materials, alternative energy architecture and waste management. The CITEC group has two listed companies on the A-Share market (Chinese listed in China the

Shanghai and Shenzhen Stock Exchanges and the H-Share (or Chinese registered shares in Hong Kong).

CITEC's Renewable Energy Engineering Division is responsible for the engineering design business and the construction of a new energy house and housing industrialization. With over 60 years of experience as a contractor for both domestic and international projects, CITEC employs over 2,000 engineers in which 20 of them are specialists licensed by the State Council of China. Currently, CITEC aims to be the world leader in the construction of solar power system and solar thermal power. In addition, CITEC also have many successful projects both domestic and international running businesses in countries like China, the United States, the United Kingdom, Europe, Japan, Southeast Asia and many other regions.

Table 2-9: Samples of CITEC's work as a contractor for solar power plant projects

Project name/ Location	Country	Production Capacity (MW)	Status
Puyang, Henan Province	China	60	Under construction
Henan Province	China	20	Under construction
Yuli, Xinjiang Province	China	20	Completed construction
Keping, Xianjiang Province	China	20	Completed construction
Shangjian, Xinjiang Province	China	30	Completed construction
Yingjisha, Xinjiang Province	China	30	Completed construction
Maryland State	United States of America	7.4	Under construction
Otawara	Japan	1	Completed construction
Chiba-Ken	Japan	1.95	Completed construction
Fukushima	Japan	27	Pre-construction phrase
Nongki	Thailand	12.5	Completed construction
Prachonchai	Thailand	12.5	Completed construction
Prachinburi	Thailand	25	Completed construction
Hayford Farm, Westbury	England	9.81	Completed construction
Pontre Farm, Llanneli	England	6.3	Completed construction
Barrow-on-Furness	England	7.2	Completed construction
Scunthorpe	England	40	Completed construction
Burnt Ash	England	13	Pre-construction phrase

Source: GEP

In addition, CITEC Group performance has improved continuously with total revenue and net profit in 2015 of 8,039.2 and 657.80 million yuan, respectively, representing a net profit margin of 8.18 %

Table 2-10: CITEC Financial Information for 2013 - 2015

Statement of Financial Position <i>Unit: Million Yuan</i>	31 December 2013	31 December 2014	31 December 2015
Total Asset	11,258.41	16,210.59	20,512.15
Total Liabilities	8,199.40	12,399.29	15,919.78
Shareholder's equity	3,059.01	3,811.30	4,592.37
Debt to Equity ratio ^{1/} (times)	2.68x	3.25x	3.47x
Income Statement <i>Unit: Million Yuan</i>	2013	2014	2015
Revenue	6,786.75	7,653.72	8,039.20
Net Profit	555.06	666.37	657.80
Net Profit Margin ^{1/} (%)	8.18%	8.71%	8.18%

Source: GEP. CITEC's financial statements were audited by Baker Tilly China

Remarks: 1 / Calculated by Independent Financial Advisor

▪ Project Consultant / Design / Owner's Engineer

GEP has hired Black & Veatch Thailand Co., Ltd. ("**B & V**" or "**Project Consultant**") to study the feasibility of the 220 MW solar power plant project in Minbu, Myanmar. The report covers the technical feasibility study, finance and commercial viability, operational and implementation plan risk analysis of Project Minbu. In addition, GEP has appointed B & V as the project engineer for Project Minbu to control the quality and standard of the power plant.

B & V is a global engineering design firm based in the United States. Since 1915, B & V has delivered a stable infrastructure design through many projects such as power plants and transmission lines, renewable energy, telecommunications and water management, etc. B & V aims to continue to build on the confidence of customers with world-wide experience and tailor-made workflows.

Examples of B&V's design engineering of solar power plants are as follows:

Table 2-11: Examples of Power Plant Projects by B & V over the last three years:

No.	Technology	Role	Project Info	Capacity	Country
1.	Solar	Lender's Engineer	China Portfolio of 18 Solar PV Projects	700 MW	China
2.	Solar	Owner's Engineer	Solar PV project in Inner Mongolia	2.4 MW	China
3.	Solar	Owner's Engineer	Solar PV project in Tibet	30 MW	China
4.	Solar	Bank's Engineer	Solar PV project in Mimasaka	30 MW	Japan
5.	Solar	Bank's Engineer	Solar PV project in Okayama	25 MW	Japan
6.	Solar	Lender's Engineer	Jingsu Solar PV project	100 MW	China
7.	Solar	Owner's Engineer	Lopburi solar farm	55 MW	Thailand
8.	Wind	Owner's Engineer	Design review of two 50MW projects	100 MW	Pakistan
9.	Wind	Independent Engineer	Bac Lieu Wind Project	83.2 MW	Vietnam
10.	Wind	Independent Engineer	AES China Coal and Wind Portfolio	200 MW	China

Source: Black & Veatch Data

2.8 Operation and Maintenance: O&M

GEP-Myanmar plans to engage CITEC, which is EPC Subcontractor of Project Minbu to provide operation and maintenance services under the O&M Contract to assure that Project Minbu operates with efficiency since EPC Subcontract is considered to be expert in maintaining its own construction project. Currently, this contract which includes the spare parts for all phase of Project Minbu is under the negotiation process. The contract value will be USD 2 million per year or USD 9,090 per megawatts and will increase every 5 years.

2.9 Technical Advisor to conduct technical due diligence on Project Minbu

The company has engaged OWL Energy Company Limited ("**OWL-Energy**") as a technical advisor to verify the technical status of the Minbu Project (Technical Due Diligence). OWL-Energy has studied various important factors for the development of solar power plant projects for instance the weather and land condition, solar irradiance level, quality and features of solar panels and converters and net energy is expected to generate each year. OWL-Energy is also an adviser to lender financial institutions that provide credit facilities for Project Minbu.

OWL-Energy is part of the OWL Group, one of the largest energy engineering consulting companies in East Asia with offices in Hong Kong, Thailand and the Republic of the Union of Myanmar providing services to customers in Asia and Australia. OWL Energy Company Limited in Thailand was established on August 17, 2009, the company has an engineering consulting service in various fields as follows: Owner's Engineer, Lender's Engineer, Feasibility Study, Technical Review, Project Management, Construction Management. OWL-Energy's past records are as follows

Table 2-12: Sample of OWL-Energy's track record on solar power plant projects in 2013-2016

	Role	Project Names / Clients Names	Project Location	Capacity
1	Owner's Engineer	-	Cambodia	2*200 MW
2	Owner's Engineer	SaCaSol Solar Project / San Carlos Solar Energy Inc.	Philippines	22 MW
3	Lender's Engineer	220 MW Solar PV Project	Minbu, Myanmar	220 MW
4	Lender's Engineer	Prime Renewable Development (5 projects)		4*5 MW and 1*3 MW
5	Lender's Engineer	TEE Solar Power Project / Thai Future Engineering	Thailand	6*4 MW
6	Lender's Engineer	TSE Solar LE	Thailand	10*8 MW
7	Technical Reviews	Thai investors	Mandalay, Myanmar	2*150 MW

Source: www.owlenergy.biz

2.10 Initial Capital Investment for Project Minbu

Project Minbu's initial capital investment can be summarized by the following table.

Table 2-13: Required Initial Investment for Project Minbu

Capital expenditure (Unit: Million USD)	Initial Cost					
	Phase 1 50 MW	Phase 2 50 MW	Phase 3 50 MW	Phase 4 70 MW	Total 220 MW	% of Total
1. EPC+F Contract	67.75	65.33	62.35	87.29	282.72	96.62%
2. Other expenses not included in 1.	5.02	1.56	1.53	1.78	9.90	3.38%
Total Investment Cost	72.77	66.89	63.88	89.07	292.62	100.00%

Source: GEP

Remarks: 1. EPC+F Contract is a contract for construction services under the form of construction contract that includes civil works, machinery installation and testing and purchasing of all equipment and tools used in Project Minbu (including photovoltaic panels) as well as the financing used during construction.

2. Other expenses not included in 1. include land rental expenses various advisory fees, etc.

2.11 Source of funding for Project Minbu

The project's total investment cost is approximately USD 291.11 million or equivalent to THB 10,188.85 million. The sources of funds for the Transaction are as follows:

Table 2-14: Source of funding for Project Minbu

Sources of Fund	Amount (USD Million)	Amount (THB Million)	% of total
1. GEP Funding ^{1/}	102.42	3,528.27	35.00
2. Borrowings from financial institutions	190.20	6,552.49	65.00
Total	292.62	10,080.76	100.00

Source: The Company and GEP

Remarks: ECF-Power has the obligation for a capital increase of not more than US 20.22 million or equivalent to THB 696.58 Million

GEP has entered in a Credit Facilities Agreement with two financial institutions in Thailand as lenders in the form of Project Finance at a floating rate based on a 3-Month LIBOR for Phase 1 of Project Minbu with 50 MW installed capacity for 12 years from the start of COD. Therefore, the IFA has referred to the financial costs and significant terms from such loan agreements to be used to determine the financial cost assumptions for Project Minbu in Phase 2 to Phase 4, which is consistent with the interview of the management of GEP. The management pointed out that the financial cost and conditions for the loan agreement in Phase 2-4 are similar to those obtained in phase 1, and the conditions are likely to improve once the financial institutions are more confident of the success from Phase 1. The details of the loan agreement for Phase 1 can be summarized as follows.

Table 2-12: Key Terms in Credit Facilities Agreement for Phase 1 of Project Minbu

Contract Signing Date	October 19, 2016
Borrower	GEP (Myanmar) Co., Ltd. ("GEP-Myanmar")
Lender	Two financial institutions from Thailand in the form of project financing
Guarantor	1. Planet Energy Holdings Pte. Ltd. ("PEH") 2. Noble Planet Pte. Ltd. ("NP") 3. Vintage Engineering PLC ("VTE")
Purpose of the loan	To finance the construction of Phase 1 of the solar power plant project in Minbu, Myanmar with the capacity of 50 MW.
Duration	12 years after the commencement of commercial operation
Total Loan	Up to USD 48 million or equivalent to THB 1,680.60 million (USD 28.8 million from the first financial institution and USD 19.2 million from the second one)
Interest rate	LIBOR 3M + Spread ^{1/} (Based on the IFA's projection, the interest rate is at 6.55%)
Debt to Equity Ratio	Debt to Equity of not more than 65 : 35
Repayment	Repayment in every 3 months with the amount specified in accordance with contract. The first repayment schedule is 6 months from COD of Phase 1 or 31 January 2018, whichever comes first. ^{2/}
Mandatory Prepayment	Restricted payments include: dividend payments, repayment to shareholders' loans. GEP-Myanmar is required to pay 50% of the cash flows prior to the above payouts.
Other Terms	<ul style="list-style-type: none"> ▪ Maintain a debt-to-equity ratio of no more than 65: 35 ▪ Debt Service Coverage Ratio (DSCR) of no more than 1:1 times ▪ Appoint one of the financial institutions (creditors) as Facility Agent and Security Agent. ▪ No shareholder structure change is allowed and PEH NP and VTE must hold a combined percentage of not less than 100% in GEP unless otherwise agreed in writing by the lender. ^{3/} ▪ Phase 1 of the project requires a COD by July 31st, 2017, or by extension of the COD schedule as required by the PPA (which must be approved by the lender). ^{4/} ▪ The lenders has the first rights to be the lenders for Phase 2 to 4 (First Right of Refusal) ▪ Restrict GEP-Myanmar to operate other business aside from Project Minbu ▪ Hedging 75% of the interest rate risk through interest rate swap within February 2018.

Source: GEP and the Company Credit Facilities Agreement, which was originally in English.

- Remarks: 1/ The Company clarifies that the reference interest rate includes 3-month London Interbank Offered Rate (LIBOR). The 3-month TIBOR as at March 31, 2016 is 1.15% p.a. This interest rate also includes related interest rate swap fees.
- 2/ One of the conditions subsequent in SPA has required GEP-Myanmar to obtain the letter to approve the extension of the commercial operation date in Power Purchase Agreement. Therefore, the IFA has determined that GEP-Myanmar will start repaying its debt 6 months after COD of Phase 1 of Project Minbu.
- 3/ One of Conditions Precedent in the SPA requires GEP-Myanmar to be granted a waiver from the Lender by May 31, 2017.
- 4/ One of Conditions Subsequent in the SPA requires GEP-Myanmar to be granted a waiver from the Lender by December 31, 2017

2.12 Related Licenses or Permits

The following permits must be applied before the opening of a solar power plant in Republic of the Union of Myanmar.

Table 2-13: Summary of Important Permits

Permits	Progress and Conclusion
1) Power Purchase Agreement	▪ Signed the contract on March 20, 2019 and amended January 9, 2560
2) MIC Permit	▪ GEP-Myanmar has been approved by the Myanmar Investment Commission (MIC). GEP-Myanmar has received an official license on April 24, 2017 (the official license is dated on April 12, 2017).
3) Permit to Trade (DICA Permit)	▪ After obtaining the MIC Permit, GEP-Myanmar will change from a temporary license to a permanent license and GEP-Myanmar is required to renew the permit every 5 years from the date of first registration
4) Certificate of Exporter/ Importer Registration	▪ After receiving the MIC Permit, GEP-Myanmar will apply for the Certificate of Exporter / Importer Registration from the relevant authority which is expected to receive the approval document within 2 weeks after receiving the MIC permit.
5) Construction Permits	▪ GEP-Myanmar already received a Non-Objection Letter from the government in Minbu and the Magway district in which this document is sufficient for the construction of a legal power plant project in Myanmar.
6) Health and hygiene compliance certificate	▪ GEP-Myanmar has coordinated and cross checked with the related parties. It concluded that a license is <u>not</u> necessary for the construction or operation of power plant in Myanmar.
7) Environmental and Socio-economic Impact Assessment Report (ESIA report)	▪ GEP-Myanmar has completed and submitted the report for the purpose of consideration along with the MIC Permit application.
8) Permit required under the 2014 Electricity Law, Electricity Rules, and notifications and orders thereunder	▪ After GEP-Myanmar received the MIC Permit, GEP-Myanmar has the right to apply for this type of license from the Electric Power Generation Enterprise, Ministry of Electricity and Energy which is under coordination.
9) Regional Government approval / no objection	▪ The GEP-Myanmar received a non-objection letter from both the Government in Minbu and the Magway administrative district to be used in the construction of power plants.
10) Approvals for opening of any offshore currency accounts and transfer of loan proceeds directly to EPC contractor of its financier	▪ GEP-Myanmar will begin the process of obtaining the Central Bank of the Union of Myanmar after receiving the MIC Permit, which is expected to be completed by December 2017.
11) 700 acre land lease agreement from AVA Capital.	▪ AVA Capital has been granted a license to use the land from Myanmar Government. This original license was signed on February 20, 2017. Currently, GEP-Myanmar is in the process of preparing to sign the lease agreement with AVA-Capital.
12) Land lease agreement on 136 acres from MNREC	▪ GEP-Myanmar expects to receive a land lease agreement from MNREC by December 2017.

Source: The company and reference information from the Credit Facilities Agreement at SCHEDULE 11.3.

2.13 Other Information related to Project Minbu

2.13.1 Related Tax Issues

The Myanmar-based solar power plant projects under the development of GEP-Myanmar receive tax privileges comparable to BOI promotion for a solar power plant project in Thailand, GEP-Myanmar will receive special tax privileges which is corporate income tax exception from the Myanmar Investment Commission (MIC) at a 0% tax rate for the first five years of Project Minbu before the normal corporate income tax rate after the sixth year. The corporate income tax for Myanmar currently stands at 25 percent.

The share of profits distributed in the form of dividends to shareholders of GEP-Myanmar will be exempted from the withholding tax on dividends paid by GEP-Myanmar. Dividends received by GEP as income will be exempted from corporate income tax at 20% if GEP complies with the IRS conditions. In addition, the GEP share of the dividend distributed to GEP shareholders will be subject to withholding tax at the rate of 10%. However, GEP shareholders can apply for a tax credit.

2.13.2 Key Operating Timelines

Table 2-14: Important Operating Timelines

Steps	Lists	Timetable
1	GEP-Myanmar received MIC Permit	April 2017
2	Construction of Project Minbu Phase 1 begins	April 2017
3	ECF paid for the share purchase of GEP-Myanmar upon the completion of the Conditions Precedent	15 June 2017
4	Construction of Project Minbu Phase 1 completed	November 2017
5	Phase 1 of Project Minbu power plant commences COD	January 2018
6	GEP-Myanmar calls for capital increase for Project Minbu Phase 1	April 2018
7	GEP-Myanmar disbursement of Loan for construction cost of Phase 1	May 2018
8	Construction of Project Minbu Phase 2 begins	April 2018
9	Construction of Project Minbu Phase 2 completed	November 2018
10	Phase 2 of Project Minbu power plant commences COD	January 2019
11	GEP-Myanmar calls for capital increase for Project Minbu Phase 2	April 2019
12	GEP-Myanmar disbursement of Loan for construction cost of Phase 2	May 2019
13	Construction of Project Minbu Phase 3 begins	April 2019
14	Construction of Project Minbu Phase 3 completed	November 2019
15	Phase 3 of Project Minbu power plant commences COD	January 2020
16	GEP-Myanmar calls for capital increase for Project Minbu Phase 3	April 2020
17	GEP-Myanmar disbursement of Loan for construction cost of Phase 3	May 2020
18	Construction of Project Minbu Phase 4 begins	April 2020
19	Construction of Project Minbu Phase 4 completed	November 2020
20	Phase 4 of Project Minbu power plant commences COD	January 2021
21	GEP-Myanmar calls for capital increase for Project Minbu Phase 4	April 2021
22	GEP-Myanmar disbursement of Loan for construction cost of Phase 4	May 2021

Source: GEP

2.14 Overview of Solar Power Industry in Myanmar

Myanmar economy has been experiencing a rapid growth since the Myanmar government announced its political and economic reform policy in 2012. The Myanmar government has accelerated the development of public utility and infrastructure to support trade and investment. The domestic consumption also experienced the same trend as a result of higher purchasing power thus electricity industry is one of the high potential industries that can grow alongside with Myanmar's national development strategy which aims to raise the standards of basic infrastructure and quality of life. However, Myanmar is still very short of electricity and is often exposed to power outages.

So to achieve sustainable development, the Myanmar government is planning to increase the portion of electricity generation from renewable energy sources. The major promotional policies are as follows.

1. Support the capacity of those involved in the production of renewable energy activities.
2. Acknowledge alternative renewable energy sources
3. Collaborate public, private and foreign investment in business related to renewable energy
4. Promote research and development on renewable energy

In addition, the government has a policy to encourage the private sector to play a role in electricity production sector to enhance competitiveness in the energy sector. It also accelerates the improvement of rules and regulations to be more comprehensiveness and transparency in order to promote foreign direct investment.

2.14.1 Institutions and Related Policies

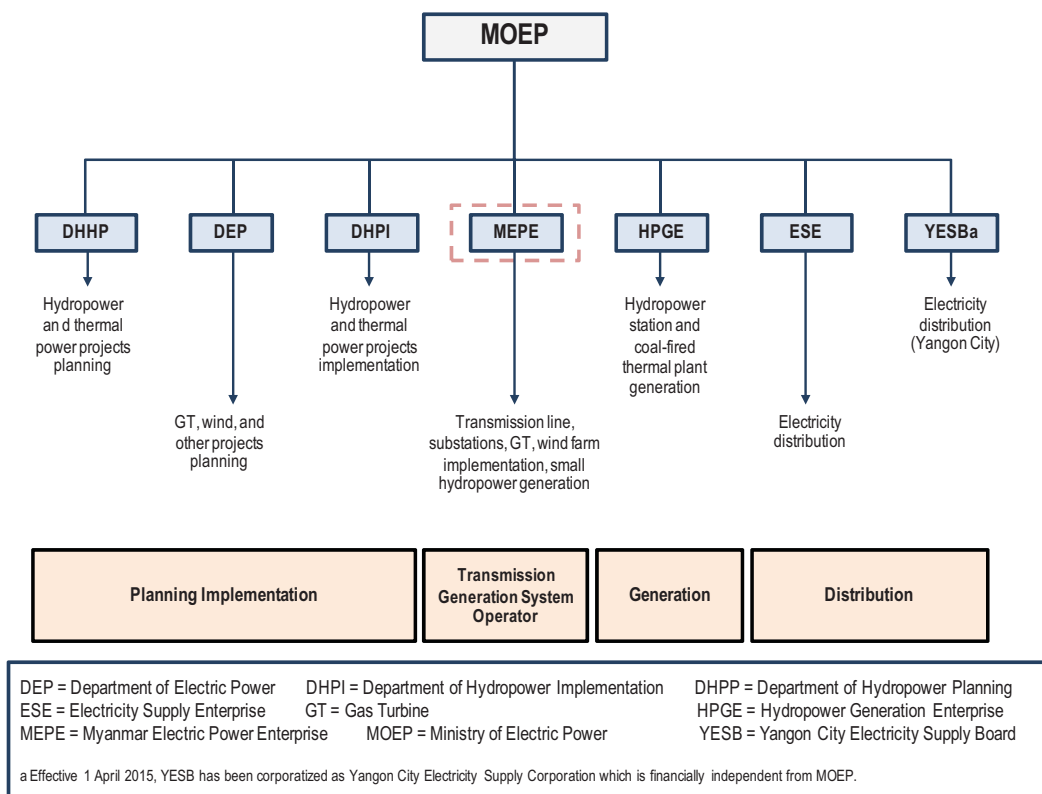
In April 2016, the government reduced the number of ministries from 36 to 21 in this restructuring, including the merger of the Ministry of Electric Power and the Ministry of Electricity to Ministry of Electricity and Energy ("**MOEE**")⁴. This ministry is responsible for oil and gas and electricity in Myanmar. Thus, Myanmar will have to amend all power purchase agreements. The purpose of the revision was to restructure the Myanma Electric Power Enterprise ("**MEPE**"). MEPE will be working under the Electric Power Generation Enterprise ("**EPGE**").

Myanmar's electricity industry is subject to the new Electricity Law of 2014, which the Myanmar Parliament promulgated on October 27, 2014, replacing the 1990 Electricity Law. The key to this new law is the establishment of an Energy Regulatory Commission. To oversee the company and the monopoly power sector in the country, include authority for MOEP, local government, self-governing area and autonomous units. To issue a license or approve an investment to a legal entity that will enter into related to electric power. Both power generation and power transmission systems including electricity distribution. At the same time, the new electricity law is more flexible and offers more benefits for foreign investors.⁵

4 Source: <http://portal.gms-eoc.org/uploads/resources/1339/attachment/mya-energy-sector-assessment.pdf>

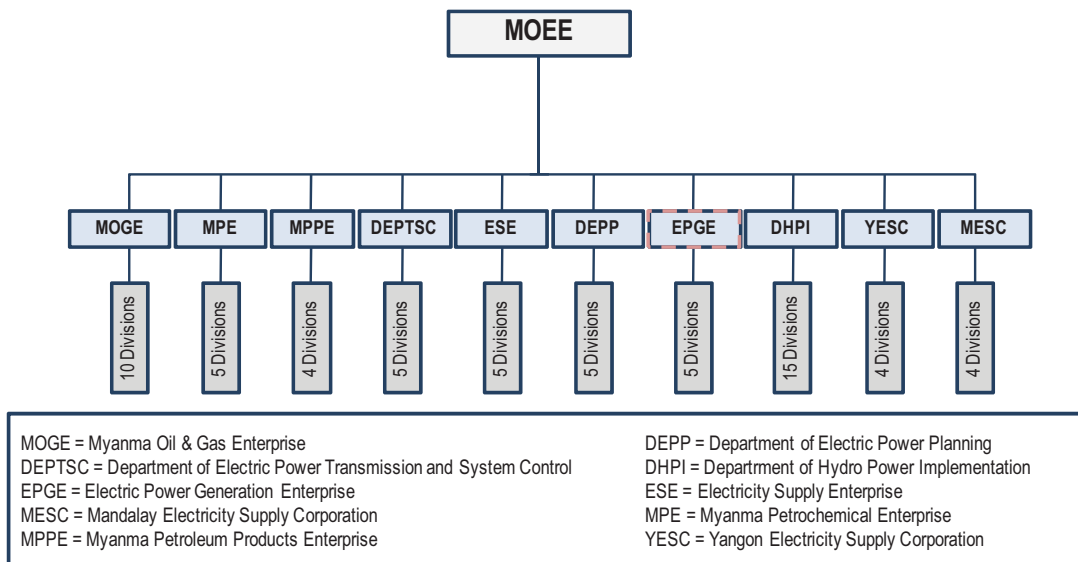
5 Source: <http://www.smethailandclub.com/knowledge-aec-view.php?id=769&page=4>

Figure 2-11: Structure diagram of the relevant departments (Pre-Restructuring)



Source: ADB 2012a; Ministry of Electric Power 2013

Figure 2-12: Structure diagram of the relevant departments (Post-Restructuring)



Source: <http://www.mmtimes.com/index.php/business/20066-energy-and-electricity-merger-complete.html>

2.14.2 Demands for electricity in Myanmar

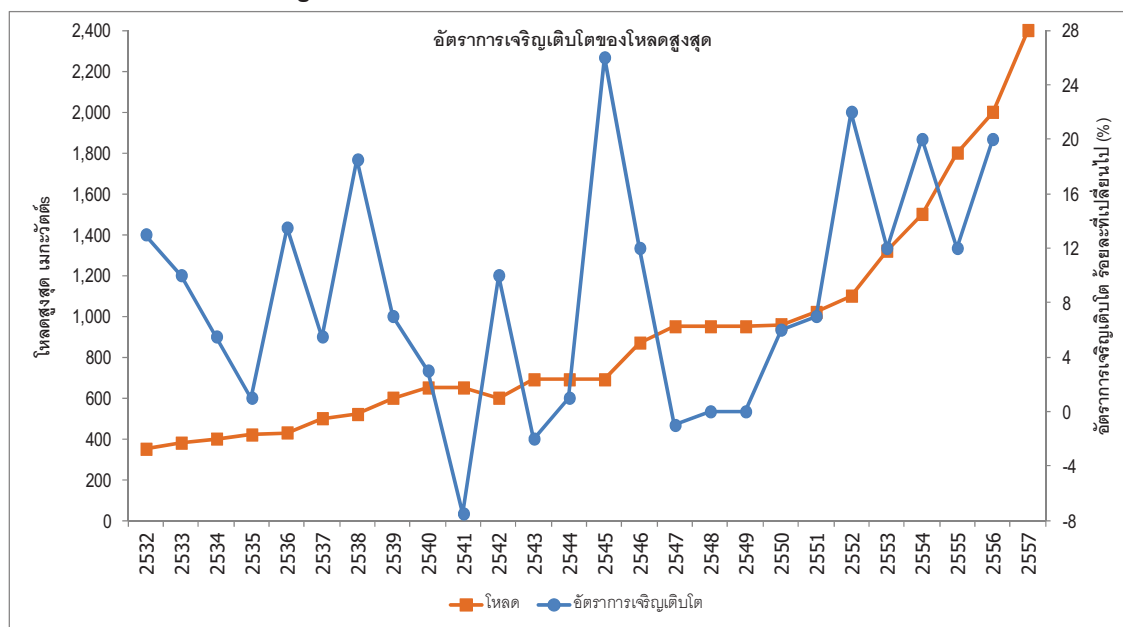
According to the survey of the Japan International Corporation Agency (JICA), in the National Electricity Master Plan in the Republic of the Union of Myanmar carried out in 2014, it was estimated that the demand for electricity of the Republic of the Union of Myanmar increase from 1,874MW in 2012 to 4,531MW in 2020 and 14,542MW in 2030, while the current power generation capacity nationwide is around 2,500MW per year in which the data can be summarized by this following table.

Table 2-15: Approximation of Electricity Demand in Myanmar

Unit: MW	High Case			Low Case		
Year	Total	Non-Industry	Industry	Total	Non-Industry	Industry
2555	1,874	1,265	609	1,874	1,265	609
2563	4,531	3,060	1,472	3,862	2,390	1,472
2573	14,542	9,819	4,723	9,100	5,631	3,468

Source: Preparatory Survey on Distribution System Improvement Project in Main Cities, Republic of the Union of Myanmar โดย Japan International Cooperation Agency (JICA) July 2015

Figure 2-13: Growth in Peak Load between 1989 - 2014

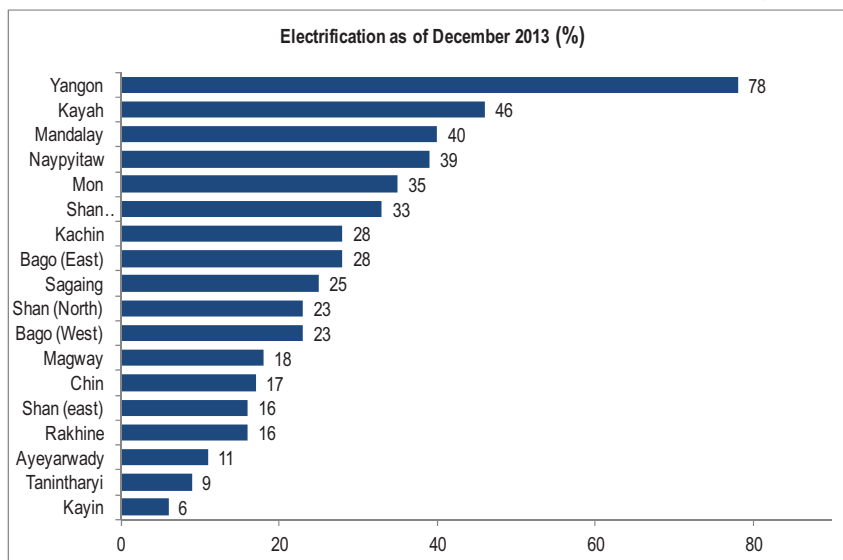


Source: Power Sector Development in Myanmar, ADB economics Working Paper Series, No. 460, October 2015

Every year, electricity demand increases by approximately 15 percent per year. While electricity utilization rate in Thailand is at around 30,000 megawatts per year, it is expected that in 2030 Myanmar will have the same electricity demand as Thailand. Thus to meet the target capacity of 30,000 MW within the year 2530, Myanmar plans to allocate 70 percent of targeted power production from water source, 20 percent from natural gas and 10 percent from coal. However, the development of those previously stated power sources usually takes a long time for construction. While solar power plants can be much faster to construct than other types of power plants, Myanmar has a plan to build the third largest solar power plant in the world along with several hydro power plants.

At the present, Myanmar's power generation mainly rely on water power, accounting for 72 percent of total electricity produced in 2013-2014, followed by natural gas and coal by 23 percent. Over reliance on hydropower generation and lack of water storage for electricity generation are another factor affecting power generation in Myanmar.

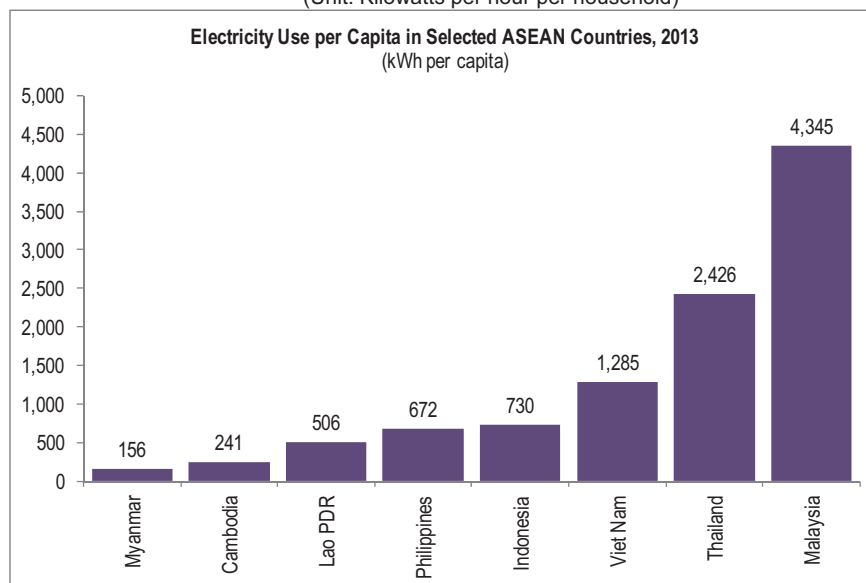
Figure 2-14: Electricity Access Rates of Cities and Regions of Myanmar (December 2013)



Source: Ministry of Electric Power

Figure 2-15: Electricity consumption per household of developing countries in ASEAN group in 2013.

(Unit: Kilowatts per hour per household)



Source : Greater Mekong Sub region Statistics.

<http://www.gms-eoc.org/gms-statistics/lao-pdr> provide the 2013 data for Cambodia, the Lao PDR, Myanmar, Thailand, and Viet Nam; World Bank. World Development Indicators.

<http://data.worldbank.org/data-catalog/world-development-indicators> provide the 2012 data for the Philippines, Indonesia, and Malaysia

In 2010-2011, households group had the highest share of electricity consumption, accounting for 42%, followed by industry group and trade group of 36% and 20%, respectively. In 2014 only 34% of all households have access to electricity. Thus to improve the standard of life of the people of Myanmar, the government approved the National Electrification Plan in September 2014 to expand the power transmission system. In 2019, the Myanmar government received support of \$ 80 million loan from ADB to improve the power transmission system.

2.14.3 Overview of Solar Power Plant Policy

According to the local newspaper, in late 2014, the government of Myanmar plans to build 41 additional power plants which is expected to be completed between 2019 – 2574. For renewable power plants projects, the government has signed 520 MW MOUs for solar power plant projects. The GEP project would be the first largest solar power project of Myanmar.

Part 3: Opinion of Independent Financial Advisor on Reasonableness of Asset Acquisition

The IFA is of the opinion that the entering into this asset acquisition transaction is reasonable. In this respect, we have taken into account important factors, strengths, weaknesses and risks associated with the Transaction as follows:

3.1 Objective of the Transaction

The Company took an interest and participated an investment opportunity in renewable energy business by entered into a memorandum of understanding (MOU) to invest solar PV rooftop business in 2014. In 2015, the Company made another investment in a solar power plant in Japan with an installed capacity of 1.5 MW, and also established a joint venture to invest in biomass power plant business. In order to prepare the Company's business structure to ensure the clarity of its operation in energy business, the Company's Board of Directors' Meeting No. 1/2560 on January 12, 2017 has approved the Company to establish a subsidiary, ECF-Power Company Limited, in which the Company holds 99.99% shares. ECF-Power will be investing and operating in all kinds of energy business, such as biomass power plant, solar power plant, and etc.

By entering into this acquisition of GEP's shares to invest in a solar power plant project with an installed capacity of 220 MW in the Republic of the Union of Myanmar (collectively referred as "Myanmar"), this is in accordance with the Company's strategic direction to expand its investment in the business of renewable power generation and distribution which is a business with good prospect and returns. It is also considered as a way to diversify the risk of relying on only one primary source of income from its current furniture business. Moreover, the Company could gain more experience in the business of electricity generation and distribution with an opportunity to make a future investment in Myanmar. In sum, the Company expects that the investment in such renewable energy would help supporting and growing the Company's income in the future, and eventually create good returns to its shareholders in the long run.

3.2 Impacts from Entering into the Transaction

The Transaction will involve ECF-Power (a wholly-owned subsidiary of the Company) acquiring 51,512 shares of GEP's ordinary shares equal to 20% of GEP's total shares or 20% of GEP's total issued and paid-up ordinary shares. Moreover, the Company will be appointing its representatives to participate in management of GEP. Subsequently, GEP will be an associate of the Company. The investment in GEP by ECF-Power will be registered in the ECF-Power's and the Company's financial statements by equity method, as follow:

Table 3-1: Impact on the Company's statement of financial position and comprehensive income statement based on the equity method

Details	Statement of Financial Position of ECF	Statement of Comprehensive Income of ECF
Effect on financial statements	ECF-Power will record the invest in GEP under investment in non-current assets at cost	The profits from GEP will be proportionately distributed. i.e. 20% of the net income
Line item in the financial statements	<i>Investment in Associates</i>	<i>Share of Income/Loss from Investments in Associate</i>

Table 3-2: Illustrative example on the Company's financial statement when GEP generates profits

Example	Statement of Financial Position of ECF	Statement of Comprehensive Income of ECF
This transaction	Investment in <i>Associates</i> THB 1,000 million	
<i>For an example,</i> GEP generates a net profit of THB 100 million	Increase in the value of the investment. ^{1/} Investment in Associates: THB 1,020 million	Share of Profits from Investment in Associates THB 20 million
<i>and subsequently,</i> GEP pays a dividend of THB 50 million	Decrease in the value of the investment. ^{1/} Investment in Associates: THB 1,010 million	Dividend Income THB 10 million

Remark: ^{1/} ECF-Power holds 20% in GEP and ECP-Power is a 99.99% subsidiary of the Company.

Table 3-3: Illustrative example on the Company's financial statement when GEP reports losses

Example	Statement of Financial Position of ECF	Statement of Comprehensive Income of ECF
This transaction	Investment in <i>Associates</i> THB 1,000 million	
<i>For an example,</i> GEP registers net loss of THB 100 million	Decrease in the value of the investment. ^{1/} Investment in Associates: THB 980 million	Share of losses from Investment in Associates THB 20 million

Remark: ^{1/} ECF-Power holds 20% in GEP and ECP-Power is a 99.99% subsidiary of the Company.

In addition, should there be an indication for an impairment of investment in GEP in the future, for an example, consecutive operating loss or any changes that would have a negative effect on GEP's operation, the Company requires to conduct a test for impairment of the investment. If it is found that the investment in GEP has actually impaired, the Company must immediately record the loss from allowance of investment in other companies in statement of financial position that will decrease the value of the investment in GEP. Moreover, the Company also has to record the loss from impairment of the investment in associates as expenses in the Company's comprehensive income statement, which will result in a lower net profit for the Company.

Table 3-4: Illustrative example on the Company's financial statement there is impairment in investment in GEP

Example	Statement of Financial Position of ECF	Statement of Comprehensive Income of ECF
This transaction	Investment in <i>Associates</i> THB 1,000 million	
<i>For an example,</i> there is an indication of impairment resulting in impairment of THB 50 million	Impairment in the value of the investment. Investment in Associates: THB 950 million	Losses from impairment in Investment in Associates THB 50 million

3.3 Strengths and Weaknesses of Entry into the Transaction

3.3.1 Strengths by Entering into the Transaction

(1) *An investment in Myanmar as granted by Myanmar Investment Commission (MIC)*

Myanmar Investment Commission (MIC) is responsible for approving investment proposals and to issue investment permits (also called “**MIC Permit**”) in Myanmar, which is mandatory for all foreign investors who wish to carry out direct investment in Myanmar. A granted investment permit¹ entitles to several advantages as summarized below:

- Foreign investors are able to lease land on a long-term basis with a maximum time length of 50 years, depending on type and size of the investment. The lease contract can be renewed for 2 times of which each renewal will extend the lease for another 10 years; therefore, the total lease period can last up to 70 years (Note: Foreign investors have no right to own land but are able to lease the land from Myanmar government and private sector on a long term basis).
- Granted with tax incentives with 5 consecutive years of tax exemption, starting on the first year of operation.
- Access to work permits which allow foreign experts and technicians to be appointed.
- No business suspension by Myanmar government before the expiration of the permitted duration without reasonable ground.
- No nationalization of businesses during the investment term.

The MIC Permit is considered to be one of the most imperative steps for all foreign investors who wish to carry out direct investment in Myanmar. On March 13, 2017, GEP-Myanmar has been granted with the aforementioned permit at the MIC Meeting No. 5/2017² to invest in Project Minbu. GEP-Myanmar has received an official license on April 24, 2017 (This official license is dated on April 12, 2017). This MIC Permit will allow GEP-Myanmar to fully start constructing Project Minbu. In sum, the entering into an investment with MIC Permit of ECF-Power will be protected by Myanmar government and also be entitled to various advantages, including 5-year tax exemption starting from the first year of operation, which will result in a higher net profit for GEP-Myanmar and also improve the Company’s operating performance.

(2) *Opportunity to invest in the country with potential expanding capability in the power generation and distribution business*

The research of Japan International Cooperation Agency (JICA) in 2014, reported that the demand for power consumption in Myanmar has a tendency to increase from 1,874 MW in 2012 to 4,531 MW in 2020 and 14,542 MW in 2030 subsequently. While the current total generating capacity of the power plants in Myanmar is 2,500 MW per year, the demand for power has increased by roughly 15% every year. In 2030, it is expected that Myanmar’s demand for power will be equal to that of Thailand which is 30,000 MW per year.

The investment in Project Minbu in Myanmar by acquiring GEP’s shares is an investment in a country with continuous expansion of power consumption. In conclusion, this is an investment in power generation and distribution business with long-term potential.

(For information on the solar power industry in Myanmar, please refer to Part 2 Item 2.13 of this IFA Report)

¹ Source: DICA’s website: Directorate of Investment and Company Administration (www.dica.gov.mm) and Industry Analysis on the target area of Myawaddy Trade Zone, the republic of the union of Myanmar by University of the Thai Chamber of Commerce

² Source: http://www.dica.gov.mm/sites/dica.gov.mm/files/document-files/mic_5-2017_e_revised_21-3-2017.pdf

(3) **Diversification of investments from the Company's current business**

The Company's primary income is currently derived from furniture business: particleboard furniture and rubber wood furniture generated THB 1,209.05 million in 2016 or 97.88% of the total revenue. Therefore, the investment in Project Minbu will help creating and alternative income from solar power generation and distribution business, which will mitigate the Company's reliance on the core business and also diversify its operating risks.

(4) **Investment in the asset with a reasonable expected return on capital**

The investment in Project Minbu will add value to the Company by generating a positive net equity present value (Equity NPV) of USD 3.63 million or equivalent to THB 125.05 million, and the internal rate of return (IRR) is 8.26%, which is higher than the Company's weighted average cost of capital (WACC) of 7.26%.

Table 3-5: Summary of investment returns to ECF from investment in Project Minbu at base case

Internal Rate of Return: IRR	8.26%
Weighted Cost of Capital: WACC	7.26%
Project Net Present Value: NPV	USD 3.63 million or THB 125.05 million
Project Payback period	15.45 years

Key assumptions for Base Case:

P50 is being used for the base case. P50 means with a probability of 50%, the level of sunlight can generate the annual energy production for year 1 after deducting the degradation rate at 1.0% in year 1 and 0.7% subsequently

(For more information, please see additional details in Part 4 Item 4.1.3 of this IFA Report)

(5) **An opportunity to collaborate with multi-national expertise and experience in the construction of solar farm projects**

GEP-Myanmar has contracted VTEC (as a subsidiary of VTE) as an EPC Contractor to complete the construction of the solar power plant, and VTE also contracted CITEC as the EPC Subcontractor. CITEC is a Chinese company with vast experience in EPC construction contracts in solar power plants in several countries. This co-operation or project collaboration with the EPC Subcontractor gives the Company the opportunity to learn from the expert in a large-scale project, and thus benefitting the Company in evaluating other potential project in the future.

3.3.2 Weaknesses by Entering into the Transaction

(1) **Investment that increase the Company's debt and interest expense**

By entering into this Transaction, the Company will have to pay USD 9 million, or an equivalent to THB 310.05 million, of which THB 50 million has already been paid as a deposit on December 26, 2016. The Company will thus have a balance of THB 260.05 million for the share acquisition. The Company is committed to an increase the capital proportionately, according to its 20% holding, at the amount of USD 20.22 million or approximately THB 696.63 million. The increase in capital increase will incur according to the development and construction of the power plant phase by phase until the completion of four phases. The balance from share purchase and the committed capital increase totaling THB 956.49 million will come from two sources: (1) a capital increase from the right offering and/or private placement and (2) loan from external sources. Based on the interview with the management of the Company, it is anticipated that there will a loan of approximately 50% from the total investment.

As a result, the acquisition of GEP's shares will result in an increase in the Company's debt by THB 478.31 million, i.e. an increase the Company's debt from THB 1,698.19 million to THB 2,176.50 million. Nevertheless, as the result of proportionated capital increase, the Company's liability-to-equity ratio fall from 2.58 times to 1.91 times. All in all, after this transaction, the Company will have an increasing liability at the maximum, which will be incurred at the completion of all four phases of Project Minbu in 2021 (or in the fourth year of Project Minbu's COD).

Moreover, the interests from the loans will be shown in the income statement of the Company resulting in higher interest expenses in the financial statements.

Table 3-6: Calculation of total-liability-to-equity ratio before and after the Transaction

<i>Unit: Million THB</i>	Before the Transaction ^{1/}	After the Transaction ^{2/}
Cash, Cash Equivalents, and Long-Term Capital Investment	408.67	408.67
Other Assets	1,948.61 ^{3/}	1,948.61 ^{3/}
Total Assets	2,357.28	2,357.28
Investment in Associates (GEP)	-	1,006.63
Total Assets	2,357.28	3,313.91
Total Liability	1,698.19	1,698.19
Debt from Investing in GEP	-	478.31
Total Liabilities	1,698.19	2,176.43
Total Shareholders' Equity	659.09	659.09
Additional Shares Issued for GEP	-	478.31
Total Shareholders' Equity	659.09	1,137.41
Total Liabilities and Shareholders' Equity	2,357.28	3,313.91
Total-Liabilities-to-Total-Equity Ratio	2.58	1.91

Remarks: 1/ The financial statements of the Company, as of December 31, 2016 which also reflected THB 50 million deposit

2/ Pro-forma as prepared by the IFA

3/ Prior to this Transaction, THB 50 million as the deposit is classified under this item by this amount may eventually move to Investments in Associates

(2) The Company's shareholders might be affected by the capital increase as a result of this Transaction

By entering into this Transaction, the Company will have to fund the acquisition by issuing and offering additional ordinary shares to:

- (2.1) The Company's existing shareholders: The Company will issue additional ordinary shares for the amount of not exceeding 170,647,815 shares at the par value of THB 0.25 per share, which accounts for 30% of the Company's total registered and paid-up capital, to increase the capital and to make the right offering to its existing shareholders. Such a transaction incurs the need for the current shareholders to prepare the capital should they want to avoid the control dilution, and/or
- (2.2.) Private Placement: The Company will issue additional ordinary shares for the amount of not exceeding 56,882,605 shares at the par value of THB 0.25 per share, which accounts for 10% of the Company's total registered and paid-up capital, to increase the capital and to make the private placement which will create the control dilution for the Company's existing shareholders.

(3) Investment in a business that is not considered as the main source of income

The Company currently generates its revenue primarily from the furniture business, 98.27% of the total revenue in 2016. Although the Company has been investing in renewable energy power plants in various countries (excluding the divestment in solar power plant in Japan via ECF Tornado Energy GK in August 19, 2016), there is no income from the sale of electricity generation for the Company since most projects are all under the development. The management of the Company anticipates that the profit from sales of electricity will be realizable in 2017 Q2. Nevertheless, the acquisition of GEP's shares to invest in Project Minbu requires a considerable amount of capital with a value of total consideration at 50.80% of the Company's total assets according to its latest financial statements as of December 31, 2016. Such an investment may take away the Company's opportunity to invest in its core business.

However, the Company's management explains that the Company would still continue to focus on its core business of manufacturing and supplying furniture that the Company has extensive experiences and expertise in for a long time.

3.4 Risks from Entering into the Transaction

3.4.1 Direct impact/risk on the Company

(1) Risk of the counterparty failing to fulfill conditions under the Share Purchase Agreement which may result in the Company not receiving a refund from the Sellers.

The share purchase agreement between ECF-Power and the Sellers contains conditions precedent that requires GEP-Myanmar and the Sellers to obtain permits and documents necessary to Minbu Power Plant project development, including the approval of the Company's board of directors' meeting and/or shareholders' meeting to enter the transaction. Should the Sellers be unable to honor the conditions precedent in May 31, 2017, the Sellers will refund the deposit of THB 50 million that ECF-Power has already paid. On the other hand, should the conditions precedent be completed in time, ECF-Power has to pay the remaining balance of THB 260.05 million to the Sellers for the share acquisition. Also, GEP may increase the capital in phase 1, requiring ECF-Power to pay USD 4.83 million or roughly equivalent to THB 166.39 million. Then total amount of purchase price and capital increase for phase 1 is equal to THB 426.44 million. Moreover, the share purchase agreement contains conditions subsequent requiring the Sellers to complete by December 31, 2017. Should the Sellers be unable to honor, ECF-Power may sell all GEP's shares back to the Sellers under the conditions in the share purchase agreement. The Sellers will buy GEP's shares back equal to the amount that the Company has already paid up. However, the seller did not have any securities to guarantee the repayment of shares buyback except personal guarantees, in which ultimate shareholders of the seller are Mr. Supasit Pokinjaruras and Mr. Aung Thiha. This guarantee does not reduce the risk of default by the seller and thus may cause delay on payment or default on the Company if the seller breach of contract.

As mentioned earlier, it is obvious that the Sellers will have to return the deposit of THB 50 million if the Sellers cannot complete the conditions precedent. Similarly, the Sellers also have to return the amount paid for share acquisition and capital increase of THB 426.44 million (in case that GEP increase the capital in phase 1 before December 31, 2017) if the Sellers cannot complete the conditions subsequent. As a result, such a high amount of money will create the risk of the counterparty failing to honor conditions under the share purchase agreement for ECF-Power

However, such risk will only occur when the seller fails to comply with the Conditions Precedent or Conditions Subsequent within the specified period. In addition, the legal advisor of the Company commented that obtaining MIC Permit, which is an important license for foreign investors investing in Myanmar, would help GEP-Myanmar in receiving other significant business licenses for operating power plant in Myanmar. GEP further clarified that obtaining the MIC Permit would facilitate negotiations with relevant parties including, financial institutions for financial support. Therefore, GEP-Myanmar's receipt of MIC Permit on April 12, 2017 will increase the likelihood of seller's success in complying with Conditions Precedent and Conditions Subsequent, which could reduce risk relating to seller's breach of contract.

(For additional details related to the financial status of the ultimate shareholder of the Seller, please refer to Attachment 2 Item 5 of this IFA Report)

(2) Risk from unsuccessful issuance and offering of new shares

In this investment in GEP, the Company will use the capital funding from the capital increase through right offering and/or private placement (under the General Mandate) which already been approved in the Company's 2017 Annual General Meeting on April 28, 2017. However, should there is insufficient shareholders exercising their rights, the Company may have to increase its reliance on the borrowing which will increase the Company's interest-bearing debt. Based on the estimate by the IFA, should the Company needs to solely rely on the borrowings, the Company's liability-to-equity ratio fall from 2.58 times in 2016 to a 4.03 times. The commitments will be at the highest, which will be incurred at the completion of all four phases of Minbu power plant in 2021 (or in the fourth year of Minbu power plant's COD). This will also cause the Company to breach the condition in the loan agreement with a debt to equity ratio not exceeding 4 times.

The Company's management has stated that the Company closely monitors this ratio and expects the funding source from debt at 50% of total investment of this transaction. Then the Company's debt to equity ratio will decrease from 2.58 times to 1.91 times.

(For more additional details related to the liability of this Transaction, please refer to Part 3 Item 3.2.3 sub item 1 of this IFA Report)

(3) Risk related to the inability of the associates to pay dividends and/or do a capital reduction

As GEP-Myanmar and Project Minbu are located in Myanmar, international money transfer from Myanmar must be approved by the Central Bank of Myanmar. Moreover, GEP-Myanmar could face some limitations when paying dividends and cash from capital reduction due to the restriction under some conditions of the loan agreement with the financial institutions, such as to maintain its liability-to-asset ratio and Debt Service Coverage Ratio. In sum, should GEP-Myanmar and/or GEP is not able to pay dividends to ECF-Power and/ or the inability of the GEP-Myanmar to do capital reduction, the Company's cash flows from dividends and capital reduction may be adversely affected.

Nevertheless, this risk has been partially mitigated, as one of the Conditions Subsequent required that there must an approval from the Central Bank of Myanmar. This condition must be met by December 31, 2017; otherwise ECF-Power has the rights to sell back all shares to GEP according to the Share Purchase Agreement.

(4) Exchange rate risk

In this acquisition, the share purchase agreement will be transacted in USD (US dollar); the Company might have to pay a higher amount of Thai Baht for GEP's share if Thai Baht depreciates at the time of payment. However, the Company plans to mitigate the exchange rate risk with various financial instruments as deemed to be necessary and suitable.

Moreover, GEP has to prepare consolidated financial statements by combining all operating result and financial position of GEP-Myanmar, a subsidiary locating and operating Project Minbu in Myanmar, in US Dollar. Therefore, the currency translation from USD to THB will be affected by the exchange rate fluctuations, and will be recorded as foreign currency translation gain/loss under other comprehensive income presented after the Company's net income. Whether the effect would be positive or negative to GEP's consolidated financial statements depends on the value of THB against USD on the financial statements preparation date. All in all, the effect of the exchange rate on GEP's profit/loss will directly impact the share of profit/loss that the Company would receive from the investment in GEP.

In addition, the IFA performed a sensitivity analysis for exchange rate by adjusting the exchange rate to appreciation and depreciation by 10 percent from the base case (exchange rate of THB 34.45 per USD). The exchange rate then will be traded in the range of THB 31.01-37.90 per USD. This will result in a positive cash flow from ECF's investment in the range of THB 112.45-137.44 million. In sum, net cash flow from investment by ECF will decrease when Thai baht strengthened from the base case.

(For additional details of the sensitivity analysis on the exchange rate, please refer to Part 4, Table 4-22 of this IFA Report)

3.4.2 Risks associated with Project Minbu / Operational risks associated with the business of solar power plant

(1) Risk of the uncertainty in project completion / Risk in delay of the project operation date later than planned

The success of developing Project Minbu, a solar power plant in Myanmar, depends on various factors such as the implementation of the necessary permits to conduct the business, the acquisition of all leasehold lands, and the capability to borrow funds, etc. Should Project Minbu could not proceed as planned, this might result in delay in the COD and/or an increase in related expenses. This will also make the return of the project being less than expected.

In addition, the IFA performed a sensitivity analysis of the expense that may be increased such as operating and maintenance (O&M) and insurance premiums. The result shows that if that cost increases by 10% from the base case, the net cash flow of investment by ECF would be decreased from USD 3.63 million,(or equivalent to THB 125.05 million) to USD 2.60 million, (or equivalent to THB 89.57 million).

(For additional details of the sensitivity analysis on the above-mentioned expenses, please refer to Part 4, Table 4-20 of this IFA Report)

Nevertheless, GEP-Myanmar has been granted with the MIC Permit at the MIC Meeting No. 5/2017. GEP-Myanmar has received an official license on April 24, 2017 (This official license is dated on April 12, 2017). This MIC Permit will allow GEP-Myanmar to fully start constructing Project Minbu. The aforementioned permit allows Project Minbu to proceed with the requests for any other permits relating to its operation. The permit is one of the most pertinent factor thus lower the overall project risks.

To mitigate the risk related to the delay on the construction, GEP-Myanmar has imposed the delay-liquidated damages to VTEC and VTIEC (both are subsidiaries of VTE) in the supply agreement and the construction service agreement, accordingly. If there is a delay, GEP-Myanmar will receive the appropriate compensation. In addition, GEP-Myanmar will closely monitor the progress of the construction. Moreover, the management of GEP commented that the construction of the solar power plant is not that complicated in comparison with other power generation method. Hence, the risk from delay on the construction is lower.

(For the summary of the supply agreement and the construction service agreement, please refer to Part 2, Table 2-7 and Table 2-8 of this IFA Report)

(2) Risk related to uncertainty about the total electricity production

There are two main types of risk that would affect the net electricity production of Project Minbu:

- Risk of solar irradiance level lower than expected

The solar irradiance level is a major factor for the solar power plant to generate electricity. If solar irradiance level is less intense than usual due to the variability of climate, Project Minbu might be unable to fully produce the electricity, causing the Company's income from electricity and profit sharing to be decreased. All in all, the Company faces the same exposure to risk of solar irradiance level as other operators in the industry.

However, the Company has engaged OWL-Energy to study the solar irradiance level. OWL-Energy has studied the intensity of sunlight from iMaps (SolarGIS iMaps application) which is a Global Horizontal Irradiation (GHI) together with information from meteorological department's research station to conduct an independent opinion of the solar irradiance level at the project site.

- Risk related to PV module deteriorating faster than expected

PV module is one of the main equipment's used in the production of solar power plant. If PV panels deteriorate faster than normal, it may result in a less amount of electricity produced, and therefore, negatively affect the Company's performance.

Based on the construction service agreement, Project Minbu will have a 2-year warranty on the level of electricity produced per year by the contractor, and a 25-year warranty on the quantity of electricity produced by the PV manufacturer, which is in conformity with the general

warranty for solar power plants. In addition, the warranty by the contractor is expected to continue for at least another eight years under the O&M contract, which is now under discussion.

However, as the project life of Project Minbu is 30 years, lasting 5 years longer than the PV manufacturer's warranty, it is possible for the project to face the risk of less-than-planned electricity production after the 25th year. Nevertheless, OWL-Energy estimates PV module deteriorating rate after the 25th year to be at 0.7%, which is equal to the deteriorating rate during year 1 - 25.

(3) Risk of relying on a sole customer

Project Minbu has only one customer, which is Electric Power Generation Enterprise or EPGE, an electricity authority of the Republic of the Union of Myanmar that will purchase the electricity produced by the project at a fixed contractual rate for 30 years after the COD of the Project. After the COD, Project Minbu must act accordingly to the requirement of EPGE during the operation to ensure that Project Minbu would meet all qualifications under PPA and the applicable laws.

(4) Risk of relying on EPC contractor

In order to construct a solar power plant, an EPC contractor needs to be contracted based on experience, expertise, knowledge in the technology, and also the contractor's financial strength since they would be the guarantors of work, such as the minimum electricity production level.

GEP-Myanmar has contracted VTEC and VTIEC (both are subsidiaries of VTE which shareholders can access VTE's information on the SET's website (www.set.or.th)) as the EPC Contractor including the financing during the construction of the Project Minbu. And CITEC, as an EPS contractor of Project Minbu by VTEC and VTIEC, is responsible for the punctual completion of the plant construction as stated in the contract. CITEC would also provide another 2 years of power performance warranty in case that CITEC breaches the conditions and/or obligations in the contract. However, GEP-Myanmar could not request for any compensation in case that Project Minbu generates electricity in the amount lower than specified in the power performance warranty. GEP-Myanmar also could not require CITEC to perform and be responsible for the work guarantee specified in the contract, and this could negatively affect the project's operating result and the Company.

However, GEP has explained that CITEC is a Chinese state-owned enterprise and also considered as one of China's top construction companies with an extensive experience in power plant construction in many countries, such as Japan, USA, England, and Thailand. Moreover, CITEC's financial data in the past three years clearly shows its operating result and strong financial positions.

(For details about CITEC, please refer to Part 2 Item 2.7 of this IFA Report)

(5) Risk associated with GEP-Myanmar breaches the financial institutions' loan agreement

The loan agreement specifies a condition precedent prior to GEP-Myanmar's loan withdrawal. The conditions require all GEP's shareholders to put down 100% of GEP's registered shares as collateral with the financial institutions. However, GEP-Myanmar may not be able to comply with the condition since 60% of the total GEP's share is currently pledged to VTE to guarantee the construction under construction service contract as a contractor. And VTE will release the pledged shares once GEP-Myanmar pays off to VTE for all of the four phases.

Based on the clarification by GEP, there is a discussion with VTE to consider a waiver to the share pledging. The management of GEP also commented that should GEP-Myanmar has a stronger financial position with proven liquidity; VTE will be considering the waiver of all or partial share pledging.

(6) Interest rate risk

The main source of fund to invest in Project Minbu, 85% of the total investment, comes from the loan from the financial institutions. The interest rate for this project will be based on the floating interest rate; therefore, changes in the interest rate will directly affect Project Minbu's financial cost, and will also directly impact the Company's share of profit. Additionally, the Credit Facility Agreement also require GEP-Myanmar to hedge against the risk by using interest rate swap in the right proportion to mitigate the risk from interest rate fluctuations.

Moreover, GEP-Myanmar has entered into the loan agreement for Phase 1 of Project Minbu only, making the interest rates for Phase 2 to 4 is quite uncertain. However, the Company's management and GEP anticipate that the contractual interest rate for the next phases to remain at the same level or a decrease once Project Minbu has its COD for Phase 1.

(7) Exchange rate risk

35% of GEP-Myanmar's capital invested in Project Minbu comes from the capital increase by GEP. GEP holds 99.99% of the total registered capital in GEP-Myanmar. GEP will raise the capital from GEP's shareholders in Thai Baht, and transfer it to GEP-Myanmar in US Dollar. Therefore, at the time in which Thai Baht depreciates, the amount of capital that GEP-Myanmar receives in US Dollar would be lessened, and the sufficiency of the investment in Project Minbu would then be affected. On the other hand, should Thai Baht appreciate during the time when GEP-Myanmar pays dividends in US Dollar to GEP, GEP will earn lower dividend in Thai Baht. If necessary, GEP plans to hedge the exchange rate in the appropriate proportion.

(8) Political Risk

Although Myanmar has made progress in transitioning towards democracy and a liberalized economic environment, it remains a challenging and risky frontier market going into 2017. Investors should keep in mind that the democratic transition is far from consolidated and that economic reforms might not continually progress, while the potential for political backsliding or stagnation is high. The former military regime still has a significant influence in Myanmar's politics, owning extremely potent state of emergency powers and a guaranteed presence in parliament that can obstruct constitutional reforms. Similarly, although sanctions were removed, current and former members of the military have an outsized presence in the economy, either through crony capitalism or involvement in state-owned enterprises. This gives military interests an influential voice in the direction of the economy, and means that any potential dealing or joint venture with a Myanmar company has to involve measured due diligence to assess the potential risks involved³.

Thus, those risks are general to investors who want to invest in Myanmar. The Company intends to employ political risk insurance (PRI) to insure against this political uncertainty in Myanmar, which might negatively affect Project Minbu. However, since GEP-Myanmar has received the MIC Permit, the investment is considered to be approved by the Myanmar government that: 1) the project will not be suspended from operation before authorized period expires and 2) there will be no expropriation by Myanmar government. In addition, the PPA gives GEP-Myanmar an option to transfer revenue from electricity sale to bank accounts outside Myanmar, which would lower risk of money repatriation from Myanmar. Moreover, the PPA has granted a right for Project Minbu to adjust electricity tariff rate if there are legal changes that affect the revenue and cost of the project. In addition, GEP-Myanmar plans to purchase Political Risk Insurance (PRI) to mitigate impact of political instability, cost of which has been incorporated into the financial projection. Therefore, the above factors will help reduce negative impact of political risk from investing in Myanmar.

(For additional details of the sensitivity analysis for the political risk, please refer to Part 4, Table 4-23 of this IFA Report)

³ Source: www.asianbriefing.com

Part 5: Conclusion of Opinion of Independent Financial Advisor

Based on all information and reasons mentioned above, the IFA is of the opinion that shareholder should **approve** this Connected Transaction with the related parties.

Please see the conclusion of the Independent Financial Advisor's opinion in the **Executive Summary** on Page 3 of this report.

The Independent Financial Advisor hereby certifies that we have provided the opinion fairly using independent professional judgments, by placing the interest of the shareholders at the utmost importance.

Nonetheless, in deciding whether to approve or disapprove the said Transaction, the shareholders can make consideration thereon based on the above reasons and opinion rendered by the Independent Financial Advisor. The final decision depends on the shareholders' individual judgment.

The Independent Financial Advisor's opinion is based on the assumptions that all information in consideration was complete and accurate, and reflects the operating environment and most up-to-date information at the time of issuance of this report. Any changes in the information used to formulate an opinion could have a significant impact on the valuation, the Independent Financial Advisor's opinion and the decision of the shareholders. The purpose of this report is to provide a recommendation to shareholders of the Company and the opinion of the IFA should not be misconstrued as an endorsement to enter into the Transaction, or a guarantee of the outcome of the Transaction.

Yours Faithfully,
Independent Financial Advisor
I V Global Securities Public Company Limited



(Mr. Pisit Jeungpraditphan, CFA, CAIA)
Senior Vice President
Supervisor Financial Advisory



(Mrs. Sriporn Sudthipongse)
President and CEO

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Attachment 1

Company Information and Operating Results of East Coast Furnitech Public Company Limited

(Source: Form 56-1 of East Coast Furnitech Public Company Limited)

1. General Information

Name	:	East Coast Furnitech Public Company Limited (“ ECF ” or the “ Company ”)
Major Business	:	Details of the lines of business operations of the Company as follows: <ol style="list-style-type: none">1. Business of manufacture and distributor of furniture<ol style="list-style-type: none">1.1 Rubber wood furniture1.2 Particle board furniture1.3 Furniture distributed through branches of showrooms and retail stores1.4 Foil Paper1.5 Dried rubber wood2. Retailing Business (Can Do)3. Renewable Energy Business<ol style="list-style-type: none">3.1 Solar Energy3.2 Biomass Energy
Website	:	http://www.ecf-furniture.com and www.elegathai.com
Head Office	:	37/9 Moo 10 Banbueng – Klaeng Road, Tambon Tang-Kwiang, Klaeng District, Rayong 21110
Telephone	:	+66 38-886-372-4
Fax	:	+66 38-678-220
Registered Capital	:	THB 195,000,000.00 Divided into 780,000,000.00 ordinary shares with a par value of THB 0.25
Paid-up Capital as of 31 Dec 16	:	THB 137,547,650.00 Divided into 568,826,600 ordinary shares with a par value of THB 0.25

2. Nature of Business

2.1 Background

East Coast Furnitech Public Company Limited (“**ECF**” or the “**Company**”) has established on October 12, 1999 with a starting capital of 6,000,000 baht to operate its business as a manufacturer and distributor of self-made wooden furniture. Under the management of Thai businessmen led by Mr. Wanlop Suksawat as the current major shareholder and the Suksawat family, who founded and pioneered the furniture manufacturing and distribution business since 1992. The Company has changed to the public company on October 18, 2009 and has been listed in Market for Alternative Investment (mai) on March 26, 2013.

2.2 Type of Business

The Company operates businesses in 3 segments:

1) Furniture Business




(Operated by the Company and VV-Décor Co, Ltd., a subsidiary of the Company)






East Coast Furnitech Public Company Limited (ECF) is a manufacturer and distributor of furniture made of particle board and rubber wood, foil paper, dried rubber wood using as a raw material for furniture manufacturing, a distributor of rubber wood furniture manufactured by ECF and of wood furniture manufactured by other domestic and oversea, and a service provider in cutting of pasting edge (PVC) using as a raw material for particle board furniture. VV-Décor Co, Ltd. is one of subsidiaries which the company holds 99.95 percent of the registered capital. It has registered capital of 1,000,000 Baht with fully paid-up. It operated its business as trading of foil paper to some customers of the Company. Product line of ECF and subsidiary can categorize into 5 types: 1.1) Rubber wood furniture 1.2) Particle board furniture 1.3) Furniture distributed through showroom 1.4) Foil paper 1.5) Dried rubber wood

ECF main revenue is from manufacturing and distribution of made-to-order, and from manufacturing and distribution of the Company brand of the particle board furniture and rubber wood to domestic and oversea customers. Domestic customers comprise of modern trade such as Tesco Lotus, Big C, Home Pro, Mega Home, Thai Wasadu, Winner and Do Home.

Oversea customers are made-to-order customers who are various furniture distributors and large modern trade companies in Japan. Revenue from sale is mostly from Japan consist of 50% following by revenue from sale in domestic.

Company's Brands

Brand	Symbol	Distribution Channel
ELEGA		Used for distributing all solid wood furniture that produced by our own factory or imported from overseas. This brand is used for Showroom ELEGA.
Finna House		Used for distributing furniture that produced under license from Disney. This brand is used for Showroom Finna House.2
Fur Direct		Used for distributing furniture to Big C

Brand	Symbol	Distribution Channel
Leaf		Used for distributing furniture to Home Pro
a7		Used for distributing furniture to Mega Home
Hasta		Used for distributing furniture to Thai Wasadu
Costa		Used for distributing furniture to wholesaler and retailer all over the country.
My Fur		Used for distributing furniture to Do Home and Online sales via www.elegathai.com .

2) Retail Business: Can Do Shop

(The business operated by ECF Holding Company Limited as the subsidiary held by the Company 75% of total shares.)

Can Do is a store selling all products at one price (100 yen). It is originated in Japan, established by Can Do Co., Ltd., a registered company listed in Tokyo Stock Exchange. Its Headquarter is located in Shinjuku Tokyo. As of November 30, 2016, Can Do has over 967 branches with the minimum income of not less than 68,041 million yen.

The concept of Can Do shop in Thailand is to provide good quality of products imported from Japan and sell them at only one price (60 baht), and over ten thousand product types such as home devices, beauty. The targeted customers cover teenagers, students, working age groups. Can Do have 6 branches as of December 31, 2016.

3) Alternative Energy Business

3.1) Solar Farm :

The meeting of the Board of Directors of the Company No. 5/2016 held on September 8, 2016 passed a resolution on the project of solar power plant operated by ECF Tornado. The Company has ratified the ECF Holdings Limited ("ECFH") as a subsidiary. It sold 51 percent of its investment in ECF Tornado Energy ("ECF Tornado") to Capital Inc. The Capital Inc is a registered company established in 1983 to operate a real estate business, solar business and other energy businesses in Japan. The Company entered into a property purchase agreement on August 19, 2016. The assets were sold at a net selling price of approximately Baht 82.19 million which is the best selling price when compared to other 5 offerers, approximately 43.94% of the initial investment cost. The underlying reason for this sale transaction is because of the profitability consideration when compared with the project yield of approximately 8% per year for a 20-year period project, after the return of investment and the sale of the investment to the shareholders on September 29, 2015. ECF Tornado has completed the registration process from February 22, 2560.

For Solar Power Business Currently, the company is still considering the selection of other attractive projects in both domestic and international projects.

3.2) Biomass Power Plant

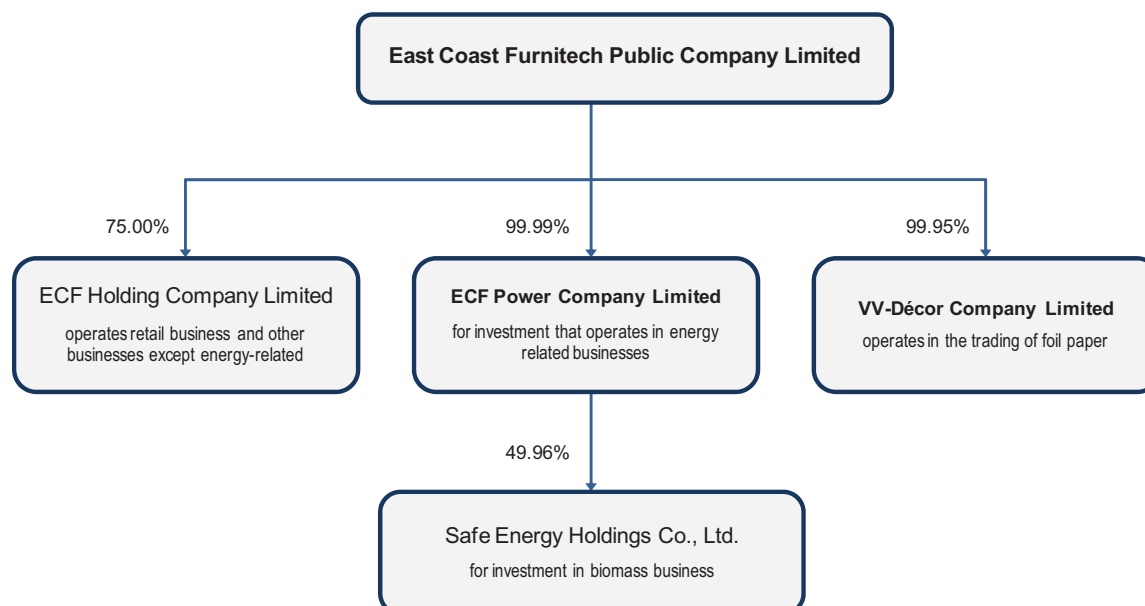
With its vision to expand business to biomass power plants, the Board of Directors Meeting No. 9/2016, held on December 11, 2016 the resolution was passed to approve ECF Holdings Limited (subsidiary) to be an investor in a new joint venture company (Safe Energy Holdings Co., Ltd.) that will be incorporated to invest in a biomass power plant business with initial registered capital of 1,000,000 baht (one million baht) divided into 10,000 ordinary shares with a par value of Baht 100 per share, which Safe Energy Holdings Co., Ltd. has been registered successfully on February 7, 2017, and with a shareholding structure as the following list.

1. ECF Holdings Company Limited (a subsidiary of the Company) 4,998 shares or 49.98%
2. Mr. Chalee Suksawad, the Company's director and 1 share of ECFH, accounted for 0.01%
3. Mr. Arak Suksawad, the Company's director and 1 share of ECFH, accounted for 0.01%
4. Fortune Parts Company Limited (FPI) 4,998 shares or 49.98%
5. Mr. Sompong Thanadamrong, one of FPI's directors, accounted for 0.01%
6. Mr. Somkij Thanadamrong, one of FPI's directors, accounted for 0.01%

In order to restructure the operation of the group's business and to create clarification to the operation of the energy business, the Board of Directors Meeting No. 1/2560 held on January 12, 2017 resolved to approve the restructuring of East Coast Furnitech by approving the establishment of an additional subsidiary, ECF Power Co., Ltd., as an investor in the energy business with a starting capital of 1,000,000 baht (one million baht) divided into 100,000 ordinary shares with a par value of Baht 10 per share, with East Coast Furnitech Public Company Limited holding 99.99%. The main business policy for ECF Power Co., Ltd., is to invest and operate all types of energy businesses such as biomass power plants, solar power plants and others/ ECF Power Co., Ltd. was incorporated on January 16, 2016, and has changed the name of the investors in Safe Energy Holdings Co., Ltd. from the former ECF Holdings Co., Ltd. to ECF Power Limited.

2.3 Group Structure

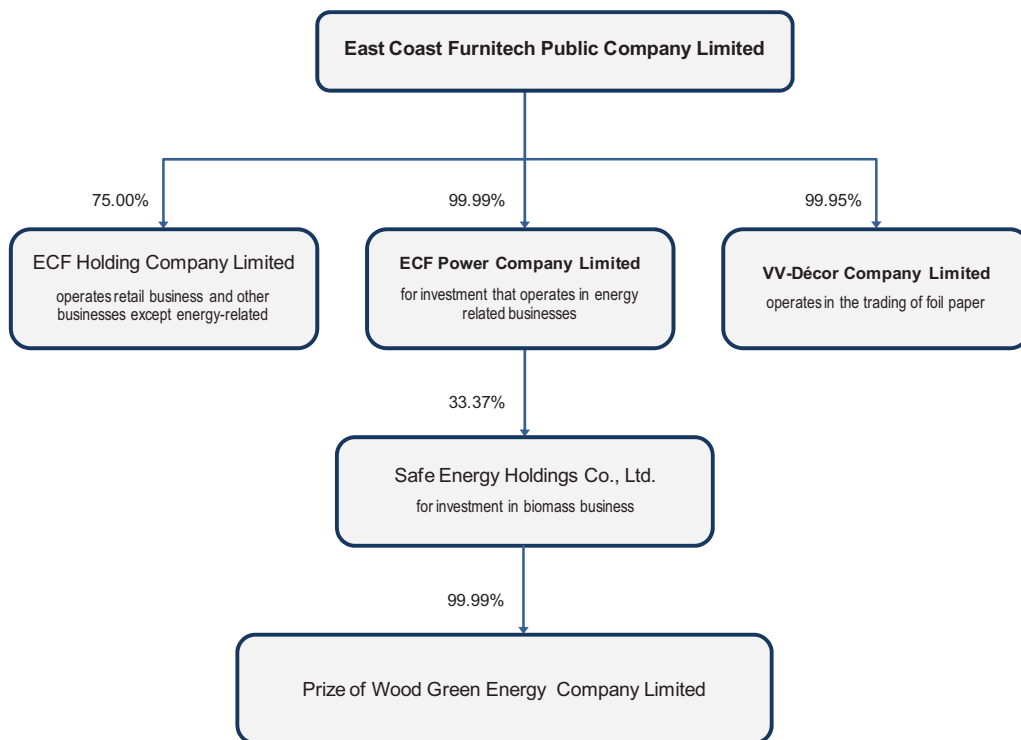
Currently, the structure of East Coast Furnitech Group is as follows.



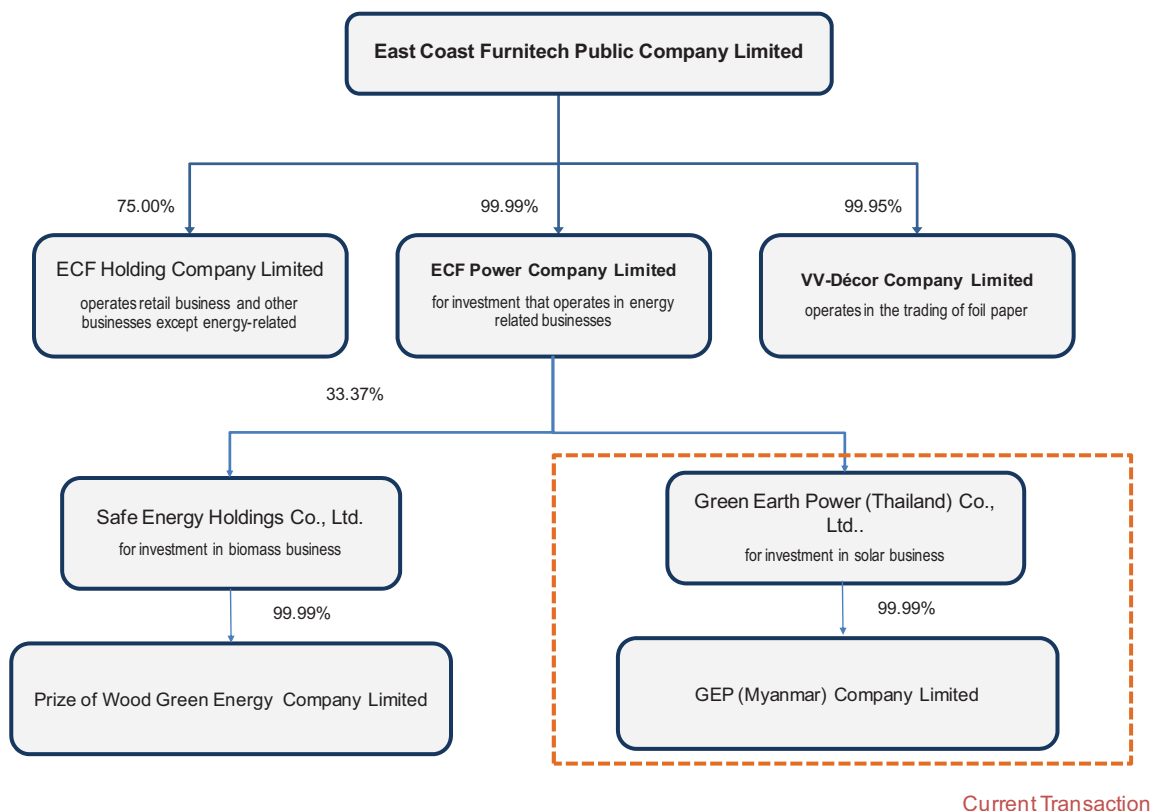
On February 13, 2017, the Board of Directors' Meeting No. 2/2560 passed a resolution approving the investment in the Biomass Energy Project with the installed capacity of 7.5 Megawatts owned by Nature of Wood Green Energy Co., Ltd., (the "Project" Or "PWGE"), located at 149 Moo 3, Yakala Sub-district, Weng District, Narathiwat Province. The investment in the Biomass Energy Project was made by Safe Energy Holdings Limited ("SAFE"), an associate of the Company. (With ECF Power Co., Ltd., a subsidiary of the Company (currently holding shares at the proportion of 50%) through the purchase of ordinary shares from the shareholders of the project (99.9999%), the total investment value of this project

is no more than 425,000,000 Baht (the investment value of ECF-Power is 141,652,500 Baht). The transaction was expected to complete within Quarter 2 in 2017. Nevertheless, the Company is still in the process of closing the transaction of investing in the biomass business of PWGE by having Safe Energy Holding Co., Ltd. will purchase 99.99 of PWGE. Upon the completion, ECF Power will dilute its shareholding from 50% to 33.37%.

Shareholding structure of the Group after the restructuring but prior to the acquisition of GEP's shares



The shareholding structure of the Group after this transaction



Subsidiaries

Name	Date of Establishment	Type of Business	Registered Capital (THB Million)	Holding (%)
1. VV Décor Company Limited	11 May 2011	Conduct trading business for ECF as a supplier of foil to the Company's customers	1.00	99.95
2. ECF Holdings Company Limited	23 February 2015	Main business is to hold shares in other companies. (Holding Company).	10.00	75.00
3. ECF Power Company Limited	16 January 2017	Business to invest in and operate all types of energy businesses.	1.00	99.99

Affiliates^{1/}

Name	Date of Establishment	Type of Business	Registered Capital (THB Million)	Holding (%)
1. Safe Energy Group Co.,Ltd.	Quarter 2 of 2017	To invest in Biomass power plants	425	33.37

Remarks: 1/ * It will happen after the investment in the Biomass Energy Project owned by Nature of Wood Green Energy Co., Ltd., according to the Board of Directors' meeting. No. 2/2560 on February 13, 2013. The Company is expected to complete within the second quarter of 2017

2.4 Revenue Structure

2.4.1 The revenue structure categorized by each product category

Type of Income	Y2016		Y2015		Y2014	
	THB Million	%	THB Million	%	THB Million	%
1. Particle board furniture	963.12	69.05	952.55	70.13	852.47	69.01
2. Rubber wood furniture	189.22	13.57	188.97	13.91	176.59	14.30
3. Furniture sold via showrooms and dealers	121.38	8.70	108.04	7.95	108.82	8.81
4. Foil paper	65.90	4.72	65.15	4.80	61.65	4.99
5. Dried rubber wood	15.84	1.14	19.39	1.43	9.51	0.77
Net sale revenue	1,370.77	98.27	1,334.30	98.22	1,209.05	97.88
Other revenue ^{1/}	24.14	1.73	24.20	1.78	26.16	2.12
Total revenue	1,394.91	100.00	1,358.30	100.00	1,235.21	100.00

Source: Form 56-1 and the Company's financial statements as of December 31, 2016

Remarks: 1/ Other revenue means profit (loss) from sales of fixed assets, rental and service revenue, interest received, profit (loss) from exchange rate, servicing for cutting the edge of PVC, sales of waste, revenue from export compensation, discount, etc.

2.4.2 The revenue structure by each distribution channel

Type of Income	Y2016		Y2015		Y2014	
	THB Million	%	THB Million	%	THB Million	%
1. Made to Order	767.53	60.26	784.85	62.81	690.41	60.67
2. ECF brands	384.81	30.21	356.36	28.52	338.66	29.76
3. Showroom	85.67	6.73	99.94	8.00	89.18	7.84
4. Warehouse and dealers	35.71	2.80	8.41	0.67	19.64	1.73
Total revenue form furniture ^{1/}	1,273.72	100.00	1,249.56	100.00	1,137.89	100.00

Source: Form 56-1 and the Company's financial statements as at December 31, 2016

Remarks: 1/ Total revenue of furniture sales equals particle board furniture and rubber wood furniture and showroom and wholesalers and retailer sales as the presentation of the above table.

2.4.3 The revenue structure categorized by domestic sale and oversea sales

Type of Income	Y2016		Y2015		Y2014	
	THB Million	%	THB Million	%	THB Million	%
1. Domestic Sale	767.53	60.26	784.85	62.81	690.41	60.67
2. Overseas Sale	35.71	2.80	8.41	0.67	19.64	1.73
Net sale revenue	1,273.72	100.00	1,249.56	100.00	1,137.89	100.00

3. Shareholders

Top 10 major shareholders as of 31 December 2016 (Total Shareholder 2,379 people)

No.	Name - Surname	No. of shares ^{1/} (Shares)	Percentage (%)
1.	Suksawad Family Group	358,155,200	62.9639%
1.1	Mr. Wanlop Suksawad	80,032,000	14.0697%
1.2	Mrs. Waraporn Suksawad	13,991,600	2.4597%
1.3	Mr. Chalee Suksawad	79,990,800	14.0624%
1.4	Mr. Arak Suksawad	79,990,800	14.0624%
1.5	Miss Tippawan Suksawad	79,990,800	14.0624%
1.6	Mr. Thamrong Suksawad	24,156,400	4.2467%
1.7	Mrs. Suphak Suksawad	400	0.0001%
1.8	Mr. Sitthichock Chinnurat	400	0.0001%
1.9	Mstr. Wantana Suksawad	400	0.0001%
1.10	Miss. Warisara Suksawad	400	0.0001%
1.11	Miss. Supichaya Suksawad	400	0.0001%
1.12	Mstr. Peerawut Suksawad	400	0.0001%
1.13	Mstr. Nopparut Suksawad	400	0.0001%
2.	Solaris Trigger Fund 3 Plus 3 #2	12,243,100	2.1523%
3.	Phatthamasatyasonthi Family Group	14,125,300	2.4832%
3.1	Miss Pitchpim Phatthamasatyasonthi	7,614,000	1.3385%
3.2	Mrs.Kunthong Udommahunthisuk	2,700,000	0.4747%
3.3	Miss Kritchanok Phatthamasatyasonthi	1,570,000	0.2637%
3.4	Mr.Phisith Phatthamasatyasonthi	1,500,000	0.1454%
3.5	Mr.Akekarith Phatthamasatyasonthi	741,300	0.1303%
4.	Wiriyatorphan Family Group	9,520,800	1.6738%
4.1	Mrs. Wassana Wiriyatorphan	7,960,700	1.3995%
4.2	Mr. Vitthaya Wiriyatorphan	1,560,100	0.2743%
5.	Thai NVDR Co., Ltd.	7,561,500	1.3293%
6.	Fookasem Family Group	6,898,100	1.2127%
6.1	Mr. Thitikorn Fookasem	6,517,700	1.1457%
6.2	Mr. Sawang Fookasem	381,000	0.0670%
7.	Miss Chintana Sae-Harn	4,886,000	0.8590%
8.	Ms. Chanintra Kangwantahnakul	4,114,400	0.7232%
9.	Rattanapisarnkul Family Group	3,730,300	0.6558%
9.1	Ms. Wanee Rattanapisarnkul	3,195,800	0.5618%
9.2	Mr. Rattankorn Rattanapisarnkul	522,900	0.0919%
9.3	Ms Pimnipha Rattanapisarnkul	11,600	0.0020%
10.	Mr. Kanuengnid Chinda	3,727,000	0.6552%
11.	Chantarueangvanij Family Group	3,574,600	0.6284%
11.1	Mrs. Maiyarut Chantarueangvanij	2,461,498	0.4327%
11.2	Mr.Sathorn Chantarueangvanij	1,005,937	0.1768%
11.3	Mr.Chayathorn Chantarueangvanij	107,165	0.0188%
12.	Other Shareholders (2,345 people)	140,290,150	24.6631%
Top twelve major shareholders of the Company		568,826,050	100.0000%

Source: Form 56-1 and SET

Remarks: 1/ Par Value = THB 0.25

4. Directors and Executives

4.1 Board of Directors

As of 31 December 2016, Board of Directors comprised of eight persons as follows:

No.	Name - Surname	Position
1.	General Therdsak Marom	Chairman/ Audit Committee / Independent Director
2.	Mr. Chalee Suksawad	Vice President
3.	Mr. Wanlop Suksawad	Director
4.	Mrs. Waraporn Suksawad	Director
5.	Mr. Arak Suksawad	Director
6.	Miss Tippawan Suksawad	Director
7.	Dr. Montri Socratayanurak	Chairman of the Audit Committee / Independent Director
8.	Mr. Songklod Jarusombat	Audit Committee / Independent Director

Source: Form 56-1

4.2 Executive directors

As of 31 December 2016, there were 7 executives as follows:

No.	Name - Surname	Position
1.	Mr. Arak Suksawad	Managing director and director of sales and marketing (Acting)
2.	Miss Tippawan Suksawad	Deputy Managing Director
3.	Mr. Supak Suksawad	Assistant Managing Director (Branch)
4.	Mr. Sittichoke Chinurut	Assistant Managing Director (headquarters)
5.	Ms. Patchanun Singhpu	Director of Accounting and Finance
6.	Mr. Racha Pochariya	Director of Headquarters Factory
7.	Mr. Athapol Thanapol	Director of Factory, Branch 1

Source: Form 56-1

5. Summary of Financial Highlights and Analysis of Operational Performance and Financial Status

■ Statement of Financial Status

Statement of Financial Status	2016		2015		2014	
	THB M	%	THB M	%	THB M	%
Asset						
Cash and cash equivalents	408.67	17.34	61.10	4.06	32.02	2.59
Trade receivables						
- related parties	8.09	0.34	8.50	0.56	8.63	0.70
- third parties	195.02	8.27	189.19	12.56	146.86	11.86
Inventories – net	756.80	32.10	578.63	38.42	419.99	33.91
Other current assets	38.85	1.65	24.55	1.63	23.96	1.93
Total Current Assets	1,532.73	65.02	861.96	57.23	631.47	50.98
Fixed deposits pledged as collateral	30.87	1.31	30.60	2.03	30.00	2.42
Investment in associate accounted for using equity method	8.00	0.34	60.90	4.04	-	-
Investment in held-to-maturity debt securities	2.00	0.08	2.00	0.13	2.00	0.16
Property, plants, and equipments – net	351.77	14.92	360.46	23.93	373.00	30.11
Asset revaluation surplus - net	347.60	14.75	160.88	10.68	183.58	14.82
Intangible assets – net	3.33	0.14	2.95	0.20	4.42	0.36
Deferred tax asset	3.89	0.17	2.69	0.18	3.68	0.30
Other non-current assets	77.09	3.27	23.75	1.58	10.53	0.85
Total Non-Current Assets	824.55	34.98	644.24	42.77	607.20	49.02
Total Assets	2,357.28	100.00	1,506.20	100.00	1,238.67	100.00

Source: Form 56-1 and the Company's financial statements

Statement of Financial Status	2016		2015		2014	
	THB M	%	THB M	%	THB M	%
Liabilities and Shareholders' Equity						
Bank overdrafts and short-term borrowings from financial institutions	672.87	28.54	540.24	35.87	330.98	26.72
Factoring payables	60.24	2.56	50.78	3.37	41.77	3.37
Trade payables	177.83	7.54	180.09	11.96	135.18	10.91
Other payables – related parties	1.96	0.08	2.04	0.14	2.10	0.17
Short-term loans from and interest payable to related person	-	0.00	10.59	0.70	-	-
Current portion of liabilities under hire purchase and finance lease agreements	10.83	0.46	11.33	0.75	10.68	0.86
Current portion of long-term borrowings	85.98	3.65	63.41	4.21	66.97	5.41
Accrued expenses and other current liabilities	62.27	2.64	59.63	3.96	56.89	4.59
Total Current Liabilities	1,076.24	45.66	918.11	60.96	644.58	52.04
Liabilities under hire purchase and finance lease agreements - net	3.97	0.17	11.20	0.74	17.81	1.44
Deferred gain on sales and leaseback	0.08	0.00	0.13	0.01	0.22	0.02
Long-term borrowings - net	67.17	2.85	114.36	7.59	166.80	13.47
Liability for post-employment benefits	5.92	0.25	3.38	0.22	3.28	0.26
Deferred tax liabilities	46.50	1.97	5.37	0.36	6.86	0.55

Statement of Financial Status	2016		2015		2014	
	THB M	%	THB M	%	THB M	%
Total Non-Current Liabilities	619.95	26.38	134.44	8.93	194.97	15.74
Total Liabilities	1,698.19	72.04	1,052.54	69.88	839.55	67.78
Authorized share capital	195.00		195.00		195.00	
Issued and paid-up share capital	142.21		137.55	9.13	130.00	10.50
Premium on shares	117.69	4.99	113.03	7.50	105.48	8.52
Retained earnings						
- Appropriated for legal reserve	19.50	0.83	19.50	1.29	16.60	1.34
- Unappropriated	294.97	12.51	245.81	16.32	187.96	15.17
Other components of equity	82.34	3.49	(59.76)	(3.97)	(40.92)	(3.30)
Equity attributable to Owners of the Parent	656.71	27.86	456.14	30.28	399.12	32.22
Non-controlling interests	2.39	0.10	(2.48)	(0.16)	-	-
Total Shareholders' Equity	659.09	27.96	453.66	30.12	399.12	32.22
Total Liabilities and Shareholders' Equity	2,357.28	100.00	1,506.20	100.00	1,238.67	100.00

Source: Form 56-1 and the Company's financial statements

▪ **Statement of Comprehensive Income**

Statement of Comprehensive Income	2016		2015		2014	
	THB M	%	THB M	%	THB M	%
Sales - net	1,370.78	98.27	1,334.10	98.22	1,209.05	98.46
Other income						
- Unrealized gain on valuation of fair value of derivatives	0.03	0.00	3.29	0.24	9.09	0.74
- Gain (loss) on exchange rate	2.42	0.17	2.22	0.16	(7.36)	(0.60)
- Others	21.68	1.55	18.69	1.38	17.18	1.40
Total Revenues	1,394.91	100.00	1,358.30	100.00	1,227.96	100.00
Cost of sales	983.27	70.49	981.74	72.28	887.25	72.25
Selling expenses	158.87	11.39	134.17	9.88	108.70	8.85
Administrative expenses	155.46	11.14	118.65	8.74	118.21	9.63
Total Expenses	1,297.60	93.02	1,234.56	90.89	1,114.17	90.73
Profit Before Interest and Tax Expenses	97.31	6.98	123.74	9.11	113.79	9.27
Finance cost	54.43	3.90	38.73	2.85	30.95	2.52
Share of Profit (Loss) from Investment in Associates	32.83	2.35	(0.84)	0.06	-	-
Income tax expense	10.71	0.77	13.99	1.03	12.97	1.06
Profit for the year	65.00	4.66	70.17	5.17	69.88	5.69
Actuarial loss on remeasurement of liability for post-employment benefits	(1.51)	(0.11)	-	-	-	-
Share of other comprehensive income from associate	2.95	0.21	4.66	0.34	0.00	0.00
Gain on revaluation of assets	166.39	11.93	-	-	-	-
Portion that was reclassified to share of profit from investment in associates	(6.49)	(0.50)	-	-	-	-
<u>Other comprehensive income for the year</u>	<u>161.34</u>	<u>11.57</u>	<u>4.66</u>	<u>0.34</u>	<u>0.00</u>	<u>0.00</u>
Total Comprehensive Income for the Year	226.34	16.23	74.83	5.51	69.88	5.69

Source: Form 56-1 and the Company's financial statements

▪ **Summary of Cash Flows**

Description (Unit: THB M)	2016	2015	2014
Net cash provided by (used in) operating activities	(100.85)	12.16	19.93
Net cash provided by (used in) investing activities	(68.29)	(83.71)	(58.00)
Net cash provided by (used in) financing activities	(516.71)	(100.62)	(66.62)
Net increase (decrease) in cash and cash equivalents	347.57	29.08	28.55
Cash and Cash Equivalents at the End of Year	408.67	61.10	32.02

Source: Form 56-1 and the Company's financial statements

▪ **Summary of Key Financial Ratio**

Ratio	Unit	2016	2015	2014
<u>Liquidity Ratio</u>				
Liquidity Ratio	Times	1.42	0.94	0.98
Quick Liquidity Ratio	Times	0.64	0.28	0.29
Cash Flow Liquidity Ratio	Times	(0.10)	0.02	0.03
Trade Account Receivable Turnover	Times	6.76	7.46	7.42
Average Collection Period	Days	53.25	48.28	48.54
Inventory Turnover	Times	5.06	5.98	5.92
Average Selling Period	Days	71.20	60.18	60.86
Payable Turnover	Times	5.49	6.23	6.31
Credit Term	Days	65.52	57.80	57.06
Cash Cycle	Days	58.93	50.66	52.34
<u>Profitability Ratio</u>				
Gross Profit Margin	%	28.27	26.41	26.62
Operating Profit Margin	%	7.10	9.28	9.41
Cash to Revenue	%	(106.34)	9.83	17.51
Net Profit Margin	%	4.66	5.51	5.66
Return on Equity	%	11.68	17.55	18.78
<u>Efficiency Ratio</u>				
Return on Assets	%	3.37	5.45	6.00
Return on Fixed Assets	%	38.32	39.34	36.49
Asset Turnover	Times	0.72	0.99	1.06
<u>Financial Ratio</u>				
Debt to Equity Ratio	Times	2.58	2.32	2.10
Interest Coverage Ratio	Times	0.54	1.72	2.06
Debt Service Cash Ratio (Cash Basis)	Times	(0.30)	0.05	0.10
Dividend Payout ^{1/}	%	46.84	43.08	51.35

Source: Form 56-1 and the Company's financial statements

Remarks: 1/ Dividend Payout = Dividend Payout According to the Corresponding Year's Policy / Net Income

Operating Results and Financial Analysis of Company's Operation

Overall Past Performance from Y2014 – Y2016

Over the past three years, from 2014 to 2016, the Company has a continuous increase in sales with a compound average growth rate of 6.48%. Sales growth was 10.34% from 2014 to 2015 and 2.75% from 2015 to 2016.

In 2016, the Company's sales growth decreased comparing to the previous year because of the impact from domestic and international factors that hampered public's consumption. The factors also include consumers' confident that did not increase as expected and the export balance in 2016 that was lowered by 4.53%. However, the Company is satisfied with its ability to generate the continuous growth in sales and total revenue despite all the adverse factors.

▪ Revenue

From the year 2014 to 2016, the Company's sales revenues are THB 1,209.05 million, THB 1,334.10 million, and THB 1,370.78 million respectively, showing the increase by 10.34% from 2014 to 2015, and 2.75% from 2015 to 2016. Alternatively, the sales in 2016 could be classified as domestic sales of 43.36% and international sales of 56.64%.

In 2016, the significant increase in sales revenue was due to the Company's revenue growth from furniture distribution through wholesale and retail dealers. The Company had been planning to use a marketing strategy to expand its distribution channels among the dealers. Most of the furniture sold through the dealers were the Company-made, imported, or externally manufactured products of which the sales had been grown by 324.61%, from THB 8.41 million in 2015 to THB 35.71 million in 2016. Another contribution for the revenue increase was the sales growth of 7.98% from furniture distribution through the Company's own brand, from THB 356.36 million in 2015 to THB 384.81 million in 2016.

The Company's other revenues in 2014, 2015, and 2016 were THB 18.92 million, THB 24.20 million, and THB 24.13 million respectively. Other revenues consisted of unrealized gain (loss) on valuation of fair value of derivatives, gain (loss) on exchange rate, and other components such as income from sales of scrap, gain (loss) from sales of fixed assets, interest income, and other incomes from the export.

▪ Cost of Sales

For the year 2013, 2014 and 2015, the Company has a cost of sales of THB 887.25 million, THB 981.74 million, and THB 983.27 million respectively, making up of 73.38%, 73.59%, and 71.73% of the sales revenue in order.

The information from the year 2014 to 2016 shows that the Company had a continuously declining cost-of-sales-to-sales-revenue ratio as the Company had purchased a semi-automatic machine to enhance the particle board furniture production efficiency. The partial installation and operation of the previously mentioned machine had significantly affected the cost of production since 2013.

▪ Sales and Administrative Expenses

For the year 2014 to 2016, the Company's sales expense accounted for 8.85%, 9.88%, and 11.39% of its total revenue in the same year; or equivalent to THB 108.70 million, THB 137.17 million, and THB 158.87 million respectively. The increase in the Company's sales expense was due to the increase in the sales expense of Can Do Me Company, a Company's subsidiary, to stimulate its sales growth.

The Company's administrative expenses, which made up 9.63%, 8.74%, and 11.14% of the total revenue, are THB 118.21 million, THB 118.65 million, and THB 155.46 million respectively. The increase in the Company's administrative expense was due the increase in Can Do Me Company's operating expense and the Company's raise of employee benefits and bonus. Also, there was an expense incurred by the feasibility study of the investment project in energy business.

▪ Gross and Net Profit

The Company's gross profit for the year 2014, 2015, and 2016 were THB 321.80 million, THB 352.36 million, THB 387.51 million, making up 26.62%, 26.41%, and 28.27% of the sales revenue respectively.

The Company's net profit for the year 2014, 2015, and 2016 were THB 69.88 million, THB 70.17 million, THB 65.01 million, accounting for 5.66%, 5.17%, and 4.66% of the sales revenue respectively. The net profit for 2016 is divided into the attribution to parent company of THB 62.44 million and the non-controlling interests of THB 2.57 million.

Financial Position as of Y2014-2016

▪ **Total Assets**

As of December 31, 2014, 2015 and 2016, the Company's total assets as presented in the consolidated financial statements were THB 1,238.67 million, THB 1,506.20 million and THB 2,357.28 million respectively.

Main contributions to the significant increase in 2016 total assets are the increase of cash and cash equivalents, inventories, and asset revaluation surplus.

▪ **Total Liabilities**

As of 31 December 2014, 2015 and 2016, the Company's total liabilities as presented in the consolidated financial statements were THB 839.55 million, THB 1,052.54 million, and THB 1,698.19 million respectively.

The important items in total liabilities are bank overdrafts and short-term borrowings from financial institutions, debentures, trade payables, and current portion of long-term borrowings and net long-term borrowings.

▪ **Shareholders' Equity**

As of December 31, 2014, 2015 and 2016, the Company's shareholders' equity as presented in the consolidated financial statements were THB 399.12 million, THB 453.66 million, and THB 659.09 million respectively.

Important details in shareholders' equity items are:

- Registered and paid-up capital as of 31 December 2014, 2015, 2016 are THB 130 million (as of the registered capital of THB 195 million), THB 137.55 million (as of the registered capital of THB 195 million), and THB 142.21 million (as of the registered capital of THB 195 million) respectively.

- Premium on shares as of 31 December 2014, 2015, 2016 are THB 105.48 million, THB 113.0 million, and THB 117.69 million respectively. The result during 2013 and 2014 was due to the public offering in March 2013 at THB 1.20 per share, in which the Company had received the payment of THB 144.00 million (before expense deduction), and recorded as registered capital of THB 30 million and premium of THB 105.48 million.

For the year 2015 to 2016, there was an additional premium of THB 12.21 million due to the exercise of warrants.

- Unappropriated retained earnings as of 31 December 2014, 2015, 2016 are THB 187.96 million, THB 245.81 million, and THB 294.97 million respectively. As of 31 December 2016, the Company's unappropriated retained earnings, which accounted for 12.51% of total liabilities and shareholders' equity, was partly resulted from the amortization of fixed assets revaluation surplus which could not be included in retained earnings or paid out as dividend.

Potential factors or events that may have a significant impact on financial position or operation in the future (Forward Looking)

In 2016, the Company mainly operated as a manufacturer and distributor of particleboard and rubber wood furniture. Even though the Company's financial position or operating result was not affected by the ongoing domestic and international economic crisis, the Company still tried to search for an opportunity to diversify the operational risks into other new business area to reduce the risks from an intensely competitive environment in furniture sector, where the focus among neighboring countries like Malaysia and Vietnam was on price competition.

Therefore, the Company has considered establishing a subsidiary company, ECF Power Company Limited, in March 2017 to invest in renewable energy business. On February 13, 2017, the board of directors' meeting No. 2/2560 has approved the investment in a biomass power plant project of Prize of Woods Green Energy Company Limited ("the Project" or "PWGE") with an installed capacity of

7.5 MW, which is currently under construction in Waeng District, Narathiwat. The share acquisition from the project's shareholders (99.9999%) by Safe Energy Holdings Company Limited ("SAFE"), a Company's subsidiary in which ECF Power will hold 33.37% shares after the transaction, is expected to be complete in Q2 of 2017. The operating result of the subsidiary will be realized after the project starts to commercially operate from 2017 onward.

*(For more information about the overall operating result,
please refer Form 56-1 ended December 31, 2016)*

6. Industry Overview / Market Environment and Competition

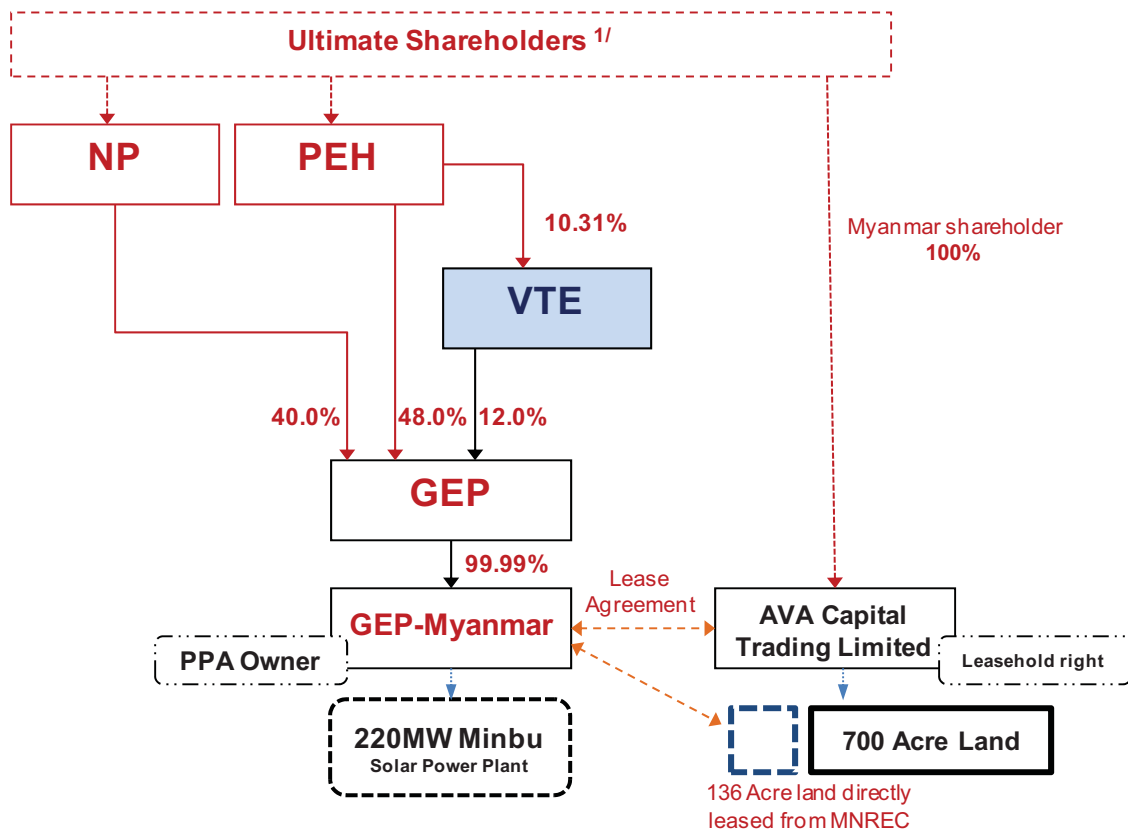
For more information about the market environment and competition, please refer to Part 1: Business Operation, Topic 2.2 in Form 56-1 ended December 31, 2016.

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Attachment 2

Company Information and Operating Results of Green Earth Power (Thailand) Co., Ltd. (“GEP”), GEP (Myanmar) Company Limited (“GEP-Myanmar”), and their Related Companies

1. Structure of GEP (including its affiliates, subsidiaries, and related companies)



Source: Preliminary data from the Company and compiled by the IFA

Remark: **Ultimate shareholders** refer to Mr. Supasit Pokinjaruras and Mr. Aung Thiha. They both have direct control and directly and indirectly holding the share at the highest level.

NP refers to Noble Planet Pte. Ltd.

PEH refers to Plant Energy Holdings Pte. Ltd.

VTE refers to Vintage Engineering Public Company Limited

GEP refers to Green Earth Power (Thailand) Co., Ltd.

GEP-Myanmar refers to GEP (Myanmar) Company Limited

2. General Information of GEP

Company Name	:	Green Earth Power (Thailand) Co., Ltd. ("GEP")
Type of Business	:	GEP is in the business of electricity generation through clean and renewable methods such as solar and wind energy. Its business-related services include consulting, installation, inspection, maintenance and repair. The business generates and sells electricity to both private and public agencies in both domestic and foreign markets.
Office Address (Head Office)	:	30th Floor, Unit 3006, Athenee Tower, 63 Wireless Road, Lumpini, Pathumwan, Bangkok 10330, Thailand
Registered Capital	:	THB 25,755,800 divided into 257,558 shares with a par value of THB 100.
Paid-up Capital	:	THB 25,755,800 divided into 257,558 shares with a par value of THB 100.
Auditor	:	KPMG Poomchai Audit Co Ltd (2016) BPR Audit and Advisory Co.,Ltd (2015)

3. Nature of Business of GEP

The Company was established with the objective of engaging in the business of electricity generation through clean and renewable methods such as solar and wind energy. The business's related services include consulting, installation, inspection, maintenance and repair. The business generates and sells electricity to both public and private agencies in both domestic and foreign markets.

Background

The Company was established under the name "Bon 3" on April 30, 1985 and later changed its name to "Yang Group" on December 9, 2005 and subsequently changed its name to "Green Earth Power (Thailand) Co., Ltd." on May 4, 2011. The current registered and paid-up capital is THB 25,755,800 divided into 257,558 ordinary shares with a par value of THB 100 per share.

4. List of Directors of GEP

The directors as of March 30, 2017 are as follows:

	Name of Shareholders	Nationality	Position
1.	Mr. Supasit Pokinjaruras ^{1/}	Thai	Director
2.	Mr. Aung Thiha ^{1/}	Myanmese	Director
3.	Mr. David William Yang	American	Director
4.	Mr. Soraj Rojanabenjakul	Thia	Director
5.	Mr. Foong Sai Kong	Malaysian	Director
6.	Pol. Mongkol Runreungjai	Thai	Director

Source: List of Shareholders (Bor.Jor. 5) of GEP issued on March 30, 2017

Remark: 1/ The authorized directors are Mr. Supasit Pokinjaruras or Mr. Aung Thiha, either one of the directors together with the company's seal

5. List of Shareholders of GEP

The shareholders as of March 30, 2017 are as follows:

	Name of Shareholders	No. of shares (shares)	%
1.	Noble Planet Pte. Ltd. ^{1/}	103,022	40.0%
2.	Planet Energy Holding Pte. Ltd. ^{1/}	123,628	48.0%
3.	Vintage Engineering PLC (VTE)	30,908	12.0%
Total		257,558	100.0%

Source: List of Shareholders (Bor.Jor. 5) of GEP issued on March 30, 2017

Remark: 1/ Mr. Supasit Pokinjaruras & Mr. Aung Thiha are the controlling shareholders and ultimate shareholders through their individual direct and indirect shareholdings of 50% of the paid up capital of each companies.

- **List of GEP's shareholders Pre- and Post-Transaction**

Please refer to Part 1, Table 1-9 of this IFA Report.

- **Information on the financial status of the ultimate shareholders.**

The Independent Financial Advisor has reviewed the additional information on the financial status of PEH's ultimate shareholder as follows:

1) Assets of Mr. Aung Thiha and Mr. Supasit Pokinjaruras

1.1) Securities of a listed company in Thailand

Based on information on the SET's website (www.set.or.th), PEH, which both Mr. Supasit and Mr. Aung are the ultimate shareholders, currently holds 85,637,713 of VTE's shares, representing 10.31% of VTE's issued and paid-up capital. As of March 31, 2017, one day prior to the Board of Directors' resolution to invest in Project Minbu, the closing price of VTE's share, based on information on the SET's website, is THB 2.62 per share. Therefore, the value of VTE's shares holds by PEH is valued at THB 224.37 Million.

1.2) Securities of a Japanese company

Hold 45% of Green Earth Japan Co., Ltd. ("GEP Japan"). Currently, GEP Japan runs the business in solar farm and solar rooftop as the owner and operator of the solar project with installed capacity of 12 MW and the EPC contractor of the solar project with installed capacity of 48 MW. Please see more information on <http://www.gepjp.co.jp>. The total investment in GEP Japan's project is Yen 3,600 million, equivalent to USD 32.4 Million, or THB 1,116.18 Million. Then 45% of GEP Japan's investment is equal to THB 502.28 Million. (Source: GEP)

2) Personal Assets of Mr. Aung Thiha

2.1) Securities of a Thai Company

Company Name	Registered Capital	Total asset	% Shareholding	Business Type
Planet Energy Co., Ltd	THB 1 Million	THB 1.00 Million (As of Dec 31, 2015)	49%	Import and Export and Manufacture of electric motors and generators

Source: www.corpus.bol.co.th

2.2) Land in Myanmar

- Land area of 31,107 square feet or 1.98 rai in Yangon, Myanmar: The market value of this land is about USD 13.68 million, equivalent to THB 470 million (*Source: GEP*)

3) Personal Assets of Mr. Supasit Pokinjaruras

3.1) Securities of a Thai Company

Company Name	Registered Capital	Total asset	% Shareholding	Business Type
Good Deal Entertainment Co., Ltd ^{1/}	THB 5 Million	THB 72.1 Million (As of Dec 31,2015)	50%	<ul style="list-style-type: none">▪ Firm and Drama Production House▪ Concert Organizer▪ Digital Market Agency
Planet Energy Co., Ltd	THB 1 Million	THB 1.00 Million (As of Dec 31,2015)	49%	Import and Export and Manufacture of electric motors and generators

Source: www.corpus.bol.co.th

Remarks: 1/ Mrs.Ratsarin Pokinjaruras, a wife of Mr. Supasit Pokinjaruras holds 30% of the total shares. Both of them hold 80% of total shares.

Mr. Supasit is the founder and major shareholder of Good Deal Entertainment Co.,Ltd, which produces many TV programs such as Tiger Cry on Youtube, Scan Gay on Youtube and "Sud Rai Sud Rak", TV Drama on Channel 3.

6. Information of Subsidiaries and Affiliates of GEP

Summary of key information of GEP's subsidiaries and companies related to GEP has been prepared with the objectives of only providing brief summary and facilitating shareholders in their decision. All information is prepared with reference to the English translation of relevant documents from the Burmese originals. The IFA has exercised our best effort to comprehend materiality of the information, as well as correctly communicate such information. However, the financial advisors cannot independently verify the Burmese originals. If there are any questions or if it appears that there are discrepancies in any statements or any details between Thai translation or English translation and the Burmese originals, the Burmese originals shall prevail in any cases. The IFA, therefore, has to rely on the information in Thai or English as received and verified by the Company and / or GEP.

6.1 General Information of GEP (Myanmar) Company Limited ("GEP-Myanmar")

Overview of GEP-Myanmar

Company Name	: GEP (Myanmar) Company Limited ("GEP-Myanmar")
Domicile	: The Republic of the Union of Myanmar
Date of Establishment	: February 16, 2016
Registration No.	: 906 FC/2015-2016 (YGN)
Office Address (Head Office)	: Suite 213, 2nd Floor, Peral Condo, Kabar Aye Pagoda Road Bahan Township, Yangon, Myanmar
Registered Capital	: USD 500,000,000 (equivalent to THB 17,750 million at the exchange rate of THB 35.50 per USD 1)
Paid-up Capital	: USD 3,365,000 (equivalent to THB 5.325 million at the exchange rate of THB 35.50 per USD 1)

Source: GEP-Myanmar's Memorandum of Association, dated April 26, 2016 (translation certified by a Notary Public)

The board of directors and shareholding structure of GEP-Myanmar are summarized below:

(A) Board of Directors of GEP-Myanmar

Board of Directors

Pre-Transaction

	Name - Surname	Position
1.	Mr. Aung Thiha #	Managing Director
2.	Mr. Supasit Pokinjaruras #	Director

Source: GEP-Myanmar's Memorandum of Association, dated January 26, 2016
The original is in Myanmar and translated certified by a Notary Public.

Pre and Post-Transaction

	Pre-Transaction	Pre-Transaction
1.	Mr. Aung Thiha	Mr. Aung Thiha
2.	Mr. Supasit Pokinjaruras	Mr. Supasit Pokinjaruras
3 - 9		There will be 7 new directors. The name of

	Pre-Transaction	Pre-Transaction
		directors in GEP-Myanmar will be the same as GEP, and ECF-Power has the right to nominate two new directors

Source: GEP-Myanmar's Memorandum of Association, dated January 26, 2016
The original is in Myanmar and translated certified by a Notary Public.

(B) Shareholders of GEP-Myanmar

Pre-Transaction

	Name of Shareholders	No. of shares (shares)	%
1.	Green Earth Power (Thailand) Co., Ltd. ("GEP")	3,364,999	99.99%
2.	Mr. Supasit Pokinjaruras	1	0.01%
Total		150,000	100.00%

Source: GEP-Myanmar's Corporate Document and there were capital increase five times in 2015
The original is in Myanmar and translated certified by a Notary Public

Post-Transaction

	Name of Shareholders				
		No. of shares	%	No. of shares	%
1.	Green Earth Power (Thailand) Co., Ltd. ("GEP")	3,364,999	99.99%	3,364,999	99.99%
2.	Mr. Supasit Pokinjaruras	1	0.01%	1	0.01%
Total		3,365,000	99.99%	3,365,000	100.00%

6.2 General Information AVA Capital Trading Limited ("AVA Capital")

Overview of AVA Capital

Company Name	: AVA Capital Trading Limited ("AVA Capital")
Domicile	: The Republic of the Union of Myanmar
Date of Establishment	: September 13, 2012
Registration No.	: 2377 /2012-2013
Office Address (Head Office)	: Suite 213, 2nd Floor, Peral Condo, Kabar Aye Pagoda Road Bahan Township, Yangon, Myanmar
Registered Capital	: Myanmar Kyat 500,000,000 divided into 5,000 shares with a par value of Myanmar Kyat 100,000) (equivalent to THB 14.9 million at the exchange rate of THB 0.03 per Myanmar Kyat 1)
Paid-up Capital	: Myanmar Kyat 50,000,000 divided into 500 shares with a par value of Myanmar Kyat 100,000) (equivalent to THB 1.49 million at the exchange rate of THB 0.03 per Myanmar Kyat 1)

Source: AVA Capital's Affidavit, dated October 10, 2015 (translation certified by a Notary Public)

The board of directors and shareholding structure of AVA Capital are summarized below:

(A) Board of Directors of AVA Capital

Board of Directors

	Name - Surname	Position
1.	U Aung Thiha	Managing Director
2.	U Thiha	Director

Source: AVA Capital's Affidavit, dated October 10, 2015 (translation certified by a Notary Public)

(B) Shareholders of AVA Capital

Shareholders

	Name of Shareholders	No. of shares (shares)	%
1.	U Aung Thiha	259	51.80%
2.	U Thiha	241	48.20%
Total		500	100.00%

Source: AVA Capital's Affidavit, dated October 10, 2015 (translation certified by a Notary Public)

7. Summary of Financial Highlights and Analysis of Operational Performance and Financial Status of GEP

Statement of Financial Position of GEP

<i>Unit: THB</i>	2016	2015	2014
Assets			
Current Assets			
Cash and cash equivalents	19,832,801	39,927,028	1,091,645
Other receivables	173,326,607	1,971,536	143,662
Retention receivable for investment contract	-	283,025,973	-
Other current assets	2,908,764	41,245	-
Total current assets	196,068,172	324,965,782	1,235,307
Non-current assets			
Other long-term investment	107,013,764	-	-
Receivables according to the Concession	224,706,251	-	-
Plants and Equipments	6,538,735	40,983,696	46,841
Intangible Assets	20,298	10,818	6,265
Other current non-current assets	216,421	461,545	7,500
Total non-current Assets	338,495,469	41,456,059	60,606
Total Assets	534,563,641	366,421,841	1,295,913
Liabilities and Shareholders' Equity			
Current Liabilities			
Trade and other payables	266,986,497	55,448,771	49,787,073
Short-term borrowing from affiliates	35,000,000	-	-
Total current liabilities	301,986,497	55,448,771	49,787,073
Employee benefit obligation	193,231	-	-
Total non-current liabilities	193,231	-	-
Total Liabilities	302,179,728	55,448,771	49,787,073
Shareholders' Equity			
Share Capital			
Registered 257,558 shares, THB 100 par value in 2016 and 2015; and 5,000 shares, THB 100 par value in 2014.	25,755,800	25,755,800	500,000
Issued and paid-up Par value of THB 100 in 2016, 2015, and 2015	25,755,800	25,755,800	500,000
Premium on share capital	364,620,050	364,620,050	-
Accumulated loss	(159,823,391)	(79,402,780)	(48,991,160)
Other components of shareholders' equity	1,831,454		
Total Shareholders' Equity	232,383,913	310,973,070	(48,491,160)
Total Liabilities and Shareholders' Equity	534,563,641	366,421,841	1,295,913

Source: GEP

▪ **Statement of Comprehensive Income**

<i>Unit: THB</i>	2016	2015	2014
Revenue from the service concession agreement	221,653,775	-	-
Cost from the service concession agreement	(221,653,775)	-	-
Gross profit	-	-	-
Interest income	1,604,310	47,135	-
Other income	93,228	-	-
Net foreign exchange gain	1,160,339	129,037	-
Total revenue	2,857,877	176,172	-
Expenses			
Administrative expenses	83,216,456	30,587,792	48,612,413
Other expenses	-	-	-
Total cost	83,216,456	30,587,792	48,612,413
Profit (loss) before finance costs and income taxes	(80,358,579)	(30,411,620)	(48,612,413)
Finance costs	(12,875)	-	-
Income tax expense	-	-	-
Net profit for the year	(80,371,454)	(30,411,620)	(48,612,413)

Source: GEP

▪ **Summary of Key Financial Ratio**

Financial Ratio	Units	2016	2015	2014
Current Ratio	(Times)	0.65	5.86	0.02
Gross Profit Margin	(%)	N/A	N/A	N/A
Net Profit Margin	(%)	N/A	N/A	N/A
Return of Equity (ROE)	(%)	N/A	N/A	N/A
Return on Assets (ROA)	(%)	N/A	N/A	N/A
Debt to Equity Ratio (D/E Ratio)	(%)	130.1	17.8	N/A

Source: Calculated by Independent Financial Advisor and based on the financial statements of GEP
N/A means the ratio cannot be calculated

Analysis of financial status and operating performance of GEP

Overall Performance

▪ **Total Revenue**

GEP had no revenue for the financial year 2014

In 2015 and 2016, the Company reported a total revenue of THB 0.18 million and THB 2.86 million respectively generated from other income, this income was not generated from business operations.

In 2016, GEP's management has considered the concession contract of project Minbu power plant to fall under the IFRIC Interpretation 12: Service Concession Arrangements since its nature of business is Build-Operate-Transfer. The service fee that the Company Group will have to collect during the entire life of service agreement was determined in the contract. In addition, the Company Group recorded the assets during GEP construction as financial assets, which were shown under receivables from the service concession agreement in the statement of financial position. The revenue and related cost of construction would be realized based on the percentage of completion of the construction, which would then be shown as

THB 221.65 million under revenue and cost from the service concession agreement in the income statement for the year ended December 31, 2016.

▪ **Operating Expenses**

GEP had no revenue from business operations for the financial years ended December 31, 2014 and December 31, 2015, but the Company did incur administration expenses of THB 48.61 million and THB 30.59 million, respectively, which primarily came from consulting fee in various aspects of the project and traveling fee.

In 2016, the Company incurred THB 221.65 million cost of construction which will be realized based on its percentage of completion and shown under cost from the service concession agreement in compliance with the IFRIC Interpretation 12: Service Concession Arrangements. Moreover, the Company also had the administrative expenses of THB 83.22 million, which mainly came from consulting fee in various aspects of the project, employee benefit expense, and traveling fee.

▪ **Net Profit**

Net loss for the financial years ended December 31, 2014 to December 31, 2016 were THB 48.61 million, THB 30.41 million and THB 80.37 million respectively. The Company generated no revenue from sale of electricity since project Minbu power plant is still under development.

Financial Status

▪ **Assets**

As at December 31, 2014, the Company has a total asset base of THB 1.3 million made up predominantly of cash balance of THB 1.10 million, which accounted for 84.2% of the total asset base.

For the financial year end December 31, 2015, the Company had a total asset base of THB 366.42 million, predominantly made up of a receivables deposit of THB 283.03 million, which accounted for 77.2% of the total asset base; property, plant and equipment amounting to THB 40.98 million, which accounted for 11.2% of the total asset base; and cash and cash equivalents of THB 39.93 million, which accounted for 10.9% of the total asset base.

For the financial year end December 31, 2016, the Company had a total asset base of THB 534.56 million, predominantly made up of receivables from the service concession agreement of THB 224.71 million, which accounted for 42.04% of the total asset base; and other receivables of THB 173.33 million, which accounted for 32.42% of the total asset base.

▪ **Liabilities**

As at December 31, 2014, the Company had total liabilities of THB 49.79 million, predominantly made up of an advanced payment from a related person which accounts 99.76% total liabilities.

As at December 31, 2015, the Company had total liabilities of THB 55.45 million, predominantly made up of an advanced payment from a related person which accounts 86.00% total liabilities.

As at December 31, 2016, the Company had total liabilities of THB 302.18 million, predominantly made up of an advanced payment from a related person which accounts 302.18% total liabilities.

▪ **Shareholders' Equity**

At the years ended December 31, 2014, the Company had a registered and paid-up capital of THB 0.50 million. In the financial year ended December 31, 2015 the Company increased its registered and paid-up capital by THB 25.76 million and gain a premium on share capital of THB 364.62 million.

At the years ended December 31, 2014, the Company had a total shareholders' equity of minus THB 48.49 million. For the years ended December 31, 2015 and December 31, 2016, the Company had a total shareholders' equity of THB 310.97 million and THB 232.38 million respectively, with an accumulated loss of THB 79.40 million and THB 159.82 million in order.

Attachment 3

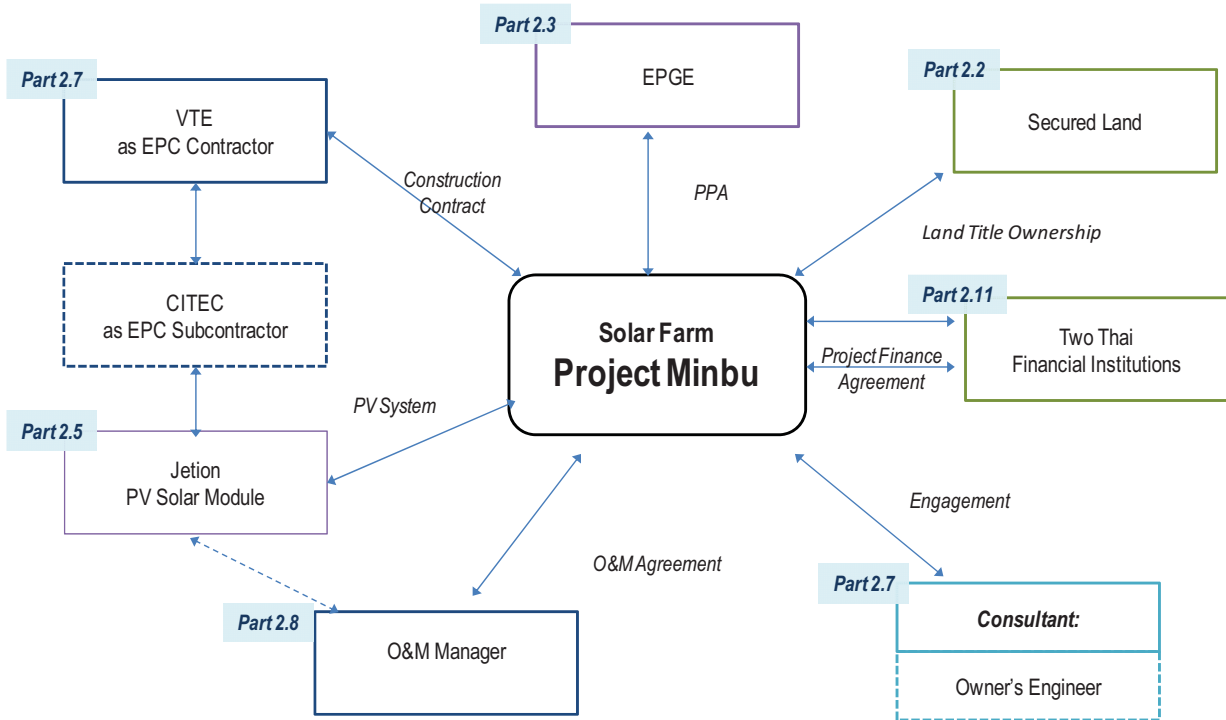
Details and Feasibility Study for the 220MW Minbu Solar Power Plant Project of Green Earth Power (Thailand) Company Limited (“GEP”)

1. General Information

Located in Minbu district, the Republic of the Union of Myanmar (“Myanmar”), the solar power plant project with an installed capacity of 220 MW (hereby referred as the “Project Minbu”), is being developed by GEP with GEP-Myanmar holding a power purchase agreement under the BOT (Build-Operate-Transfer) scheme for a period of 30 years. GEP-Myanmar signed a Power Purchase Agreement (“PPA”) with the Myanmar Electric Power Enterprise (“MEPE”) on March 20, 2016, with an amendment to the PPA on January 6, 2017.

As Project Minbu is a large-scale project, there are many stakeholders involved in the development of the project. The IFA has summarized the following diagrams to illustrate the relationships among the stakeholders involved in Project Minbu.

Figure A3-1: Overview of the relationship among various stakeholders in Project Minbu



Source: Compiled by Independent Financial Advisor

Table A3-1: Summary of Project Minbu

<p>1. Project Owner Project Type</p>	<p>GEP (Myanmar) Company Limited (a wholly owned subsidiary of GEP) Project Minbu has an installed capacity of 220 MW_{DC} (direct current) to produce 170 MW_{AC} (alternating current). Phase 1 to Phase 3, each phase has an installed capacity of 50 MW_{DC} to produce electricity of 40 MW_{AC} whereas Phase 4 has an installed capacity of 70 MW_{DC} to produce 50 MW_{AC}.</p>
<p>2. Project Location</p>	<p>Minbu District, Magway Region, Myanmar</p>
<p>3. Project Area</p>	<ul style="list-style-type: none"> ▪ The lease term is equal to or greater than the term of the power purchase agreement. ▪ Located on a leasehold land of approximately 836 acres (or equivalent to 2.114.48 rai), which is divided in to two areas as follows: <ol style="list-style-type: none"> 1. The leasehold rights of 700 acres (or equivalent to 1,770.50 rai) will be under AVA Capital Trading Limited (“AVA Capital”)^{1/}. The area is under the supervision of the Ministry of Agriculture, Livestock and Irrigation (MOAI), in which, GEP-Myanmar will sub- lease from AVA Capital. 2. The lease of an area of 136 acres (or equivalent to 343.98 rai) will be under GEP-Myanmar (the area is under the supervision of the Ministry of Natural Resources and Environment and Conservation (MNREC). <p style="text-align: center;"><i>For more details, please refer to Table 2-17: Summary of Important Permits in Part 2 Section 2.12 of this IFA Report</i></p>
<p>4. Power Purchaser Power Purchase Rates</p>	<p>Myanma Electric Power Enterprise (“MEPE”)^{2/} (later changed to EPGE) under the authority of the Ministry of Electric Power of the Republic of the Union of Myanmar The power purchase tariff is USD 0.1275 per kilowatt-hour, or equivalent to THB 4.39 per kilowatt-hour. This is a fixed rate throughout the 30-year concession period commencing from the commercial operation date (COD) of Phase 1.</p>
<p>5. Power Purchase Agreement (“PPA”) Contract Term</p>	<ul style="list-style-type: none"> ▪ A PPA with the Myanma Electric Power Enterprise (“MEPE”) was signed and approved on March 20, 2015 with an amended version dated January 9, 2017. (On Jan 9, 2016, EPGE and GEP-Myanmar entered into an amendment to Power Purchase Agreement to change the contract parties from MEPE and GEP-Myanmar to EPGE and GEP-Myanmar) <p style="text-align: center;"><i>For more details regarding to the merger and the change of the Ministry name in Part 2 Section 2.14.1 of this IFA Report</i></p> <ul style="list-style-type: none"> ▪ A 30-year concession effective from the COD of Phase 1.
<p>6. Solar Power Generation Technology</p>	<p>Electricity is to be generated using solar power through Photovoltaic (PV) technology with the use of polycrystalline silicon PV modules.</p>
<p>7. Connection to the Grid</p>	<ul style="list-style-type: none"> ▪ The transmission line will span a distance of 1.3 miles to connect the plant to the national grid.
<p>8. Project Value</p>	<p>The total value of the project is USD 292.62 million, or about USD 10,080.76 million.</p>
<p>9. Source of Project Funding</p>	<ul style="list-style-type: none"> ▪ The debt-to-equity ratio of the Project Minbu is estimated to be not more than 65:35 for Phase 1. (Phase 2-4 is under negotiation with a financial institution). Debt to Equity ratio must not be lower than 65:35. The capital portion must not be higher than 35.^{3/} ▪ The capital amount is USD 102.42 million, or equivalent to THB 3,528.27 million. ▪ The loan amount is USD 190.20 million or equivalent to THB 6,552.49 million. ▪ GEP-Myanmar has entered into a Credit Facilities Agreement with two financial institutions in Thailand for a project finance for Phase 1 of Project Minbu
<p>10. Commercial Operation Date (“COD”)</p>	<ul style="list-style-type: none"> ▪ Phase 1 within 480 days from the date of the Power Purchase Agreement which falls on July 13, 2017. However, one of the conditions subsequent of Share Purchase Agreement requires that GEP-Myanmar must be granted by EPGE the extension of COD for Phase 1 to December 31, 2017 or after December 31, 2017^{4/}, which GEP expects Project Minbu to be commercially operating by the first quarter of 2018. ▪ Phase 2 to 4 within 360 days of the commercial launch date of the previous phase.

- Remarks: 1/ Information on the structure of GEP and AVA Capital Trading Limited, please refer to Attachment 2.
2/ Please refer to Remarks 1 / in the previous table
3/ If the debt to equity ratio of project in Phase 2-4 is lower than 65:35 percent, ECF-Power has the right to sell the shares back to the sellers under the terms of the share purchase agreement.
4/ Conditions Subsequent to the share purchase agreement requires that GEP-Myanmar to be approved or receives an amendment by EPGE for the extension of the commercial commencement on December 31, 2017 or after December 31,2017. If such condition subsequent has not completed by December 31. 2017, ECF-Power has the right to sell the shares back to the seller under the share purchase agreement

Feasibility Study for the 220MW Minbu Solar Power Plant Project of Green Earth Power (Thailand) Company Limited (“GEP”)

The DCF valuation approach takes into account the future cash generation ability of the Solar Farm Project by considering the present value of estimated future cash flows at an appropriate discount rate. The IFA has calculated the Weighted Average Cost of Capital (“WACC”) to be used as a discount rate. The future net cash flows have been determined based on the estimated power generation ability of the Solar Farm Project (total installed capacity: 220 MW). The feasibility study is based on the assumption that the Solar Farm Project will continue operating in the ordinary course of business with no significant changes made to the business during the projected period.

The key assumptions for the financial projection of Project Minbu are as follows:

- The production capacity of Project Minbu is 170 MW_{AC} (alternating current) with an installed capacity of 220 MW_{DC} (direct current).
- The Project is divided into 4 phases.
- Phase 1-3: 50 MW_{DC} installed capacity (for 40 MW_{AC} production capacity)
- Phase 4 : 70 MW_{DC} installed capacity (for 50 MW_{AC} production capacity)
- GEP-Myanmar received the MIC permit at the 5/2017 Meeting on March 13, 2017. Upon receiving the MIC permit, GEP-Myanmar will begin the preparation and construction of phase 1, which span over 6 to 9 months.
- Commercial Operation Date (COD) is estimated to begin on January 1, 2018.
- Assumptions related to electric power generation are based on Technical Due Diligence report by Owl Energy Limited issued on March 9, 2017. *(For the summary of the OWL-Energy technical Due Diligence report related to this financial projection, please refer to Part 2, Table 2-5 of this IFA Report.)*
- The projection period is 30 years form January 1, 2018 to December 31, 2047, with a 30-year commercial operation period from 2018 to 2047.
- Total project value is USD 292.62 million or equivalent to THB 10,080.76 million. The debt-to-equity ratio is expected to be 65:35. (Based on Loan agreement for Phase 1 of Project Minbu)
- Exchange Rate Assumption: THB/USD = 34.45 THB/USD
- Expected transaction date of Project Minbu is May 31, 2017.

(For more information on the details of the above assumptions, please refer to Part 4, Item 4.1.1 of this IFA Report)

The free cash flow pertinent to the feasibility of Project Minbu is as follows: (1) Free Cash Flow to Project Minbu; and (2) Free Cash Flow to equity holder – GEP.

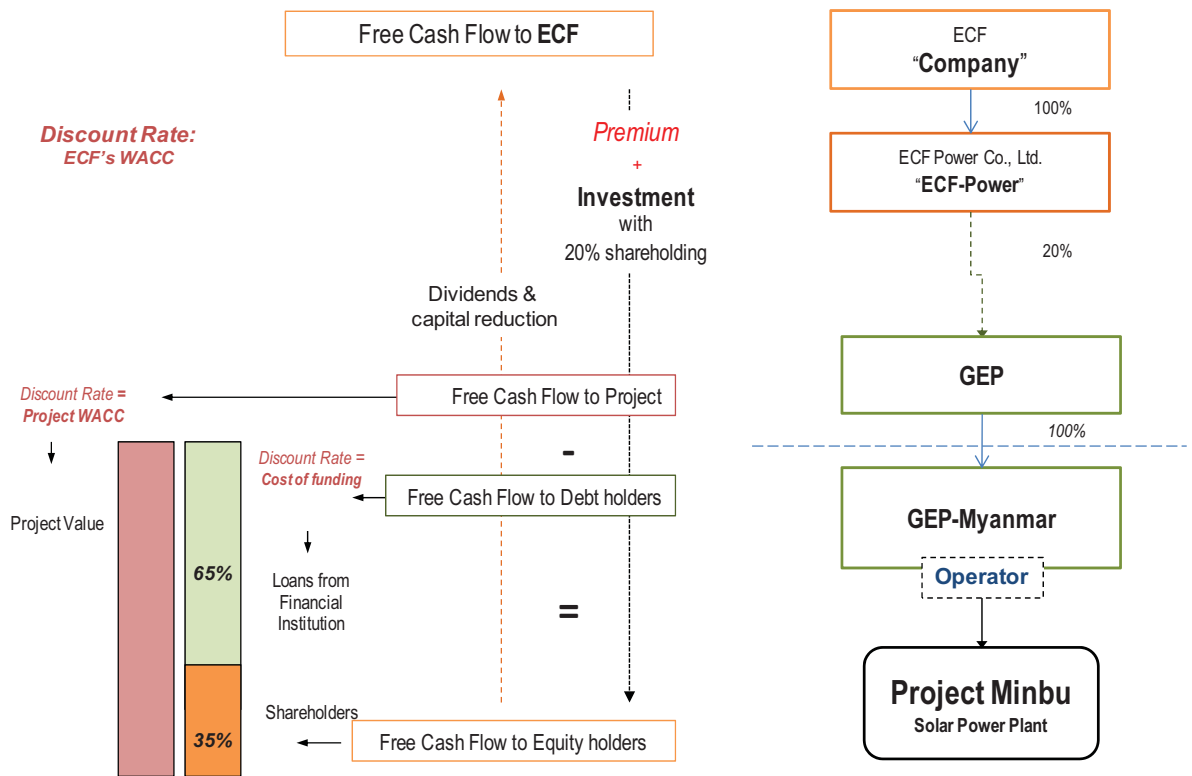
Table A3-2: Summary of cash flow related to feasibility study of Project Minbu

Discounted Cash flow	Discount Rate	Internal Rate of Return
1. Free Cash Flow to Project	Weighted Average Cost of Capital (WACC) of Project Minbu	Project IRR reflects return to the project according its level of risk
2. Free Cash Flow to Equity Holder of GEP-Myanmar - GEP	Cost of Equity of GEP	Equity Internal Rate of Return: EIRR reflects return to GEP as a shareholder in GEP-Myanmar
3. Free Cash Flow to ECF ^{1/}	Weighted Average Cost of Capital (WACC) of ECF	Investment IRR reflects return to ECF from investment in the Project Minbu via GEP shares acquisition

Source: Summarized and analyzed by the IFA

Remark: 1/ For more information about this cash flows valuation, please referred to Part 4 Item 4.1.2 of this IFA Report.

Figure A3-2: Various Free cash flows pertinent to Minbu Power Plant Project



Source: Summarized and analyzed by the IFA

The free cash flows presented in this Appendix 3 refers to (1) Free Cash Flow to Project Minbu; and (2) Free Cash Flow to equity holder – GEP as well as their sensitivity analysis.

Discount Rate used in evaluating Free Cash Flow to Project

The Project WACC is calculated as:

$$WACC = K_e \left(\frac{E}{V} \right) + K_d (1-t) \left(\frac{D}{V} \right) = 9.07 \%$$

where:

K_e^*	=	Cost of Equity	=	16.79 %
K_d^{**}	=	Expected Cost of Debt for Project Financing	=	6.55 %
T	=	Corporate Income Tax (%) ^{1/}	=	25.0 %
Total Value (V)	=	Equity (E) + Debt (D)	=	100.0 %
E / V	=	Target Equity Portion ^{2/}	=	35.0 %
D / V	=	Target Debt Portion ^{2/}	=	65.0 %

* Cost of Equity (K_e) calculation:

$$K_e = R_f + \beta(R_m - R_f + CRP)$$

where:

Risk Free Rate, R_f	=	The risk-free rate of return as at March 31, 2017 is 2.71% per annum ^{1/} , which is based on three-year daily median of 10-year Thai government bond. (Average rate is 2.77%, Maximum is 3.99% and Minimum is 1.51%)
Beta, β	=	Beta is a coefficient that reflects risk of this project investment by the Company. Since GEP-Myanmar is a non-listed company, in which Beta β is indeterminable, the IFA uses median of comparable public companies' Beta β as proxies for Minbu Project's unlevered Beta $\beta^{2/}$, which is 0.48 to reflect risk of the Project Minbu. This number is then relevered back according to ECF target capital structure and derives ECF's levered beta β of 1.44.
Market premium, $R_m - R_f$	=	The difference between the expected market rate of return (R_m) and the risk free rate of return (R_f) as at March 28, 2017, equivalent to 8.87% ^{3/} , which was calculated based on three-year daily median of market risk premium. (Average rate is 8.82%, Maximum is 11.22% and Minimum is 6.68%)
CRP, Country Risk Premium	=	The risk premium for investing in foreign country. In the case, the risk premium for Myanmar is 3.50% p.a. ^{4/}

Source: 1/ and 3/ Bloomberg (March 28, 2017)

2/ Average Unlevered Beta is calculated from five comparable companies operating solar power and renewable energy plants in Thailand as summarized in Table 4-9 below (Source: Bloomberg: as at March 31, 2017)

4/ Country Risk Premium: the estimate is reference from www.stern.nyu.edu/~adamodar/pc/datasets/ctryprem.xls

** Cost of Debt (K_d)

K_d	=	The estimated K_d is based on the reference interest rate includes 3-month London Interbank Offered Rate (LIBOR). The 3-month LIBOR as at March 31, 2017 is 1.15% p.a. and the spread. This interest rate also include related interest rate swap fees ^{5/}
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Source: For more details, please refer to Part 4, Item 4.1 Cost of Funding of this IFA Report.

Remark: 5/ Interest rate swap for a 12-year contract as at March 31, 2017 is 2.484. (Bloomberg: "WSSWAP12 Curncy"). The mean for the last three-year for the above rate is 2.362 (median is 2.319)

Table A3-3: Unlevered Beta calculation from listed companies with similar operation as Project Minbu

Company	Levered Beta ^{1/}	Debt/Equity ratio	Marginal Tax Rate	Unlevered Beta
ENERGY ABSOLUTE PCL	0.847	27.4%	20.0%	0.695
SUPERBLOCK PCL	0.731	74.0%	20.0%	0.459
BCPG PCL	0.578	40.8%	20.0%	0.436
SPCG PCL	0.733	67.7%	20.0%	0.476
THAI SOLAR ENERGY PCL	0.932	32.7%	20.0%	0.738
Mean	0.764	48.5%		0.561
Median	0.733	40.8%		0.476

Source: Bloomberg (March 28, 2017)

Remarks: 1 / Levered Beta is a 2-year average coefficient without the effect of the liabilities

2 / Unlevered Beta = Levered Beta / {1 + ((1-Marginal Tax Rate) * D / E)}

The tables on the he following pages depict Free Cash Flow to Project. The base case for project has following key assumptions: the project will be operating at an installed capacity of 220 MW and at P(50) or confidence level of 50%. P50 refers to probability of 50% that the level of sunlight can generate the annual energy production level.

Base Case:

Table A3-4: Projected Cash Flow for Project Minbu with installed capacity of 220 MW at P50

Unit: USD million	Calendar Year	2017 ^{1/}	2018 ^{2/}	2019 ^{3/}	2020 ^{4/}	2021 ^{5/}	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Project Year of Project Minbu		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Electricity Generated p.a. (GWh)		-	79.22	157.87	235.94	345.13	342.62	340.10	337.59	335.07	332.55	330.04	327.52	325.01	322.49		
Revenue from power generation		-	10.10	20.13	30.08	44.00	43.68	43.36	43.04	42.72	42.40	42.08	41.76	41.44	41.12		
O&M		-	(1.38)	(1.80)	(2.23)	(2.82)	(2.84)	(3.07)	(3.09)	(3.11)	(3.15)	(3.17)	(3.20)	(3.45)	(3.48)		
Related Insurance		-	(1.32)	(2.46)	(3.47)	(4.79)	(4.33)	(3.79)	(3.28)	(2.83)	(2.38)	(1.90)	(1.44)	(1.04)	(0.65)		
Other Expenses						(0.12)	(0.12)	(0.12)	(0.12)	(0.12)	(0.12)	(0.12)	(0.12)	(0.12)	(0.12)		
Other Expenses other than EPC		(3.82)	-	-	-	-	-	-	-	-	-	-	-	-	-		
EBITDA		(3.82)	7.40	15.87	24.39	36.28	36.40	36.39	36.55	36.66	36.76	36.89	37.00	36.83	36.87		
Loan Drawdown			47.30	43.48	41.52	57.90	-	-	-	-	-	-	-	-	-		
Loan Repayment			(1.50)	(4.28)	(7.41)	(14.67)	(21.96)	(20.57)	(19.33)	(16.02)	(19.16)	(18.93)	(16.81)	(14.79)	(15.37)		
Interest incurred (loans from Project Finance)			(3.05)	(5.71)	(8.04)	(11.11)	(9.93)	(8.56)	(7.25)	(6.09)	(4.94)	(3.70)	(2.53)	(1.49)	(0.50)		
Free Cash Flow to Project		(3.82)	3.95	9.08	14.40	21.84	21.96	21.95	22.11	22.22	22.32	22.45	22.56	22.39	22.43		
- Depreciation		-	3.45	6.79	9.99	14.44	14.44	14.44	14.44	14.44	14.44	14.44	14.44	14.44	14.44		
+ Change in working capital		4.60	(1.25)	(1.24)	(1.23)	(1.72)	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04		
- CAPEX		(4.59)	(69.19)	(66.71)	(66.38)	(82.93)	-	-	-	-	-	-	-	-	-		
- Tax Related expenses		-	(0.51)	(1.01)	(1.50)	(2.20)	(2.18)	(4.97)	(5.33)	(5.63)	(5.93)	(6.27)	(6.58)	(6.78)	(7.02)		
- CSR		-	(0.01)	(0.05)	(0.10)	(0.17)	(0.20)	(0.17)	(0.19)	(0.21)	(0.23)	(0.25)	(0.27)	(0.28)	(0.30)		
Free Cash Flow to Project		(3.81)	(63.55)	(53.14)	(45.82)	(50.73)	34.04	31.29	31.07	30.86	30.63	30.42	30.20	29.81	29.58		
Project WACC		9.22%	9.06%	9.05%	9.04%	9.03%	9.00%	8.97%	8.93%	8.89%	8.84%	8.79%	8.73%	8.67%	8.59%		

Remark: 1/ The transaction for Project Minbu will occur in early June 2017

2/ COD Phase 1: 50 MW_{DC} in January 1, 20183/ COD Phase 2: 50 MW_{DC} in January 1, 20194/ COD Phase 3: 50 MW_{DC} in January 1, 20205/ COD Phase 2: 70 MW_{DC} in January 1, 2021

Base Case:

Table 2/3

Table A3-5: Projected Cash Flow for Project Minbu with installed capacity of 220 MW at P50

<i>Unit: USD million</i>	Calendar Year	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
<i>Project Year of Project Minbu</i>		14	15	16	17	18	19	20	21	22	23	24	25	26	27
Electricity Generated p.a. (GWh)		319.98	317.46	314.95	312.43	309.92	307.40	304.89	302.37	299.85	297.34	294.82	292.31	289.79	287.28
Revenue from power generation		40.80	40.48	40.16	39.83	39.51	39.19	38.87	38.55	38.23	37.91	37.59	37.27	36.95	36.63
O&M		(3.51)	(3.55)	(3.58)	(3.61)	(3.90)	(3.94)	(3.97)	(4.02)	(4.06)	(4.10)	(4.42)	(4.47)	(4.52)	(4.58)
Related Insurance		(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)
Other Expenses		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses other than EPC		-	-	-	-	-	-	-	-	-	-	-	-	-	-
EBITDA		36.83	36.47	36.12	35.76	35.16	34.8	34.44	34.07	33.71	33.35	32.71	32.34	31.97	31.59
Loan Drawdown		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest incurred (loans from Project Finance)		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Free Cash Flow to Project															
<i>EBIT</i>		22.39	22.03	21.68	21.32	20.72	20.36	20.00	23.08	26.07	28.90	32.71	32.34	31.97	31.59
- Depreciation		14.44	14.44	14.44	14.44	14.44	14.44	14.44	10.99	7.65	4.45	-	-	-	-
+ Change in working capital		0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
- CAPEX		-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Tax Related expenses		(7.13)	(7.02)	(6.92)	(6.82)	(6.66)	(6.56)	(6.46)	(7.22)	(7.95)	(8.65)	(9.59)	(9.48)	(9.38)	(9.27)
- CSR		(0.31)	(0.30)	(0.30)	(0.29)	(0.28)	(0.28)	(0.27)	(0.32)	(0.36)	(0.41)	(0.46)	(0.46)	(0.45)	(0.45)
Free Cash Flow to Project		29.44	29.18	28.94	28.69	28.25	28.00	27.75	26.58	25.44	24.34	22.70	22.44	22.18	21.91
Project WACC		8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%	8.59%

Remark: 1/ The transaction for Project Minbu will occur in early June 2017

Base Case:

Table A3-6: Projected Cash Flow for Project Minbu with installed capacity of 220 MW at P50

<i>Unit: USD million</i>	<i>Calendar Year</i>		<i>2048^{1/}</i>	
<i>Project Year of Project Minbu</i>	<i>28</i>	<i>29</i>	<i>30</i>	<i>31</i>
Electricity Generated p.a. (GWh)	284.76	282.25	279.73	
Revenue from power generation	36.31	35.99	35.67	
O&M	(4.63)	(4.68)	(5.03)	
Related Insurance	(0.46)	(0.46)	(0.46)	
Other Expenses	-	-	-	
Other Expenses other than EPC	-	-	-	
EBITDA	31.22	30.85	30.18	
Loan Drawdown	-	-	-	
Loan Repayment	-	-	-	
Interest incurred (loans from Project Finance)	-	-	-	
Free Cash Flow to Project				
<i>EBIT</i>	31.22	30.85	30.18	
- Depreciation	-	-	-	
+ Change in working capital	0.04	0.04	0.04	
- CAPEX	-	-	-	
- Tax Related expenses	(9.17)	(9.06)	(8.88)	
- CSR	(0.44)	(0.44)	(0.43)	
Free Cash Flow to Project	21.65	21.39	20.91	5.50^{2/}
Project WACC^{3/}	8.59%	8.59%	8.59%	

Remark: ^{1/} The IFA assumes the PPA expires in December 2047.

^{2/} Terminal Value is USD 5.50 million

^{3/} The average Project WACC is 8.74%

Base Case at P50 (Confidence Level of 50%)

The IFA has evaluated the reasonableness of investment in the Project Minbu based on Free Cash Flow to Project, which is actual cash that the company would receive from this investment. The investment returns can be summarized as follows:

Table A3-7: Summary of investment returns to Project at base case of P50

Internal Rate of Return: IRR	10.74%	
Weighted Cost of Capital: WACC	9.07%	
Project Net Present Value: NPV	USD 33.53 million	or THB 1,155.11 million
Project Payback period	11.47 years	

Key assumptions for Base Case:

P50 is being used for the base case. P50 means that, with a probability of 50%, the level of sunlight can generate the annual energy production for year 1 after deducting the degradation rate at 1.0% in year 1 and 0.7% in year 2 to 30

The table above shows that, in the base case, an investment in Project Minbu will add value to GEP, because the project NPV is positive at USD 33.53 million or equivalent to THB 1,155.11 million; the Internal Rate of Return (IRR) is 9.07% which is higher than the project's WACC of 9.07%; and the investment is paid back after 11.47 years.

Project Minbu: Sensitivity Analysis

The IFA has performed sensitivity analysis to assess the reasonableness of Project Minbu under the Base Case to cover expected range of effects from the change of key variables. This is summarized in the table below.

Table A3-8: Summary of key variables used in Sensitivity Analysis

	Name	Description
Sensitivity 1:	Production analysis at various confidence levels ^{1/}	At P50 (Confidence Level at 50%) At P75 (Confidence Level at 75%) At P90 (Confidence Level at 90%) At P99 (Confidence Level at 99%)
Sensitivity 2:	Discount Rate: Weighted Average Cost of Capital (WACC) of Project	An analysis of the effects of increase/ (decrease) in cost by 0.50% (range in between 8.24% – 9.24%)
Sensitivity 3:	Finance Cost of the Project Minbu	An analysis of the effects of increase/ (decrease) in cost by 1.5% (range in between 5.00% – 8.50%)
Sensitivity 4:	O&M and insurance expenses of Project Minbu	An analysis of the effects of increase/(decrease) in cost by 10% (range in between (10.00%) – 10.00%)
Sensitivity 5:	Capital Structure (Debt-to-Equity Ratio) of Project Minbu	Adjust Debt-to-Equity Ratio from 60:40 to 80:20 ^{2/}
Sensitivity 6:	Country Risk Premium: CRP	Adjust CRP rate in the range of 0.0 - 3.50%

Remark: 1/ P50 means with a probability of 50%, the level of sunlight can generate the required annual energy production.

2/ However, according to Credit Facilities Agreement, for Project Minbu, GEP-Myanmar shall maintain its debt-to-equity ratio at no more than 65:35

The results of the Sensitivity Analysis are concluded below:

Table A3-9: Summary of investment returns to Project Minbu according to Sensitivity 1

Sensitivity 1: Production analysis at various confidence levels	Net Present Value: NPV <i>(USD million)</i>	Internal Rate of Return: IRR ^{1/} <i>(%)</i>	Payback period <i>(Year)</i>	Equity Rate of Return: IRR <i>(%)</i>
P50 or confidence Level at 50% Base case	33.53	10.74%	11.47	12.53%
P75 or confidence Level at 75%	20.78	9.99%	11.97	11.33%
P90 or confidence Level at 90%	9.34	9.31%	12.46	10.27%
P99 or confidence Level at 99%	(10.09)	8.14%	13.42	8.46%

Remark: ^{1/} IRR is compared with Project's Weighted Average Cost of Capital (WACC) which is 9.07%

Table A3-10: Summary of investment returns to Project Minbu according to Sensitivity 2

Sensitivity 2: Discount Rate: Weighted Average Cost of Capital (WACC) of Project	Net Present Value: NPV <i>(USD million)</i>	Internal Rate of Return: IRR <i>(%)</i>	Payback period <i>(Year)</i>	Equity Rate of Return: IRR <i>(%)</i>
WACC at 5.00%	43.99	10.74%	11.47	12.53%
WACC at 6.00%	36.64	10.74%	11.47	12.53%
WACC at 6.55% Base case	33.53	10.74%	11.47	12.53%
WACC at 7.00%	28.65	10.74%	11.47	12.53%
WACC at 8.00%	23.99	10.74%	11.47	12.53%

Table A3-11: Summary of investment returns to Project Minbu according to Sensitivity 3

Sensitivity 4: O&M and insurance expenses of Project Minbu	Net Present Value: NPV <i>(USD million)</i>	Internal Rate of Return: IRR ^{1/} <i>(%)</i>	Payback period <i>(Year)</i>	Equity Rate of Return: IRR <i>(%)</i>
Finance Cost of the Project at 5.00%	37.15	10.68%	11.53	13.57%
Finance Cost of the Project at 6.00%	34.82	10.72%	11.49	12.89%
Finance Cost of the Project at 6.55% Base case	33.53	10.74%	11.47	12.53%
Finance Cost of the Project at 7.00%	32.41	10.76%	11.45	12.24%
Finance Cost of the Project at 8.00%	28.79	10.83%	11.38	11.28%

Remark: ^{1/} IRR is compared with Project's Weighted Average Cost of Capital (WACC) which is 9.07%

Table A3-12: Summary of investment returns to Project Minbu according to Sensitivity 4

Sensitivity 4: Finance Cost of Project Minbu	Net Present Value: NPV <i>(USD million)</i>	Internal Rate of Return: IRR ^{1/} <i>(%)</i>	Payback period <i>(Year)</i>	Equity Rate of Return: IRR <i>(%)</i>
Decrease by 10.00%	37.86	11.01%	11.30	12.96%
Decrease by 5.00%	35.70	10.88%	11.38	12.74%
<u>Base case</u>	33.53	10.74%	11.47	12.53%
Increase by 5.00%	31.35	10.61%	11.56	12.32%
Increase by 10.00%	29.13	10.48%	11.65	12.11%

Remark: ^{1/} IRR is compared with Project's Weighted Average Cost of Capital (WACC) which is 9.07%

Table A3-13: Summary of investment returns to Project Minbu according to Sensitivity 5

Sensitivity 5: Capital Structure (Debt-to-Equity Ratio) of Project Minbu	Net Present Value: NPV <i>(USD million)</i>	Internal Rate of Return: IRR ^{1/} <i>(%)</i>	Payback period <i>(Year)</i>	Equity Rate of Return: IRR <i>(%)</i>
Debt-to-Equity Ratio 60:40	34.71	10.80%	11.43	12.30%
Debt-to-Equity Ratio 65:35 <u>Base case</u>	33.53	10.74%	11.47	12.53%
Debt-to-Equity Ratio 70:30	32.27	10.68%	11.51	12.81%
Debt-to-Equity Ratio 75:25	31.04	10.63%	11.55	13.15%
Debt-to-Equity Ratio 80:20	29.81	10.57%	11.59	13.54%

Remark: ^{1/} IRR is compared with Project's Weighted Average Cost of Capital (WACC) which is 9.07%

Table A3-14: Summary of investment returns to Project Minbu according to Sensitivity 6

Sensitivity 6: Country Risk Premium: CRP	Net Present Value: NPV <i>(USD million)</i>	Internal Rate of Return: IRR ^{1/} <i>(%)</i>	Payback period <i>(Year)</i>	Equity Rate of Return: IRR <i>(%)</i>
Country Risk Premium, CRP at 0.0 %	70.24	10.74%	11.47	12.53%
Country Risk Premium, CRP at 0.5%	64.31	10.74%	11.43	12.53%
Country Risk Premium, CRP at 1.0%	58.62	10.74%	11.43	12.53%
Country Risk Premium, CRP at 1.5%	53.17	10.74%	11.43	12.53%
Country Risk Premium, CRP at 2.0%	47.95	10.74%	11.43	12.53%
Country Risk Premium, CRP at 2.5%	42.94	10.74%	11.43	12.53%
Country Risk Premium, CRP at 3.0%	38.14	10.74%	11.43	12.53%
Country Risk Premium, CRP at 3.5% <u>Base case</u>	33.53	10.74%	11.47	12.53%

Remark: ^{1/} IRR is compared with Project's Weighted Average Cost of Capital (WACC) which is 9.07%

Attachment 4

Historical and Current Transaction of Acquisition of Shares in Green Earth Power (Thailand) Co., Ltd (“GEP”)

Table A4-1: Table compares key information related to the acquisition of GEP’s shares

Buyer	Vintage Engineering PLC. (“VTE”)	QTC Global Power Co., Ltd (“QTCGP”), a wholly owned subsidiary of QTC Energy PLC. (“QTC”)	ECF Power Co., Ltd (“ECF-Power”), a wholly owned subsidiary of East Coast Furnitech PLC. (“ECF”)
Date when BOD passed resolution to acquire	March 20, 2015	March 29, 2017	April 3, 2017
Acquisition Price	THB 666.05	USD 7.63 Million or equivalent to THB 267.49	USD 9 Million or equivalent 310.05 Million
% Shareholding	12.00%	15.00%	20.00%
GEP’s shares acquired / to be acquired	Existing Shares of 5.4% and Newly issued shares of 6.6%	Existing Shares	Existing Shares
Payment Method	Cash in the amount THB 366.32 and newly issued shares of VTE of 1.53% of VTE Paid up shares valuing THB 299.73 Million	Cash	Cash
Capital Increase Obligation	No obligation to inject additional capital increase but still hold the same shareholding of 12% and the Seller (PEH and NP) will be responsible to inject the capital for capital increase	Obligation to inject additional capital according to its shareholding of USD 14.38 Million or equivalent to THB 497.79 Million	Obligation to inject additional capital according to its shareholding of USD 20.22 Million or equivalent to THB 696.58 Million
Other Condition	<ul style="list-style-type: none"> ▪ No obligation related to Cash Deficiency Support 	<ul style="list-style-type: none"> ▪ Oblige to provide cash deficiency support to GEP not exceed USD 4.16 Million or equivalent to THB 143.93 Million ▪ Price adjustment condition if QTC’s equity IRR: <ul style="list-style-type: none"> ○ Lower than 8% , QTC will receive additional shares or financial benefits of additional 1.5% of GEP’s paid up shares ○ Higher than 12%, QTC will pay additional payment of not exceed USD 1.873 Million 	<ul style="list-style-type: none"> ▪ Oblige to provide cash deficiency support to GEP not exceed USD 5.54 Million or equivalent to THB 190.85 Million
Remark	Already Acquired	Pending to the shareholders’ approval	Pending to the shareholders’ approval

Remarks: Summarized by IFA, according to the information that each company disclosed in its annual report, website of each company and the website of the Stock Exchange of Thailand (www.set.or.th)

From the table above, although ECF-Power and QTCGP have entered into the acquisition transaction of GEP's shares during the same period, ECF-Power and QTCGP separately and independently negotiate for its Share Purchase Agreement (SPA), which makes the conditions in SPA different, especially purchasing price and the payment terms. The IFA has considered the publicly disclosed information of QTCGP related to this transaction and founded that QTCGP will receive a price adjustment condition. If the Equity IRR is lower than 8%, QTCGP will receive an additional 1.5% of GEP's paid up shares. This will clearly help mitigate risk of if the performance of Project Minbu is lower than expected. But ECF did not have this condition. However, by having this condition, QTCGP has paid its deposit of USD 3.75 Million or equivalent to THB 132.97 Million, representing 49.78% of its total purchase price of USD 7.63 million or THB 267.09 Million. On the other hand, ECF has just paid its deposit valuing THB 50 million, representing only 16.13% of its total purchase price. This means QTCGP has paid much higher portion of the deposit than ECF-Power. Then QTC will be exposed to higher risk from inability to claim a refund from the Seller. Moreover, if Project Minbu has the performance that makes QTCGP's Equity IRR higher than 12%, QTCGP is obligated to make additional payments to the seller. While the Company does not oblige to this condition and then can fully enjoy the profit from Project Minbu. In the view of IFA, the advantage and risk of the payment term including purchase price, which each company will be, expose to depend on the views of each management team.

The Company has clarified that their management team had negotiated the condition to acquisition of GEP's share with the best interest of the Company and its shareholders.