

**Information Memorandum regarding the Acquisition of Assets of
SPCG Public Company Limited
Schedule 1 and Schedule 2**

The Board of Directors' Meeting of SPCG Public Company Limited (the "**Company**") No. 12/2011 on 20 July 2011 resolved to approve the four subsidiary companies of Solar Power Company Limited ("**SPC**"), namely Solar Power (Korat 3) Company Limited ("**SPKR3**"), Solar Power (Korat 4) Company Limited ("**SPKR4**"), Solar Power (Korat 7) Company Limited ("**SPKR7**") and Solar Power (Korat 8) Company Limited ("**SPKR8**") (collectively called the "**4 Subsidiaries**") which engage in the business of development of solar power plants, to acquire assets for the business of developing four solar power plant projects worth approximately Baht 650,000,000 each in the total value of not exceeding Baht 2,600,000,000, whereby the Company will seek funds from public offering of its shares, loans from financial institutions and/or from other source of fund and SPC will use the proceeds from such source of fund to purchase the newly issued shares of the 4 Subsidiaries as per the following details:

- Invest in each of SPKR3, SPKR4 and SPKR7 in the amount of approximately Baht 117,000,000 totalling Baht 351,000,000, whereby SPC holds 60% shares in SPKR3, SPKR4 and SPKR7; and
- Invest in SPKR8 through SPC in the amount of Baht 195,000,000, whereby SPC aims to hold 100% shares in SPKR8.

In addition, the Board of Directors' Meeting of SPC No. 25/2553 on 13 December 2010 and the Board of Directors' Meeting of Solar Power (Khon Kaen 1) Company Limited ("**SPKK1**") (SPKK1 is one of SPC's subsidiaries) No. 4/2553 on 27 August 2010 approved the capital increase of SPKK1 in the amount of 18,890,000 shares at the par value of Baht 10 per share equivalent to Baht 188,900,000 in total and the construction of the 6 MW solar power plant worth approximately Baht 630,000,000. The above transaction is a Class 1 transaction under the Notification of the Capital Market Supervisory Board ThorChor. 20/2551 Re: Rules on Significant Transactions Constituting Acquisition or Disposition of Assets and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information and Actions of a Listed Company on Acquisition or Disposition of Assets B.E. 2547 (the "**Asset Acquisition Rule**").

Therefore, the Company is required to disclose information regarding the Class 1 transaction to the Stock Exchange of Thailand (the "**SET**"), procure opinion of an independent financial advisor and hold a meeting of shareholders to approve the transaction. In this regard, the Company has appointed Phillip Securities (Thailand) Public Company Limited to be its independent financial advisor ("**IFA**") to provide opinions on the entry into the transaction.

Details of the transaction are as follows.

1 Information under Schedule 1

1.1 Date, month and year on which the transaction occurs

On 20 July 2011, the Board of Directors of the Company approved the 4 Subsidiaries to purchase the assets for development of four solar power plant projects and the Company to seek funds from public offering of its shares, loans from financial institutions and/or from other source of fund so that SPC will use the proceeds from such source of fund to purchase the newly issued shares of the 4 Subsidiaries.

For the development of four solar power plant projects by the 4 Subsidiaries, SPKR3 has already acquired land whereas the remaining 3 subsidiaries is still in the process of selecting appropriate land lots whereby the management may consider changing the

location of the project sites and the subsidiaries that will develop the projects if more appropriate land lots can be sought.

On 13 December 2010, SPC's Board of Directors approved the capital increase of SPKK1 in the amount of 18,890,000 shares at a par value of Baht 10 per share totalling Baht 188,900,000 and the construction of the solar power plant project. The funds for the development of the solar power plant project to be operated by SPKK1 have been obtained from the proceeds from SPC's purchase of 18,890,000 newly issued shares on 9 April 2011 at the par value of Baht 10 each totalling Baht 188,900,000. At present, SPC has sold 5,670,000 shares in SPKK1 to Thai Fa Power Company Limited at the price of Baht 10 per share totalling Baht 56,700,000 equivalent to 30% of the total registered capital of SPKK1. SPKK1 is now also seeking loans from financial institutions.

1.2 The parties involved and their relationship with the listed company

The Company is to enter into the transaction together with the 4 Subsidiaries and SPKK1 which are the subsidiaries of SPC whereby SPC is a subsidiary of the Company. At present, the Company holds approximately 100% of shares in SPC and SPC holds approximately 70% shares in SPKK1 which has already increased its capital in full. SPC holds 60% shares in SPKR3 which has already increased its capital with paid-up capital of 25% of the total registered capital, and SPC holds 60% shares in SPKR4 and SPKR7 and 100% shares in SPKR 8, which has not increased the capital.

1.3 General characteristics of the transaction

The Company engages in investment and construction of solar power plant. The investment in solar power plant project is made through SPC.

By entering into this transaction, the Company intends to have SPC purchase newly issued shares in the 4 Subsidiaries, whereby the Company will seek funds from public offering of its shares, loans from financial institutions and/or from other source of fund. In this regard, SPC will subscribe for the newly issued shares of the 4 Subsidiaries as per the details below:

- Subscribe shares in SPKR3, SPKR4 and SPKR7 in the amount of 11,700,000 shares for each company totalling 35,100,000 shares, the value of which is Baht 117,000,000 per company totalling Baht 351,000,000; and
- Subscribe shares in SPKR8 in the amount of 19,500,000 shares valued at Baht 195,000,000.

The Company has the policy to seek co-investors in SPKR3, SPKR4 and SPKR7 at 40.0% stake and on 4 August 2011, SPC signed a share purchase agreement and shareholders agreement with Ratchaburi Electricity Generating Holding PCL ("**RATCH**") to co-invest at 40.0% stake in SPKR3, SPKR4 and SPKR7 and the Company has the policy to hold 100.0% shares in SPKR8 through SPC as well as to seek loans from financial institutions to develop the four solar power plant projects.

Moreover, the SPC's Board of Directors' meeting No. 25/2010 on 13 December 2010 approved the purchase of capital increase shares of SPKK1 and for SPKK1 to construct the 6 MW solar power plant worth approximately Baht 630,000,000. At present, SPKK1 is in a process of constructing the said solar power plant. On 9 April 2011, SPC made the share payment to SPKK1 in full.

At present, SPC has sold 5,670,000 shares in SPKK1 to Thai Fa Power Company Limited at the price of Baht 10 per share totalling Baht 56,700,000 equivalent to 30% of the total registered capital of SPKK1. SPKK1 is also seeking loans from financial institutions.

The above transaction is a Class 1 transaction (the value of the transaction is equal to 50.0% or more but lower than 100.0%) under the Asset Acquisition Rule. The total value of the transaction is equivalent to 83.7% on the basis of total value of consideration, which obtains the highest value compared to other basis and such value is the total value of all acquisition transactions entered into within the past 6 months calculated on such basis. Therefore, the Company is required to disclose the information to the SET, appoint an independent financial advisor and hold a meeting of shareholders to approve the transaction by no less than three-fourth of the total voting right of shareholders attending the meeting and having the right to vote, excluding votes of interested shareholders.

The basis of calculation of the transaction value is as follows:

Financial information used in the calculation:

Financial Information	Consolidated Financial Statement ended 31 March 2011 (Million Baht)
Total assets	2,927.8
Intangible assets	12.0
Total liabilities	2,092.3
Total shareholders' equity	835.5
Net income (loss)	-0.7
Minor shareholders' equity	264.3
NTA*	559.2

* NTA is calculated from the total assets less intangible assets, total liabilities and minor shareholders' equity.

Calculation method:

a. Book value basis on net tangible assets

	SPKK1	SPKR3	SPKR4	SPKR7	SPKR8	Total
NTA of the Company (million Baht)	559.2	559.2	559.2	559.2	559.2	
NTA of subsidiaries* (million Baht)	189	0.1	0.1	0.1	0.1	
% of NTA	33.8%	0.0%	0.0%	0.0%	0.0%	33.9%

b. Basis of total consideration

	SPKK1*	SPKR3**	SPKR4**	SPKR7**	SPKR8**	Total
Total assets of the Company (million Baht)	2,927.8	2,927.8	2,927.8	2,927.8	2,927.8	
Total value of consideration* (million Baht)	630.0	390.0	390.0	390.0	650.0	
% of total assets	21.5%	13.3%	13.3%	13.3%	22.2%	83.7%

* Calculated based on the assumption that SPC holds 100% shares in SPKK1 as SPC injected capital (or acquired shares or assets) of SPKK1 in the amount of Baht 189 million on 9 April 2011. However, at present SPC holds 70% shares in SPKK1.

** Calculated based on the assumption that SPC holds 60% shares in SPKR3, SPKR4 and SPKR7 and 100% shares in SPKR8

c. Net profit basis - none

d. Basis of value of securities issued by the Company as consideration - none

1.4 Details of the assets acquired or disposed

At present, subsidiaries of SPC, namely Solar Power (Korat 1) Company Limited (“**SPKR1**”), Solar Power (Sakon Nakhon 1) Company Limited (“**SPSN1**”) and Solar Power (Nakhon Phanom 1) Company Limited (“**SPNP1**”), have completed the construction of the three solar power plants and their commercial operations have been commenced. Solar Power (Korat 2) Company Limited (“**SPKR2**”) and Solar Power (Loei 1) Company Limited (“**SPLO1**”) is in the process of commencing commercial operation within August 2011. In addition, SPKK1 has increased its capital and is in a process of constructing two solar power plants. However, SPC has already increased the capital and obtained funds for development of SPKK1 solar power plant.

1.4.1 Details of the assets

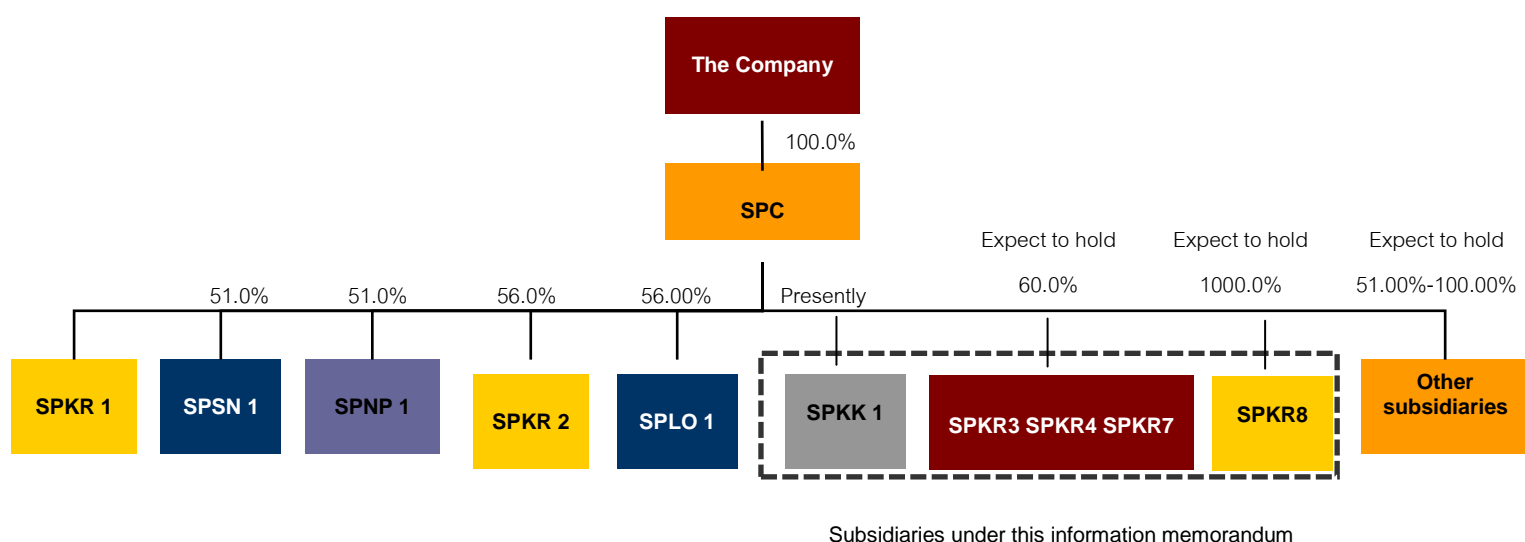
The 4 Subsidiaries will use the proceeds from the capital increase from SPC to construct the solar power plants and sell the electricity to the Provincial Electricity Authority. The solar power plant projects to be constructed will be 6 MW power plant having the value of not more than Baht 650,000,000 each and the project area of no less than 80 rais, which will use approximately 30,000 solar panels for each project.

Funds for development of the solar power plant projects to be operated by the 4 Subsidiaries will be obtained by the Company from public offering of its shares, loans from financial institutions and/or from other source of funds and SPC will use the proceeds from such source of fund to purchase the newly issued shares of the 4 Subsidiaries. SPKR3, SPKR4 and SPKR7 will also seek co-investors in each of the companies. However, SPC will hold 100% shares in SPKR8 and thus has no plan to seek co-investors.

SPKK1 is in the process of constructing the 6MW solar power plant in order to sell electricity to the Provincial Electricity Authority. The value of SPKK1 is no more than Baht 630,000,000 and the project area is not less than 80 rais. The project will use around 30,000 of solar panels.

The funds for the solar power plant project of SPKK1 have been obtained from the proceeds from SPC's purchase of 18,890,000 newly issued shares on 9 April 2011 at the par value of Baht 10 each totalling Baht 188,900,000. At present, SPC has sold 5,670,000 shares in SPKK1 to Thai Fa Power Company Limited at the price of Baht 10 per share totalling Baht 56,700,000 equivalent to 30% of the total registered capital of SPKK1. SPKK1 is now also seeking loans from financial institutions.

1.4.2 Group structure after the transaction



1.5 Total value of the consideration, payment and payment condition

The Company will seek funds from public offering of its shares, loans from financial institutions and/or from other source of fund for SPC so that SPC will use the proceeds from such source of fund to purchase the newly issued shares of the 4 Subsidiaries as per the following details:

- Subscribe shares of each of SPKR3, SPKR4 and SPKR7 in the amount of approximately Baht 117,000,000 totalling Baht 351,000,000; and
- Subscribe shares of SPKR8 in the amount of Baht 195,000,000.

The total value of the above transaction is Baht 546,000,000 for the 4 Subsidiaries. For SPKK1, SPC made the share subscription payment in full on 9 April 2011. However, SPC has already sold 30% shares in SPKK1 to Thai Fa Power Company Limited.

1.6 Value of the assets acquired

In entering into the transaction, the Company will have acquired assets of the 4 Subsidiaries through SPC as per the details below:

- Acquisition of assets of SPKR3, SPKR4 and SPKR7 through SPC in proportion to SPC's 60% shareholding in SPKR3, SPKR4 and SPKR7, the value of which is Baht 390,000,000 per company totalling Baht 1,170,000,000; and
- Acquisition of assets of SPKR8 valued at Baht 650,000,000.

The total value of the assets acquired is Baht 1,820,000,000.

With respect to SPKK1, on 9 April 2011 SPC acquired 18,890,000 newly issued shares of SPKK1 at a par value of Baht 10 each totalling Baht 188,900,000. The Company will also acquire the solar power plant of SPKK1 through SPC in the total value of approximately Baht 630,000,000. The capital of SPKK1 has been fully paid up and therefore the calculation of the value of the asset acquisition transaction is based on Baht 630,000,000. However, SPC has already sold 30% shares in SPKK1 to Thai Fa Power Company Limited.

1.7 Basis for determination of consideration value

The Company has estimated the investment costs for solar power plant projects for the 4 Subsidiaries and SPKK1. The estimates have been prepared by the executives who have expertise, skill and experience on the investment and construction of solar power plants.

1.8 Benefits expected to be obtained by the listed company as the result of the transaction

The expansion of solar power plants can be achieved and the Company will become the leader in solar power plant business in Thailand. Long-term added value will also be realised to shareholders.

1.9 Source of funds

The Board of Directors' Meeting of the Company No. 12/2011 on 20 July 2011 passed the resolution approving the allotment of 60,000,000 newly issued shares and the allotment (without consideration) of 30,000,000 warrants to general public. The Company will lend or inject by way of capital increase the proceeds from such fund raising together with loans from financial institutions and/or from other source of fund to SPC so that SPC will use the proceeds from such source of fund to purchase the newly issued shares of the 4 Subsidiaries for the purpose of developing the solar power plant projects.

On 4 August 2011, SPC signed a share purchase agreement and shareholders agreement with RATCH to co-invest at 40% stake in SPKR3, SPKR4 and SPKR7, and the Company will seek loans from financial institutions to develop and complete the solar power plant projects. The Company believes that a joint investment with RATCH will strengthen its business operations through exchange and transfer of knowhow and expertise on energy business as well as enhance the Company's corporate image. With regard to SPKK1, the company has increased the capital in full in the amount of Baht 188,900,000 on 9 April 2011 whereas for SPKR3, the company has increased the capital to Baht 195,000,000 with paid-up capital of 25% of the total registered capital on 16 August 2011. However, at present SPC has already sold 30.0% shares in SPKK1 to Thai Fa Power Company Limited who is a co-investor in SPKK1. The Listed Company and Thai Fa Power Company Limited are neither a related person nor connected person of the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551Re: Rules on Entering into Connected Transactions and the Notification of the Stock Exchange of Thailand No. Bor.Jor./Por.22-01 Re: Disclosure of Information and Actions of a Listed Company on Connected Transactions B.E. 2546.

1.10 Conditions for entry into the transaction

The transaction shall be approved by a shareholders' meeting by the votes of at least three-fourth of the total voting right of shareholders attending the meeting in person or by proxies and having the right to vote at the extraordinary general meeting of shareholders No. 2/2011 to be held on 6 September 2011.

1.11 Opinions of the Board of Directors concerning a decision to enter into a transaction

The Board of Directors has approved the transaction.

1.12 Opinions of the Company's Audit Committee and/or directors which are different from the opinions of the Board of Directors under Clause 1.11

- None -

2 Statement of certification of directors for information contained in the documents sent to shareholders

The Board of Directors is responsible for the information contained in this information memorandum and other documents sent to the shareholders and on 18 April 2011 the Board of Directors has approved that Miss Wandee Khunchornyakong shall be the authorised person to report the information memo to the SET. Miss Wandee Khunchornyakong, the authorised director, has carefully reviewed the information contained in this information memorandum and other documents sent to the shareholders and certified that it neither contains any false or misleading statement in materiality nor has it contain any omission of material statement that ought to be declared.

3 Opinion of independent financial adviser

Please see the report of the independent financial advisor attached to the notice of the Extraordinary General Meeting No. 2/2554 (Enclosure 5)

4 Information on indebtedness

4.1 Information on indebtedness of the Company

The indebtedness of the Company are as follows:

Facilities obtained from commercial banks

As of 31 March 2011, the Company has obtained credit facilities from commercial banks in the forms of overdrafts, short-term loans, letter of guarantees, long-term loans, facilities under letter of credit in the total amount of Baht 101.00 million secured by the land with construction, proceeds from fire insurance of buildings, machinery and inventories. As at 31 March 2011, the Company has not utilised the credit facilities obtained from commercial banks.

Long-term loans from financial institutions

As of 31 March 2011, the Company has no outstanding long-term loans from financial institutions after the Company has repaid the long-term loans from financial institutions in full.

Liabilities under financial lease

As of 31 March 2011, the Company has entered into long-term financial lease agreements with a number of leasing companies to lease vehicles under which rents are paid monthly in the range from Baht 13,000.00 to Baht 55,000.00 for the term of 4 to 5 years. Ownership of vehicles will be transferred to the Company upon final payment or upon the Company's purchase of the property at the end of the lease. As at 31 March 2011, the outstanding liability under financial lease was Baht 5.7 million.

Contingent liabilities

Other than the liabilities under financial statements, the contingent liabilities of the Company as of 31 March 2011 comprise the bank's letter of guarantee in an amount of Baht 1.9 million.

4.2 Information on indebtedness of SPC

The indebtedness of SPC is as follows:

Facilities obtained from commercial banks

As of 31 March 2011, SPC has obtained credit facilities from commercial banks in the forms of long-term loans, facilities under letter of credit and trust receipt in the total amount of Baht 2,313.5 million, and the facilities for purchase of US dollar or other currencies in the amount of not exceeding USD 20 million secured by the shares of SPKR1, SPNP 1 and SPSN 1 held by SPC and other companies in the amount of 44,917,997 shares, the land, buildings and solar panels and related equipments, as well as guarantee provided by SPC and managing director of SPC for the construction of the solar power plants until completion in the amount of Baht 594.0 million.

Liabilities under financial lease

As of 31 March 2011, SPC has liabilities under 6 financial lease agreements with the annual rent of Baht 2.19 million and the lease term of 48 months and 60 months, under which upon repayment of the debt in full, the ownership will be transferred to SPC. As at 31 March 2011, the outstanding liabilities under financial leases of SPC are Baht 7.0 million.

Long-term loans from financial institutions

As of 31 March 2011, SPC has obtained a long-term loan from a financial institution in the amount of Baht 11.5 million, the principal amount of which is to be repaid monthly for 84 instalments in an amount of Baht 0.1 million each. On the 84th installment, SPC shall repay all outstanding debt. The first repayment was made in January 2011. The interest rate of the long-term loan for the first year to third year is MLR – 1.25% per annum and for the fourth year onward is MLR per annum. The loan is secured by the land, buildings, solar panels and related equipments. As at 31 March 2011, the outstanding long-term loan is Baht 11.1 million.

SPKR1 which is a subsidiary of SPC has obtained a long-term loan from a financial institution in the amount of Baht 420.0 million, the principal amount of which is to be repaid every 3 months for 32 instalments. The first repayment was made in August 2010. The interest rate of the long-term loan for the first year to third year is THBFIX3M + 2.75% per annum and for the fourth year onward is MLR – 1.25% per annum. The loan is secured by the land, buildings, solar panels and related equipments. As at 31 March 2011, the outstanding long-term loan is Baht 386.0 million.

SPSN1 and SPNP1 which are subsidiaries of SPC have obtained a long-term loan from a financial institution in the amount of Baht 441.0 million each, the principal amount of which is to be repaid every 3 months for 35 instalments. The first repayment will be made by SPSN1 and SPNP1 in May 2011 and July 2011, respectively. The interest rate of the long-term loan for the first year to third year is THBFIX3M + 2.75% per annum and for the fourth year onward is MLR – 1.25% per annum. The loan is secured by the buildings. As at 31 March 2011, the long-term loan was utilised and the outstanding loan was Baht 172.8 million.

Contingent liabilities

Other than the above liabilities, SPC and its subsidiaries have the contingent liabilities from the other solar farm projects as follows:

- Projects of SPKK1 which may require long-term loans facilities of approximately Baht 441.0 million, Baht 500.0 million under letter of credit facilities and up to USD 20.0 million of foreign currency purchase facilities.
- Projects of the 4 Subsidiaries which may require long-term loans facilities of approximately Baht 455.0 million, Baht 500.0 million under letter of credit facilities and up to USD 20.0 million of foreign currency purchase facilities.

SPSN1, SPNP1 and SPKR1 which are subsidiaries of SPC have executed Inter Company Support agreements with the financial institutions providing long-term loan facilities to such three SPC subsidiaries which specify that should either SPSN1, SPNP1 or SPKR1 defaults in making the repayment in any period to the financial institutions, the remaining companies shall be obliged to provide financial assistance to the defaulting company.

5 Summary of Information of the Company

5.1 Nature of business

5.1.1 Nature of business of the Company

The Company changed its name from Steel Intertech Public Company Limited to SPCG Public Company Limited after the acquisition by SPC. The Company was initially incorporated on 6 August 1993, with Baht 2 million registered capital, under the name of Thitipat Serfpont Company Limited, whose business was principally distribution of roll forming metal sheet products. On 8 December 1994 it was renamed to Steel Intertech Company Limited and converted to a public limited company on 16 March 2005. In 1995, Mr. Prasit Ounvorawong, who acted as Deputy Managing Director of the Company, acquired shares from the major shareholders and assumed the role of Managing Director. Since then, the Company has expanded its operation, established a roll forming plant to manufacture roll forming and diversified its products to manufacture and distribute walls, spandrels, louvers, truss and other supplementary. Due to the restructuring of business as well as a well-planned marketing strategy, the Company under the management of Mr. Prasit Ounvorawong has been continuously profitable and constantly expanding.

The Company realises the potential of the business of solar farm or solar-based power plant and is convinced that the merger with SPC would provide a sustainable growth and increase the market capitalization of the Company which would increase liquidity of shares on the stock exchange. In addition, it creates variety of the products and services regarding the solar structure system which will help diversify risk associated with roll forming metal sheet business. The Extraordinary General Meeting of Shareholders no. 2/2010 held on 6 October 2010 unanimously approved the purchase of ordinary shares of SPC which operates 34 solar farms, engineering, procurement and construction services (EPC) of solar farms both domestically and internationally and operating, maintaining and monitoring solar farms services (OMM) for SPC and EPC clients. The Company acquired 45,000,000 ordinary shares of SPC of Baht 10 par value at an offering

price of Baht 10 per share totalling Baht 450,000,000. The Company paid for SPC's shares by issuing newly ordinary shares of the Company in the amount of 450,000,000 shares of Baht 1 par value at an offering price of Baht 1 per share totalling Baht 450,000,000 to SPC shareholders who tendered their SPC shares.

5.1.2 Nature of business of SPC

SPC was incorporated on 20 August 1996 with registered capital of Baht 10 million comprising 1 million shares with a par value of Baht 10 each. SPC operates 34 solar farms, engineering, procurement and construction services (EPC) of solar farms both domestically and internationally and operating, maintaining and monitoring solar farms services (OMM) for SPC and EPC clients.

SPC started operating its business on 1 June 2008 by seeking authorisation to sell electricity from the Provincial Electricity Authority (“**PEA**”) as a renewable energy operator pursuant to PEA's Notification No. 2 dated 20 May 2008 Re. Determination of Adder for Renewable Energy Power Producer. Such announcement set the adder of Baht 8 per kWh for 10 years from the commercial operation date (“**COD**”) for very small solar power producers without guarantee required under the Notification No. 3. Consequently, SPC has been granted with permits to construct 34 solar farms with the capacity of 6 MW each with the total capacity of 204 MW. At present, SPC has commercially operated 3 solar farms namely SPKR1, SPSN1 and SPNP1 and is in the process of commencing commercial operation of 2 other solar farms namely SPKR2 and SPLO1.

Currently, SPC holds 51.1% shares in SPKR1, 51.0% shares in SPSN1 and SPNP1, 56.00% shares in SPKR2 and SPLO1, and 70.0% shares in SPKK1. SPC has sold 30.0% shares in SPKK1 to Thai Fa Power Company Limited. SPC holds 60.0% shares in SPK3, SPKR4 and SPKR7 whereby SPC entered into a share purchase agreement with RATCH for the remaining 40.0% shares in the 3 subsidiaries and SPC holds 100.0% shares in SPKR8. The Company plans to hold 51.0% to 100.0% shares in the remaining 24 subsidiaries. The 4 Subsidiaries and the remaining companies are seeking investment promotion and benefits from the Board of Investment and are actively seeking funds from financial institutions to support the construction and development of the solar power plant projects to be completed in 2013 as per timeframe committed with the PEA.

As of 16 August 2011, the 34 subsidiaries of SPC are:

No.	Name of SPC's subsidiaries	Location of the Plants	Registered Capital (Baht)	Interest of SPC	Date of PPA	COD under PPA
		Province				
1.	Solar Power (Korat 1) Company Limited	Nakhon Ratchasima	280,000,000	51.07%	15 May 2009	21 April 2010*
2	Solar Power (Sakon Nakhon 1) Company Limited	Sakon Nakhon	189,000,000	51.00%	19 Jun. 2009	9 Feb 2011*
3	Solar Power (Nakhon Phanom 1) Company Limited	Nakhon Phanom	189,000,000	51.00%	18 Jun. 2009	22 Apr. 2011*
4	Solar Power (Korat 2) Company Limited	Nakhon Ratchasima	189,000,000	56.00%	27 Jul. 2009	30 Sep. 2011
5	Solar Power (Loei 1) Company Limited	Loei	189,000,000	56.00%	29 Jul 2009	30 Sep. 2011

No.	Name of SPC's subsidiaries	Location of the Plants	Registered Capital (Baht)	Interest of SPC	Date of PPA	COD under PPA
		Province				
6	Solar Power (Khon Kaen 1) Company Limited	Khon Kaen	189,000,000	70.00%	28 Jul. 2009	30 Sep. 2011
7	Solar Power (Korat 3) Company Limited	Nakhon Ratchasima	195,000,000	60.00%	8 Jan. 2010	31 Oct. 2013
8	Solar Power (Korat 4) Company Limited	Nakhon Ratchasima	100,000	60.00%	8 Jan. 2010	31 Oct. 2013
9	Solar Power (Korat 7) Company Limited	Nakhon Ratchasima	100,000	60.00%	8 Jan. 2010	31 Oct. 2013
10	Solar Power (Korat 8) Company Limited	Nakhon Ratchasima	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
11	Solar Power (Korat 5) Company Limited	Nakhon Ratchasima	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
12	Solar Power (Korat 6) Company Limited	Nakhon Ratchasima	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
13	Solar Power (Korat 9) Company Limited	Nakhon Ratchasima	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
14	Solar Power (Khon Kaen 2) Company Limited	Khon Kaen	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
15	Solar Power (Khon Kaen 3) Company Limited	Khon Kaen	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
16	Solar Power (Khon Kaen 4) Company Limited	Khon Kaen	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
17	Solar Power (Khon Kaen 5) Company Limited	Khon Kaen	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
18	Solar Power (Khon Kaen 6) Company Limited	Khon Kaen	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
19	Solar Power (Khon Kaen 7) Company Limited	Khon Kaen	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
20	Solar Power (Khon Kaen 8) Company Limited	Khon Kaen	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
21	Solar Power (Khon Kaen 9) Company Limited	Khon Kaen	100,000	99.97%	11 Mar. 2010	31 Oct. 2013
22	Solar Power (Khon Kaen 10) Company Limited	Khon Kaen	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
23	Solar Power (Loei 2) Company Limited	Loei	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
24	Solar Power (Nakhon Phanom 2) Company Limited	Nakhon Phanom	100,000	99.97%	11 Mar. 2010	31 Oct. 2013
25	Solar Power (Nakhon Phanom 3) Company Limited	Nakhon Phanom	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
26	Solar Power (Buriram 1) Company Limited	Buriram	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
27	Solar Power (Buriram 2) Company Limited	Buriram	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
28	Solar Power (Buriram 3) Company Limited	Buriram	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
29	Solar Power (Sakon Nakhon 2) Company Limited	Sakon Nakhon	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
30	Solar Power (Surin 1) Company Limited	Surin	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
31	Solar Power (Surin 2) Company Limited	Surin	100,000	99.97%	8 Jan. 2010	31 Oct. 2013

No.	Name of SPC's subsidiaries	Location of the Plants	Registered Capital (Baht)	Interest of SPC	Date of PPA	COD under PPA
		Province				
32	Solar Power (Surin 3) Company Limited	Surin	100,000	99.97%	11 Mar. 2010	31 Oct. 2013
33	Solar Power (Nongkhai 1) Company Limited	Nongkhai	100,000	99.97%	8 Jan. 2010	31 Oct. 2013
34	Solar Power (Udon Thani 1) Company Limited	Udon Thani	100,000	99.97%	8 Jan. 2010	31 Oct. 2013

Remark: * Actual COD of the plant.

The progress of projects of SPC's subsidiaries are shown below:

No.	Name of SPC subsidiaries	Progress	Expected COD
1.	Solar Power (Korat 1) Company Limited	Commercially operated	21 April 2010*
2.	Solar Power (Sakon Nakhon 1) Company Limited	Commercially operated	9 February 2011*
3.	Solar Power (Nakhon Phanom 1) Company Limited	Commercially operated	22 April 2011*
4.	Solar Power (Korat 2) Company Limited	In the process of commencing commercial operation	Within August 2011
5.	Solar Power (Loei 1) Company Limited	In the process of commencing commercial operation	Within August 2011
6.	Solar Power (Khon Kaen 1) Company Limited	Construction process	Within December 2011
7.	Solar Power (Korat 3) Company Limited	Construction process	1 April 2012
8.	Solar Power (Korat 4) Company Limited	Land procurement process	1 April 2012
9.	Solar Power (Korat 7) Company Limited	Land procurement process	1 April 2012
10.	Solar Power (Korat 8) Company Limited	Land procurement process	1 April 2012

Remark: * Actual COD of the plant.

With regard to the remaining 24 subsidiaries of SPC, they only have entered into power purchase agreements but without any other progress.

SPC has operated the local procurement process according to the Company's instruction manual. SPC also employs bidding process to select contractors for the projects of SPKR2, SPLO1 and SPKK1, which are the project nos. 4-6 as listed above. Bidding for the four projects will be conducted online under the same terms and conditions at SPC's website: www.solarpower.co.th for publicly informed process. Proposals from at least two bidders will be considered according to the procurement process for maximum benefit of SPC and its shareholders.

The construction of SPKR1, SPSN1, SPNP1, SPKR2, SPLO1 and SPKK1 solar power plants have been sub-contracted to J-Pen Company Limited whereby the main materials used in the construction of solar power plants will be procured by SPC. Supply agreements have been entered into with Kyocera Corporation who will distribute solar panels to all 34 subsidiaries of SPC, as well as for inverters, to which SPC has entered into supply agreements with SMA Solar Technology AG to all 34 subsidiaries of SPC.

5.2 Financial position and results of operations

5.2.1 Summary of financial information

5.2.1.1 The Company

The summary of financial position of the Company for the fiscal year ended 31 December 2008, 2009 and 2010 and the financial statements of the Company for the fiscal year ended 31 March 2010 and 2011 are as follows:

(Unit : million Baht)

Financial Statements	Company Only ⁽¹⁾				
	2008	2009	2010	Q1 2010	Q1 2011
Current Assets	112.6	107.4	76.9	111.2	122.5
Non-current Assets	90.8	84.6	86.2	85.4	1,335.7
Total Assets	203.5	192.0	163.1	196.6	1,458.2
Current Liabilities	84.5	92.9	60.4	95.0	108.4
Non-current Liabilities	17.5	12.4	9.6	11.5	4.2
Total Liabilities	102.0	105.4	70.0	106.5	112.6
Shareholders' Equity	101.5	86.7	93.1	90.1	1,345.6
Registered Capital	50.0	50.0	500.0	50.0	500.0
Paid-up Capital – Net	50.0	50.0	50.0	50.0	500.0
Total revenues ⁽²⁾	363.4	295.8	316.3	90.8	66.4
Cost of Sales	295.1	248.8	255.2	74.5	51.9
Total expenses ⁽³⁾	343.2	292.1	307.3	87.4	65.0
Net profit (loss)	20.2	3.7	9.0	3.4	1.4
Net profit (loss) per share (Baht)	0.40	0.07	0.18	0.07	0.02
Dividend per share (Baht) ⁽⁴⁾	0.30	0.17	0.25	0.20	-
Book value per share (fully diluted)	2.03	1.73	1.79	1.80	19.85
Cash flow from operating activities	12.1	4.6	40.0	18.3	25.6
Cash flow from investment activities	-10.8	-0.8	-0.4	0.1	1.3
Cash flow from financing activities	-6.8	-12.3	-33.5	-8.1	-8.6

Note: (1) Source: Company's financial statements.

(2) Include profit/loss from exchange rate and other revenues

(3) Include interest expenses and corporate tax

(4) Calculate by dividing cash flow paid as dividend for that year by weighted-averaged number of shares issued and paid-up

5.2.1.2 SPC and subsidiaries

The summary of financial position of SPC for the fiscal year ended 2008, 2009 and 2010 and the financial statements of SPC for the fiscal year ended 31 March 2010 and 2011 are as follows:

(Unit : million Baht)

Financial Statements	SPC only ⁽¹⁾	SPC Consolidated ^{(1) (2)}			
	2008	2009	2010	Q1 2010	Q1 2011
Current Assets	0.2	149.7	152.2	191.3	163.0
Non-current Assets	0.7	561.9	1,865.1	687.7	2,511.4
Total Assets	1.0	711.7	2,017.3	879.0	2,674.4
Current Liabilities	10.3	375.3	880.2	491.6	1,387.6
Non-current Liabilities	0.0	0.0	530.7	41.7	590.3
Total Liabilities	10.3	375.3	1,410.9	533.3	1,977.9
Shareholders' Equity	-9.4	336.3	606.5	345.7	696.5
Registered Capital	10.0	350.0	450.0	350.0	450.0
Paid-up Capital – Net	2.5	348.0	450.0	350.0	450.0
Total revenues ⁽³⁾	0.0	8.7	91.5	21.7	40.1
Cost of Sales	0.0	0.0	22.6	2.0	9.2
Total expenses ⁽⁴⁾	11.7	8.52	78.72	14.4	40.8
Net profit (loss)	-11.7	0.2	12.7	7.3	-0.7
Net profit (loss) per share (Baht)	-46.7	0.0	0.1	0.2	-0.1
Dividend per share (Baht) ⁽⁵⁾	-	-	-	-	-
Book value per share (fully diluted)	-9.36	0.96	1.35	0.98	1.55
Cash flow from operating activities	-1.5	-20	-7.8	-10.2	-25.7
Cash flow from investment activities	1.8	-309.4	-417.4	-95.0	-13.9
Cash flow from financing activities	-0.3	339.1	461.5	41.9	56.7

Note: (1) Source: financial statements of SPC

(2) SPC has subsidiaries in 2009

(3) Include profit/loss from exchange rate and other revenues

(4) Include interest expenses and corporate tax

(5) Calculate by dividing cash flow paid as dividend for that year by weighted-averaged number of shares issued and paid-up

5.2.2 Results of operations

5.2.2.1 The Company

(a) Operations

Total revenues of the Company for the year 2008 was Baht 363.4 million, and for the year 2009 was Baht 295.8 million, decreased by 18.6% compared to the 2008 revenue due to impacts of US financial crisis on Thai economic growth. Total revenues of the Company for the year 2010 was Baht 316.3 million, increased by 6.3% compared to the 2009 revenue due to rapid appreciation of Thai Baht resulting in growth in investments in fixed assets by private sector.

Total revenues of the Company for first quarter of 2011 was Baht 66.4 million decreased by 26.9% compared to Baht 90.8 million for the same period of 2010, due to a number of unrealised income entries during the period.

Cost of sales was Baht 295.1 million, Baht 248.8 million, and Baht 255.2 million for the year 2008, 2009 and 2010 respectively, equivalent to 81.2%, 84.1% and 80.7% of total revenues, respectively. Raw material cost accounted for 86.0%, 86.3% and 89.3% of total cost for the year 2008, 2009 and 2010, respectively. Raw materials were purchased from Bluescope Steel (Thailand) Company Limited. Costs of raw materials varied according to change in overall market prices.

The cost of sales and services for the first quarter of 2010 and 2011 was Baht 74.5 million and Baht 51.9 million, respectively, representing 82.0% and 78.2% of income from sales and services. The cost is subject to movement in market prices of raw materials.

Net profit of the Company was Baht 20.2 million, Baht 3.7 million and Baht 9.2 million, equivalent to 5.6%, 1.3% and 2.8% of total revenues for the year 2008, 2009 and 2010, respectively. In the year 2008, the net profit increased due to the fluctuation and drop in cost of raw materials in the fourth quarter. In 2010, the selling and administrative expenses increased due to the Company's focus on sale with installation which resulted in increase in commission expense as sale incentives.

The net profit for the first quarter of 2011 was Baht 1.4 million, decreased from Baht 3.4 million for the first quarter of 2010 due to decrease in revenues and slight increase in selling and administrative expenses as a result of merger with SPC.

(b) Assets

Total assets of the Company in 2009 were Baht 192.0 million, decreased by 5.6% from Baht 203.5 million in 2008. In 2010 total assets of the Company were Baht 163.1 million, decreased by 15.1% from Baht 192.0 million in 2009. The total assets of the Company in the first quarter of 2011 were Baht 1,458.2 million. Changes in total

assets of the Company were partly due to decrease in current assets as a result of drop in inventories by 13.3% from Baht 47.4 million in 2008 to Baht 41.0 million in 2009 and by 50.6% from the 2009 figure to Baht 20.3 million in 2010. Drop in inventories resulted from adjustment in inventory management to be in line with cost of goods. However, in the first quarter of 2011, the total assets of the Company were Baht 1,458.2 million, due to significant increase in inventories as a result of increase in customers' advance orders of steel. The increase was also due to the merger with SPC resulting in increase in the Company's source of funds for investment in subsidiaries from share premium.

(c) Liabilities and shareholders' equity

Total liabilities of the Company for the year 2008, 2009, 2010 and the first quarter of 2011 were Baht 102.0 million, Baht 105.4 million, Baht 70.0 million and Baht 112.6 million, respectively, representing an increase by 3.3%, decrease by 33.6% and increase by 60.95, respectively. The changes in total liabilities were primarily due to change in current liabilities for the year 2008, 2009 and 2010 which were Baht 84.5 million, Baht 92.9 million and Baht 60.4 million, or equivalent to an increase by 10.0% and decrease by 35.0%, respectively. In 2008, account payable decreased to Baht 54.6 million from Baht 61.9 million in 2007 and further dropped by Baht 4.1 million to Baht 50.5 million in 2009 and by Baht 13.1 million to Baht 37.4 million in 2010. The decrease was due to change in inventory management to be in line with cost of goods. However, in the first quarter of 2011, account receivable increased due to significant increase in inventories as a result of increase in customers' advance orders of steel.

Shareholders' equity of the Company for the year 2008, 2009, 2010 and the first quarter of 2011 were Baht 101.5 million, Baht 86.7 million, Baht 93.1 million and Baht 1,345.6 million respectively, representing a decrease by 14.1%, increase by 7.4%, and increase by 1,345.3%, respectively. The decrease in 2009 was due to payout of dividend of Baht 18.5 million. The increase in 2010 was due to the payment of dividend of only Baht 2.5 million compared to the profit of Baht 9.0 million. The significant increase in shareholders' equity in the first quarter of 2011 was due to merger with SPC and realisation of share premium of more than Baht 801.0 million.

(d) Liquidity

Cash flow from operating activities for the year 2008, 2009, 2010 was positive and amounted to Baht 12.1 million, Baht 4.6 million and Baht 40.0 million, respectively. The change of cash-flow was principally due to (i) the decrease in account payable in 2009 by Baht 3.93 million compared to 2008 and by Baht 13.05 million in 2010 compared to 2009; (ii) the increase in realisation of revenue in advance of Baht 12.85 million in 2009 as a result of faster delivery of

works while the amount of undelivered work amounted to Baht 8.45 million in 2010.

Cash flow from operating activities for the first quarter of 2011 was Baht 25.6 million, an increase from Baht 18.3 million of the same period of 2010 due to increase in purchase of goods, the payment for which has not been due resulting in increase in account payable.

Cash flow from investing activities for the year 2008, 2009 and 2010 was Baht 10.8 million, Baht 0.8 million and Baht 0.4 million, respectively. There has been no increase in cash flow from investing activities due to inactivity in fixed assets investment.

Cash flow from investing activities for the first quarter of 2011 was Baht 1.3 million, an increase from Baht 0.1 million of the same period of 2010. The cash flow remained low and there were no significant entries.

Cash flow from financing activities for the year 2008, 2009 and 2010 was Baht 6.8 million, Baht 12.3 million and 33.5 million, respectively. The cash flow was principally used to pay dividends in the amount of to Baht 7.5 million in 2008, Baht 18.5 million in 2009 and Baht 2.5 million in 2010. The Company also repaid a short-term loan from financial institution in the amount of Baht 10.0 million.

Cash flow from financing activities in the first quarter of 2010 was Baht 8.1 million (negative) resulting from payment of dividends, and was Baht 8.6 million (negative) in the first quarter of 2011 due to the Company's repayment of a long-term loan to financial institution.

5.2.2.2 SPC and/or subsidiaries ("SPC Group")

(a) Operations

In 2008 and 2009, there was no commercial operation of SPC. It only had revenue of Baht 8.6 million from advisory service in 2009. In 2010, SPC had the revenue of Baht 91.5 million from sales and services after starting to realise the revenue from electricity sales of SPKR1 on 21 April 2010 and sales of equipment.

Total revenues of SPC for first quarter of 2011 was Baht 40.1 million, increased by 84.8% compared to Baht 21.7 million for the same period of 2010, due to realisation of income from electricity sales of SPKR1 and SPSN1.

In 2008 and 2009, there was no cost of sales and services because SPC had yet to commence its commercial operation. In 2010 after SPC commenced its operation, cost of sales and services amounted to Baht 22.6 million or 25.20% of income from sales and services. Most cost of sales was depreciation of equipment related to solar power production from SPKR1. Excluding cost of connected transactions, SPC's average gross profit was 73.1% which was quite high.

The cost of sales and services for the first quarter of 2010 and 2011 was Baht 2.0 million and Baht 9.2 million, respectively, representing 9.2% and 22.9% of income from sales and services, respectively. Most cost of sales for the first quarter of 2011 was depreciation of equipment related to solar power production.

SPC had a net loss of Baht 11.7 million in 2008, but recorded a net profit of Baht 0.2 million in 2009 and Baht 12.7 million in 2010, representing 2.0% and 13.9% of total revenues for the year 2009 and 2010, respectively. In the year 2008, the net loss was due to administrative expenses and financial cost without income from operations. The net profit in 2009 was principally due to income from advisory services on feasibility study of the solar farm construction project while in 2010 the net profit was primarily due to realisation of income from sales of electricity by SPKR1, an SPC's subsidiary.

The net profit for the first quarter of 2010 was Baht 7.4 million while a net loss was Baht 0.7 million for the first quarter of 2011 due to increase in financial cost.

(b) Assets

Total assets of SPC increased from Baht 1.0 million in 2008 to Baht 711.7 million in 2009, Baht 2,017.3 million in 2010 and to Baht 2,674.4 million in the first quarter of 2011, representing an increase of 611.7% in 2009 and 183.4% in 2010. The increase was principally due to rise in long-term assets obtained from construction, land and improvement, office equipment, decoration and equipment of SPKR1. The increase in the first quarter of 2011 was due to increase in investments in SPKR2 and SPLO1.

(c) Liabilities and shareholders' equity

Total liabilities of SPC for the year 2008, 2009, 2010 and the first quarter of 2011 were Baht 10.3 million, Baht 375.3 million, Baht 1,410.9 million and Baht 1,977.9 million, respectively. Liabilities in 2009 primarily comprised account payables of assets being solar panels and power equipment and account payables for construction of solar power plant of SPKR1. Increase in liabilities in 2010 was due to realisation of account payables of assets from investment in construction of SPSN1 and SPNP1 solar power plants. SPC also had long-term loans from domestic financial institutions to fund its investment in solar panels and core power equipment. Increase in liabilities in the first quarter of 2011 was due to account payable from purchase of solar panels for SPKR2 and SPLO1 solar power plants.

Shareholders' equity of SPC for the year 2008, 2009, 2010 and the first quarter of 2011 was Baht -9.4 million, Baht 336.3 million, Baht 606.5 million and Baht 696.5 million, respectively. In 2008 SPC had the paid-up capital of Baht 2.5 million. During the initial stage of development of solar power plant, SPC was required to obtain the relevant permits and licences and entered into the power purchase agreement with PEA which resulted in the administrative expenses of

Baht 11.6 million and SPC accumulated a loss of Baht 11.9 million in 2008. In 2009, SPC increased its registered capital to Baht 350 million, part of which was for a long-term fund for construction of SPKR1 plant. In 2010, SPC increased its registered and paid-up capital to Baht 450 million and realised its non-control interest in subsidiaries. In the first quarter of 2011, the non-control interest increased due to capital increase of its subsidiaries.

(d) Liquidity

Cash flow operating activities for the year 2008, 2009, 2010 was Baht 1.5 million, Baht 20.0 million and Baht 7.8 million, respectively. The low cash flow operating activities in 2008 was due to non-commercial operation. Increase in cash flow in 2009 was principally due to purchase tax for unsold goods and credit sales of solar panels. In 2010, the principal cash flow was due to purchase tax for unsold goods, accrued electricity receivables and loss on exchange rate.

Cash flow from operating activities for the first quarter of 2010 and 2011 was Baht 10.2 and Baht 25.7 million, respectively. Cash flow from operating activities in the first quarter of 2011 was due to increase in account payable on electricity sale and net purchase tax.

Cash flow from investing activities for the year 2008, 2009 and 2010 was Baht 1.8 million, Baht 309.4 million (negative) and Baht 417.4 million (negative), respectively. The utilisation of cash flow in the year 2009 and 2010 was primarily due to increase in investment in solar power plants in SPKR1, SPSN1 and SPNP1 in 2009 and 2010.

Cash flow from investing activities for the first quarter of 2010 and 2011 was Baht 95.0 million (negative) and Baht 13.9 million (negative), respectively, which was primarily due to purchase of solar panels.

Cash flow from financing activities for the year 2008, 2009 and 2010 was Baht 0.3 million (negative), Baht 339.1 million and Baht 461.5 million, respectively. The low cash flow in 2008 was due to SPC's non-commercial operation. In 2009 and 2010, the positive cash flow was principally due to cash receivables from long-term loans from domestic financial institutions and from ordinary shares in subsidiaries available for re-purchase for the capital increase to generate funds for development of solar power plants.

Cash flow from financing activities for the first quarter of 2010 and 2011 was Baht 41.9 million and Baht 56.7 million, respectively. Cash flow from financing activities for the first quarter of 2011 was primarily due to increase in investments in SPKR2 and SPLO1.

5.2.3 Risk factors

5.2.3.1 The Company

Risk factors associated with the Company's business operations at present are:

Dependency on major raw material suppliers

The Company purchases the main raw material, aluminium-zinc-coated cold-rolled steel with and without clean colorbond, solely from Bluescope Steel (Thailand) Company Limited ("**Bluescope Steel**"). Therefore, any cancellation of production or discontinuance of supply by Bluescope Steel will have significant impact on the Company's operations.

Competition from associated companies of Bluescope Steel

Bluescope Steel, a sole supplier of the Company's raw material has Bluescope Lysaght (Thailand) Co., Ltd. ("**Bluescope Lysaght**"), as an associated company with joint shareholders and directors. Bluescope Lysaght was established in 1988, operating the business of manufacture and distribution of coated metal sheet roll form, which is same as the Company's product, with the same raw materials from Bluescope Steel. Therefore, Bluescope Lysaght has advantages in terms of condition and price, which might not allow the Company to compete in the same market. This might affect the Company's operation in the future.

Volatility of raw material price

In general business operation, reserved raw material is required to meet customers' demand. The major raw material of the Company is cold-roll metal sheet. The price of the coated metal sheet is tied to the price of the cold-roll steel sheet, the upstream raw material. If the market price is lower than the stocked raw material, the Company's operation might be affected. Also, the increase in the market price will affect the Company if it does not have sufficient stock.

Installation service by subcontractor

The Company does not have its own installation team, but hires a subcontractor. As the ratio of sales with installation has continuously increased, the Company risks losing installation control. If the Company cannot hire subcontractors or cannot control the installation quality, these may cause installation delay, which may have material adverse effect on the Company's operations.

Competition from substitute products

The main product manufactured and distributed by the Company is aluminium-zinc coated roll forming metal sheet for wall and roof, which can be substituted by other products, e.g. tile and zinc coated steel sheet, which offer alternatives for customers. The metal sheet price is higher in comparison to concrete tiles or zinc coated steel sheet. If customers prefer other substituted products, this will significantly affect the Company's future revenue.

5.2.3.2 SPC

Risk factors associated with SPC's business operations at present are:

Inability to obtain funds

SPC requires additional sources of funds for development of solar farm projects, of 6MW capacity each, for its 31 subsidiaries. Each project requires funds of approximately Baht 630 to 700 million, in which SPC will hold approximately 51% to 100% shares. The funds will be obtained from financial institutions, local and overseas co-investors and operating cash flow of SPC. SPC may be unable to obtain the funds in timely manners which may delay or disrupt the projects.

Fluctuation in currency exchange

SPC imports main components for its solar power plants namely solar panels from Kyocera Corporation, Japan ("**Kyocera**") and inverters from SMA Solar Technology, Germany. The payment is made mainly in US Dollar and Euro which may be subject to fluctuation in currency exchange rates. Any appreciation of the US Dollar or Euro against Thai Baht may have significant impact on SPC's operations. However, SPC has regularly monitored the exchange rates and implemented hedging tools with commercial banks to manage the risk.

Lack of solar panel supply

The development of solar power plants requires a large quantity of solar panels in each project. Should the supplier fail to supply the panels to SPC in a timely manner or failure to supply the panels to SPC in the quantity agreed upon in the agreement may disrupt the projects to be unable to commence commercial operation by COD under PPA. Nonetheless, SPC has entered into a long-term supply agreement of solar panels for the remaining solar power plants with Kyocera, one of the world's top leading manufacturers and distributors of solar panels with experience in the solar panel business. Therefore, the risks from lack of solar panel supply of SPC is in the low level.

5.2.4 Directors and executives

5.2.4.1 Board of Directors

As of 17 June 2011, there are 9 members in the Board of Directors as follows:

No.	Name	Position
1	Miss Wandee Khunchornyakong	Chairman of the Board of Directors
2	Mr. Prasit Ounvorawong	Director
3	Mr. Chanchai Kultavarakorn	Director
4	Mr. Somsak Khunchornyakong	Director
5	Mr. Kevin Gerald Parnell	Director

No.	Name	Position
6	Mr. Jirakom Padumanon	Director
7	Mr. Kiatichai Pongpanich	Chairman of the Audit Committee and Independent Director
8	Dr. Art-Ong Jumsai Na Ayudhaya	Audit Committee and Independent Director
9	Asst. Prof. Dr. Siripong Preutthipan	Audit Committee and Independent Director

5.2.4.2 Executive Board

The Board of Director's meeting no. 4/2011 held on 18 April 2011 approved the appointment of executive board of the Company as follows:

No.	Name	Position
1	Mr. Chanchai Kultavarakorn	Chairman of the Executive Board
2	Miss Wandee Khunchornyakong	Member of the Executive Board
3	Mr. Somsak Khunchornyakong	Member of the Executive Board
4	Mr. Prasit Ounvorawong	Member of the Executive Board
5	Mr. Kevin Gerald Parnell	Member of the Executive Board

5.2.4.3 Management

As of 8 August 2011, of the management of the Company consists of the following:

No.	Name	Position
1	Miss Wandee Khunchornyakong	Chairman and Chief Executive Officer
2	Mr. Prasit Ounvorawong	President, Steel Business
3	Mr. Chanchai Kultavarakorn	President, Investment Management
4	Miss Nuchanat Sangchat	Chief Financial Officer
5	Mr. Chaiwat Tungsuwanpanit	Vice President, Accounting, Finance and Administration
6	Mr. Supot Wannarote	Vice President, Sales and Marketing
7	Mr. Somchai Vongratanavichit	Vice President, Operations

5.2.5 Shareholder structure of the Company

5.2.5.1 List of the first 10 major shareholders of the Company

List of the first 10 major shareholders ⁽¹⁾ as of 30 May 2011 is as follows:

No.	Shareholders	Numbers of Shares	% of the issued and paid-up capital	% of Voting Shares
1	Miss Wandee Khunchornyakong	263,050,700	52.61	52.61
2	Mr. Chanchai Kultavarakorn	54,000,000	10.80	10.80
3	Mrs. Prakrong Khunchornyakong	21,600,000	4.32	4.32
4	Mr. Kevin Gerald Parnell	13,820,000	2.76	2.76
5	Mr. Witoon Manomaikul	12,860,000	2.57	2.57
6	Mr. Anthony Panel	12,829,000	2.57	2.57
7	Mr. Prasit Ounvorawong	12,192,100	2.44	2.44
8	Mr. Ian Lancaster	9,979,500	2.00	2.00
9	Mrs. Rotsukon Unworawong	9,807,900	1.96	1.96
10	Kyocera Corporation	9,000,000	1.80	1.80
	Mr. Somsak Khunchornyakong	9,000,000	1.80	1.80
	Ms. Sompong Khunchornyakong	9,000,000	1.80	1.80
11	Other shareholders	62,860,800	12.57	12.57
	Total	500,000,000	100.00	100.00

Note: (1) Source: The Stock Exchange of Thailand (www.set.or.th)

6 Opinion of the Company's Board of Directors regarding the sufficiency of working capital

The Board of Directors of the Company is of the view that the source of funds disclosed under section 1.9 (Source of Funds) above is sufficient for the acquisition of assets and will not affect the working capital and operations of the Company.

7 Pending lawsuits and claims

7.1 Pending lawsuits and claims of the Company

As of 31 March 2011, the Company has no legal dispute which may have material adverse effect on the Company's business operations and has no legal dispute which may have adverse effect on the Company's assets of more than 5% of its shareholders' equity.

7.2 Pending lawsuits and claims of SPC

As of 31 March 2011, SPC has no legal dispute which may have material adverse effect on its business operations and has no legal dispute which may have adverse effect on SPC's assets of more than 5% of its shareholders' equity.

8 Interest or connected transactions between the Company and its directors, executives or shareholders holding 10.0% shares or more

8.1 Interest or connected transactions of the Company

8.1.1 Connected transactions in general

During 2007 to 2010 and the first quarter of 2011, the Company has no connected transactions.

8.1.2 Procedures for approving connected transactions

The Board of Directors has considered and approved connected transactions in accordance with its scope of authority. Any future connected transactions will be proposed for consideration and approval by the Audit Committee for the best interest of the Company and to protect investors as well as relevant parties of the Company. All connected transactions shall be entered in accordance with the law governing securities and exchange as well as rules, notifications, instructions or requirements of the SET. Any parties who may have any conflict of interest or interested parties are not permitted to participate in the approval of such transactions.

8.1.3 Policy on future connected transactions

It is a policy of the Company that all future connected transactions will be conducted as part of the normal course of its business without unfair transfer of benefits to shareholders, directors or related parties. The Audit Committee or the Board of Directors will consider all connected transactions in terms of their reasonableness and appropriateness to ensure that the transactions are entered into in an ordinary course of its business. All interested parties will not be permitted to participate in the approval of such transactions. The Board of Directors will strictly comply with the law governing securities and exchange as well as rules, notifications, instructions or requirements of the SET including the provisions on disclosure of information regarding connected transactions and acquisition or disposition of material assets of the Company or its subsidiaries, and comply with the accounting standards determined by the Institute of Certified Accountants and Auditor of Thailand. The Audit Committee will render opinion on any future connected transactions with parties with possible conflict of interest or interested parties in terms of their reasonableness and appropriateness to ensure that the transactions are entered into under normal course of business and compare the transaction with similar transactions in arm's-length dealings with an unrelated third person. Any connected transactions will be disclosed in the notes to the financial statements reviewed by the Company's auditor.

8.2 Interest or connected transactions of SPC

The interest or connected transactions between SPC and its subsidiaries with directors, executives and persons with direct or indirect shareholding of 10% or more for the year 2009, 2010 and the first quarter of 2011 are as follows:

Individual/juristic entity with possible conflict of interest	Nature of Relationship	Descriptions	Transaction value (Baht thousands)			Rationale and Necessity
			2009	2010	Q1 2011	
1. Thonglor Holding Co., Ltd. ("Thonglor Holding") Carrying out the business of real property lease.	1. Ms. Sompong Khunchornyakong - Holding 1.8% shares as of 31 Mar. 2011. - Acting in concert with Ms. Wandee Khunchornyakong under Capital Market Supervisory Board Notification No. ThorChor. 7/2552 ("Person under TC 7/2552"). - Being a director of, and holding 50.7% shares in, Thonglor Holding as of 31 Mar. 2011.	1. Capital expenditure Advisory fee on preparation of feasibility study report on constriction of solar farm project, land survey and application for solar farm construction permit with Tambon administration organisation.	1,869	-	-	1. It is a transaction under normal course of business entered at the mutually agreed price according to the contract.
	2. Ms. Prakong Khunchornyakong - Being a director of, and holding 4.3% shares in, the Company as of 31 Mar. 2011. - Being the Person under TC 7/2552. - Being a director of, and holding 0.01% shares in, Thonglor Holding as of 31 Mar. 2011. 3. Mr. Somsak Khunchornyakong - Being a director of, and holding 1.8% shares in, the Company as of 31 Mar. 2011. - Being the Person under TC 7/2552. - Being a director of, and holding 0.05% shares in, Thonglor Holding as of 31 Mar. 2011.	2. Rent On 30 December 2009, the Company signed a lease contract with Thonglor Holding for office premise rent located at 946/7 Soi Sukhumvit 55, Sukhumvit Road, Khlongton Nua, Wattana, Bangkok with a lease term of 3 years from 1 Jan. 10 to 31 Dec. 12 and a monthly rent of Baht 20,000. A Baht 60,000 security was placed on execution date. The company also signed a contract to lease the component and accessories existing at the premise located at 946/7 Soi Sukhumvit 55, Sukhumvit Road, Khlongton Nua, Wattana, Bangkok with a lease term	150	240	40	2. It is a real property lease at arm's length. The rent is comparable to third parties' rent. The premise is also located at city centre which facilitates the commute.

Individual/juristic entity with possible conflict of interest	Nature of Relationship	Descriptions	Transaction value (Baht thousands)			Rationale and Necessity
			2009	2010	Q1 2011	
	4. Ms. Kanokporn Khunchornyakong - Holding 0.3% shares in the Company as of 31 Mar. 2011. - Being the Person under TC 7/2552. - Holding 0.02% shares in Thonglor Holding as of 31 Mar. 2011	of 3 years from 1 Jan. 10 to 31 Dec. 12 and a monthly rent of Baht 30,000. A Baht 90,000 security was placed on execution date				
2. Datron Thai Co., Ltd. Importer of machinery and CD-Rom manufacturing machine	1. Ms. Wandee Khunchornyakong - Being the Chairman and Chief Executive Officer of, and holding 52.6% shares in, the Company as of 31 Mar. 2011. - Being a director of, and holding 51.3% shares in, Datron Thai Co., Ltd. as of 31 Mar. 2011. 2. Ms. Prakong Khunchornyakong - Being a director of, and holding 4.3% shares in, the Company as of 31 Mar. 2011. - Being the Person under TC 7/2552. - Being a director of, and holding 37.4% shares in, Datron Thai Co., Ltd. as of 31 Mar. 2011. 3. Ms. Kanokporn Khunchornyakong - Holding 0.3% shares in, the Company as of 31 Mar. 2011. - Being the Person under TC 7/2552. - Being a director of, and holding 10.3% shares in, Datron Thai Co., Ltd. as of 31 Mar. 2011. 4. Mr. Somsak Khunchornyakong - Being a director of, and holding 1.8%	1. Service fee Photocopy fee 2. Capital expenditure Purchase of photocopy machine	176 187	- -	- -	1. It is normal business support transaction 2. It is normal business support transaction entered at the mutually agreed price according to the contract.

Individual/juristic entity with possible conflict of interest	Nature of Relationship	Descriptions	Transaction value (Baht thousands)			Rationale and Necessity
			2009	2010	Q1 2011	
	<p>shares in, the Company as of 31 Mar. 2011.</p> <ul style="list-style-type: none"> - Being the Person under TC 7/2552. - Holding 0.8% shares in Datron Thai Co., Ltd. as of 31 Mar. 2011. <p>5. Ms. Sompong Khunchornyakong</p> <ul style="list-style-type: none"> - Holding 1.8% shares in the Company as of 31 Mar. 2011. - Being the Person under TC 7/2552. - Holding 0.2% shares in Datron Thai Co., Ltd. as of 31 Mar. 2011. 					
<p>3. ESCO Fund</p> <p>ESCO Fund is established by the Ministry of Industry to encourage preservation of energy and development of renewable energy by joint investment with private operators in Thailand and encourage seeking revenue from selling carbon credit.</p>	ESCO fund holds 14.3% shares in SPKR1 at present.	<p>On 19 November 2009, SPC and Ms. Wandee Khunchornyakong signed a joint venture agreement with ESCO Fund to purchase 4 million SPKR1 shares from SPC at Baht 10 par value or 14.3% of total shares.</p> <p>On 13 July 2010, the Company signed the amendment agreement due to IFC's purchase of 5.5 million SPKR1 shares from SPC. The joint venture agreement requires that:</p> <ul style="list-style-type: none"> - Prior to the COD, ESCO Fund will receive the management fee of 2% of initial investment cost. - After the COD, ESCO Fund will receive the management fee of 4% of the outstanding investment cost of the relevant year. - SPC will buy back shares from ESCO Fund within 7 years at par value plus interest payable (at MLR per annum) 				<p>It is property and service transaction beneficial to the Company as it provides a source of funds for operation of SPKR1 solar power plant. The management fee is appropriate as it is based on the equity investment of ESCO Fund. The interest payable is at market rate comparable to the lending rate charged by commercial banks.</p>

Individual/juristic entity with possible conflict of interest	Nature of Relationship	Descriptions	Transaction value (Baht thousands)			Rationale and Necessity
			2009	2010	Q1 2011	
		<ul style="list-style-type: none"> - Ordinary shares in subsidiary available for repurchase - Management fee - Interest payable - Accrued interest payable estimate - Accrued management fee payable <u>Carbon credit advisory fees</u> <p>On 30 October 2009, the Company signed a contract to engage ESCO Fund to develop the solar power project as a carbon credit project. The fee comprises due diligence fee of Baht 50,000. Operations for other phases have yet to be proceeded because on 8 December 2010, ESCO Fund amended the contract by collecting the phase 1 fee and cancelled the remaining works.</p>	-	77,800	-	It is property and service transaction beneficial to the Company
			-	1,354	534	
			-	2,319	1,779	
			-	2,319	4,098	
			-	165	-	
			-	50	-	
4. International Finance Corporation (IFC)	At present IFC holds 19.6% shares in SPKR1	<p>On 7 June 2010, SPC and Ms. Wandee Khunchornyakong and Mr. Chanchai Kultavarakorn signed a joint venture agreement with IFC to purchase 5.5 million SPKR1 shares from SPC at Baht 10 par value, equivalent to 19.6% shares.</p> <p>SPC grants the put option to IFC under which IFC can exercise the put option from the anniversary of the 9th Year until the anniversary of the 11th Year at the agreed prices which vary during each year.</p>				It is property and service transaction beneficial to the Company as it provides a source of funds for operation of SPKR1 solar power plant. The management fee is appropriate as it is based on the equity investment of IFC. The interest payable is at market rate comparable to the lending rate charged by commercial banks.

Individual/juristic entity with possible conflict of interest	Nature of Relationship	Descriptions	Transaction value (Baht thousands)			Rationale and Necessity
			2009	2010	Q1 2011	
		<ul style="list-style-type: none"> - Ordinary shares in subsidiary under put option - Interest payable - Accrued interest payable estimate - Advance share payment receivable 	-	55,000	89,020	
			-	1,673	2,078	
			-	1,673	3,751	
			-	34,020	-	
5. J-Pen Co., Ltd. ("Jpen")	<p>1. Mr. Jirakom Patumanon</p> <ul style="list-style-type: none"> - Being deputy managing director of, and holding 0.2% shares in, the Company as of 31 Mar. 2011. - Being the Person under TC 7/2552. - Holding 10.0% shares in Jpen as of 31 Mar. 2011. - Being the project director of solar power plants of all 34 subsidiaries of SPC. 	<p>SPC entered into contracts to engage Jpen as the contractor for the construction of solar power plants of SPSN1, SPNP1 SPKR1, SPKR2 and SPLO1 with contractual value as follows: SPKR1 – Baht 59,431,191.90, SPSN1 – Baht 59,153,666, SPNP1 – Baht 58,388,616, SPKR2 – Baht 66,297,949, and SPLO1 – Baht 65,550,340</p> <p>1. Advance payable to contractor</p> <p>In 2010, Jpen was selected as the contractor for the construction of solar power plant of SPKR1.</p> <p>In 2011, Jpen has been selected as the contractor for the construction of solar power plants of SPKR 2 and SPLO1. Jpen won the bidding and qualified for the selection criteria over the other two contractors because: 1. Jpen's bid is the lowest; 2. Jpen's management has more than 30 years of experience in solar power plant; 3. of its sound financial position and 4. of its skilful personnel and workers.</p>	-	1,732	17,817	<p>In 2011, SPC has made the procurement for design and construction of solar power plants of SPKR2, SPLO1 and SPKK1. In respect of SPKK1's solar power plant, SPC has made the procurement via the internet under which Jpen was selected among all of three bidders because (i) Jpen offered the lowest price, (ii) Jpen's management has credentials and experience in solar power industry for more than 30 years, (iii) it has a strong financial status and (iv) it has efficient personnel, by the resolution of the Audit Committee.</p> <p>1. It is a transaction under normal course of business entered at the mutually agreed price according to the contract between SPC and Jpen.</p>

Individual/juristic entity with possible conflict of interest	Nature of Relationship	Descriptions	Transaction value (Baht thousands)			Rationale and Necessity
			2009	2010	Q1 2011	
		2. Advance payable for goods In 2009, there was advance payable to Jpen in respect of SPKR1 In 2011, there was advance payable to Jpen in respect of SPLO1	3,518	-	1,343	2. It is a transaction under normal course of business entered at the mutually agreed price according to the contract between SPC and Jpen.
		3. Contractor account payable In 2009, there was construction cost for SPKR1 power plant In 2010, there was cost for renovation of main distribution board In 2011, there was construction cost for power plants of SPSN1, SPNP1 and SPLO1	25,286	3,353	21,774	3. It is a transaction under normal course of business entered at the mutually agreed price according to the contract between SPC and Jpen.
		4. Construction cost SPC hires Jpen for construction work of SPSN1 and SPNP1.	-	95,968	-	4. It is a transaction under normal course of business entered at the mutually agreed price according to the contract between SPC and Jpen.
		5. Income from sales of goods SPC sells goods to Jpen being battery, Leonic device and light bulbs	-	1,099	-	5. It is a transaction under normal course of business entered at the market price whereby Jpen has installed the products at the project of the Company.
		6. Construction material purchase SPC purchases construction materials from Jpen for 3 solar power plant projects.	-	6,444	2,238	6. It is a transaction under normal course of business entered at market price.
		7. Capital expenditure In 2010, SPC hired Jpen to build a learning centre building for solar power plant.	-	7,450	44,548	7. It is a transaction under normal course of business entered at the mutually agreed price according to the contract between SPC and Jpen.
		In 2011, SPC hires Jpen to build				

Individual/juristic entity with possible conflict of interest	Nature of Relationship	Descriptions	Transaction value (Baht thousands)			Rationale and Necessity
			2009	2010	Q1 2011	
		solar power plants of SPSN1, SPNP1, SPKR2 and SPLO1.				
6. Ms. Wandee Khunchornyakong	Chairman and Chief Executive Officer of the Company and holding 52.6% shares in, the Company as of 31 Mar. 2011.	<p>1. Short-term loan</p> <p>Ms. Wandee Khunchornyakong executes a short-term loan to SPC and SPKR1 in total amount of Baht 44.2 million repayable on demand:</p> <p>- Principal amount - 48</p> <p>- Increase 44,196 2,100</p> <p>- (repaid) (44,148) (2,148)</p> <p>- Amount at the end of period 48 -</p> <p>- Interest payable 170 -</p> <p>2. Lending</p> <p>The Company provides a loan to Ms. Wandee Khunchornyakong in the amount of Baht 0.8 million as SPC transaction expenses repayable on demand.</p> <p>- Amount at initial utilisation 739 -</p> <p>- (repaid) (739) -</p> <p>- Amount at final utilisation - -</p> <p>3. Land purchase 25,000 -</p> <p>On 22 October 2009, SPKR1 signed a land purchase contract with Ms. Wandee Khunchornyakong to purchase the land lot located at Don Chomphu sub-district, Non Sung district, Nakhon Ratchasima, with the total area of 84-3-6 rai, at Baht 25</p>				<p>1. It is a financial assistance transaction for the interest of the Company as it provides a source of funds for operation of the solar power plant of the Company. The interest payable is at market rate comparable to the lending rate charged by commercial banks.</p> <p>2. It is a financial assistance transaction. The transaction no longer exists.</p> <p>3. It is normal business support transaction to purchase the land as location for SPKR1 solar power plant. Advance Appraisal Co., Ltd. engaged by SPC valued the land at Baht 25 million. The land was sold to SPKR1 at the appraised price without any commercial profit.</p>

Individual/juristic entity with possible conflict of interest	Nature of Relationship	Descriptions	Transaction value (Baht thousands)			Rationale and Necessity
			2009	2010	Q1 2011	
		million.				
		4. Land purchase On 15 October 2009, SPKR1 signed a land purchase contract with Ms. Wandee Khunchornyakong to purchase the land lot located at Don Chomphu sub-district, Non Sung district, Nakhon Ratchasima, with the total area of 129-1-28 rai, at Baht 10.7 million.	-	10,669	-	4. It is normal business support transaction. The purchase price was based on the cost and expense for land acquisition which was Baht 3.6 million lower than the price appraised by Advance Appraisal Co., Ltd., an independent appraiser. The Company acquired the land at the price of Baht 10.7 million which was the price without any profit margin to support the business operations.
7. Mr. Chanchai Kultavarakorn	Being the director of the Company and holding 10.8% shares in the Company as of 31 Mar. 2011.	1. Short-term loan Mr. Chanchai Kultavarakorn executes a short-term loan to lend to the Company in the amount of Baht 20 million repayable on demand: - Amount at initial utilisation - Increase - (repaid) - Amount at final utilisation - Interest payable	 - 20,000 (20,000) - 18	 - - - - -	 - - - - -	It is a financial assistance transaction for the interest of the Company as it provides a source of funds for operation of the solar power plant of the Company. The interest rate in 2009 is 3% per year.
8. Mr. Kevin Gerald Parnell	Being the director of the Company and holding 2.8% shares in the Company as of 31 Mar. 2011.	1. Short-term loan Mr. Kevin Gerald Parnell executes a short-term loan to lend Baht 20.18 million to the repayable on demand: - Amount at initial utilisation - Increase - (repaid)	 - 20,180 (20,180)	 - - -	 - - -	It is a financial assistance transaction for the interest of the Company as it provides a source of funds for operation of the solar power plant of the Company. The interest rate in 2009 is 3% per year.
		- Amount at final utilisation	-	-	-	

Individual/juristic entity with possible conflict of interest	Nature of Relationship	Descriptions	Transaction value (Baht thousands)			Rationale and Necessity
			2009	2010	Q1 2011	
		- Interest payable	80	-	-	

On 11 August 2011, the Company's Audit Committee considered the information on related party transactions of the Company for the fiscal year ended on 31 December 2010 and for the six-month period ended on 30 June 2011 and opined that the related party transactions of the Company for the fiscal year ended on 31 December 2010 and for the six-month period ended on 30 June 2011 were entered into in the normal course of business of the Company and on the arm's length basis and there was no transfer of interest between the Company and its related parties on the related party transactions. Kindly note that the related party transactions for the six-month period ended on 30 June 2011 also cover those during the three-month period ended on 31 March 2011.

9 Summary of material contracts during the past 2 years

9.1 Material contracts of the Company during the past 2 years

All contracts and agreements have been entered into by the Company in a normal course of its business at the arm's length basis.

9.2 Material contracts of SPC during the past 2 years

SPC entered into the Investment Framework Agreement with the International Finance Corporation (IFC) on 7 June 2010, under which IFC is entitled but not obliged to purchase newly issued ordinary shares in the solar power plants of 16 other subsidiaries of SPC at the par value. The investment funds will be up to 20% of the registered capital of each subsidiary. IFC is to make its investment decision within 30 days from the date on which SPC proposes the relevant investment plan to IFC.

SPC has entered into a contract with a solar panel supplier in 2010 without limit on the term of the contract. The contract shall be terminated by mutual agreement of both parties.

SPC's subsidiaries entered into 34 power purchase agreements during 2009 and 2010 with the term of 5 years with automatic renewal every 5 years which shall remain effective until the power producers send a written notice of termination. The subsidiaries were also awarded the 8 Baht/Kilowatt-hour adder for 10 years from the commercial operation date (COD). The COD of three agreements becomes effective in 2010 and 2011 in respect of SPKR1, SPSN1 and SPNP1. Under three power purchase agreements, the COD is required to be within 2011 while under the remaining 28 agreements the COD is required to be within in 2013.

SPC also entered into other agreements under a normal course of its business at the arm's length basis.



Miss Wandee Khunchornyakong
Chairman