

Ref. GREEN14/2017

4 April 2018

Subject : Notification on the Investment in a Power Business: Solar Power Plant with a total capacity of 5 MW in Srakaew Province (amended information)

Attention : President  
Stock Exchange of Thailand

The Board of Directors' Meeting No. 3/2018 of Green Resources Public Company Limited (“**GREEN**” or the “**Company**”) held on March 16, 2018 has approved ACD Energy Co., Ltd. (a wholly owned subsidiary of GREEN) to invest by way of shares acquisition in SK One Power Co., Ltd., a company established to acquire the transfer of the Solar Power Plant business with a total capacity of 5 MW in Srakaew Province with the total investment of THB 330 million (the “**Solar Project**”), having the aggregate transaction size after combining with the acquisition transaction in the past 6 months of GREEN (acquisition of shares in J.E. Solar Lopburi Co., Ltd.), making the total transaction size of 49.56% (referred to the consolidated financial statements as of December 31, 2017). Therefore, it is considered an acquisition transaction that is higher than 15% but lower than 50% pursuant to the Notification of the Capital Market Supervisory Board No. Thor Jor 20/2551 RE: Rules on Entering into Material Transaction Deemed as Acquisition or Disposal of Assets (and amendments) and the Notification of the Board of Governors of the Stock Exchange of Thailand RE: Disclosure of Information and Other Acts of Listed Company concerning the Acquisition and Disposition of Assets, 2004 (collectively, the “**Acquisition**” or “**Disposal Notification**”). The Company is obliged to disclose the information to the Stock Exchange and circulate the information memorandum of the transaction to all shareholders within 21 days after notifying to the Stock Exchange, having the details as follows:

**1. Date of Transaction**

19 March 2018

**2. Related Parties**

ACD Energy Co., Ltd. (“**ACDE**”) will invest in the Solar Project with the total investment value of 79 THB million by holding a portion of shares in SK1 (a company incorporated by Nortis International Co., Ltd. (“**NT**”) for acquiring the Solar Project, having shareholders consisting of NT and MetLink Info Co., Ltd. (“**ML**”) and by way of loan to the parties involved. The relevant transactions are as follows:

- (1) ACDE enters into the share sale and purchase agreement with SK1 and accepts the transfer of rights from Ms. Christina Kraipassapong (a holder of ordinary shares in SK1) who is not considered a connected person of GREEN;
- (2) GREEN provides loan to SK1 and ML, both of which are not considered a connected person of GREEN.

(Translation)

**Remark:** ML is the existing Solar Project’s operator who agrees to transfer the Solar Project to SK1 in the total value of THB 330 million. In this regard, ML agrees to invest in preferred shares in the ratio of 51% of total shares in SK1 in order to be qualified for transfer of the power purchase agreement of the Provincial Electricity Authority (PEA). The preferred shares in SK1 carry less voting rights (100,000 preferred shares have voting right equal to 1 ordinary share).

In this regard, NT, ML, and Ms. Christina Kraipassapong have no relationship among each other and are not deemed connected persons of the Company and ACDE. The shareholding structure and management s of NT and ML are as follows:

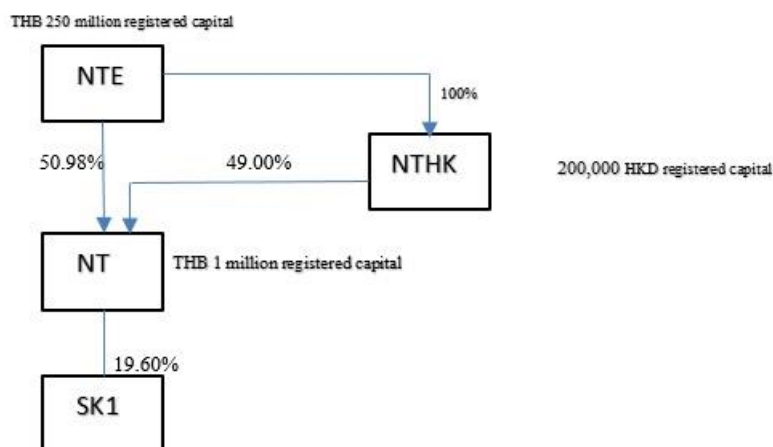
**(1) NT**

NT engages in the business of rendering investment and development of alternative power plant business ( being a subsidiary of Nortis Energy (“NTE”)). Its total registered capital is THB 1,000,000, divided into 10,000 shares at the par value of THB 100 per share.

No	Names	Amount	Percentage
1	NTE	5,098	51%
2	Nortis Solution (Hong Kong) Ltd. (“NTHK”) (held by NTE 100%)	4,900	49%
3	Ms.Prapharat Tangkawattana	1	-
4	Ms.Onuma Srisangthong	1	-
Total		10,000	100%

The directors of NT are (1) Ms. Prapharat Tangkawattana; (2) Ms. Onuma Sisangthong. The directors authorized to bind the company are Mrs. Prapharat Tangkawattana and Ms. Onuma Sisangthong who jointly sign their names with the company’s seal affixed.

Shareholding Structure of NT is as follow:



(Translation)

NTE's ultimate shareholder has no relationship and is not a connected person of ML or GREEN in any respect.

**(2) ML**

ML engages in the information technology and computer business, and energy business. Its total registered capital is THB 360,000,000, divided into 3,600,000 shares at the par value of THB 10 per share.

No.	Name	Number (Shares)	Percentage
1	Mr. Prapan Asvaplunghrohm	3,549,996	98.61%
2	Mr. Yongwat Sritana-anant	50,000	1.39%
3	Mr. Suchart Ngamphongsa	1	-
4	Miss Natchala Phasuk	1	-
5	Mr. Chadin Phatthanapongsak	1	-
6	Mrs. Kannika Chawangwanitcha	1	-
Total		3,600,000	100%

The directors of ML are (1) Mr. Prapan Asvaplunghrohm and (2) Mr. Yongwat Sritana-anant. The director authorized to bind the company is Mr. Prapan Asvaplunghrohm who singly signs his name with the company's seal affixed.

**3. Transaction Details**

**3.1. Summary of Investment**

- (1) ACDE to purchase ordinary shares in SK1 from Ms. Christina Kraipassapong in the amount of 294,000 shares equivalent to 60% of total ordinary shares and voting rights in SK1, having the value of THB 9,820,000 (with premium at THB 1,000,000).

After holding shares in SK1, ACDE will additionally pay for the value of ordinary shares in the amount of THB 20,580,000.

- (2) ACDE to accept transfer of the right to receive repayment under the promissory note and the preferred shares pledge agreement in SK1 from Ms. Christina Kraipassapong having the value of THB 9,180,000 (without any premium).
- (3) ACDE to provide loan to ML for the purpose of investing in preferred shares in SK1 with the total amount of THB 21,420,000 (interest rate of 7% per annum with a 3-year repayment term) for which it is a loan in proportion to the ordinary shareholding of ACDE in SK1 (NT 40% : ACDE 60%).

(Translation)

- (4) GREEN to provide loan to SK1 for the payment in consideration of accepting transfer of the Solar Project in the total amount of THB 18,000,000 (interest rate of 5% per annum with a 10-year repayment term) for which it is a loan in proportion to the ordinary shareholding of ACDE in SK1 (NT 40% : ACDE 60%).

**Shareholding Structure and Management in SK1 before the Investment by ACDE**

No	Shareholder	Type	Amount of shares	Paidup	Paidup amount (THB)	Unpaid	Unpaid amount (THB)	Percentage
1	NT	ordinary	196,000	30%	5,880,000.00	70%	13,720,000.00	19.6%
2	Ms.Christina	ordinary	294,000	30%	8,820,000.00	70%	20,580,000.00	29.4%
3	ML	preferred	510,000	30%	15,300,000.00	70%	35,700,000	51.0%
Total			10,000,000		30,000,000.00		70,000,000	100%

*Remark: SK1's registered capital is THB 100,000,000 with 490,000 ordinary shares and 510,000 preferred shares with par value of THB 100 per share. SK1 has never been operated in any business before.*

**Director Composition**, having 4 directors as follows:

1. Ms. Praparatt Tangkawattana;
2. Ms. Christina Kraipassapong;
3. Ms. Sunee Supanwattanakul;
4. Mr. Praphan Asawapalangprom

**Binding Signatory**

Mr. Praphan Asawapalangprom or Ms. Praparatt Tangkawattana jointly signs with Ms. Christina Kraipassapong or Ms. Sunee Supanwattanakul with the company's seal affixed.

**Shareholding Structure and Management in SK1 after the Investment by ACDE**

No	Shareholder	Type	Number (shares)	Paid-up	Percentage
1	NT	Ordinary	196,000	19,600,000	19.6%
2	ACDE	Ordinary	294,000	29,400,000	29.4%
3	MT	Preferred	510,000	51,000,000	51.0%
Total			10,000,000	100,000,000	100%

*Remark:* 1. NT and ACDE provides loan to ML in the total amount of THB 51 million (proportion of NT40% : ACDE 60%) for payment of preferred shares in SK1 provided that ML issues promissory notes to NT and ACDE pursuant to the loan proportion. The promissory notes are issued with 7% interest rate per annum and repayment term of 3 years for which ML, holder of preferred shares, will be entitled to receive dividends from SK1 in the same amount as the interest rate under such promissory notes.

2. ACDE invests in SK1 on March 19 2018, making SK1 an indirect subsidiary of GREEN.

**Director Composition, having 4 directors as follows:**

1. Ms. Praparatt Tangkawattana;
2. Mr. Prateep Anantachote;
3. Mr. Pipat Viriyamettakul;
4. Mr. Apichart Sivamoke

**Binding Signatory**

Ms. Praparatt Tangkawattana jointly signs with either Mr. Prateep Anantachote or Mr. Pipat Viriyamettakul or Mr. Apichart Sivamoke with the company's seal affixed.

SK1 is established for the purpose of accepting the transfer of the Srakaew Power Plant. It has not commenced any business operation or engaged in any other business. Therefore, its financial statement only reflects the payment received for the shares from the shareholders and minimal operating expenses.

Due to NT and Ms.Christina are interested in purchasing and accepting transfer of the Solar Project from ML, the first operator who entered into the Project Supporting Agreement with Srakaew Cooperative (ML invested in assets of the Solar Project and the holder of the power purchase agreement, while the co-operative is the owner of the Solar Project and the grantor of right to use the land where the Solar Project is located), therefore, agreed to co-invest by holding shares in SK1 and negotiate to purchase and accept transfer of the Solar Project from ML.

After the assignment of the power purchase agreement with the Provincial Electricity Authority from ML, the income of SK1 will be derived from the power distribution to the Provincial Electricity Authority. The details of the revenue sharing payable to the Srakaew co-operative are summarized in Clause 3.2 and The details of the income from the Srakaew Power Plant are summarized in Clause 5.

Financial Statement of SK1 is as follows:

Unit: THB

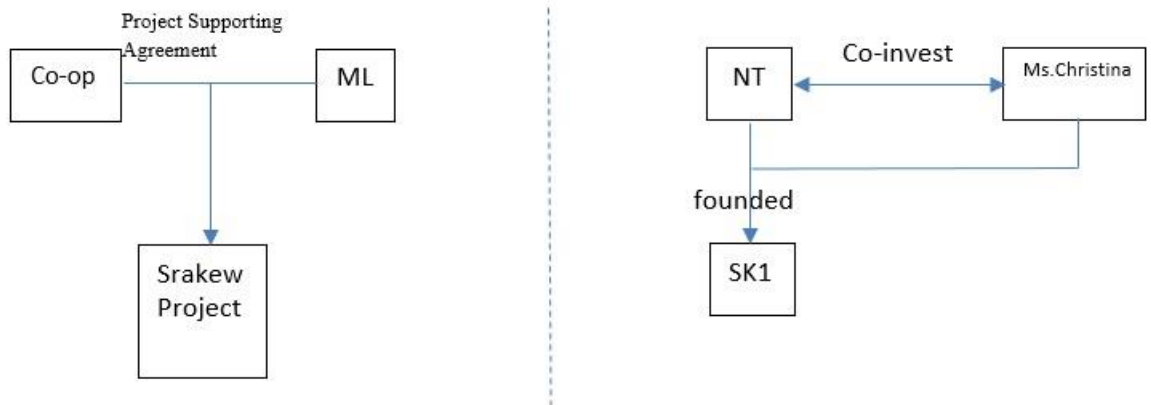
Item	<u>2560</u> (Prepared by management of SK1 and under review by the auditor)	<u>2559</u> (reviewed)
Other income	2,872.28	-
Sale and cost management expenses	371,978.40	220,961.99
Financial cost	26,058.08	-
Net loss	(395,164.20)	(220,961.99)
Total assets	44,574,554.93	41,069.41
Total liabilities	15,190,681.12	12,031.40
Shareholders' equity	29,383,873.81	29,038.01

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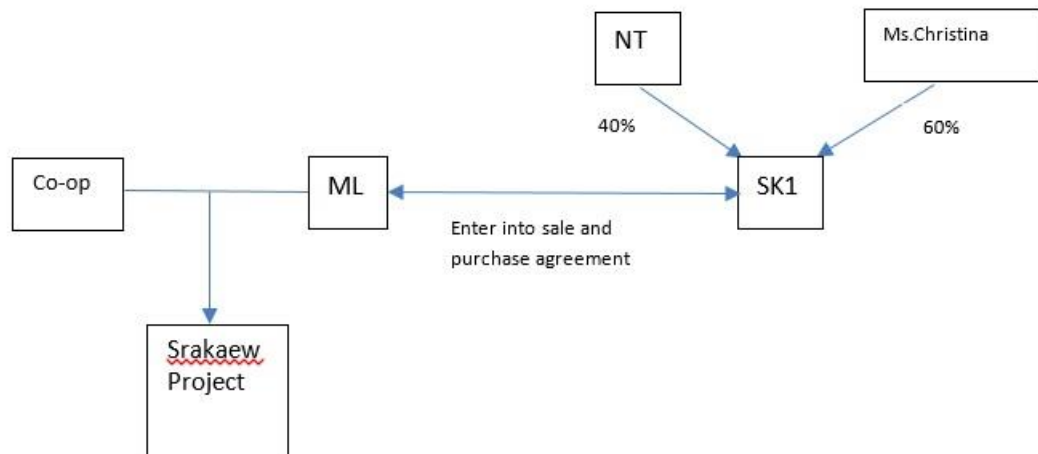
Total liabilities and shareholders' equity	44,574,554.93	41,069.41
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In this regard, the investment structure can be illustrated by the following diagram:

**① Investment Structure of ML and SK1 before the agreement to sell and purchase Srakew Solar Project**

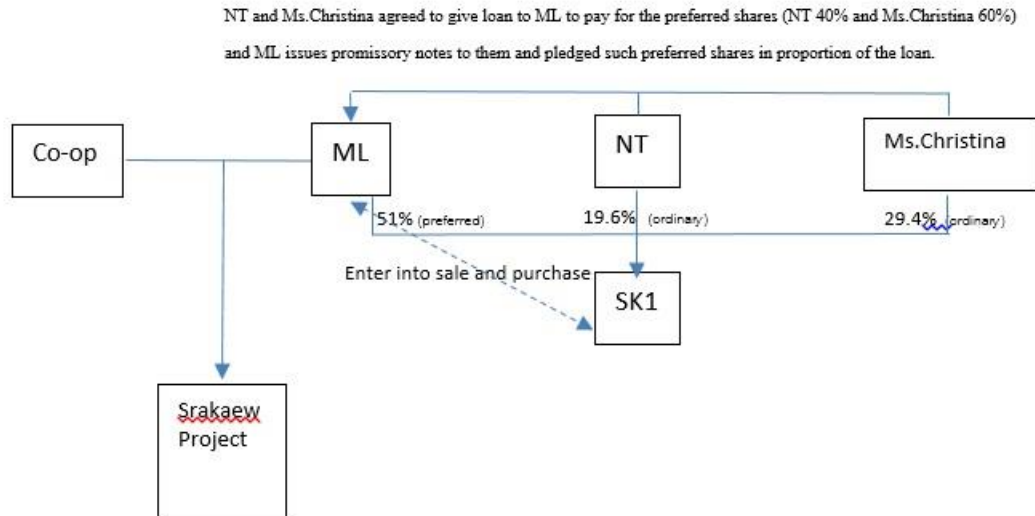


**② Investment Structure of ML and SK1 after the agreement to sell and purchase Srakew Solar Project (before ACDE's investment)**



In order to transfer the power purchase agreement to be in line with the criteria of the PEA where the transferor and the transferee shall be affiliate, ML agreed to invest in SK1 by holding 51% preferred shares in SK1 by way of borrowing money in proportion to the ordinary shareholding in SK1 from NT and Ms. Christina in order to pay the preferred shares, making the structure is as follows:

(Translation)



In this regard, 100,000 preferred shares have voting right equal to 1 ordinary share and all preferred shares have the right to receive dividend before the ordinary shares at the rate no higher than 7% per annum of the declared dividend and have no conversion or accrued rights (ML will use the dividend to pay interests of the loan for payment of preferred shares to NT and Ms.Christina).

### **③ Investment structure before the investment by ACDE**

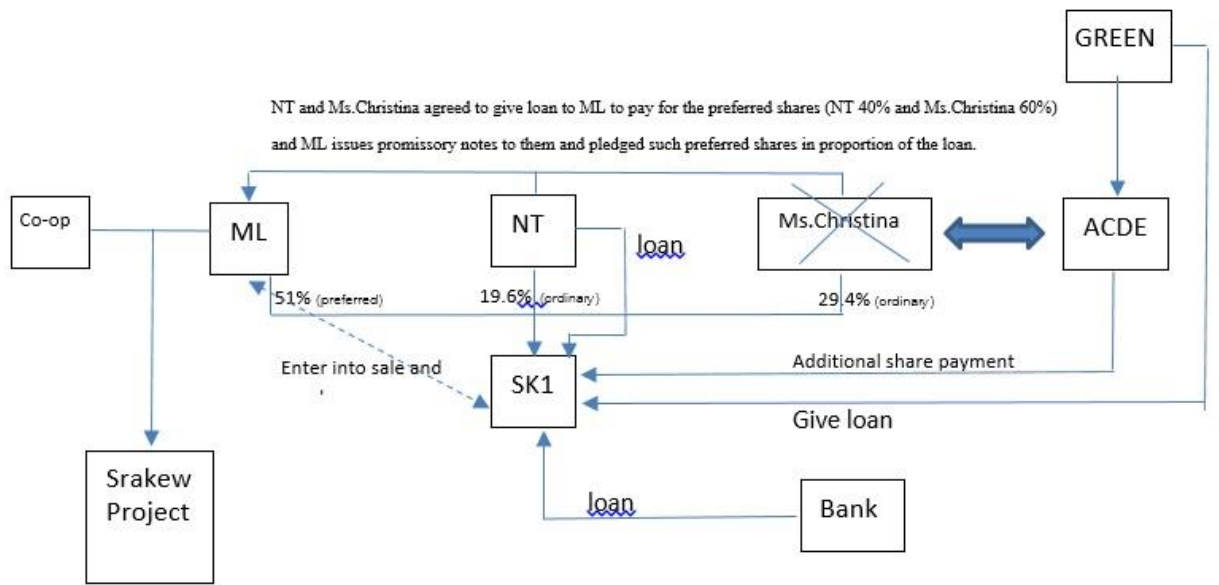
ACDE entered into transaction with the following persons:

- (1) Purchase 29.4% of ordinary shares in SK1 from Ms.Christina in the amount of THB 9,820,000 (with 1,000,000 premium) (after ACDE held shares in SK1 on 19 March 2018, SK1 is deemed indirect subsidiary of GREEN);
- (2) Accept transfer of right under the promissory note and pledge agreement from Ms.Christina in the amount of THB 9,180,000 (no premium);
- (3) SK1 requested for additional paid-up of shares in full from all shareholders. Therefore, NT and ACDE paid for ordinary shares in full, for which ACDE made additional payment of the fully paid-up in the amount of THB 20,580,000;
- (4) Ordinary shareholder (NT by NTE) and GREEN agreed to give loan to SK1 in proportion to the ordinary shareholding between NT and ACDE (40:60) for which NTE gave loan in the amount of THB 12 million and GREEN gave loan in the amount of THB 18 million.

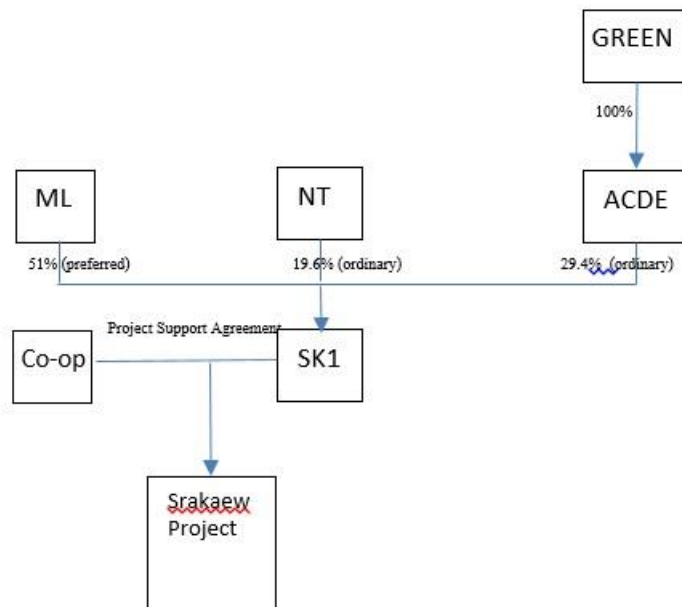
In addition, SK1 will borrow money from financial institution in the amount of no more than THB 200 million to pay for the transfer of Solar Project to ML.

At present the ownership of all assets regarding the Solar Project vest with ML, for which they will transfer to SK1 on the date where the transfer of project take place, the final payment date (within May 2018).

(Translation)



④ Investment structure after transfer of Solar Project from ML to SK1





(Translation)

financial institution, there is no provision restricting payment of dividends or any other conditions which will affect the shareholders of SK1).

On the date where ACDE invested in SK1 (19 March 2018), SK1 has made payment of the transfer to ML in the amount of THB 130,000,000,. For the remaining amount of payment (THB 200,000,000), it will be paid on the date of transfer of Solar Project which will be agreed upon between the parties (no later than May 2018).

Other important conditions: on the date ACDE made investment and payments for the additional ordinary shares in full (19 March 2018), SK1 also made payment of the consideration for the project purchase to ML in the total amount of THB 130,000,000. According to the Agreement to Buy and Sell the Power Plant Project, the business transfer and the final payment must be made by April 2018. In this regard, NT and ACDE have pledged the total ordinary shares they hold in favour of ML as security for debt repayment under the Agreement to Buy and Sell the Power Plant Project. Accordingly, ML will release the pledge of the ordinary shares on the date the power plant business is transferred to SK1 and SK1 had made the final payment in full. In addition, ML agrees to sell the total preferred shares to NT and ACDE in accordance with their respective shareholding three years from the commercial operation date of the power plant project at the value equivalent to the loan under the promissory note which ML owes to NT and ACDE.

In case the sale and purchase agreement of the Solar Project is terminated by any reason under the agreement, for example, any party breaches the agreement or the transfer of the project does not fall under exemption for VAT under the regulation of Revenue Department for any reason, all transaction will be revoked where ML is obliged to refund all payments from SK1 and SK1 is obliged to transfer rights and assets back to ML. In addition, all loan from NT and ACDE according to the promissory notes by ML will be cancelled and the holding of preferred shares by ML including relevant pledge by ML will be cancelled as well. ML will transfer all preferred shares to NT and ACDE in proportion of loan to settle the promissory notes. Therefore, NT and ACDE will become holder of ordinary and preferred shares in proportion of 40 : 60.

### **3.2. Summary of the Solar Project**

SK1 will accept transfer of the Solar Project from ML within April 2018. Details of the Solar Project are as follows:

Project Type	Solar Power Plant with Photovoltaic Panel (Solar cell panel) of 5MW located in Muang District, Srakaew Province
Project Owner	Srakaew Agricultural Co-operative
Project Supporter	ML
Area	28,822 square wah or 72-0-22 rai Owned by Srakaew Agricultural Co-operative
Feed-in-Tariff (FiT)	THB 5.377 per kWh throughout the contract period

(Translation)

Sharing for Co-operative	THB 3.3 million per annum (Due to Co-operative borrows money from ML to purchase land of the project and gives right to use the land to ML free of charge, therefore, on the year 1 – 5, ML as the project supporter will be entitled to deduction of loan for land payment at THB 1.6 million per year from revenue sharing, for which these rights will be transferred to SK1 on the completion date)
Contract Period	25 years having the Commercial Operation Date (COD) on 31 August 2017 to 30 December 2041 The contract period as of 1 April 2018 remains 23 years 9 months until expiry
Production Capacity	Installation Capacity 5 MW / Production Capacity 4.994 MW
Tax Privilege	BOI privilege of 8-year waiver of corporate income tax (2017-2024) with 5-year extension at 50% of corporate income tax rate at that time (2025-2029)
Expected revenue	Approximately THB 3 million per month
Payment to ML for transfer of the Solar Project	THB 330 million consisting of : <ul style="list-style-type: none"><li>• Capital of SK1 in the amount of THB 100 million (ACDE : NT in proportion of 60 : 40)</li><li>• Loan to SK1 in the amount of THB 30 million (ACDE : NT in proportion of 60 :40)</li><li>• Loan from bank (by SK1) in the amount of THB 200 million</li></ul>

#### 4. Criteria for determination of consideration

The Company does not engage asset evaluation firm, however, an analysis from the costs and project information has been made which shows that the investment by accepting transfer of the Solar Project by SK1 from ML in the total value of THB 330 million is appropriate, for which ACDE will purchase and acquire 60% of ordinary shares and voting rights in SK1 from the previous shareholder, Ms. Christina Kraipassapong, by giving premium to her in the amount of THB 1,000,000. GREEN will also give loan to SK1 for investment in the project in the amount of THB 18 million which is in proportion to the ordinary shareholding between NT and ACDE with 5% interest, which is also suitable and make the investment worth the long term investment.

For the payment to MS.Christina, and the payment of additional paid-up of ordinary shares in full in SK1, including the loan given to ML for payment of preferred shares in the amount of THB 61 million and the amount that GREEN gave loan to SK1 for THB 18 million (altogether THB 79 million) are from cashflow of GREEN from the previous capital increase which GREEN invest by way of additional capital increase in ACDE for the sufficient amount.

## 5. Project Feasibility and Financial Performance of Solar Project (COD 31 August 2017)

The determination of investment value and the feasibility analysis is conducted based on the information of the project analysis provided by NT, for which NT's shareholder is an experienced business operator in the energy business and power plant projects. NT had conducted the feasibility study prior to the proposed investment of ACDE. In addition, ACDE's team, comprising seasoned experts in the energy business and solar power plant projects, has reviewed and analyzed such information. Therefore, the Company and ACDE did not engage any asset evaluation firm or financial advisor. Accordingly, the results of the evaluation of the project feasibility by ACDE's team with the rates of return and payback period are summarized in the following table.

Assumption	Project Feasibility			
	NPV (million)	PIRR(%)	EIRR(%)	Payback period (years)
Base case – Light Intensity 4.00 Kwh/m2/day	-4.94	5.83	7.47	14 years 3 months

- Remark:
1. PIRR (Project Internal Rate of Return) and EIRR (Equity Internal Rate of Return) are discount rate for calculation of project feasibility
  2. assumption for project feasibility for investment is as follows:
    - revenue calculation from various assumption, such as operation date, light intensity, electricity production, amortization rate of solar panel, rate for sale of electricity under the power purchase agreement.
    - expense calculation from normal assumption of expense to conduct power business such as: maintenance, utilities, insurance, contribution to fund, amortization, financial cost, etc.
  3. For feasibility study, the Company has conducted sensitivity analysis by adjusting assumption of light intensity rate where Base case at 4.0 Kmh/m2/day with IRR 5.83% NPV -4.94 MB and payback period of 14 years 3 months and Best case with light intensity rate at 4.5 Kmh/m2/day with IRR 7.26% NPV 37.04 MB and payback period 12 years 3 months.
  4. Key financial assumptions for calculation of project feasibility are as follows:

## (Translation)

1	<b>Financial Assumption</b>		
2		<b>Assumption</b>	<b>Explanation</b>
3	Date	1-Apr-61	Date for which the revenue is generated
4	<b>revenue from sale of electricity</b>		
5	amount (KW)	4,994.20	highest capacity (refer from equipment under PPA which fixes at 5 MW)
6	Light intensity rate (Kwh/m2/day)	4.03	average value from historical sale during Sep 2017 - Jan 2018
7	remaining period	23 y 9 m	Since 1 April 2018 - expiration of PPA 30 Dec 2041
8	Fit (THB/unit)	5.377	PPA no. PV-PEA-0065/2556
9	Amortization rate(%)	year 1-9 : 1.0%	Solar Cell Panel TALLMAX รุ่น TSM-PD14
10		year 11-25 : 0.7%	
11	<b>Cost</b>		
12	operation and maintenance (million/year)	1.50	info from O&M Agreement
13	employee, utilities (million/year)	1.00	info from other company conducting power business with inflation rate of 0.7% /year
14	insurance (million/year)	0.4	
15	contribution to Fund	0.01	
16	revolving cost	45	revolving cost from cash generating cycle:
17			- account receivable 45 days
18			- account payable 0 day
19	discount rate (%)	6%	

5. Regarding the negative NPV of the project (-4.94 million), the Company has consider the project feasibility depending on light intensity which is a main factor affecting the revenue of the project. It is the average during September 2017 – January 2018 which is a raining season having not much light intensity compared to the whole year. However, the project feasibility still indicates that the investment in the Solar Project will have a payback period of no more than 15 years, therefore, it is still a feasible project for investment.

**Past Revenue of Solar Project**

	Sep 60	Oct 60	Nov 60	Dec 60	Jan 61	Total
Total Units	613,760.00	615,840.00	524,880.00	665,360.00	630,480.00	3,050,320.00
FIT	5.38	5.38	5.38	5.38	5.38	5.38
Proceeds	3,300,187.52	3,311,371.68	2,822,279.76	3,577,640.72	3,390,090.96	16,401,570.64
VAT	231,013.13	231,796.02	197,559.58	250,434.85	237,306.37	1,148,109.94
Total	3,531,200.65	3,543,167.70	3,019,839.34	3,828,075.57	3,627,397.33	17,549,680.58

The Company was first engaged in the real estate development business and is now expanding into a new venture, that is, the energy business, an area in which the Company has yet to explore and develop. In this respect, the Company had conducted a risk analysis and formulated risk mitigation measures from relevant investment. It may seem that the Company is a new player in the energy business, however, the Company has prepared itself and put in place necessary arrangements for the successful operation of the energy business for a considerable period of time. In this regard, ACDE, a subsidiary, has been formed to mainly be responsible for the operation of the energy business. Furthermore, necessary efforts have been arranged to prepare

the personnel since 2015. In addition, Mr. Wirat Chansiriwattana, an independent director and member of the Audit Committee, is highly knowledgeable and experienced in the energy business. Accordingly, the Company is confident that the preparations and arrangements should lessen the risks associated with a lack of experience in the energy business. Moreover, the Srakaew Power Plant Project has already commenced the commercial operation date, therefore, the Company does not have any risk in investment as opposed to investment in a project which is under construction and commissioning phases. Therefore, the Srakaew Power Plant Project is merely exposed to the risks associated with the operation of the project in the future. To mitigate such risks, the Company has taken a comprehensive insurance coverage for All Risks in accordance with the general standards applicable to similar power plant projects. According to the Company's plan, ACDE will engage an experienced contractor to be responsible for the operation and maintenance (Operation & Maintenance & Warranty) with respect to the Srakaew Power Plant Project.

In addition, SK1 will apply for loan from the financial institution in the amount of no more than THB 200 million to pay for the transfer of the Solar Project to ML. At present, SK1 is on the process of contacting with 2 banks to apply for the loan for which the approval date is expected to be in May 2018. For this matter, the Company has considered and believed that the grant of loan from financial institution has no risk in any respect due to the Solar Project has already COD and the value of the assets of the project is sufficient to use as collateral of loan. And SK1 has no risk to be refused from any financial institution due to its no record of non-payment or problem from financial status. However, in case SK1 cannot apply for loan from the financial institution, ACDE and NT will consider jointly to look for other source of fund for SK1 to pay for the transfer of the project, for which the Company deems that it is possible to do so and this will not affect the right ACDE to receive dividend from SK1.

## **6. Calculation of Transaction Size**

Referring to the consolidated financial statements as of December 31, 2017, the highest transaction size is 13.59% according to NTA basis, however, taking into consideration the transactions in the previous 6 months (acquisition of shares in J.E. Solar Lopburi Co., Ltd. for THB 948,589.13) the highest transaction size is 49.56% according to the total consideration basis.

(Translation)

<b>Base of Transaction Size Calculation</b>	<b>Calculation Details</b>	<b>Transaction Size</b>
1. Net tangible assets (NTA)	$\frac{(\text{NTA of the Target} \times \text{Acquired Shareholding}) \times 100}{\text{NTA of GREEN} \times 100}$ $\frac{100 \times 0.6 \times 100}{441.37}$	13.59
2. Net profit	$\frac{(\text{Net profit of the Target} \times \text{Acquired Shareholding}) \times 100}{\text{Net profit of GREEN}}$	N/A (due to GREEN's loss)
3. Total consideration value	$\frac{\text{Total consideration value (330,948,598.13)} \times 100}{\text{Total assets of GREEN (667.75)}}$	49.56%
4. Share swap	$\frac{\text{Number of shares issued} \times 100}{\text{Number of total paid-up shares of GREEN}}$	N/A (This transaction is not a share swap transaction)

## 7. Expected Benefits from the Transaction to GREEN

This transaction will help generate sustainable revenue and profit in the long-run which will have a positive impact on GREEN's business performance. In addition, this transaction will help diversify business risks and comply with the purpose of fund raising.

## 8. Opinion of the Board of Directors

The Board of Directors' Meeting No. 3/2018, by a majority of votes, resolved to approve the entry into the acquisition transaction. Although there are some investment risks, such risks are deemed to be at an acceptable level when taking into consideration the performance of the Solar Project and its worthiness, and the transaction will still be both suitable and beneficial to GREEN in the future.

## 9. Opinion of the Audit Committee and/or the Directors Having Different Opinion to that of the Board of Directors

A member of the Audit Committee, Mr. Syn Ekwisahn, had a different view from the resolution of the Board of Directors, that is the Company should not invest in the Solar Project due to the fact that, although the project performance may be worthy for investment, there are risks associated with applying for an exemption of value added tax from the partial business transfer of the solar power plant project from ML to SK1 which may be uncertain; risks from co-investment with other shareholders, as well as risks from applying for a loan from financial institutions; and risks from the operation of Solar Project. Notwithstanding the foregoing, the Board of Directors, by a majority of votes, share the similar view that the risks associated with the proposed investment are considered normal for investment in projects of similar nature, therefore, such risks are acceptable. The Board of Directors is of the view that after the increase of capital, there will be funds additional available for the Company. In addition, the Company will receive a long-term and fixed rate of returns from the Srakaew Power Plant Project. With

(Translation)

the investment in the project, the Company will have a government agency, the Provincial Electricity Authority, as its trading partner, therefore, there are no risks associated with the capability for debt repayment to SK1 from the power purchase. Consequently, the investment in the Srakaew Power Plant Project will not only bring about the maximum benefits to the Company and its shareholders, but also a pursuit of its strategy and policy in expanding into the energy business. The investment will enhance the experience and knowledge of the executives and officers in the energy business which will directly benefit the business operation of the group in the future.

**Sincerely yours,**

(Mr.Prateep Anantachote)  
Acting as Chief Executive Officer  
Green Resources Public Company Limited