(Translated)

Independent Financial Advisor's Opinion Report

on the Disposition of Assets (Amendment 1)

Reporting to

The Shareholders of Chow Steel Industries Public Company Limited

Prepared by

Avantgarde Capital Company Limited

14 January 2021

AGC 2021/002

14 January 2021

Subject Independent Financial Advisor's opinion on the Disposition of Assets

Dear President

Stock Exchange of Thailand

The Board of Directors of Chow Steel Industry Public Company Limited (the "Company") No.6/2020 held on 17 December 2020 passed the resolutions with the following details:

1) Approved to propose to the Extraordinary General Shareholders' Meeting No. 1/2021 ("EGM no.1/2021 ") to approve Premier Solution Japan KK ("PSJP") and RJCI International Investment Pte. Ltd. ("RICI"), indirect subsidiaries of the Company with ownership interest held through Chow Energy Public Company Limited ("CEPL"), to dispose of 6 subsidiaries registered in Japan, which hold 9 solar power projects in Japan (the "Transaction"). The assets to be disposed comprise of (I) all equity interests in 6 Japan subsidiaries (2) all TK interests in 9 projects and (3) Plots of land held by PSJP (the" Assets"). Details of the assets are as follows.

Project	Installed Capacity (MW)	Entity	GK Shareholder	TK Investor	Lands
Assets A					
Iwaki	26.68	MSP3	PSJP and Iwaki Solar ISH	RICI	757,694m^2 (179 lots)
Hamada 1	11.00	HMS	PSJP[2/]	RICI[2/]	250,203m^2. (169 lots)
Hamada 2	12.00	CCH	PSJP and CC Hamada Solar ISH	RICI	182,616m^2(310 lots)
Aomori	7.21	SE	PSJP and Sun Partner Japan ISH	RICI	N/A[3/]
Assets B					
Nihonmatsu 3	1.48	GS	PSJP and Sun Partner Japan ISH	RICI	N/A[3/]
Goryo	1.50	SPJ	PSJP and Sun Partner Japan ISH	RICI	N/A[3/]
Shibushi	1.00	SPJ	PSJP and Sun Partner Japan ISH	RICI	N/A[3/]
Nogata	1.11	SPJ	PSJP and Sun Partner Japan ISH	RICI	17,497m^2 (6 lots)
Saito	2.23	SPJ	PSJP and Sun Partner Japan ISH	RICI	50,464m^2 (18 lots)

The Assets will be purchased by a consortium of renewable energy players in Japan (collectively the Buyers" and, separately, "Buyers A" and "Buyer B") at a total consideration value of no less than JPY 14 billion or equivalent to THB 4.1 billion (with reference to the average selling rate of THB 29.3906 per JPY 100 as of 16 December 2020 as announced by the Bank of Thailand), which may be subject to further adjustments as agreed by the Sellers and the Buyers. Assets A will be purchased by the

Buyers A at a consideration on value of no less than JPY 12 billion or equivalent to THB 3.5 billion (subject to further adjustments as agreed by the Sellers and the Buyers A). Assets B will be purchased by the Buyer B at a consideration value of no less than JPY 2 billion or equivalent to THB 0.6 billion (subject to further adjustments as agreed by the Sellers and the Buyer B).

In addition, the board of directors meeting deemed appropriate to propose to the shareholders meeting to consider and authorize the authorized directors or any person designate by the authorized directors and/or the Chairman of Executive Committee to:

(a) enter into negotiations to determine terms and conditions of the purchase agreement and/or other documents in connection with the transaction

(b) determine and/or amend details of the agreements or documents in relation to the transaction

(c) execute the agreements and/or other documents in connection with the transaction

(d) execute agreement and application for permission as well as execute and/or certify relevant and necessary documents and evidences in connection to the transaction, including but not limited to:

(1) to contract, clarify, and submit application for permission, documents and evidences to government authorities and/or other regulated authorities related to the transaction;

(2) to amend and execute the power purchase agreement with the Utility company in connection to the transaction; and

(e) to take any necessary and relevant actions in relation to the transaction in order to for the complete the transaction.

The Transaction is deemed as a disposal of assets of a listed company pursuant to Section 89/29 of the Securities and Exchange Act, the Notification of the Capital Market Supervis01y Board No. TorChor.20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and Notification of the Board of the Governors of the Stock Exchange of Thai land Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, 2004. The highest transaction value is 151.3 percent, calculated by applying Net Tangible Assets Basis based on the financial statements for the period ending 30 September 2020. The Company has no other asset dispositions during the six months preceding this Transaction. As such, the Transaction is classified as Class 1 Asset Disposition Transaction, requiring a disclosure of an information memorandum on the Transaction to the Stock Exchange of Thailand, a

shareholders' meeting to approve the Transaction, and an appointment of an independent financial advisor to provide opinions on entering into the Transaction.

As such, this Transaction can be classified as listed company's disposition of assets under category I according to the Notification of the Capital Market Supervisory Board no.ThorChor.20/2551 re: rules for entering into substantial transactions within the definition of an acquisition or disposition of assets (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thai land re: information disclosure and actions required of listed companies in relation to an acquisition or disposition of assets, B.E.2547 (as amended), (collectively referred to as **the Acquisition and Disposition Notifications).**

As to the details of the Transaction mentioned above, the Buyer does not have any relationship or involvement with monument, directors, major shareholders and controlling person of the company and its subsidiaries. Therefore, the Transaction does not fall within the remit of a related party transaction under the Notification of the Capital Market Supervisory Board no.ThorChor.21 /2551 re: rules for entering into related party transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand re: information disclosure and actions required of listed companies in relation to a related party transaction, B.E.2546 (as amended) (collectively referred to as the **Related Party Transaction Notifications).**

The Company has obligations to proceed with the procedures set out in the Acquisition and Disposition Notifications as follows:

(1) Prepare and promptly disclose an information memorandum and other information relating to the Transaction containing at least information required under Schedule I of the Acquisition and Disposition Notifications to the Stock of Thai land (the SET);

(2) Appoint an independent financial advisor (IF A) to perfom1 relevant duties including giving opinion as required by the Acquisition and Disposition Notifications and send the IF A's report to the shareholders together with the notice of the shareholders' meeting for their considerations;

(3) Hold a meeting of shareholders to consider and approve the entering into the Transaction by sending the notice of the shareholders' meeting to the shareholders at least 14 days before the shareholders' meeting date and the Transaction must be approved with a minimum of three-quarters of the total votes cast by shareholders present and eligible to vote; however, votes by any person having a conflict of interest in the Transaction will be disregarded.

2) Approved the appointment of Avantgarde Capital Co., Ltd. , which is an independent financial advisor with its name under the approved list of the Securities and Exchange Commission as the Company's independent financial advisor, to provide opinions on disposition of 9 solar power plants in Japan to the shareholders in compliance with the requirements set out in the Acquisition and Disposition Notifications. In this regard, the Company will send the IF A report relating to the disposition of assets to the shareholders together with the Notice of the shareholders' meeting for their consideration.

3) The board also approved that the EGM no.1 /2021 be held on 27 January 2021 at 2.00 p.m. at Auditorium room, 3rd Floor, C asean, ThaiBev Quarter 62 Ratchadapisek Road, Klongtoey Bangkok 10110 with the following agenda

Agenda No.1	To consider and ratify the minutes of the annual general meeting of the shareholders for the year 2020 held on 29 April 2020
Agenda No. 2	To consider and approve the disposition of nine solar power plants in Japan with total installed capital of 64.21 which considered as disposition of assets; and
Agenda No. 3	Other business (if any)

However, on 5 January 2021, the Company published Memo No. CHOW.215/2021 Notification on cancellation of Venue and change a method of convening the Extraordinary General Meeting of Shareholders No.1/2021 (E-Meeting) due to the ongoing outbreak of Coronavirus 2019 (COVID-19). The Company will arrange live broadcast at 14.00 hrs. from the Company meeting room, No.2525, FYI Center, Tower 2, 10th Floor, Rama 4 Road, Khlongtoei, Bangkok 10110 .

4) The Board has resolved to approve the record date, which is used to determine the shareholders' names who are entitled to attend the EGM No. 1/2021 to be on 4 January 2021.

Glossary

"CADR"	Compound Annual Decline Rate
"CAGR"	Compound Annual Growth Rate
"DCF"	Discounted Cash Flow
"EV/EBITDA"	Enterprise Value/Earnings before interest, tax, depreciation and amortization
"FCFE"	Free Cash Flow to Equity
"WACC"	Weighted Average Cost of Capital
"Kd"	Cost of Debt
"Ke"	Cost of Equity
"Wd"	Weight of Debt
"We"	Weight of Equity
"P/BV"	Price-to-book Value Ratio
"P/E"	Price-to-earnings Ratio
"SOTP"	Sum of the parts
"PSJP"	Premier Solution Japan KK
"SPJ"	Sun Partner Japan GK
"HMS"	Hamada Mega Solar GK
"CCH"	CC Hamada GK
"MSP3"	Mega Solar Park 3 GK
"SE"	Sun Energy GK
"GS"	Good Solar GK
"MW"	Megawatt
"MWh"	Megawatt-hour
"KW"	Kilowatt
"KWh"	Kilowatt-hour
"KWp"	Kilowatt peak
"COD"	Commercial Operation Date
"PPA"	Power Purchase Agreement
"FIT"	Feed-in-Tariff
"PR"	Performance Ratio
"JPY TIBOR"	Japanese Yen Tokyo Interbank Offered Rate
"DSCR"	Debt Service Coverage Ratio
"DSR"	Debt Service Ratio

"D/E"	Debt to Equity Ratio
"VAT"	Value Added Tax
"TSE"	Tokyo Stock Exchange
"Enterprise Value/MW"	Enterprise Value/Megawatt
"AF"	Availability Factor
"PV Module"	Photovoltaics Module
"O&M"	Operation and Maintenance
"Vector Cuatro"	Vector Cuatro, S.L, a company who is responsible for technical inspection who has examined specific information on equipment and electricity generation capacity. The company is also an expert on Renewable Energy
"GK"	All shares in asset A and B's 6 companies in Japan
"TK"	All TK interests in 9 projects
"the Company"	Chow Steel Industry Public Company Limited
"list A"	List of: Mega Solar Park 3 GK, Hamada Mega Solar GK, CC Hamada Solar GK and Sun Energy GK
"list B"	List of: Good Solar GK and Sun Partner Japan GK
"Opinion report"	Independent Financial Advisor's Opinion Report on the Disposition of Asset of Chow Steel Industry Public Company Limited
"Asset A"	Mega Solar Park 3 GK, Hamada Mega Solar GK, CC Hamada Solar GK and Sun Energy GK
"Asset B"	Good Solar GK and Sun Partner Japan GK
"Buyer A"	Renewable energy business operator in Japan, willing to buy asset A
"Buyer B"	Renewable energy business operator in Japan, willing to buy asset B
"Exchange rate"	Average exchange rate on 17 December 2020 from the Bank of Thailand which state THB 29.3533 equal JPY 100.0
"Independent Financial Advisor"	Avanatgarde Capital Co., Ltd.
"SET"	Stock Exchange of Thailand
"SEC"	Securities and Exchange Commission

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1. Executive Summary

1.1 Overview and Objectives of the Transaction

The Board of Directors' meeting of Chow Steel Industries Public Company Limited (the "Company") No. 6/2020 held on 17 December 2020 resolved to propose to the shareholders' meeting to approve Premier Solution Japan KK ("PSJP") and RICI International Investment Pte. Ltd. ("RICI") (collectively, the "Sellers"), indirect subsidiaries of the Company with 87.36 percent ownership interest held through Chow Energy Public Company Limited ("CEPL"), to dispose of 6 subsidiaries registered in Japan which hold 9 solar power projects in Japan with a total installed of 64.2 Megawatt (collectively the "Transaction" and, separately, "Transaction A" and "Transaction B"). Total consideration of the Transaction will be no less than JPY 14,000.0 mm or equivalent to THB 4,114.7 mm Assets A's consideration value will be no less than JPY 12,000.0 mm or equivalent to THB 3,526.9 mm and Assets B's consideration value will be no less than JPY 2,000.0 mm or equivalent to THB 587.8 mm, which may be subject to further adjustments as agreed by buyers and seller. Moreover, the disposed assets are comprised of:

(1) All equities interests in Mega Solar Park 3 GK ("MSP3") Hamada Mega Solar GK ("HMS") CC Hamada GK ("CCH") Sun Energy GK ("SE") (Subsidiaries of Asset A) Good Solar GK ("GS") and Sun Partner Japan GK ("SPJ") (Subsidiaries of Asset A) in total of 6 subsidiaries ("GK")

(2) All TK interests in 9 projects ("TK Interests") under 6 subsidiaries mentioned in (1)

(3) Plots of land held by PSJP

The liability and collateral of all 6 subsidiaries will be transferred to the buyers when the Conditions on Entering into the Transaction section 2.10 are fulfilled. The effect of contracts of all 6 subsidiaries is described in sections 6.1 and 6.2

The details of disposed assets which comprised of Asset A and Asset B can be summarized in following table.

Table: The details of disposed assets which comprised of Asset A and Asset B

Project	Installed Capacity (MW)	Subsidiaries[1/]	GK Shareholder	TK Investor	Lands
Asset A					
Iwaki	26.68	MSP3	PSJP and Iwaki Solar ISH	RICI	757,694 m^2. (179 lots)
Hamada 1	11.00	HMS	PSJP[2/]	RICI[2/]	250,203 m^2 (169 lots)
Hamada 2	12.00	CCH	PSJP and CC Hamada Solar ISH	RICI	182,616 m^2 (310 lots)
Aomori	7.21	SE	PSJP and Sun Partner Japan ISH	RICI	N/A[3/]
Asset B					
Nihonmatsu 3	1.48	GS	PSJP and Sun Partner Japan ISH	RICI	N/A[3/]
Goryo	1.50	SPJ	PSJP and Sun Partner Japan ISH	RICI	N/A[3/]
Shibushi	1.00	SPJ	PSJP and Sun Partner Japan ISH	RICI	N/A[3/]
Nogata	1.11	SPJ	PSJP and Sun Partner Japan ISH	RICI	17,497 m^2 (6 lots)
Saito	2.23	SPJ	PSJP and Sun Partner Japan ISH	RICI	50,464 m^2 (18 lots)

Note: 1/ The subsidiaries is Mega Solar Park 3 GK ("MSP3") Hamada Mega Solar GK ("HMS") CC Hamada GK ("CCH") Sun Energy GK ("SE") (Subsidiaries of Asset A) Good Solar GK ("GS") and Sun Partner Japan GK ("SPJ") (Subsidiaries of Asset A) in total of 6 subsidiaries ("GK")

2/ Hamada Mega Solar GK is currently owned 100% by RICI without any TK arrangement but will be restructured into a GK-TK arrangement prior to closing of the Transaction as a part of conditions precedent; Final shareholding may be subject to further changes as deemed appropriate.

3/ All of the lands used are under lease agreement with external parties.

In assessing the fair value of the Company's assets, the IFA has estimated the value through various approaches and has concluded that the Discounted Cash Flow valuation (DCF) is the most appropriate approach. The approach reflects the business plans and its profitability as well as the future return on equity for shareholder, which was estimated from the earnings and expenses based on the assumptions that the IFA deemed appropriate. The fair value of the assets being disposed of is in the range of JYP 8,112.8 – 10,151.1 mm or THB 2,384.4 – 2,983.5 mm, based on the exchange rate on 16 December 2020. In comparison to the stated range of value, the value of no less than JPY 14,000 mm of the transaction or equivalent to THB 4,114.7 mm, are higher than the fair value of assets assessed by the independent financial advisor by a range of JPY 3,848.9 – 5,887.2 mm or equivalent to THB 1,131.2 – 1,730.3 mm or the fair value is lower than the transaction value by 27.5 – 42.1%.

Aside from the appropriateness of the transaction value, the independent financial advisor is of the opinion that the transaction will allow the Company to use the proceed for development and/or invest in the Company's business to increase its profitability and/or repay the Company's financial liability to restructure its capital structure to increase its strength. Therefore, the independent financial advisor is of the opinion that this transaction is appropriate and will benefit the Company and the shareholders should approve the

transaction. In this regard, the shareholders should consider information, opinions and details in the formation of the independent financial advisor's opinion including the advantages and the disadvantages of the transaction.

1.2 Characteristics of the Transaction

1.2.1 Asset's Disposal Transaction

Disposed Assets	(1) All shares of 6 companies in asset A and B in Japan ("GK") (2) All TK interests in 9 projects ("TK Interests") under 6 subsidiaries mentioned in (1) (3) Plots of land held by PSJP
Seller	(1) Seller of GK[1/] are PSJP, Iwaki Solar ISH, CC Hamada Solar ISH and Sun Partner Japan ISH (2) Seller TK Interest is RICI (3) Seller of lands is PSJP
Buyer	- Buyer of A is a consortium consisting of 2 sub-buyers. The first buyer is a large-scale renewable energy business operator in Japan and the second buyer is a company in the financial institution group in Japan. Both sub-buyers are listed companies in the Tokyo Stock Exchange and - Buyer of B is a leading renewable energy business operator in Japan. Although, the buyers are not acting in concern and do not have any relationship or related whatsoever.
Relationship	The buyers are not related to the Company according to the Announcement of the Capital Marker Supervisory Board no. 21/2551. Re: criteria for connected transaction dated 31 August 2008 (included additional amendments) and the Announcement of the Stock Exchange of Thailand Re: Disclosure of Information and Actions of Listed Companies in Connected Transaction dated 19 November 2003 (included additional amendments). The following transaction is not considered a connected transaction according to the Connected Transaction announcement.

Note: 1/ Sellers of GK which has a structure of Ippan Shadan Hojin (ISH) are Iwaki Solar ISH, CC Hamada Solar ISH and Sun Partner Japan ISH are non-owned organizations therefore PSJP will receive the proceed from entering the transaction in full.

1.2.2 Details of Asset Disposal

Table: The details of disposed assets which comprised of Asset A and Asset B

Project	Installed Capacity (MW)	Subsidiaries[1/]	GK Shareholder	TK Investor	Lands
Asset A					
Iwaki	26.68	MSP3	PSJP and Iwaki Solar ISH	RICI	757,694 m^2. (179 lots)
Hamada 1	11.00	HMS	PSJP[2/]	RICI[2/]	250,203 m^2 (169 lots)
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Note: 1/ The subsidiaries is Mega Solar Park 3 GK ("MSP3") Hamada Mega Solar GK ("HMS") CC Hamada GK ("CCH") Sun Energy GK ("SE") (Subsidiaries of Asset A) Good Solar GK ("GS") and Sun Partner Japan GK ("SPJ") (Subsidiaries of Asset A) in total of 6 subsidiaries ("GK")

2/ Hamada Mega Solar GK is currently owned 100% by RICI without any TK arrangement but will be restructured into a GK-TK arrangement prior to closing of the Transaction as a part of conditions precedent; Final shareholding may be subject to further changes as deemed appropriate.

3/ All of the lands used are under lease agreement with external parties.

The Company is proposing for PSJP and RICI (two subsidiaries of the Company with 87.4 percent ownership interest held through Chow Energy Public Company Limited ("CEPL")), to dispose of 6 subsidiaries registered in Japan which hold 9 solar power projects in Japan with a total installed of 64.2 Megawatt. Which, the disposed assets in the transaction are comprised of:

(1) All equities interests in Mega Solar Park 3 GK ("MSP3") Hamada Mega Solar GK ("HMS") CC Hamada GK ("CCH") Sun Energy GK ("SE") (Subsidiaries of Asset A) Good Solar GK ("GS") and Sun Partner Japan GK ("SPJ") (Subsidiaries of Asset A) in total of 6 subsidiaries ("GK")

(2) All TK interests in 9 solar power plant projects

(3) Plots of land for the operation of the solar power plant project held by PSJP

Obligations and guarantee of the 6 companies will be transferred to the buyer when the conditions on Entering into the Transaction in 2.10 are completed. Details of the obligation and enforcement from the contracts of 6 subsidiaries are shown in section 6.1 and 6.2. The details of pre-transaction's structure and post-transaction's structure are shown in following diagram.

Diagram: Pre-transaction structure

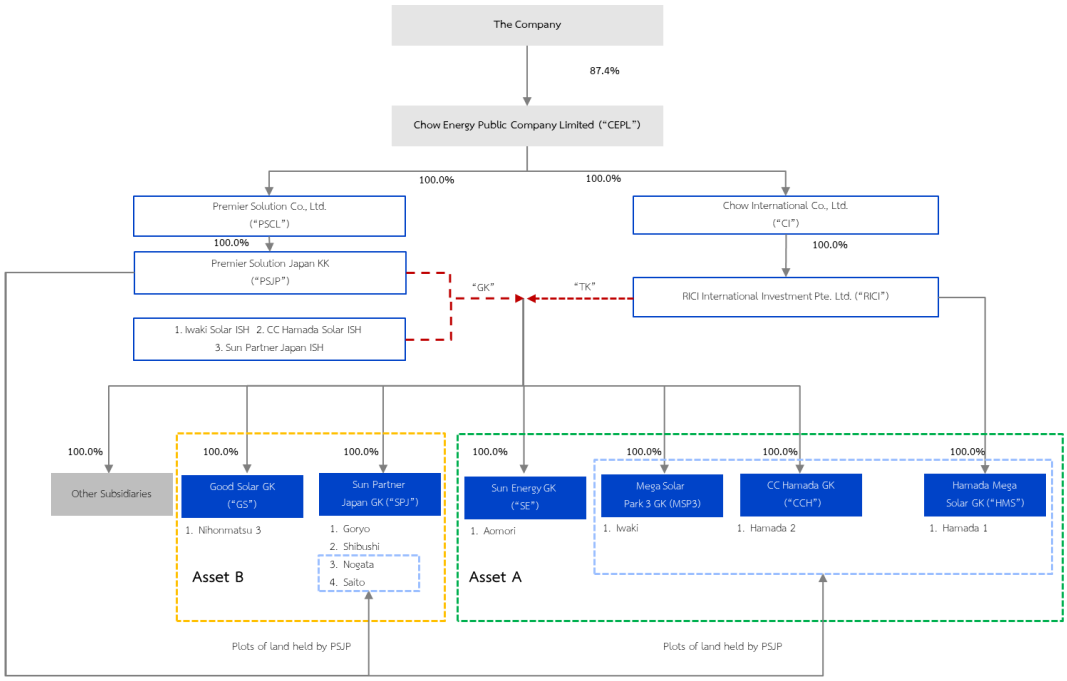
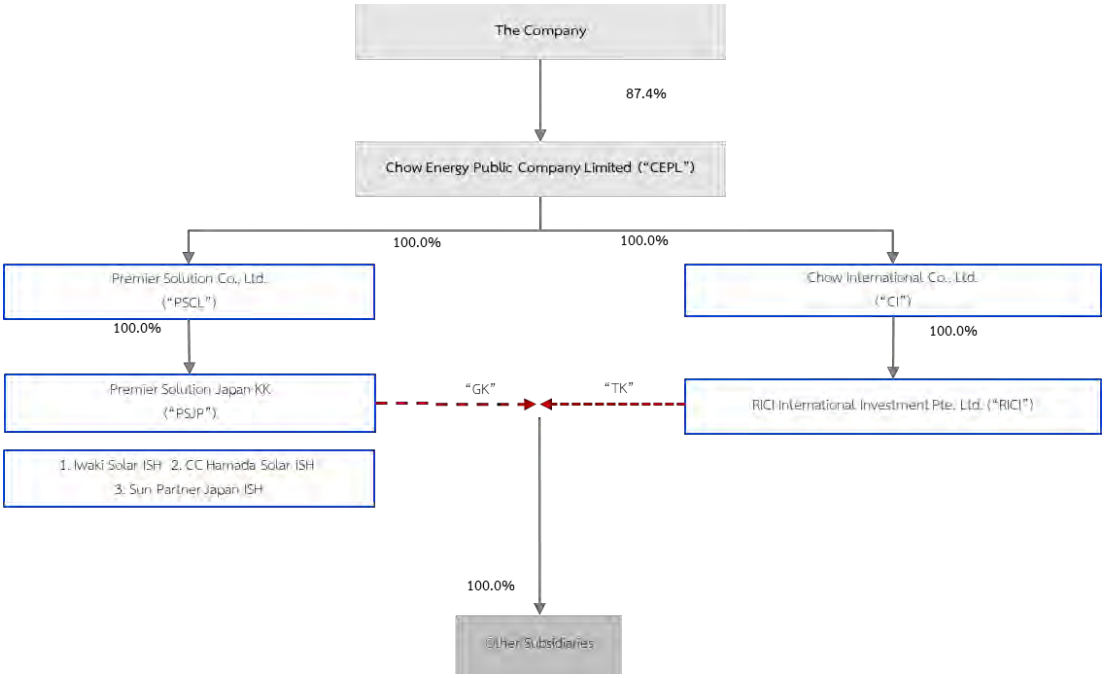


Diagram: Post-transaction structure



1.3 Appropriateness of Transactions

The Company is proposing for PSJP and RICI indirect subsidiaries of the Company with 87.4 percent ownership interest held through Chow Energy Public Company Limited ("CEPL"), to dispose of 6 subsidiaries registered in Japan which hold 9 solar power projects in Japan with a total installed of 64.2 Megawatt The disposed assets is comprising of (1) All equities interests in 6 subsidiaries ("GK") (2) All TK interests in 9 projects ("TK Interests") and (3) Plots of land held by PSJP

After the transaction, the Company will receive the return from this transaction at a minimum of JPY 14,000.0 mm or equivalent to THB 4,114.7 mm refers to exchange rate as of 16 December 2020, which may be subject to further adjustments as agreed by buyers and seller. The total value for considerations from disposing all equities in Asset A and Asset B which is the subsidiaries of CEPL would yield CEPL to generate return at a minimum of JPY 14,000.0 mm or equivalent to THB 4,114.7 mm which is higher than fair valuation of investment in subsidiaries of Asset A and Asset B's equities evaluated by Independent financial advisor which is in a range of JPY 8,112.8 – 10,151.1 or equivalent to THB 2,384.4 – 2,983.5 mm. Hence, it can be observed that the fair value is lower than the transaction value by 27.5 – 42.1 %. Therefore, the transaction price is appropriate. Independent Financial Advisor has analyzed the reason that transaction price is higher than fair valuation because the Company has offered the disposed assets through a bidding process, the transaction price is high as a result of the competitive bidding process. because buyer A and buyer B is an operator of renewable energy in Japan which enhance competitive cost of capital as well as operation and maintenance compared to the Company in terms of credibility and economy of scale.

The Company and its subsidiaries plan to use the proceed of transaction as a repayment of CEPL's loan from financial institutions. Total remaining amount of the loan is 1,864.2 THBmm. This will decrease debt to equity of the Company from 11.2 times (as of 30 September 2020) to 0.4 times and/or considering to repay Thai Baht's debt as well as to invest in the new solar power plant projects in Japan and Australia which comprises of Project AU1, Project AU2 and Project AU3 which has been disclosed via Stock Exchange of Thailand ("SET") at 14 November 2019. The project's investment is approximately AUD 236.8 mm or equivalent to THB 4,913.5 mm. However, Australia's government restricted the transportation across the country due to the Covid-19 incident which significantly affects the project's timeline for not only applying a permit from local authority but also coordination with the project contractor. Hence, the Company plan to use the project finance which is approximately THB 3,439.5 mm and the Company's source of funds approximately THB 1,474.1 mm. Moreover, the investment is according to the Company's policy because of

its expertise in developing and investing in power plants which will yield greater return than operating its own power plants in long term period.

Therefore, the transaction is a part of strategic and the Company's operation to reduce the default risk as well as seeking for new opportunity to reinvest in power plants. By disposing Asset A and Asset B would not only reduce the default risk but also providing new opportunity to continuously invest in Japan and Australia which is the Company's expertise and has the policy to invest in power plant which will reduce the default risk and providing the greater return to the shareholders.

1.4 Advantage of Entering into the Transaction

1) The Transaction Price is appropriate

As per the valuation of Assets A and Assets B by using the Discounted Cash Flow approach (details mentioned in Topic 4.5), the independent financial advisor views that the fair value of Assets A and Assets B falls between JPY 8,112.8 – 10,151.1 mm or equal to between THB 2,384.4 – 2,983.5 mm with reference to the average selling rate as of 16 December 2020. The fair value of companies in Assets A and Assets B is equal to between JPY 3,848.2 – 5,887.2 mm or equal to THB 1,131.2 - 1,730.3 mm is lower than the Transaction price of no less than JPY 14,000.0 mm or equal to THB 4,114.7 mm, approximately 27.5-42.1 percent. Thus, The Transaction price is higher than the fair value of companies in Assets A and Assets B, thus, the Transaction price is appropriate.

2) The Company can use the proceeds from the Transaction as the capital to develop and/or invest in the Company's business to generate profitability of the Company

Since the Company operates the renewable energy business in Thailand and other countries as well as other related business for the purpose of diversification and business expansion to potential business. Entering into the Transaction will allow the Company to use the proceeds from the Transaction as the capital to develop and/or invest in new solar power plant projects in overseas, including in Japan, Australia and Thailand to further generate the profitability of the Company.

3) The Company can use the proceeds from the Transaction to repay debt of the Company or its subsidiaries to lessen its Debt-to-Equity Ratio

Entering into the Transaction allows the Company to use the proceeds to repay debt of CEPL, a subsidiary of the Company in the remaining amount of THB 1,864.2 mm and the Company's other

financial obligations which are due in February and/or March 2021 and allows the Company to lessen its Debt-to-Equity ratio from 10.0 to 0.4 times (as of 30 September 2020)

The independent financial advisor provides the pro forma financial statement of the Company after entering into the Transaction (as if the financial statement of Assets A and Assets B are not consolidated) as follow;

Unit: Mm THB	Before	After
Cash and cash equivalent	163.4	862.2
Total Assets	10,655.2	4,862.6
Interest Bearing Debt (IBD)	9,299.4	470.7
Total Liabilities	9,683.5	1,357.8
Total Equity	971.7	3,504.8
Interest Bearing Debt to Equity Ratio (IBD/E)	9.6 times	0.1 times
Debt to Equity Ratio (D/E)	10.0 times	0.4 times

Source: Financial statement of the Company as of 30 September 2020

Financial statement of GK as of 30 September 2020 which is prepared under Thailand's accounting standard and verified by licensed auditor

4) Opportunity to get strategic partner

Since Buyer[1]A, A consortium of renewable energy players in Japan, which is led by a subsidiary of a diversified energy such as petroleum energy and renewable energy players in Japan and worldwide and a company in the financial institution in Japan which both listed on the Tokyo Stock Exchange and Buyer B, a renewable energy player with specialty in solar power projects in Japan. Thus, this Transaction increase opportunity to the Company to have another strategic partner for future client base and business expansion as CEPL, the subsidiary of CHOW operates on solar power production and distribution and related business, including solar power project consultancy, distribution of equipment in relation to solar power plants construction and strategic distribution of solar power plants. Moreover, the CEPL's vision and policy is invest in and develop renewable energy projects from pre-construction phase until the project is operational. In this regard, the Company has received multiple interests from renewable energy players in the market and sees the opportunity to conduct sale process of the projects in order to reinvest the sale proceeds into developing further new projects. The Company will have strategic partners who are energy business with

[1] IFA is unable to disclose the name of the buyers due to the Non-Disclosure Agreement binding between the Company and the buyers

potential to further develop new projects and sell power plants to create profitability to the Company in the future.

1.5 Disadvantage of Entering into the Transaction

1) The loss of revenue from the operation of Companies of Assets A and Assets B

Since the solar power generation and distribution has potential to create long term profitability. Disposal of Assets A and Assets B which operate 9 solar power plants cause the loss of revenue the Company should receive from the operation of the Companies of Assets A and Assets B. However, the Company is specialized in investment and development of power plant and investment in new power plant projects will generate higher returns than generated from operating power plants, especially to expand the investment opportunity in Australia which has high renewable power purchasing demand.

2) Additional obligation from entering into the Transaction

Since the Transaction value is equal to 151.3 percent, calculated by applying Net Tangible Assets Basis and is deemed as a disposal of assets of a listed company pursuant to Section 89/29 of the Securities and Exchange Act, the Notification of the Capital Market Supervisory Board No. TorChor.20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and Notification of the Board of the Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, 2004 (collectively, the "**Asset Acquisition or Disposal Notification**"). The Company has no other asset dispositions during the six months preceding this Transaction. As such, the Transaction is classified as Class 1 Asset Disposition Transaction, requiring a disclosure of an information memorandum on the Transaction to the Stock Exchange of Thailand ("**SET**"), a shareholders' meeting to approve the Transaction, and an appointment of an independent financial advisor to provide opinions on entering into the Transaction which cause additional expenses on the Company. However, such additional expense is not considered as significant compared to the benefit the Company will gain from entering into the Transaction.

1.6 Risk Factors

1) Risk Factors before entering into the Transaction

- Risk of not getting approval from the shareholders' meeting

The Transaction is classified as Class 1 Asset Disposition Transaction, requiring a disclosure of an information memorandum on the Transaction to SET and require a shareholders' meeting to approve the Transaction. The Company, hence, has a risk of having disapproval from the shareholder' meeting, which the Company may encounter to the expenses in entering into the Transaction preparation such as documentation and holding the bidding. However, since the entering into the Transaction will benefit the Company, the shareholder's meeting shall approve the Transaction.

- Risk of unable to complete or delay the sale-purchase transaction

Since there are condition precedents in entering into the Transaction (detail in the topic 2.10), which the Company will enter into the Sale and Purchase Agreements with the Buyers A, which will specify that the closing of the Transaction A is subject to the key condition precedents. Therefore, there is a risk that some of the condition precedents may not be accomplished which cause the delay or inability to complete the sale-purchase transaction. However, considering qualification and capacity of the buyers and the Company, the independent financial advisor views that there is only small chance that there will be burden to complete the condition precedents. However, the condition precedents are expected to be completed by January 2021 before the completion of Transaction.

2) Risk Factors after entering into the Transaction

- Risk of change in exchange rate

Since the proceeds from the Transaction is in Japanese Yen currency while the Company might have to repay its financial obligation in Thai Baht, including to invest in the new projects in Australia in Australian Dollar currency. Hence, the Company may have exchange rate risk, in case of significant change of the exchange rate, which the proceeds might not sufficient the repayment in Thai Baht and investment in Australian Dollar as planned. However, the independent financial advisor views that the maturity period of the financial obligation to be repaid in Thai Baht, with the timing of the transaction to be completed and receiving the proceeds is very close. The change in exchange rate, thus, is unlikely to result in significant change which will cause the default in such financial obligation and a burden to invest in the new projects in Australia.

- Risk of delay or unsuccess of investment in new projects

Due to the investment in construction and development of new power plant projects in Japan and Australia require the compliance with laws and regulations of such countries. Therefore, there is a risk of investment and construction or development of solar power plant projects in both countries, where there may be delays or unsuccess. However, The Company has experience, expertise and potential in the investment and development of solar power plant projects and licensing and to enter into power purchase agreements and have currently operating solar power plants in both countries.

- Risk of the performance of the new projects are not as expected

Due to the investment after the transaction in the new solar power plant which may have a risk of the future performance may not be as expected due to economic conditions or other factors such as lower demand for electricity or changes in the unit of power purchase which may result in decrease or non-expected revenue. However, since the Company has expertise and experience in investment and development of power plant projects abroad, therefore, it is unlikely that the revenue from the operation under normal situation will be significantly overestimated.

- Risk of the increase of interest rate

Since investing in new projects may require project finance, there may be a risk that the loan interest rate might increase which may result in higher construction and development costs and causing less return on new development than expected. However, the Company has a policy to manage interest rate swap stipulated in loan agreements with financial institutions.

2. Characteristics and Details of the Transaction

2.1 Date of the Transaction

PSJP and RICI have agreed to enter into the Transaction with a consortium of renewable energy player in Japan (collectively, the "Buyers" and, separately, "Buyers A" and "Buyer B") and have mutually agreed on its key terms and conditions. The Transaction will be separate into Transaction A, where Assets A is purchased by Buyers A, and Transaction B, where Assets B is purchased by Buyer B. The Sellers expect to enter into the sale and purchase agreements as well as other relevant transaction agreements (collectively, the "Sale and Purchase Agreements") with the Buyers within December 2020 and expect the Transaction to be completed within January 2021 after the conditions as specified under Section 2.10 are fulfilled.

2.2 Overview of the transaction

The Company is proposing for PSJP and RICI (indirect subsidiaries of the Company with 87.36 percent ownership interest held through Chow Energy Public Company Limited ("CEPL")) to dispose of 6 subsidiaries registered in Japan which hold 9 solar power projects in Japan with a total installed of 64.2 Megawatt (collectively the "Transaction" and, separately, "Transaction A" and "Transaction B"). Total consideration of the Transaction will be no less than JPY 14,000.0 mm or equivalent to THB 4,114.7 mm (with reference to the exchange rate of 16 December 2020, which may be subject to further adjustments as agreed by the Sellers and the Buyers. Such consideration implies a total enterprise value of the assets at approximately JPY 33,000.0 mm or equivalent to THB 9,600.0 mm. The assets to be disposed in relation to the Transaction comprise of (1) all equity interests in 6 Japan subsidiaries ("GKs") (2) all TK interests in 9 projects ("TK Interests"), and (3) Plots of land held by PSJP (collectively, the "Assets" of the "Disposed Assets"), which will be disposed in two groups, Assets A and Assets B. The essence details of Sale and Purchase Agreements of asset A and asset B are summarized as follows.

Table: Summary of Sale and Purchase Agreements of the Asset A between buyer A and the Company

Details	Sale and Purchase Agreements of the Asset A		
Buyer	Buyer A is a consortium consisting of 2 sub-buyers. The first buyer is a large-scale renewable energy business operator in Japan and the second buyer is a company in the financial institution group in Japan. Both sub-buyers are listed companies in the Tokyo Stock Exchange		
Seller	1. PSJP 2. Iwaki Solar ISH 3. CC Hamada Solar ISH 4. Sun Partner ISH	5. RICI	6. PSJP
Assets	All GK equities of ● Mega Solar Park 3 GK ● Hamada Mega Solar GK ● CC Hamada GK ● Sun Energy GK	All TK interests of ● Project Iwaki ● Project Hamada 1 ● Project Hamada 2 ● Project Aomori	Plots of lands including of ● 179 plots for 757,694 sqm. in Project Iwaki ● 169 plots for 250,203 sqm in Project Hamada 1 ● 310 plots for 182,616 sqm in Project Hamada 2
Value for consideration	not less than JPY 12,000.0 mm which will be upon fulfillment of the conditions		
Conditions on Entering into the Transaction	● The shareholders' meeting of the Company has resolved to approve the Transaction ● The written approvals from lender of each project have been obtained ● The Sellers have organized Hamada Mega Solar GK into a GK-TK structure ● Both parties have prepared and delivered relevant documents to the opposite parties		
Conditions after entering into the transactions	● Conduct repair works as agreed with the Buyers A such as tree cutting, fences improvement, or replacement of broken solar panels, all of which are general maintenance works ● Using best effort to negotiate extension of land usage consents for Project Aomori, Iwaki, and Hamada 2, all of which are operational without any hindrance		
Conditions on terminating the contract	● Either party may terminate the agreement if closing of Transaction A fails to occur on 31 December 2021 (which may be extended based on parties' mutual written agreement) ● Either party may terminate the agreement if the other party has breached a material obligation under the agreement ● Either party may terminate the agreement if the other party has commenced bankruptcy process, civil rehabilitation, or any other similar insolvency proceedings		

Note: Information from the Company

Table: Summary of Sale and Purchase Agreements of the Asset B between buyer B and the Company

Details	Sale and Purchase Agreements of the Asset B		
Buyer	Buyer B who is a leading operator of renewable energy in Japan		
Seller	1. PSJP 2. Sun Partner Japan ISH	3. RICI	4. PSJP
Assets	All GK equities of • Good Solar GK • Sun Partner Japan GK	All TK interests of • Project Nihonmatsu • Project Goryo • Project Shibushi • Project Nogata • Project Saito	Plots of lands including of • 6 plots for 17,497 sqm. of project Nogata • 18 plots for 50,464 sqm of project Saito
Value for consideration	will be no less than JPY 2,000 mm which will be paid to seller if • First payment of no less than JPY 1,8000 mm or THB 529.0 mm which will be transferred on the date that list B completed, which is the date of when all the conditions are met according to 2.10 • Deferred payment of JPY 200.0 mm or equivalent to THB 58.7 mm paid upon the commercial operation date of Project Saito. The Company has forecasted that Project Saito's commercial operation date would be in March 2021.		
Conditions on Entering into the Transaction	• The shareholders' meeting of the Company has resolved to approve the Transaction • The written approvals from lender of each project have been obtained • Both parties have prepared and delivered relevant documents to the opposite parties, which includes an EPC contract and the Development Service Agreement for project Saito		
Conditions after entering into the transactions	• Conduct repair works as agreed with the Buyer B such as replacement of ground wire, debris removal from drainage, or repair of fences, all of which are general maintenance works • For Project Shibushi o The Sellers and the Buyer B must conduct necessary actions to ensure that rectification works to prevent landslide on Shibushi project has been done by Shibushi City Hall and the contractor. o The Buyer B may terminate the purchase of project Shibushi if the rectification works do not meet the required qualification within a specified period of time. • For Project Saito o The Sellers and the Buyer B will enter into an EPC contract and Development Service Agreement to ensure that Project Saito will successfully reached COD. o The Buyer B may terminate the purchase of project Saito if the project has not reached COD within a specified period of time.		
Conditions on terminating the contract	• Either party may terminate the agreement if closing of Transaction B fails to occur on 31 December 2021 (which may be extended based on parties' mutual written agreement) • Either party may terminate the agreement if the other party has breached a material obligation under the agreement • Either party may terminate the agreement if the other party has commenced bankruptcy process, civil rehabilitation, or any other similar insolvency proceedings		

Note: Information from the Company

The details of pre-transaction and post-transaction is shown in following diagrams.

Diagram: Pre-transaction structure

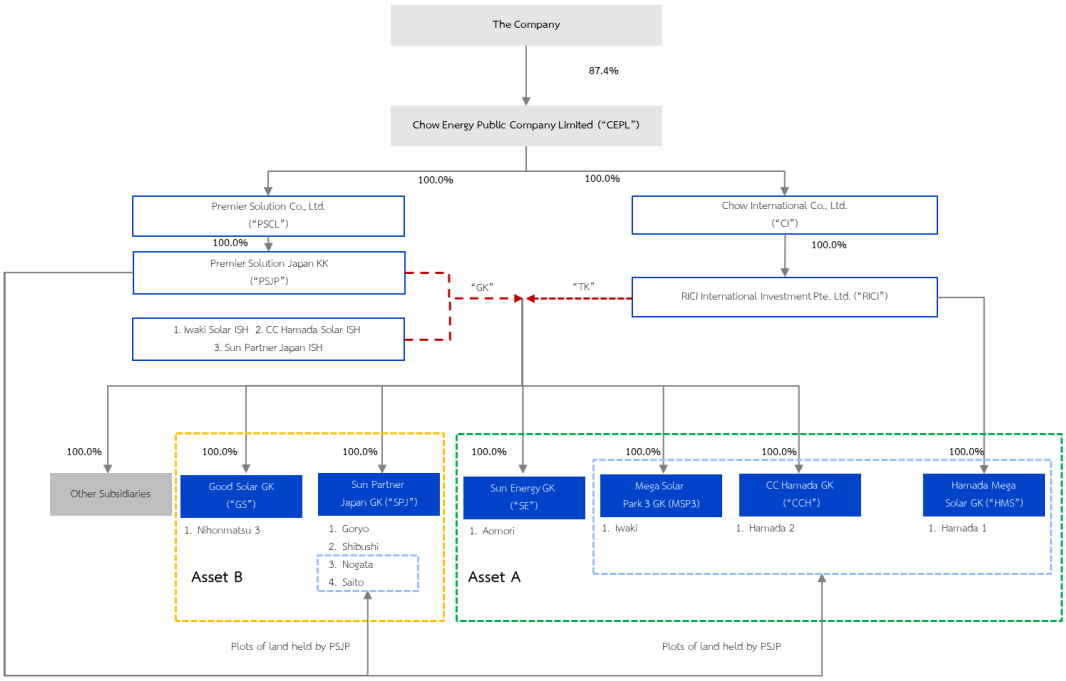
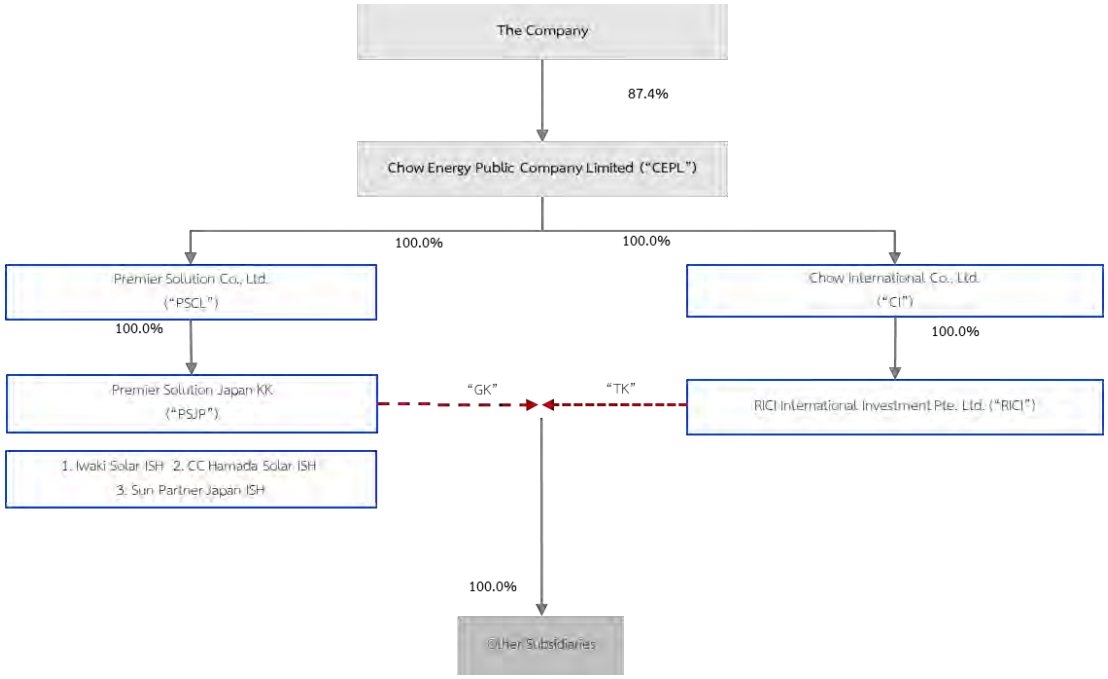


Diagram: Post-transaction structure



2.3 Parties Involved and their Relationship with the Company

Disposed Assets	(1) All shares of 6 companies in asset A and B in Japan ("GK") (2) All TK interests in 9 projects ("TK Interests") under 6 subsidiaries mentioned in (1) (3) Plots of land held by PSJP
Seller	(1) Seller of GK[1/] are PSJP, Iwaki Solar ISH, CC Hamada Solar ISH and Sun Partner Japan ISH (2) Seller TK Interest is RICI (3) Seller of lands is PSJP
Buyer	- Buyer of A is a consortium consisting of 2 sub-buyers. The first buyer is a large-scale renewable energy business operator in Japan and the second buyer is a company in the financial institution group in Japan. Both sub-buyers are listed companies in the Tokyo Stock Exchange and - Buyer of B is a leading renewable energy business operator in Japan. Although, the buyers are not acting in concern and do not have any relationship or related whatsoever.
Relationship	The buyers are not related to the Company according to the Announcement of the Capital Marker Supervisory Board no. 21/2551. Re: criteria for connected transaction dated 31 August 2008 (included additional amendments) and the Announcement of the Stock Exchange of Thailand Re: Disclosure of Information and Actions of Listed Companies in Connected Transaction dated 19 November 2003 (included additional amendments). The following transaction is not considered a connected transaction according to the Connected Transaction announcement.

Note: 1/ Sellers of GK which has a structure of Ippan Shadan Hojin (ISH) are Iwaki Solar ISH, CC Hamada Solar ISH and Sun Partner Japan ISH are non-owned organizations therefore PSJP will receive the proceed from entering the transaction in full.

2.4 Characteristics of Transactions

(1) all equity interests in 6 Japan subsidiaries ("GKs") (2) all TK interests in 9 projects ("TK Interests"), and (3) Plots of land held by PSJP (collectively, the "Assets"), which will be disposed in two groups, Assets A and Assets B. purchased by Buyer A. and Buyer B. respectively through Sale and Purchase Agreements. The detail is shown in following table.

Table: The details of disposed assets (Assets A. and Assets B.)

Project	Installed Capacity (MW)	Entity in Assets A. and Assets B.	GK Shareholder	TK Investor	Lands
Assets A.					
Iwaki	26.7	MSP3	PSJP and Iwaki Solar ISH	RICI	757,694 sq.m. (179 lots)
Hamada 1	11.0	HMS	PSJP[1/]	RICI[1/]	250,203 sq.m. (169 lots)
Hamada 2	12.0	CCH	PSJP and CC Hamada Solar ISH	RICI	182,616 sq.m. (310 lots)
Aomori	7.2	SE	PSJP and Sun Partner Japan ISH	RICI	N/A[2]
Assets B.					
Nihonmatsu 3	1.5	GS	PSJP and Sun Partner Japan ISH	RICI	N/A[2]
Goryo	1.5	SPJ	PSJP and Sun Partner Japan ISH	RICI	N/A[2]
Shibushi	1.0	SPJ	PSJP and Sun Partner Japan ISH	RICI	N/A[2]
Nogata	1.1	SPJ	PSJP and Sun Partner Japan ISH	RICI	17,497 sq.m. (6 lots).
Saito	2.2	SPJ	PSJP and Sun Partner Japan ISH	RICI	50,464 sq.m. (18 lots)

Note 1/ Hamada Mega Solar GK is currently owned 100.0% by RICI without any TK arrangement but will be restructured into a GK-TK arrangement prior to closing of the Transaction as a part of conditions precedent; Final shareholding may be subject to further changes as deemed appropriate.

2/ All of the lands used are under lease agreement with external parties.

Total consideration of the Transaction will be no less than JPY 14.0 billion or equivalent to THB 4,114.7 mm (with reference to the exchange rate of 16 December 2020, which may be subject to further adjustments as agreed by the Sellers and the Buyers. The detail of value for consideration is demonstrated in section 2.7.

2.5 Calculation of Transaction's Size

Calculation of the Transaction is based on the reviewed consolidated financial statement of the Company for the period ending 30 September 2020 and financial statements of the GKs for the period ending 30 September 2020, which are prepared on the TFRS basis and have been reviewed by the auditor of the Company. Based on the calculation methodologies above, the highest transaction value is 151.3 percent, calculated under Net Tangible Assets Basis. The Company has no other asset disposal during the six months preceding this Transaction. In accordance with the Assets Acquisition and Disposition Notification, the Transaction is, hence, classified as Class 1 Asset Disposition Transaction, requiring a disclosure of an information memorandum on the Transaction to the SET, a shareholders' meeting to approve the Transaction, and an appointment of an independent financial advisor to provide opinions on entering into the Transaction. The detail is shown in following table.

Table: Transaction's Size Calculation

Basis	Formula	Calculation	Transaction's Size
1. Net tangible asset ("NTA")	Net tangible assets of the Assets x 100 / Net tangible assets of the Company	THB 1,282.3 mm x 100.0 / THB 847.3 mm	151.3%
2. Net Profit Basis	The method is not applicable since the Company generated a negative net profit in the last twelve months.		
3. Total Value of Consideration Basis	Value of the Transaction received x 100.0 / Total assets of the Company	THB 4,114.7 mm x 100 / THB 10,655.2 mm	38.6%
4. Value of Securities Issued by the Company as a Consideration for Assets Acquired Basis	This method is not applicable since the Transaction is a disposal of assets.		

2.6 Details of Disposed Assets

The Company is proposing Premier Solution Japan KK ("PSJP") and RICI International Investment Pte. ("RICI) (indirect subsidiaries of the Company with 87.36 percent ownership interest held through Chow Energy Public Company Limited ("CEPL") to dispose its 6 subsidiaries which own 9 Solar Power Plant projects in Japan. The aggregated capacity equal 64.2 Megawatt. The assets that are being disposed for the transaction include:

1. All shares of Mega Solar Park 3 ("MSP3"), Hamada Mega Solar GK ("HMS"), CC Hamada GK ("CCH") and Sun Energy GK ("SE") (collectively, the companies under asset A) and Good Solar GK ("GS") and Sun Partner Japan GK ("SPJ") (collective, the companies under Asset B)
2. All TK interests of 9 solar power plant projects
3. Land used for the solar power plant project owned by PSJP

The details of the disposal of assets are shown in the following table:

Table: The details of disposed assets which comprised of Asset A and Asset B

Project	Installed Capacity (MW)	Subsidiaries[1/]	GK Shareholder	TK Investor	Lands
Asset A					
Iwaki	26.68	MSP3	PSJP and Iwaki Solar ISH	RICI	757,694 m^2. (179 lots)
Hamada 1	11.00	HMS	PSJP[2/]	RICI[2/]	250,203 m^2 (169 lots)
Hamada 2	12.00	CCH	PSJP and CC Hamada Solar ISH	RICI	182,616 m^2 (310 lots)
Aomori	7.21	SE	PSJP and Sun Partner Japan ISH	RICI	N/A[3/]
Asset B					
Nihonmatsu 3	1.48	GS	PSJP and Sun Partner Japan ISH	RICI	N/A[3/]
Goryo	1.50	SPJ	PSJP and Sun Partner Japan ISH	RICI	N/A[3/]
Shibushi	1.00	SPJ	PSJP and Sun Partner Japan ISH	RICI	N/A[3/]
Nogata	1.11	SPJ	PSJP and Sun Partner Japan ISH	RICI	17,497 m^2 (6 lots)
Saito	2.23	SPJ	PSJP and Sun Partner Japan ISH	RICI	50,464 m^2 (18 lots)

Note: 1/ The subsidiaries is Mega Solar Park 3 GK ("MSP3") Hamada Mega Solar GK ("HMS") CC Hamada GK ("CCH") Sun Energy GK ("SE") (Subsidiaries of Asset A) Good Solar GK ("GS") and Sun Partner Japan GK ("SPJ") (Subsidiaries of Asset A) in total of 6 subsidiaries ("GK")

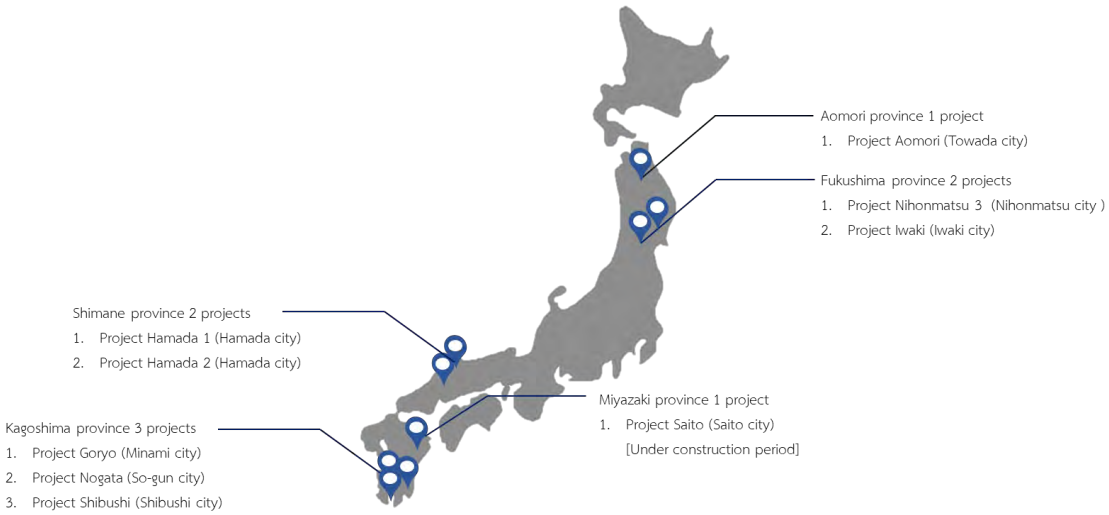
2/ Hamada Mega Solar GK is currently owned 100% by RICI without any TK arrangement but will be restructured into a GK-TK arrangement prior to closing of the Transaction as a part of conditions precedent; Final shareholding may be subject to further changes as deemed appropriate.

3/ All of the lands used are under lease agreement with external parties.

In this regards, 6 subsidiaries have a total of 9 solar power plant projects and have total installed capacity in total of 64.2 megawatt ("MW"). Also, the subsidiary's solar power plants consist of eight projects which have

already reached Commercial Operation Date ("COD") and one project which has been under constructing state which locates in 6 provinces in Japan as follows:

Diagram: The Company's solar power plant project locations in Japan



The summary of 9 solar power plant projects is as follows:

Table: Summary of solar power plant projects in Japan

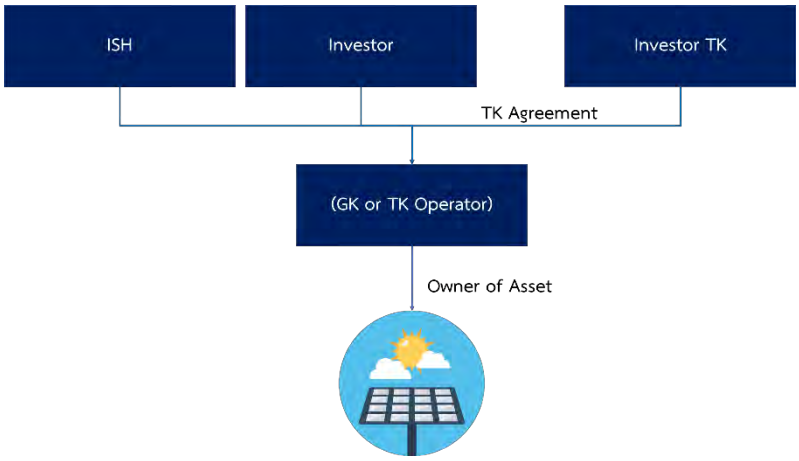
	Project	Province	Subsidiary Project Owner	Average Annual Irradiance (Kilowatt-hour kWh/sq.m.)	Installed Capacity (MW)	Power Purchase Agreement ("PPA")		
						Feed-in-Tariff ("FIT") (¥ per kWh)	Off-Takers	Commercial Operation Date (COD)
Assets A.								
1	Iwaki	Fukushima	MSP3	1,500.0	26.7	40.0	Tohoku EPCO	April 2018
2	Hamada 1	Shimane	HMS	1,405.5	11.0	40.0	Chugoku EPCO	November 2015
3	Hamada 2	Shimane	CCH	1,405.5	12.0	36.0	Chugoku EPCO	March 2017
4	Aomori	Aomori	SE	1,399.2	7.2	36.0	Tohoku EPCO	September 2019
Assets B.								
5	Nihonmatsu 3	Fukushima	GS	1,349.4	1.5	32.0	Tohoku EPCO	January 2020
6	Goryo	Kagoshima	SPJ	1,516.2	1.5	40.0	Kyushu EPCO	May 2014
7	Nogata	Kagoshima	SPJ	1,478.3	1.1	40.0	Kyushu EPCO	June 2015
8	Shibushi	Kagoshima	SPJ	1,476.3	1.0	40.0	Kyushu EPCO	November 2013
9	Saito	Miyazaki	SPJ	1,484.9	2.2	40.0	Kyushu EPCO	September 2021
Total Installed Capacity 64.2 megawatt								

2.6.1 The GK-TK Investment Structure

The GK-TK investment structure is one of the joint venture structures in Japan. The structure involves a TK investment contract ("TK Agreement") between a TK investor ("TK Investor") and an operator ("GK or "TK Operator"). The TK investment contract is under the Commercial Code of Japan, Section 5351. Under the GK-TK investment structure, the business operator will be responsible for the possession of the power plant's assets. Therefore, all project-related assets and licenses will be transfer to the subsidiaries as they will be acting as an operator.

Ippan Shadan Hojin ("ISH") is a Normal Membership Interest and/or Managing Membership Interest, the latter has the authority to manage the operator (the subsidiaries). Generally, ISH does not proceed to administrate the operator because ISH does not have an owner(s) which prevents ISH from allocating any project-related management profit. Hence, if the operator wishes to allocate profits to the shareholders, the operator would have to issue preferred shares which come with no management power and no voting rights at the board of shareholders meeting. Although, preferred stockholder has senior claim to dividend before any other types of shareholder. The GK-TK investment structure is illustrated in a figure below.

Diagram: GK – TK Structure



2.6.2 Details of Assets A.

1. Mega Solar Park 3 GK ("MSP3")

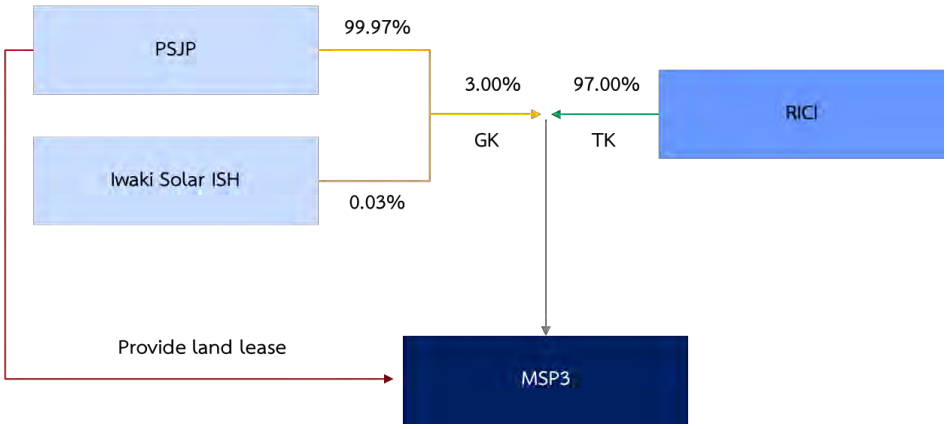
In 7 August 2012, the Company established subsidiary company, Mega Solar Park 3 Godo Kaisha which Premier Solution Japan Kabushiki Kaisha holds 99.9% of shares, the summary details are a in following table

Table: Summary information of Sun Partner Japan GK

MSP3	
Establishment date	7 August 2012
Nature of Business	Providing consultant services for solar power plant's development, designing and constructing solar power plant including producing and distributing the electricity from solar power plant
Location	A 7/F Oval Building 1-23-4 Oi Shinagawa-ku Tokyo Japan
Paid-in Capital	35,884,030.0 ¥
Investors	1.PSJP 99.9% 2.ISH 0.1%
Investment Structure	Investment structure type: Godo Kaisha ("GK") - Tokumei Kumiai ("TK") At 30 September 2019, RICI International Investment Pte., Ltd. Increased the capital which affects: Premier Solution Japan Kabushiki Kaisha as GK investors hold 3.0% RICI International Investment Pte. Ltd. as TK investors hold 97.0%
Solar Power Plant Projects ("Project")	Iwaki – 26.7 MW

- Shareholding structure of MSP3

Figure: Shareholding structure MSP3



- **Project: Iwaki**

Iwaki project locates at Iwaki city, Fukushima Japan. The coordinates are located at latitude 36.99°, longitude at 140.82° The summary details are a in following table.

Table: Summary Information of Project Iwaki

Iwaki Project		
Location	Iwaki city, Fukushima Japan	
Installed Capacity	26.7 MW	
Project's area	759,202.0 sq.m.	
Average Annual Irradiance per Year	1,500.0 kWh/sq.m.	
Nominal Power	23,120.0 kW	
Peak Power	26,682.5 kWp[1]	
FiT Price	40.0 ¥/Unit	
Off-taker	Tohoku EPCO[2]	
Commercial Operation Date	April 2018	

- **Machinery and Equipment used in Project**

The machinery and equipment used in solar power plant projects are PV Modules which is certified as Tier-1 class by Bloomberg New Energy Finance [3] Inverter[4] and Transformer. Moreover, project has selected the machinery and equipment from well-established supplier and wide-accepted internationally. The summary details are a in following table.

Table: Summary Information of Machinery and Equipment used in Project Iwaki

Machinery and Equipment	Details
PV Modules	Produced by JA Solar Model JAP6-60-270/4BB x 98,824
Inverter	Produced by Schneider Model XC680 x 34
Transformer	Produced by Schneider 25,000 Model kVA 22kV

[1] "kWp" refers to peak powers of Photovoltaic Panel of photovoltaic panel at standard test condition, while kW refers to unit of power generating of electricals' machinery

[2] Tohoku EPCO is private company which operates in Energy & Utilities in Japan.

[3] Bloomberg New Energy Finance is information services company which specializes in Energy & Utilities.

[4] Inverter is the equipment which inverts the direct current electricity derived from PV Modules into alternative current electricity.

- **Financial Information of Mega Solar Park 3 GK**

Table: Statements of Comprehensive Income of MSP3 from 2017 – 2019 and Q3 of 2019-2020

	2017		2018		2019		Quarter 3 of 2019		Quarter 3 of 2020	
	¥mm	%	¥mm	%	¥mm	%	¥mm	%	¥mm	%
Revenues from sales		-	884.4	*100.0*	1,181.8	*100.0*	989.7	*100.0*	932.3	*100.0*
Interest Income	0.0	-	0.0	*0.0*	0.2	*0.0*	0.2	*0.0*	0.2	*0.0*
Other income	0.0	-	1.4	*0.2*	0.3	*0.0*	0.0	*0.0*	0.0	*0.0*
Gain (Loss) on foreign exchange	-	-	-	-	-	-	-	-	0.0	0.0
Cost of sales	-	-	506.0	*57.2*	804.8	*68.1*	(602.2)	*(60.8)*	(596.8)	*(64.0)*
Gross Profit (Loss)	**0.0**	**-**	**379.9**	***43.0***	**377.5**	***31.9***	**387.7**	***39.2***	**335.6**	***36.0***
Selling and Administrative expenses	(45.3)	-	(21.1)	*(2.4)*	(17.9)	*(1.5)*	(13.4)	*(1.4)*	(13.6)	*(1.5)*
Profit before financial costs and income tax	**(45.2)**	**-**	**358.8**	***40.6***	**359.6**	***30.4***	**374.2**	***37.8***	**322.0**	***34.5***
Financial costs	(30.6)	-	(327.0)	*(37.0)*	(389.3)	*(32.9)*	(293.2)	*(29.6)*	(279.5)	*(30.0)*
Profit (Loss) before income tax	**(75.9)**	**-**	**31.7**	***3.6***	**(29.7)**	***(2.5)***	**81.1**	***8.2***	**42.5**	***4.6***
Income tax	(0.2)	-	(12.2)	*(1.4)*	(16.2)	*(1.4)*	(13.5)	*(1.4)*	(12.2)	*(1.3)*
Profit (Loss) for the year	**(76.0)**	**-**	**19.5**	***2.2***	**(45.9)**	***(3.9)***	**67.5**	***6.8***	**30.4**	***3.3***

Source: Financial Statements of MSP3 as of 31 December 2017 to 31 December 2019

Note: Financial Statements for Q3 2020 are prepared by management

Table: Statement of Financial Position of MSP3 as of 31 December 2017 to 31 December 2019 and Q3 of 2019-2020

	31-Dec-17		31-Dec-18		31-Dec-19		Quarter 3 of 2020	
	¥mm	%	¥mm	%	¥mm	%	¥mm	%
Assets								
Cash and cash equivalents	0.8	*0.0*	2.4	*0.0*	2.4	*0.0*	0.0	*0.0*
Trade accounts and other receivable	1,041.0	*8.8*	1,136.0	*9.3*	1,141.1	*9.8*	1,178.1	*10.1*
Account receivable - Revenue Department	636.3	*5.4*	-	-	-	-		-
Restricted deposits at financial institutions	17.6	*0.1*	284.1	*2.3*	275.1	*2.4*	549.4	*4.7*
Other current assets	13.9	*0.1*	15.8	*0.1*	15.1	*0.1*	24.3	*0.2*
Total current assets	**1,709.6**	***14.4***	**1,438.3**	***11.8***	**1,433.7**	***12.3***	**1,751.8**	***15.1***
Deposits pledged as collateral	-	-	387.9	*3.2*	388.0	*3.3*	388.0	*3.3*
Property, plant and equipment	9,859.2	*83.3*	8,721.8	*71.5*	8,272.2	*70.9*	7,932.6	*68.3*
Use rights	-	-	-	-	-	-	42.7	*0.4*
Intangible assets	-	-	1,393.9	*11.4*	1,324.9	*11.4*	1,270.4	*10.9*
Other non-current assets	270.2	*2.3*	256.6	*2.1*	242.9	*2.1*	232.6	*2.0*
Total non - current assets	**10,129.3**	***85.6***	**10,760.2**	***88.2***	**10,228.0**	***87.7***	**9,866.4**	***84.9***
Total Assets	**11,839.0**	***100.0***	**12,198.4**	***100.0***	**11,661.7**	***100.0***	**11,618.2**	***100.0***

	31-Dec-17		31-Dec-18		31-Dec-19		Quarter 3 of 2020	
	¥mm	%	¥mm	%	¥mm	%	¥mm	%
Liabilities								
Trade accounts and other payable	880.0	*7.4*	908.8	*7.5*	937.5	*8.0*	1,053.5	*9.1*
Account payable - Revenue Department	0.0	*0.0*	29.0	*0.2*	18.0	*0.2*	28.6	*0.2*
Current portion of long - term loan	209.0	*1.8*	511.3	*4.2*	526.4	*4.5*	533.8	*4.6*
Current portion of long - term loan, Rent	-	-	-	-	-	-	10.9	*0.1*
Short - term loan from related companies	0.3	0.0	-	-	-	-		-
Accrued income tax	0.2	*0.0*	5.7	*0.0*	8.5	*0.1*	4.0	*0.0*
Other current liabilities	-	-	-	-	-	-	8.2	*0.1*
Total current liabilities	**1,089.5**	***9.2***	**1,454.8**	***11.9***	**1,490.3**	***12.8***	**1,639.1**	***14.1***
Long - term loans	9,914.8	*83.7*	9,877.9	*81.0*	9,351.5	*80.2*	9,085.1	*78.2*
Other non-current liabilities	-	-	11.6	0.1	11.6	0.1	11.6	0.1
Provision for dismanting removing, and restoring of leasehold improvement	-	-	-	-	-	-	43.8	*0.4*
Total non - current liabilities	**9,914.8**	***83.7***	**9,889.6**	***81.1***	**9,363.2**	***80.3***	**9,140.6**	***78.7***
Total liabilities	**11,004.3**	***93.0***	**11,344.3**	***93.0***	**10,853.5**	***93.1***	**10,779.6**	***92.8***
Shareholder's Equity								
Authorized share capital	0.0	*0.0*	0.0	*0.0*	0.0	*0.0*	0.0	*0.0*
Investment under Tokumei Kumiai	1,195.8	*10.1*	1,195.8	*9.8*	1,195.8	*10.3*	1,195.8	*10.3*
Retained earnings (Deficit)	(361.2)	*(3.1)*	(341.7)	*(2.8)*	387.6	*3.3*	(357.2)	*(3.1)*
Total Shareholders' equity	**834.6**	***7.0***	**854.1**	***7.0***	**808.2**	***6.9***	**838.6**	***7.2***
Total Liabilities and Shareholder's Equity	**11,839.0**	***100.0***	**12,198.4**	***100.0***	**11,661.7**	***100.0***	**11,618.2**	***100.0***

Source: Financial Statements of MSP3 as of 31 December 2017 to 31 December 2019

Note: Financial Statements for Q3 2020 are prepared by management

2. Hamada Mega Solar GK ("HMS")

In 15 November 2012, the Company established subsidiary company, Hamada Mega Solar Godo Kaisha which Premier Solution Japan Kabushiki Kaisha holds 99.9% of shares, the summary details are a in following table

Table: Summary information of HMS

HMS	
Establishment date	15 November 2012
Nature of Business	Providing consultant services for solar power plant's development, designing and constructing solar power plant including producing and distributing the electricity from solar power plant
Location	A 7/F Oval Building 1-23-4 Oi Shinagawa-ku Tokyo Japan
Paid-in Capital	320,000,000 ¥
Investors	RICI 100.0%
Solar Power Plant Projects	Hamada 1 – 11.0 MW

- **Shareholding structure of HMS**

RICI own 100% share of HMS without any structuring TK investor. However, the project will be restructure into a GK-TK investment structure which is a condition for completing the transaction. The final shareholding structure us subject to change as appropriate.

- **Project: Hamada 1**

Hamada 1's project locates at Hamada city, Shimane Japan. The coordinates are located at latitude 34.8625°, longitude at 132.0444°. The summary details are a in following table.

Table: Summary Information of Project Hamada 1

Project Hamada 1		
Location	Hamada city, Shimane Japan.	
Installed Capacity	11.0 MW	
Project's area	269,129.0 sq.m..	
Average Annual Irradiance per Year	1,405.5 kWh/sq.m.	
Nominal Power	10,000.0 kW	
Peak Power	11,000.0 kWp	
FiT Price	40.0 ¥/Unit	
Off-taker	Chugoku EPCO[1]	
Commercial Operation Date	November 2015	

[1] Chugoku EPCO) is private company which operates in Energy & Utilities in Japan.

- Machinery and Equipment used in Solar Power Plant Projects

  The machinery and equipment used in solar power plant projects are PV Modules which is certified as Tier-1 class by Bloomberg New Energy Finance, Inverter and Transformer. Moreover, project has selected the machinery and equipment from well-established supplier and wide-accepted internationally. The summary details are a in following table.

Table: Summary Information of Machinery and Equipment used in Project Hamada 1

Machinery and Equipment	Details
PV Modules	Produced by ZNSHINE, Model ZXP6 250 x 8,008
Inverter	Produced by Fuji, Model PVI1000 1,000kW x 50
Transformer	Produced by Takaoka-toko, Model 1000kVA 0.27kV/6.6kV Inverter Transformer and Model 10000kVA 6.6kV/66kV Inverter Transformer

- **Financial Information of Hamada Mega Solar GK**

Table: Statements of Comprehensive Income of HMS from 2017 – 2019 and Q3 of 2019-2020

	2017		2018		2019		Quarter 3 of 2019		Quarter 3 of 2020	
	¥mm	%	¥mm	%	¥mm	%	¥mm	%	¥mm	%
Revenues from sales	417.2	*100.0*	497.4	*100.0*	491.7	*100.0*	410.4	*100.0*	*398.6*	*100.0*
Interest Income	0.0	*0.0*	0.1	*0.0*	0.1	*0.0*	0.1	*0.0*	*0.1*	*0.0*
Other income	-	-	5.2	*1.0*	32.7	*6.6*	32.7	*8.0*	*0.0*	*0.0*
Gain (Loss) on foreign exchange	-	-	-	-	-	-		-		-
Cost of sales	(254.0)	*(60.9)*	(232.9)	*(46.8)*	(227.5)	*(46.3)*	(169.3)	*(41.3)*	*(174.4)*	*(43.8)*
Gross Profit (Loss)	**163.3**	***39.1***	**269.8**	***54.2***	**296.9**	***60.4***	**273.8**	***66.7***	***224.2***	***56.3***
Selling and Administrative expenses	(5.5)	*(1.3)*	(5.9)	*(1.2)*	(1.9)	*(0.4)*	(2.2)	*(0.5)*	*(101.1)*	*(25.4)*
Profit before financial costs and income tax	**157.8**	***37.8***	**263.9**	***53.0***	**295.0**	***60.0***	**271.6**	***66.2***	***123.1***	***30.9***
Financial costs	(139.6)	*(33.5)*	(177.1)	*(35.6)*	(166.0)	*(33.8)*	(125.2)	*(30.5)*	*(118.6)*	*(29.8)*
Profit (Loss) before income tax	**18.2**	***4.4***	**86.8**	***17.5***	**129.0**	***26.2***	**146.4**	***35.7***	***4.5***	***1.1***
Income tax	(7.0)	*(1.7)*	(8.4)	*(1.7)*	(6.9)	*(1.4)*	(5.8)	*(1.4)*	*(5.3)*	*(1.3)*
Profit (Loss) for the year	**11.1**	***2.7***	**78.4**	***15.8***	**122.0**	***24.8***	**140.6**	***34.3***	***(0.8)***	***(0.2)***

Source: Financial Statements of HMS as of 31 December 2017 to 31 December 2019

Note: Financial Statements for Q3 2020 are prepared by management

Table: Statement of Financial Position of HMS as of 31 December 2017 to 31 December 2019 and Q3 of 2019-2020

	31-Dec-17		31-Dec-18		31-Dec-19		Quarter 3 of 2020	
	¥mm	%	¥mm	%	¥mm	%	¥mm	%
Assets								
Cash and cash equivalents	1.8	*0.0*	49.6	*1.5*	0.7	*0.0*	*0.1*	*0.0*
Trade accounts and other receivable	75.6	*1.6*	78.5	*2.4*	128.8	*4.1*	*196.0*	*6.4*
Account receivable - Revenue Department	25.2	*0.5*	-	-	-	-	*2.0*	*0.1*
Restricted deposits at financial institutions	289.3	*6.0*	419.3	*12.8*	465.1	*14.7*	*375.8*	*12.3*
Other current assets	17.7	*0.4*	1.0	*0.0*	1.0	*0.0*	*1.2*	*0.0*
Total current assets	**409.6**	***8.5***	**548.4**	***16.8***	**595.6**	***18.8***	***575.1***	***18.9***
Deposits pledged as collateral	209.7	*4.3*	209.7	*6.4*	209.8	*6.6*	*209.8*	*6.9*
Property, plant and equipment	2,240.2	*46.4*	1,344.0	*41.2*	1,264.6	*40.0*	*1,205.0*	*39.5*
Use rights							*18.4*	*0.6*
Intangible assets	1,936.5	*40.1*	1,161.8	*35.6*	1,093.1	*34.6*	*1,041.6*	*34.2*
Other non-current assets	27.9	*0.6*	-	-	-	-		-
Total non - current assets	**4,414.3**	***91.5***	**2,715.5**	***83.2***	**2,567.5**	***81.2***	***2,474.8***	***81.1***
Total Assets	**4,823.9**	***100.0***	**3,264.0**	***100.0***	**3,163.1**	***100.0***	***3,049.9***	***100.0***

	31-Dec-17		31-Dec-18		31-Dec-19		Quarter 3 of 2020	
	¥mm	%	¥mm	%	¥mm	%	¥mm	%
Liabilities								
Trade accounts and other payable	27.5	0.6	644.9	19.8	607.5	19.2	607.8	19.9
Account payable - Revenue Department	4.5	0.1	40.3	1.2	10.0	0.3		-
Current portion of long - term loan	142.9	3.0	154.0	4.7	165.0	5.2	174.3	5.7
Current portion of long - term loan, Rent	-	-	-	-	-	-		-
Short - term loan from related companies	3.6	0.1	4.7	0.1	3.5	0.1	1.9	0.1
Accrued income tax	1.1	0.0	-	-	-	-	9.9	0.3
Other current liabilities	**179.6**	**3.7**	**844.0**	**25.9**	**786.0**	**24.8**	**793.9**	**26.0**
Total current liabilities	2,448.5	50.8	2,294.5	70.3	2,129.5	67.3	2,009.2	65.9
Long - term loans	-	-	-	-	-	-		-
Other non-current liabilities	-	-	-	-	-	-		-
Provision for dismanting removing, and restoring of leasehold improvement	**2,448.5**	**50.8**	**2,294.5**	**70.3**	**2,129.5**	**67.3**	**2,009.2**	**65.9**
Total non - current liabilities	**2,628.0**	**54.5**	**3,138.5**	**96.2**	**2,915.5**	**92.2**	**2,803.1**	**91.9**
Total liabilities								
Shareholder's Equity	2,184.7	45.3	320.0	9.8	320.0	10.1	320.0	10.5
Authorized share capital	11.1	0.2	(194.5)	(6.0)	(72.5)	(2.3)	(73.2)	(2.4)
Investment under Tokumei Kumiai	**2,195.8**	**45.5**	**125.5**	**3.8**	**247.5**	**7.8**	**246.8**	**8.1**
Retained earnings (Deficit)	**4,823.9**	**100.0**	**3,264.0**	**100.0**	**3,163.1**	**100.0**	**3,049.9**	**100.0**

Source: Financial Statements of HMS as of 31 December 2017 to 31 December 2019

Note: Financial Statements for Q3 2020 are prepared by management

3. CC Hamada GK ("CCH")

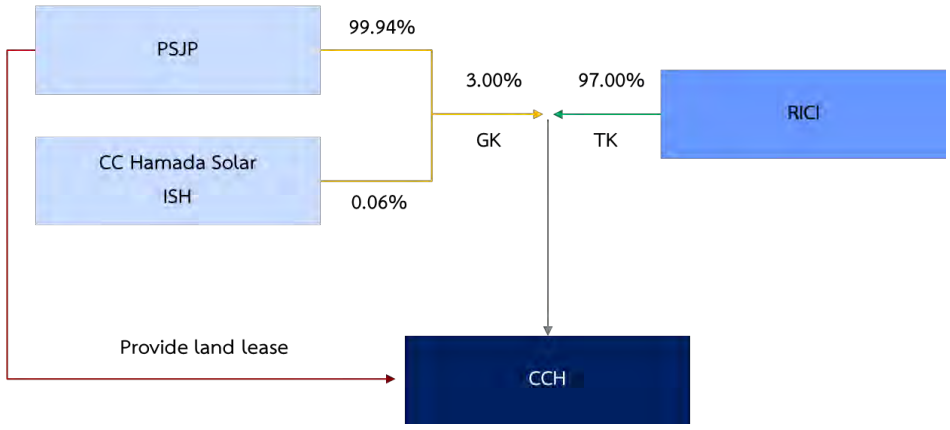
In 18 March 2016, the Company established subsidiary company, CC Hamada Godo Kaisha which Premier Solution Japan Kabushiki Kaisha holds 99.9% of shares, the summary details are a in following table

Table: Summary information of CCH

CCH	
Establishment date	18 March 2016
Nature of Business	Providing consultant services for solar power plant's development, designing and constructing solar power plant including producing and distributing the electricity from solar power plant
Location	A 7/F Oval Building 1-23-4 Oi Shinagawa-ku Tokyo Japan
Paid-in Capital	17,872,630 ¥
Investors	Premier Solution Japan Kabushiki Kaisha 99.9% ISH 0.1%
Investment Structure	Investment structure of GK -TK Premier Solution Japan Kabushiki Kaisha as GK investors hold 3.0% RICI International Investment Pte. Ltd. as TK investors hold 97%
Solar Power Plant Projects	Hamada 2 – 12.0 MW

- **Shareholding structure of CCH**

Figure: Shareholding structure of CCH



- **Project Hamada 2**

Project Hamada 2 locates at Hamada city, Shimane Japan. The coordinates are located at latitude 34.8628° longitude at 132.044354° The summary details are a in following table.

Table: Summary Information of Project Hamada 2

Project Hamada 2		
Location	Hamada city, Shimane Japan	
Installed Capacity	12.0 MW	
Project's area	210,528.0 sq.m.	
Average Annual Irradiance per Year	1,405.5 kWh/sq.m.	
Nominal Power	10,000.0 kW	
Peak Power	12,001.0 kWp	
FiT Price	36.0 ¥/Unit	
Off-taker	Chugoku EPCO	
Commercial Operation Date	March 2017	

- **Machinery and Equipment used in Projects**

The machinery and equipment used in solar power plant projects are PV Modules which is certified as Tier-1 class by Bloomberg New Energy Finance, Inverter and Transformer. Moreover, project has selected the machinery and equipment from well-established supplier and wide-accepted internationally. The summary details are a in following table.

Table: Summary Information of Machinery and Equipment used in Project Hamada 2

Machinery and Equipment	Details
PV Modules	Produced by ZNSHINE Model ZXP6 260 x 46,156
Inverter	Produced by Huawei Model Sun2000-28 KTL 27.5 kVA x 364
Transformer	Produced by Haihong Model 1000kVA 0.48kV/6.6kV Inverter Transformer Produced by Takaoka-toko Model 10000kVA 6.6kV/66kV Inverter Transformer

- **Financial Information of CC Hamada GK**

Table: Statements of Comprehensive Income of CCH from 2017 – 2019 and Q3 of 2019-2020

	2017		2018		2019		Quarter 3 of 2019		Quarter 3 of 2020	
	¥mm	%	¥mm	%	¥mm	%	¥mm	%	¥mm	%
Revenues from sales	461.7	*100.0*	514.5	*100.0*	512.4	*100.0*	422.4	*100.0*	410.5	*100.0*
Interest Income	0.6	*0.1*	0.1	*0.0*	0.1	*0.0*	0.1	*0.0*	0.1	*0.0*
Other income	0.0	*0.0*	0.2	*0.0*	0.0	*0.0*	0.0	*0.0*	-	-
Gain (Loss) on foreign exchange	(262.2)	*(56.8)*	(382.3)	*(74.3)*	(374.9)	*(73.2)*	(280.8)	*(66.5)*	(276.1)	*(67.3)*
Cost of sales	**200.1**	***43.3***	**132.5**	***25.7***	**137.6**	***26.8***	**141.7**	***33.5***	**134.5**	***32.8***
Gross Profit (Loss)	(7.4)	*(1.6)*	(8.3)	*(1.6)*	(2.0)	*(0.4)*	(1.7)	*(0.4)*	(2.2)	*(0.5)*
Selling and Administrative expenses	**192.7**	***41.7***	**124.2**	***24.1***	**135.6**	***26.5***	**140.0**	***33.1***	**132.2**	***32.2***
Profit before financial costs and income tax	(143.4)	*(31.1)*	(172.0)	*(33.4)*	(161.1)	*(31.4)*	(122.0)	*(28.9)*	(117.2)	*(28.5)*
Financial costs	**49.3**	***10.7***	**(47.8)**	***(9.3)***	**(25.5)**	***(5.0)***	**18.0**	***4.3***	**15.1**	***3.7***
Profit (Loss) before income tax	(6.4)	*(1.4)*	(7.1)	*(1.4)*	(7.1)	*(1.4)*	(5.9)	*(1.4)*	(5.3)	*(1.3)*
Income tax	**42.9**	***9.3***	**(54.9)**	***(10.7)***	**(32.6)**	***(6.4)***	**12.1**	***2.9***	**9.7**	***2.4***

Source: Financial Statements of MSP3 as of 31 December 2017 to 31 December 2019

Note: Financial Statements for Q3 2020 are prepared by management

Table: Statement of Financial Position of CCH as of 31 December 2017 to 31 December 2019 and Q3 of 2019-2020

	31-Dec-17		31-Dec-18		31-Dec-19		Quarter 3 of 2020	
	¥mm	%	¥mm	%	¥mm	%	¥mm	%
Assets								
Trade accounts and other receivable	72.6	*1.4*	64.6	*1.3*	70.5	*1.5*	116.5	*2.5*
Counterparty account	173.6	*3.4*	180.6	*3.7*	176.5	*3.8*	266.9	*5.7*
Other current-assets	2.8	*0.1*	0.2	*0.0*	0.0	*0.0*	13.5	*0.3*
Total current-assets	**249.0**	***4.8***	**245.3**	***5.0***	**247.0**	***5.3***	**397.0**	***8.5***
Deposits pledged as collateral – net from current assets	153.2	*3.0*	153.2	*3.1*	153.3	*3.3*	153.3	*3.3*
Property, plant and equipment	3,266.5	*63.2*	3,096.0	*63.0*	2,925.7	*62.7*	2,797.8	*59.9*
Use rights	-	-	-	-	-	-	35.5	*0.8*
Intangible assets	1,332.4	*25.8*	1,262.9	*25.7*	1,193.4	*25.6*	1,141.2	*24.4*
Other non-current assets	166.0	*3.2*	158.5	*3.2*	149.6	*3.2*	144.1	*3.1*
Total non-current assets	**4,918.1**	***95.2***	**4,670.6**	***95.0***	**4,421.9**	***94.7***	**4,272.0**	***91.5***
Total assets	**5,167.1**	***100.0***	**4,915.9**	***100.0***	**4,668.9**	***100.0***	**4,669.0**	***100.0***

	31-Dec-17		31-Dec-18		31-Dec-19		Quarter 3 of 2020	
	¥mm	%	¥mm	%	¥mm	%	¥mm	%
Liabilities								
Trade accounts and other payable	185.4	*3.6*	202.1	*4.1*	197.5	*4.2*	253.2	*5.4*
Account payable - Revenue Department	17.1	*0.3*	8.8	*0.2*	10.4	*0.2*	8.8	*0.2*
Current portion of long - term loan	205.3	*4.0*	211.0	*4.3*	217.0	*4.6*	220.2	*4.7*
Short - term loan from related companies	-	-	-	-	-	-	1.6	0.0
Accrued income tax	3.3	*0.1*	3.9	*0.1*	3.6	*0.1*	1.8	*0.0*
Other current liabilities	0.0	*0.0*	0.1	*0.0*	0.1	*0.0*	10.6	*0.2*
Total current liabilities	**411.1**	***8.0***	**425.9**	***8.7***	**428.6**	***9.2***	**496.1**	***10.6***
Long - term loans	4,126.6	*79.9*	3,915.6	*79.7*	3,698.5	*79.2*	3,587.8	*76.8*
Other non-current liabilities	-	-	-	-	-	-		-
Provision for dismanting removing, and restoring of leasehold improvement	-	-	-	-	-	-		-
Rental liabilities							33.5	*0.7*
Total non-current liabilities'	**4,126.6**	***79.9***	**3,915.6**	***79.7***	**3,698.5**	***79.2***	**3,621.3**	***77.6***
Total liabilities	**4,537.7**	***87.8***	**4,341.5**	***88.3***	**4,127.1**	***88.4***	**4,117.4**	***88.2***
Shareholders' Equity								-
Authorized share capital	0.0	*0.0*	0.0	*0.0*	0.0	*0.0*	0.0	*0.0*
Investment under Tokumei Kumiai	595.4	*11.5*	595.4	*12.1*	595.4	*12.8*	595.4	*12.8*
Retained earnings (Deficit)	34.0	*0.7*	(21.0)	*(0.4)*	(53.6)	*(1.1)*	(43.9)	*(0.9)*
Total Shareholders' equity	**629.4**	***12.2***	**574.5**	***11.7***	**541.8**	***11.6***	**551.6**	***11.8***
Total Liabilities and Shareholder's Equity	**5,167.1**	***100.0***	**4,915.9**	***100.0***	**4,668.9**	***100.0***	**4,669.0**	***100.0***

Source: Financial Statements of MSP3 as of 31 December 2017 to 31 December 2019

Note: Financial Statements for Q3 2020 are prepared by management

4. Sun Energy GK ("SE")

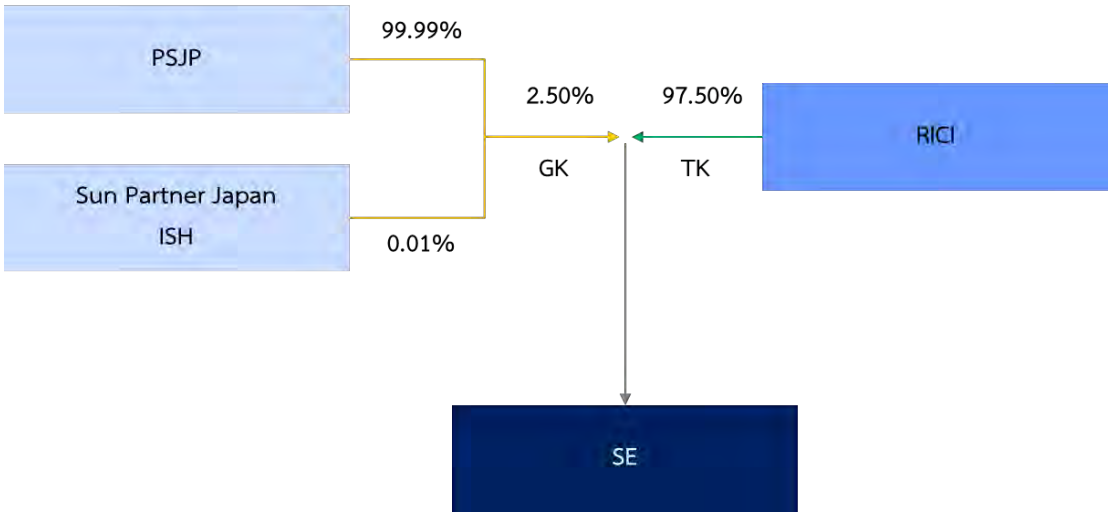
In 5 August 2014, the Company established subsidiary company, Sun Energy Godo Kaisha which Premier Solution Japan Kabushiki Kaisha holds 99.9% of shares, the summary details are a in following table

Table: Summary information of SE

SE	
Establishment date	5 August 2014
Nature of Business	Providing consultant services for solar power plant's development, designing and constructing solar power plant including producing and distributing the electricity from solar power plant
Location	A 7/F Oval Building 1-23-4 Oi Shinagawa-ku Tokyo Japan
Paid-in Capital	10,000.0 ¥
Investors	Investment structure type: GK - TK Premier Solution Japan Kabushiki Kaisha 99.9% ISH 0.1%
Investment Structure	Investment structure type: GK - TK Premier Solution Japan Kabushiki Kaisha as GK investors hold 2.5% RICI International Investment Pte. Ltd. as TK investors hold 97.5%
Solar Power Plant Projects	Aomori – 7.2 MW

- **Shareholding structure of SE**

Figure: Shareholding structure of SE



■ Projects: Aomori

Aomori's project locates at Towada city, Aomori Japan. The coordinates are located at latitude 40.6353°, longitude at 141.2191°. The summary details are a in following table.

Table: Summary Information of Project Aomori

Projects: Aomori		
Location	Towada city, Aomori Japan.	
Installed Capacity	7.2 MW	
Project's area	182,887.0 sq.m.	
Average Annual Irradiance per Year	1,399.2 kWh/sq.m.	
Nominal Power	1,980.0 kW	
Peak Power	2,402.4 kWp	
FiT Price	36.0 ¥/Unit	
Off-taker	Tohoku EPCO	
Commercial Operation Date	September 2019	

- Machinery and Equipment used in Solar Power Plant Projects

The machinery and equipment used in solar power plant projects are PV Modules which is certified as Tier-1 class by Bloomberg New Energy Finance, Inverter and Transformer. Moreover, project has selected the machinery and equipment from well-established supplier and wide-accepted internationally. The summary details are a in following table.

Table: Summary Information of Machinery and Equipment used in Project Aomori

Machinery and Equipment	Details
PV Modules	Produced by JA Solar Model: JAM6(K)-60-300/PR x 8,008
Inverter	Produced by Huawei Model: SUN2000-40KTL-JP 40kVA x 50
Transformer	Produced by Hitachi Model: 1000kVA 0.48kV/6.6kV

- Financial Information of Sun Energy GK

Table: Statements of Comprehensive Income of SE from 2017 – 2019 and Q3 of 2019-2020

	2017		2018		2019		Quarter 3 of 2019		Quarter 3 of 2020	
	¥mm	%	¥mm	%	¥mm	%	¥mm	%	¥mm	%
Revenues from sales	-	-	-	-	52.0	*100.0*	0.7	*100.0*	212.7	*100.0*
Interest Income	0.0	-	0.0	-	0.0	*0.0*	0.0	*1.0*	0.0	*0.0*
Other income	-	-	0.0	-	0.0	*0.0*		-	0.4	*0.2*
Gain (Loss) on foreign exchange	-	-	-	-	(0.0)	(0.0)	(0.0)	(0.2)	0.0	0.0
Cost of sales	-	-	-	-	(41.8)	*(80.5)*	(0.3)	*(44.8)*	(142.8)	*(67.2)*
Gross Profit (Loss)	**0.0**	**-**	**0.0**	**-**	**10.1**	***19.5***	**0.4**	***56.1***	**70.2**	***33.0***
Selling and Administrative expenses	(2.8)	-	(3.0)	-	(2.1)	*(4.1)*	(1.8)	*(246.5)*	(1.6)	*(0.7)*
Profit before financial costs and income tax	**(2.8)**	**-**	**(3.0)**	**-**	**8.0**	***15.4***	**(1.4)**	***(190.4)***	**68.6**	***32.3***
Financial costs	(1.6)	-	(4.1)	-	(16.5)	*(31.8)*	(0.6)	*(79.0)*	(49.0)	*(23.0)*
Profit (Loss) before income tax	**(4.4)**	**-**	**(7.2)**	**-**	**(8.5)**	***(16.4)***	**(1.9)**	***(269.3)***	**19.7**	***9.2***
Income tax	(0.1)	-	(0.2)	-	(0.8)	*(1.6)*	(0.1)	*(12.5)*	(0.5)	*(0.2)*
Profit (Loss) for the year	**(4.5)**	**-**	**(7.3)**	**-**	**(9.3)**	***(18.0)***	**(2.0)**	***(281.8)***	**19.1**	***9.0***

Source: Financial Statements of MSP3 as of 31 December 2017 to 31 December 2019

Note: Financial Statements for Q3 2020 are prepared by management

Table: Statement of Financial Position of SE as of 31 December 2017 to 31 December 2019 and Q3 of 2019-2020

	31-Dec-17		31-Dec-18		31-Dec-19		Quarter 3 of 2020	
	¥mm	%	¥mm	%	¥mm	%	¥mm	%
Assets								
Cash and cash equivalents	0.3	*0.0*	62.4	*2.9*	137.7	*4.9*	5.8	*0.2*
Trade accounts and other receivable	-	-	20.6	*1.0*	52.9	*1.9*	342.8	*11.0*
Account receivable - Revenue Department	71.5	*7.1*	138.8	*6.5*	172.5	*6.2*		-
Restricted deposits at financial institutions	-	-	8.0	*0.4*	25.3	*0.9*	60.3	*1.9*
Other current assets	0.1	*0.0*	0.1	*0.0*	1.1	*0.0*	15.4	*0.5*
Total current assets	**71.8**	***7.2***	**229.9**	***10.9***	**389.5**	***13.9***	**424.3**	***13.6***
Deposits pledged as collateral	-	-	34.0	*1.6*	15.8	*0.6*	127.7	*4.1*
Property, plant and equipment	893.1	*89.3*	1,768.5	*83.5*	2,291.8	*81.8*	2,188.3	*70.3*
Intangible assets							335.3	*10.8*
Other non - current assets	-	-	-	-	39.5	*1.4*	38.0	*1.2*
Total non - current assets	35.0	*3.5*	86.2	*4.1*	65.8	*2.3*		-
Total Assets	**928.1**	***92.8***	**1,888.8**	***89.1***	**2,412.9**	***86.1***	**2,689.3**	***86.4***
Assets	**999.9**	***100.0***	**2,118.7**	***100.0***	**2,802.4**	***100.0***	**3,113.6**	***100.0***

	31-Dec-17		31-Dec-18		31-Dec-19		Quarter 3 of 2020	
	¥mm	%	¥mm	%	¥mm	%	¥mm	%
Liabilities								-
Trade accounts and other payable	872.7	*87.3*	170.8	*8.1*	81.8	*2.9*	82.4	*2.6*
Account payable - Revenue Department	-	-	0.0	*0.0*	0.1	*0.0*	15.5	*0.5*
Current portion of long - term loan	-	-	-	-	55.2	*2.0*	114.0	*3.7*
Current portion of long-term loan , Rent							0.4	*0.0*
Short - term loan from related companies	141.0	14.1	21.9	1.0	21.9	0.8		-
Accrual income	0.1	*0.0*	0.2	*0.0*	0.8	*0.0*	0.2	*0.0*
Other current liabilities	-	-	-	-	0.3	*0.0*	2.8	*0.1*
Total current liabilities	**1,013.8**	***101.4***	**193.0**	***9.1***	**138.2**	***4.9***	**215.3**	***6.9***
Long - term loans	-	-	1,451.1	*68.5*	1,911.9	*68.2*	1,795.4	*57.7*
Rental liabiltities	-	-	-	-	-	-	249.3	8.0
Provision for dismanting removing, and restoring of leasehold improvement	-	-	-	-	17.4	*0.6*	17.8	*0.6*
Total non-current liabilities	**-**	**-**	**1,451.1**	***68.5***	**1,929.3**	***68.8***	**2,062.5**	***66.2***
Total liabilities	**1,013.8**	***101.4***	**1,644.1**	***77.6***	**2,067.4**	***73.8***	**2,277.8**	***73.2***
Shareholders' Equity								
Authorized share capital	0.0	*0.0*	0.0	*0.0*	0.0	*0.0*	0.0	*0.0*
Investment under Tokumei Kumiai	-	-	495.8	*23.4*	765.5	*27.3*	847.2	*27.2*
Retained earnings (Deficit)	(13.8)	*(1.4)*	(21.2)	*(1.0)*	(30.5)	*(1.1)*	(11.4)	*(0.4)*
Total Shareholders' equity	**(13.8)**	***(1.4)***	**474.6**	***22.4***	**735.0**	***26.2***	**835.8**	***26.8***
Total Liabilities and Shareholder's Equity	***999.9***	***100.0***	**2,118.7**	***100.0***	**2,802.4**	***100.0***	**3,113.6**	***100.0***

Source: Financial Statements of MSP3 as of 31 December 2017 to 31 December 2019

Note: Financial Statements for Q3 2020 are prepared by management

2.6.3 Details of Assets B.

1. Good Solar GK ("GS")

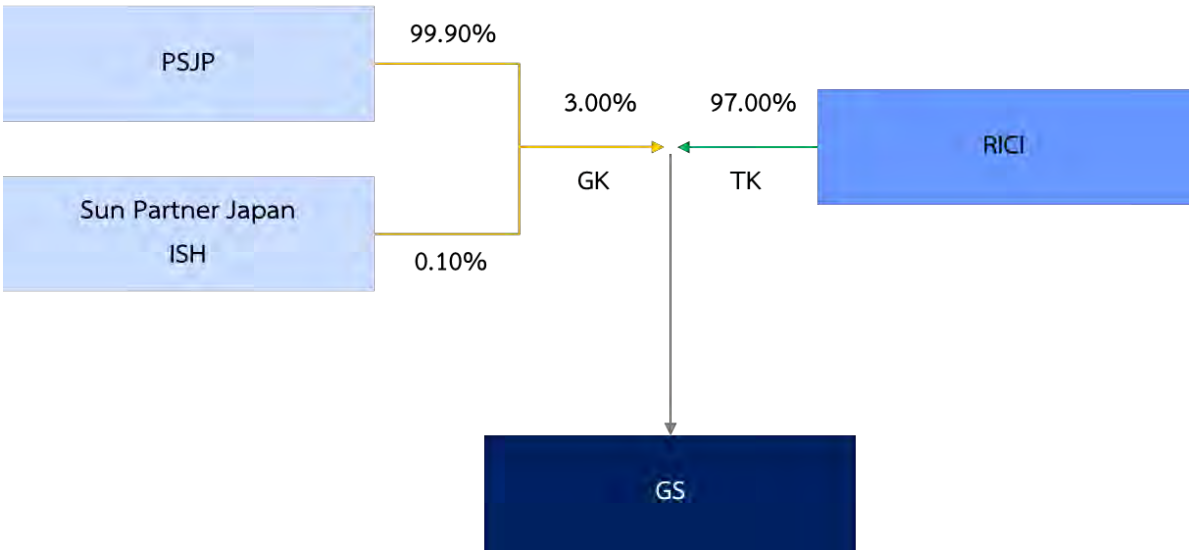
In 20 January 2015, the Company established subsidiary company, Good Solar Godo Kaisha which Premier Solution Japan Kabushiki Kaisha holds 100.0% of shares, the summary details are a in following table

Table: Summary information of GS

GS	
Establishment date	20 January 2015
Nature of Business	Providing consultant services for solar power plant's development, designing and constructing solar power plant including producing and distributing the electricity from solar power plant
Location	A 7/F Oval Building 1-23-4 Oi Shinagawa-ku Tokyo Japan
Paid-in Capital	10,000.0 ¥
Investors	PSJP 99.9% Sun Partner Japan ISH 0.1%
Investment Structure	Investment structure type: GK - TK At 3 February 2020, GK – TK Contracts were arranged as follows Premier Solution Japan Kabushiki Kaisha as GK investors hold 3.0% RICI International Investment Pte. Ltd. As TK investors hold 97%
Solar Power Plant Projects	Nihonmatsu 3 – 1.5 MW

- **Shareholding structure of GS**

Figure: Shareholding structure of GS



- **Project: Nihonmatsu 3**

Nihonmatsu 3's project locates at Nihonmatsu city, Fukushima Japan. The coordinates are located at latitude 37.614737°, longitude at 140.586433°. The summary details are a in following table.

Table: Summary Information of Project Nihonmatsu 3

Project: Nihonmatsu 3		
Location	Nihonmatsu city, Fukushima Japan	
Installed Capacity	1.5 MW	
Project's area	18,947.0 sq.m.	
Average Annual Irradiance per Year	1,349.4 kWh/sq.m.	
Nominal Power	1,520.0 kW	
Peak Power	1,482.0 kWp	
FiT Price	32.0 ¥/Unit	
Off-taker	Tohoku	
Commercial Operation Date	January 2020	

- **Machinery and Equipment used in Solar Power Plant Projects**

The machinery and equipment used in solar power plant projects are PV Modules which is certified as Tier-1 class by Bloomberg New Energy Finance, Inverter and Transformer. Moreover, project has selected the machinery and equipment from well-established supplier and wide-accepted internationally. The summary details are a in following table.

Table: Summary Information of Machinery and Equipment used in Project Nihonmatsu 3

Machinery and Equipment	Details
PV Modules	Produced by JA Solar Model: JAM60S01-320&315/PR x 4,632
Inverter	Produced by Huawei Model: SUN2000_40KTL JP x 38
Transformer	Produced by Hitachi

- Financial Information of Good Solar GK

Table: Statements of Comprehensive Income of GS from 2017 – 2019 and Q3 of 2019-2020

	2017		2018		2019		Quarter 3 2019		Quarter 3 2020	
	¥mm	%	¥mm	%	¥mm	%	¥mm	%	¥mm	%
Revenues from sales	-	-	-	-	-	-	-	-	38.6	*100.0*
Interest Income	-	-	0.0	-	0.0	-	0.0	-	0.0	*0.0*
Other income	0.0	-	0.0	-	-	-	-	-	0.0	*0.0*
Gain (Loss) on foreign exchange	-	-	-	-	0.0	-	-	-	(1.0)	(2.7)
Cost of sales	-	-	-	-	-	-	-	-	(15.4)	*(39.8)*
Gross Profit (Loss)	**0.0**	**-**	**0.0**	**-**	**0.0**	**-**	**0.0**	**-**	**22.2**	***57.5***
Selling and Administrative expenses	(0.9)	-	(1.4)	-	(4.5)	-	(9.5)	-	(1.3)	*(3.5)*
Profit before financial costs and income tax	**(0.9)**	**-**	**(1.4)**	**-**	**(4.5)**	**-**	**(9.5)**	**-**	**20.9**	***54.1***
Financial costs	-	-	(0.2)	-	(0.3)	-	(0.1)	-	(13.2)	*(34.3)*
Profit (Loss) before income tax	**(0.9)**	**-**	**(1.6)**	**-**	**(4.8)**	**-**	**(9.7)**	**-**	**7.6**	***19.8***
Income tax	(0.4)	-	(0.1)	-	(0.1)	-	(0.1)	-	(0.1)	*(0.1)*
Profit (Loss) for the year	**(1.3)**	**-**	**(1.7)**	**-**	**(4.9)**	**-**	**(9.7)**	**-**	**7.6**	***19.6***

Source: Financial Statements of MSP3 as of 31 December 2017 to 31 December 2019

Note: Financial Statements for Q3 2020 are prepared by management

Table: Statement of Financial Position of GS as of 31 December 2017 to 31 December 2019 and Q3 of 2019-2020

	31-Dec-17		31-Dec-18		31-Dec-19		Quarter 3 of 2020	
	¥mm	%	¥mm	%	¥mm	%	¥mm	%
Assets								
Cash and cash equivalents	0.0	*0.0*	0.1	*0.0*	0.1	*0.0*	26.5	*3.8*
Trade accounts and other receivable	16.4	*95.4*	16.4	*5.6*	16.4	*3.2*	25.7	*3.7*
Account receivable - Revenue Department	0.7	*4.3*	-	-	20.2	*4.0*	21.5	*3.1*
Restricted deposits at financial institutions	-	-	-	-	-	-	40.0	*5.8*
Other current assets	0.0	*0.2*	19.1	*6.5*	17.7	*3.5*	14.6	*2.1*
Total current assets	**17.2**	***100.0***	**35.6**	***12.2***	**54.3**	***10.8***	**128.2**	***18.6***
Deposits pledged as collateral	-	-	-	-	-	-	9.8	*1.4*
Property, plant and equipment	-	-	252.4	*86.2*	352.5	*69.9*	434.6	*63.2*
Intangible assets							19.8	*2.9*
Other non - current assets	-	-	-	-	91.4	*18.1*	90.6	*13.2*
Total non - current assets	-	-	4.8	*1.6*	6.3	*1.3*	4.8	*0.7*
Total Assets	**-**	**-**	**257.2**	***87.8***	**450.3**	***89.2***	**559.5**	***81.4***
Assets	**17.2**	***100.0***	**292.7**	***100.0***	**504.6**	***100.0***	**687.7**	***100.0***

	31-Dec-17		31-Dec-18		31-Dec-19		Quarter 3 of 2020	
	¥mm	%	¥mm	%	¥mm	%	¥mm	%
Liabilities								
Trade accounts and other payable	4.0	*23.5*	256.9	*87.7*	314.2	*62.3*	270.0	*39.3*
Account payable - Revenue Department	0.0	*0.0*	2.2	*0.7*	-	-		-
Current portion of long - term loan	-	-	-	-	-	-	7.1	*1.0*
Current portion of long - term loan, Rent							0.7	*0.1*
Short - term loan from related companies	-	-	22.3	7.6	181.5	36.0	18.9	2.8
Accrued income tax	-	-	-	-	0.1	*0.0*	0.1	*0.0*
Other current liabilities	-	-	-	-	-	-	0.8	*0.1*
Total current liabilities	**4.0**	***23.5***	**281.3**	***96.1***	**495.8**	***98.3***	**297.6**	***43.3***
Long - term loans	-	-	-	-	-	-	269.3	*39.2*
Other non-current liabilities	-	-	-	-	-	-	17.3	2.5
Provision for dismanting removing, and restoring of leasehold improvement	-	-	-	-	-	-		-
Total non - current liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**286.6**	***41.7***
Total liabilities	**4.0**	***23.5***	**281.3**	***96.1***	**495.8**	***98.3***	**584.3**	***85.0***
Shareholders' Equity	-	-	-	-	-	-		-
Authorized share capital	0.0	*0.1*	0.0	*0.0*	2.3	*0.5*	2.3	*0.3*
Investment under Tokumei Kumiai	-	-	-	-	-	-	87.0	*12.7*
Retained earnings (Deficit)	13.1	*76.5*	11.4	*3.9*	6.5	*1.3*	14.1	*2.1*
Total Shareholders' equity	**13.1**	***76.5***	**11.4**	***3.9***	**8.8**	***1.7***	**103.4**	***15.0***
Total Liabilities and Shareholder's Equity	**17.2**	***100.0***	**292.7**	***100.0***	**504.6**	***100.0***	**687.7**	***100.0***

Source: Financial Statements of MSP3 as of 31 December 2017 to 31 December 2019

Note: Financial Statements for Q3 2020 are prepared by management

2. Sun Partner Japan GK ("SPJ")

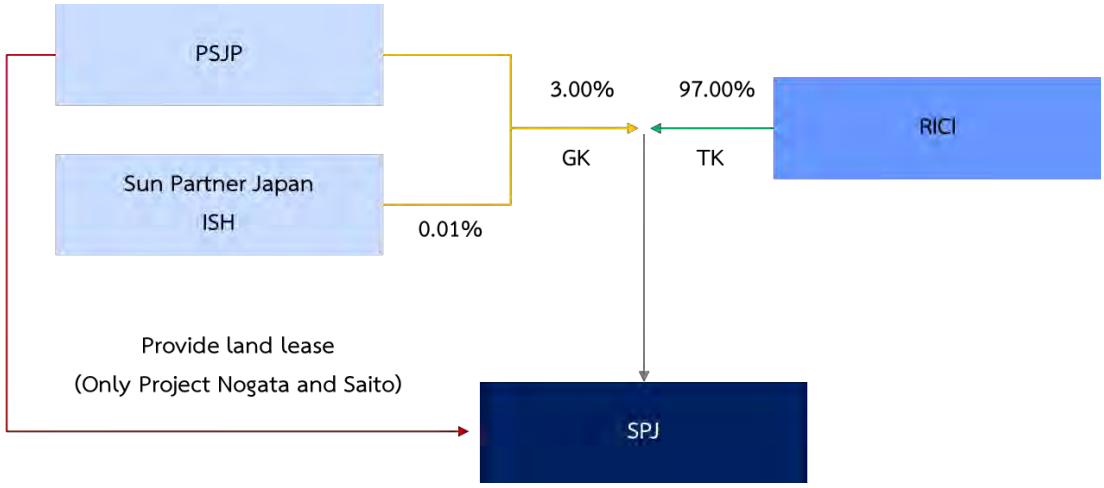
In 20 January 2015, the Company established subsidiary company, Sun Partner Japan Godo Kaisha which Premier Solution Japan Kabushiki Kaisha holds 99.9% of shares, the summary details are a in following table

Table: Summary information of SPJ

Sun Partner Japan Godo Kaisha	
Establishment date	20 January 2015
Nature of Business	Providing consultant services for solar power plant's development, designing and constructing solar power plant including producing and distributing the electricity from solar power plant
Location	A 7/F Oval Building 1-23-4 Oi Shinagawa-ku Tokyo Japan
Paid-in Capital	11,770,758.0 ¥
Investors	1. Premier Solution Japan Limited 99.9% 2. Sun Partner Japan ISH 0.1%
Investment Structure	Investment structure type: Godo Kaisha ("GK") - Tokumei Kumiai ("TK") At 30 September 2019, RICI International Investment Pte., Ltd. Increased the capital which affects: Premier Solution Japan Kabushiki Kaisha as GK investors hold 3.0% RICI International Investment Pte. Ltd. As TK investors hold 97%
Solar Power Plant Projects ("Project")	1. Goryo – 1.5 MW 2. Nogata – 1.1 MW 3. Shibushi – 1.0 MW 4. Saito – 2.2 MW

- **Shareholding structure of SPJ**

Figure: Shareholding structure of SPJ



2.1. Projects Number 1: Goryo

Goryo's project locates at Minami city, Kagoshima Japan. The coordinates are located at latitude 31.2479°, longitude at 130.4727°. The summary details are a in following table.

Table: Summary Information of Project Goryo

Project: Goryo		
Location	Minami Kyushu City, Kagoshima Japan	
Installed Capacity	1.5 MW	
Project's area	21,593.0 sq.m.	
Average Annual Irradiance per Year	1,516.2 kWh/sq.m.	
Nominal Power	1,500.0 Kilowatt ("kW")	
Peak Power	1,495.0 Kilowatt-Peak ("kWp")	
FiT Price	40.0 ¥/Unit	
Off-taker	Kyushu EPCO[1]	
Commercial Operation Date	May 2014	

- **Machinery and Equipment used in Solar Power Plant Projects**

  The machinery and equipment used in solar power plant projects are PV Modules which is certified as Tier-1 class by Bloomberg New Energy Finance, Inverter and Transformer. Moreover, project has selected the machinery and equipment from well-established supplier and wide-accepted internationally. The summary details are a in following table.

Table: Summary Information of Machinery and Equipment used in Project Goryo

Machinery and Equipment	Details
PV Modules	Produced by Sopray Solar, Model SR-156P-245 x 6,104
Inverter	Produced by Hitachi HIVERTER, Model NP203i 500 kVA x 3
Transformer	Produced by Mitsubishi Model 500kVA 440V/6.6kV

[1] Kyushu EPCO is private company which operates in Energy & Utilities in Japan.

2.2. Projects Number 3: Shibushi

Project Shibushi locates at Shibushi city, Kagoshima Japan. The coordinates are located at latitude 31.48°, longitude at 131.06°. The summary details are a in following table.

Table: Summary Information of Project Shibushi

Project: Shibushi		
Location	Shibushi City, Kagoshima Japan	
Installed Capacity	1.0 MW	
Project's area	16,857.0 sq.m.	
Average Annual Irradiance per Year	1,476.3 kWh/sq.m..	
Nominal Power	1,000.0 kW	
Peak Power	1,001.6 kWp	
FiT Price	40.0 ¥/Unit	
Off-taker	Kyushu EPCO	
Commercial Operation Date	November 2013	

- **Machinery and Equipment used in Projects**

The machinery and equipment used in solar power plant projects are PV Modules which is certified as Tier-1 class by Bloomberg New Energy Finance, Inverter and Transformer. Moreover, project has selected the machinery and equipment from well-established supplier and wide-accepted internationally. The summary details are a in following table.

Table: Summary Information of Machinery and Equipment used in Project Shibushi

Machinery and Equipment	Details
PV Modules	Produced by Sopray Solar, Model SR-156P-245 x 4,008
Inverter	Produced by Hitashi Model 2 x Hinverter-NP203i
Transformer	Produced by Mitsubishi Model 2 x 500kVA 6.6kV/254-440V

2.3. Projects Number 2: Nogata

Project Nogata locates at So-gun city, Kagoshima Japan. The coordinates are located at latitude 31.4837°, longitude at 130.9453°. The summary details are a in following table.

Table: Summary Information of Project Nogata

Project: Nogata		
Location	So-gun city, Kagoshima Japan	
Installed Capacity	1.1 MW	
Project's area	17,497.0 sq.m.	
Average Annual Irradiance per Year	1,478.3 kWh/sq.m.	
Nominal Power	1,000.0 kW	
Peak Power	1,114.0 kWp	
FiT Price	40.0 ¥/Unit	
Off-taker	Kyushu EPCO	
Commercial Operation Date	June 2015	

- **Machinery and Equipment used in Projects**

The machinery and equipment used in solar power plant projects are PV Modules which is certified as Tier-1 class by Bloomberg New Energy Finance, Inverter and Transformer. Moreover, project has selected the machinery and equipment from well-established supplier and wide-accepted internationally. The summary details are a in following table.

Table: Summary Information of Machinery and Equipment used in Project Nogata

Machinery and Equipment	Details
PV Modules	Produced by Sopray Solar, Model SR-156P-245/250 x 4,480
Inverter	Produced by Hitachi HIVERTER, Model NP203i x 2
Transformer	Produced by Mitsubishi Model 500kVA 0.42kV/6.6kV

2.4. Projects Number 4: Saito

Project Saito locates at Saito city, Miyazaki Japan. The coordinates are located at latitude 32.03°, longitude at 131.37°. The summary details are a in following table.

Table: Summary Information of Project Saito

Project: Saito		
Location	Saito city, Miyazaki Japan	
Installed Capacity	2.2 MW	
Project's area	50,464.0 sq.m.	
Average Annual Irradiance per Year	1,484.9 kWh/sq.m.	
Nominal Power	1,980.0 kW	
Peak Power	2,230.8 kWp	
FiT Price	40.0 ¥/Unit	
Off-taker	Kyushu EPCO	
Commercial Operation Date	September 2021	

- Machinery and Equipment used in Solar Power Plant Projects

The machinery and equipment used in solar power plant projects are PV Modules which is certified as Tier-1 class by Bloomberg New Energy Finance, Inverter and Transformer. Moreover, project has selected the machinery and equipment from well-established supplier and wide-accepted internationally. The summary details are a in following table.

Table: Summary Information of Machinery and Equipment used in Project Saito

Machinery and Equipment	Details
PV Modules	Produced by JA Solar, Model JAP6-60-260/3BB x 8,580
Inverter	Produced by Hitashi Model 4 x Hiverter-NP203i (500kW) (Limited 1,980kW)
Transformer	Currently in the selection process

- Financial Information of Sun Partner Japan GK

Table: Statements of Comprehensive Income of SPJ from 2017 – 2019 and Q3 of 2019-2020

	2017		2018		2019		Quarter 3 of 2019		Quarter 3 2020	
	¥mm	%	¥mm	%	¥mm	%	¥mm	%	¥mm	%
Revenues from sales	295.9	*100.0*	107.3	*100.0*	160.4	*100.0*	124.1	*100.0*	*111.0*	*100.0*
Interest Income	0.0	*0.0*	0.0	*0.0*	1.6	*1.0*	1.6	*1.3*	*0.0*	*0.0*
Other income	410.2	*138.6*	16.3	*15.2*	0.1	*0.0*	0.1	*0.1*	*0.2*	*0.2*
Gain (Loss) on foreign exchange	(177.3)	*(59.9)*	(74.6)	*(69.5)*	(111.4)	*(69.4)*	(83.1)	*(67.0)*	*(83.4)*	*(75.2)*
Cost of sales	**528.9**	***178.7***	**49.0**	***45.7***	**50.7**	***31.6***	**42.6**	***34.4***	***27.8***	***25.0***
Gross Profit (Loss)	(21.3)	*(7.2)*	(17.9)	*(16.7)*	(4.2)	*(2.6)*	(3.2)	*(2.6)*	*(2.2)*	*(2.0)*
Selling and Administrative expenses	**507.6**	***171.5***	**31.1**	***29.0***	**46.6**	***29.0***	**39.5**	***31.8***	***25.5***	***23.0***
Profit before financial costs and income tax	(56.7)	*(19.2)*	(17.4)	*(16.2)*	(26.7)	*(16.6)*	(19.6)	*(15.8)*	*(21.3)*	*(19.2)*
Financial costs	**450.9**	***152.4***	**13.7**	***12.7***	**19.9**	***12.4***	**19.9**	***16.0***	***4.2***	***3.8***
Profit (Loss) before income tax	(4.0)	*(1.4)*	(1.8)	*(1.7)*	(2.8)	*(1.7)*	(1.6)	*(1.3)*	*(2.1)*	*(1.9)*
Income tax	**446.9**	***151.0***	**11.8**	***11.0***	**17.1**	***10.7***	**18.3**	***14.7***	***2.1***	***1.9***

Source: Financial Statements of MSP3 as of 31 December 2017 to 31 December 2019

Note: Financial Statements for Q3 2020 are prepared by management

Table: Statement of Financial Position of SPJ as of 31 December 2017 to 31 December 2019 and Q3 of 2019-2020

	31-Dec-17		31-Dec-18		31-Dec-19		Quarter 3 of 2020	
	¥mm	%	¥mm	%	¥mm	%	¥mm	%
Assets								
Cash and cash equivalents	658.6	*35.6*	230.0	*14.2*	13.4	*0.6*	8.5	*0.3*
Trade accounts and other receivable	21.0	*1.1*	190.3	*11.8*	598.1	*28.0*	795.0	*28.2*
Account receivable - Revenue Department	-	-	155.0	*9.6*	13.1	*0.6*	31.9	*1.1*
Restricted deposits at financial institutions	57.5	*3.1*	18.4	*1.1*	44.4	*2.1*	87.2	*3.1*
Other current assets	8.0	*0.4*	1.4	*0.1*	0.2	*0.0*	5.7	*0.2*
Total current assets	**745.1**	***40.3***	**595.2**	***36.8***	**669.1**	***31.3***	**928.4**	***33.0***
Deposits pledged as collateral	44.0	*2.4*	46.1	*2.9*	81.2	*3.8*	81.2	*2.9*
Property, plant and equipment	449.8	*24.3*	490.9	*30.4*	628.1	*29.4*	971.7	*34.5*
Intangible assets							114.3	*4.1*
Other non - current assets	584.2	*31.6*	464.4	*28.7*	709.9	*33.2*	715.2	*25.4*
Total non - current assets	24.8	*1.3*	20.4	*1.3*	48.2	*2.3*	5.8	*0.2*
Total Assets	**1,102.8**	***59.7***	**1,021.9**	***63.2***	**1,467.4**	***68.7***	**1,888.2**	***67.0***
Assets	**1,847.9**	***100.0***	**1,617.1**	***100.0***	**2,136.6**	***100.0***	**2,816.6**	***100.0***

	31-Dec-17		31-Dec-18		31-Dec-19		Quarter 3 of 2020	
	¥mm	%	¥mm	%	¥mm	%	¥mm	%
Liabilities								
Trade accounts and other payable	121.4	*6.6*	99.0	*6.1*	99.1	*4.6*	121.0	*4.3*
Account payable - Revenue Department	182.5	*9.9*	0.0	*0.0*	0.0	*0.0*	-	-
Current portion of long - term loan	43.7	*2.4*	43.7	*2.7*	71.5	*3.3*	71.7	*2.5*
Current portion of long - term loan, Rent							4.2	*0.1*
Short - term loan from related companies	-	-	-	-	-	-		-
Accrued income tax	4.5	*0.2*	-	-	2.0	*0.1*	0.7	*0.0*
Other current liabilities	2.3	*0.1*	13.4	*0.8*	-	-	1.1	*0.0*
Total current liabilities	**354.4**	***19.2***	**156.2**	***9.7***	**172.6**	***8.1***	**198.7**	***7.1***
Long - term loans	616.6	*33.4*	572.8	*35.4*	877.2	*41.1*	841.9	*29.9*
Rental liabilities							65.1	*2.3*
Other non-current liabilities	-	-	-	-	-	-		-
Provision for dismanting removing, and restoring of leasehold improvement	2.9	*0.2*	2.1	*0.1*	5.5	*0.3*	5.7	*0.2*
Total non - current liabilities	**619.4**	***33.5***	**575.0**	***35.6***	**882.7**	***41.3***	**912.7**	***32.4***
Total liabilities	**973.8**	***52.7***	**731.2**	***45.2***	**1,055.4**	***49.4***	**1,111.4**	***39.5***
Shareholders' Equity								-
Authorized share capital	0.0	*0.0*	0.0	*0.0*	0.0	*0.0*	0.0	*0.0*
Investment under Tokumei Kumiai	431.4	23.3	431.4	26.7	609.6	28.5	1,231.5	43.7
Retained earnings (Deficit)	442.7	24.0	454.5	28.1	471.6	22.1	473.7	16.8
Total Shareholders' equity	**874.1**	***47.3***	**885.9**	***54.8***	**1,081.2**	***50.6***	**1,705.2**	***60.5***
Total Liabilities and Shareholder's Equity	**1,847.9**	***100.0***	**1,617.1**	***100.0***	**2,136.6**	***100.0***	**2,816.6**	***100.0***

Source: Financial Statements of MSP3 as of 31 December 2017 to 31 December 2019

Note: Financial Statements for Q3 2020 are prepared by management

2.7 Total Value of Consideration

Total value of consideration will be no less than JPY 14,000.0 mm or equivalent to THB 4,114.7 mm refers to the exchange rate as of 16 December 2020 which may be subject to further adjustments as agreed by the Buyers and the Sellers. Total consideration value can be separated as follows

- **Assets A.**

  Assets A's consideration value will be no less than JPY 12,000.0 mm or equivalent to THB 3,526.9 mm, which may be subject to further adjustments as agreed by the Sellers and Buyers A. Assets A will be collectively purchased at Purchase Price A, which will be paid on the closing date of the Transaction A, which will be upon fulfillment of the conditions specified in Assets A's Sale and Purchase Agreements as shown under Section 2.10

- **Assets B.**

  Assets B's consideration value will be no less than JPY 2,000 mm or equivalent to THB 587.8 mm, which may be subject to further adjustments as agreed by the Sellers and Buyer B. ("Purchase Price B"). Which may include adjustments from debt and/or debt equivalent, cash and cash equivalent and/or each additional fund raise. The payment will consist of:

  - First payment of no less than JPY 1,8000 mm or THB 529.0 mm which will be transferred on the date that list B completed, which is the date of when all the conditions are met according to 2.10
  - Deferred payment of JPY 200.0 mm or equivalent to THB 58.7 mm paid upon the commercial operation date of Project Saito. The Company has forecasted that Project Saito's commercial operation date would be in March 2021.

2.8 Determination of the Value of Consideration

The Transaction is conducted as an auctioning sale process involving multiple potential buyers and requiring submission of their respective bidding price. Hence, the buyer will be chosen based on the consideration value were determined from selecting the highest bid received with the most favorable terms for the Sellers.

2.9 Value of the Disposed Assets

Value of the disposed assets equal to an amount of JPY 5,230.4 mm or THB 1,537.2 mm, which are separated into

- **Assets A – a total value of JPY 3,287.5 or THB 965.9 mm comprises of**
  - Book value of the 4 GK at JPY 2,517.5 mm or THB 739.9 mm based on the financial statements of the GKs for the period ending 30 September 2020, which are prepared on the TFRS basis and have been reviewed by the auditor of the Company
  - Appraised value of the plots of land at JPY 770.0 mm or equivalent to THB 226.0 mm refers to exchange rate as of 16 December 2020
- **Assets B – a total value of JPY 1,942.9 mm or THB 571.0 mm comprises of**
  - Book value of the 2 GK at JPY 1,845.4 mm or THB 542.4 mm based on the financial statements of the GKs for the period ending 30 September 2020, which are prepared on the TFRS basis and have been reviewed by the auditor of the Company
  - Appraised value of the plots of land at JPY 97.5 mm or equivalent to THB 28.6 mm.

2.10 Conditions on Entering into the Transaction

Assets A.

The Sellers will enter into the Sale and Purchase Agreements with the Buyers A, which will specify that the closing of the Transaction A is subject to the key conditions precedents including but not limited to the following:

- The shareholders' meeting of the Company has resolved to approve the Transaction
- The written approvals from lender of each project have been obtained
- The Sellers have organized Hamada Mega Solar GK into a GK-TK structure
- Both parties have prepared and delivered relevant documents to the opposite parties

Key conditions for the termination of Transaction A are as follows

- Either party may terminate the agreement if closing of Transaction A fails to occur on 31 December 2021 (which may be extended based on parties' mutual written agreement)
- Either party may terminate the agreement if the other party has breached a material obligation under the agreement
- Either party may terminate the agreement if the other party has commenced bankruptcy process, civil rehabilitation, or any other similar insolvency proceedings

Nevertheless, the Company has considered the aforementioned termination risk and view that such event is unlikely due to the fact that the buyers are experienced operators, have strong financial position, and have thoroughly conducted due diligence of the assets prior to entering into the agreements.

- Conduct repair works as agreed with the Buyers A such as tree cutting, fences improvement, or replacement of broken solar panels, all of which are general maintenance works
- Using best effort to negotiate extension of land usage consents for Project Aomori, Iwaki, and Hamada 2, all of which are operational without any hindrance

However, the Company, as a leading solar power player, has extensive experiences in constructing and developing solar power projects in Japan. Hence, the aforementioned conditions are normal operating activities of the Company and the above risk is very limited.

Assets B.

The Sellers will enter into the Sale and Purchase Agreements with the Buyer B, which will specify that the closing of the Transaction B is subject to the key conditions precedents including but not limited to the following:

- The shareholders' meeting of the Company has resolved to approve the Transaction
- The written approvals from lender of each project have been obtained
- Both parties have prepared and delivered relevant documents to the opposite parties, which includes an EPC contract and the Development Service Agreement for project Saito

Key conditions for the termination of Transaction B are as follows

- Either party may terminate the agreement if closing of Transaction B fails to occur on 31 December 2021 (which may be extended based on parties' mutual written agreement)
- Either party may terminate the agreement if the other party has breached a material obligation under the agreement
- Either party may terminate the agreement if the other party has commenced bankruptcy process, civil rehabilitation, or any other similar insolvency proceedings

Nevertheless, the Company has considered the aforementioned termination risk and view that such event is unlikely due to the fact that the buyer is an experienced operator, has strong financial position, and will have thoroughly conducted due diligence of the assets prior to entering into the agreements

After closing of the Transaction B, the Sellers shall have the following obligations.

- Conduct repair works as agreed with the Buyer B such as replacement of ground wire, debris removal from drainage, or repair of fences, all of which are general maintenance works

However, the Company, as a leading solar power player, has extensive experiences in constructing and developing solar power projects in Japan. Hence, the aforementioned conditions are normal operating activities of the Company and the above risk is very limited.

In addition to conditions precedents set out above, the following actions must be taken as a part of the post-closing obligations for Transaction B.

Project Shibushi

- The Sellers and the Buyer B must conduct necessary actions to ensure that rectification works to prevent landslide on Shibushi project has been done by Shibushi City Hall and the contractor.
- The Buyer B may terminate the purchase of project Shibushi if the rectification works do not meet the required qualification within a specified period of time.

Project Saito

- The Sellers and the Buyer B will enter into an EPC contract and Development Service Agreement to ensure that Project Saito will successfully reached COD.
- The Buyer B may terminate the purchase of project Saito if the project has not reached COD within a specified period of time.

Transaction B's conditions may be subject to further additions as agreed by the Sellers and the Buyer B

3. Appropriateness of Transactions

The Company is proposing for PSJP and RICI indirect subsidiaries of the Company with 87.4 percent ownership interest held through Chow Energy Public Company Limited ("CEPL"), to dispose of 6 subsidiaries registered in Japan which hold 9 solar power projects in Japan with a total installed of 64.2 Megawatt The disposed assets is comprising of (1) All equities interests in 6 subsidiaries ("GK") (2) All TK interests in 9 projects ("TK Interests") and (3) Plots of land held by PSJP

After the transaction, the Company will receive the return from this transaction at a minimum of JPY 14,000.0 mm or equivalent to THB 4,114.7 mm refers to exchange rate as of 16 December 2020, which may be subject to further adjustments as agreed by buyers and seller. The total value for considerations from disposing all equities in Asset A and Asset B which is the subsidiaries of CEPL would yield CEPL to generate return at a minimum of JPY 14,000.0 mm or equivalent to THB 4,114.7 mm which is higher than fair valuation of investment in subsidiaries of Asset A and Asset B's equities evaluated by Independent financial advisor which is in a range of JPY 8,112.8 – 10,151.1 or equivalent to THB 2,384.4 – 2,983.5 mm. Hence, it can be observed that the fair value is lower than the transaction value by 27.5 – 42.1 %. Therefore, the transaction price is appropriate. Independent Financial Advisor has analyzed the reason that transaction price is higher than fair valuation because the Company has offered the disposed assets through a bidding process, the transaction price is high as a result of the competitive bidding process. because buyer A and buyer B is an operator of renewable energy in Japan which enhance competitive cost of capital as well as operation and maintenance compared to the Company in terms of credibility and economy of scale.

The Company and its subsidiaries plan to use the proceed of transaction as a repayment of CEPL's loan from financial institutions. Total remaining amount of the loan is 1,864.2 THBmm. This will decrease debt to equity of the Company from 11.2 times (as of 30 September 2020) to 0.4 times and/or considering to repay Thai Baht's debt as well as to invest in the new solar power plant projects in Japan and Australia which comprises of Project AU1, Project AU2 and Project AU3 which has been disclosed via Stock Exchange of Thailand ("SET") at 14 November 2019. The project's investment is approximately AUD 236.8 mm or equivalent to THB 4,913.5 mm. However, Australia's government restricted the transportation across the country due to the Covid-19 incident which significantly affects the project's timeline for not only applying a permit from local authority but also coordination with the project contractor. Hence, the Company plan to use the project finance which is approximately THB 3,439.5 mm and the Company's source of funds approximately THB 1,474.1 mm. Moreover, the investment is

according to the Company's policy because of its expertise in developing and investing in power plants which will yield greater return than operating its own power plants in long term period.

Therefore, the transaction is a part of strategic and the Company's operation to reduce the default risk as well as seeking for new opportunity to reinvest in power plants. By disposing Asset A and Asset B would not only reduce the default risk but also providing new opportunity to continuously invest in Japan and Australia which is the Company's expertise and has the policy to invest in power plant which will reduce the default risk and providing the greater return to the shareholders.

3.1 Objectives of Transaction

- **Repayment of CEPL's Loan**

  Proceed from the Transaction will be used on repayment of CEPL's loan from financial institutions. Total remaining amount of the loan is THB 1,864.2 mm.

- **Developing of New Projects in Future**

  The remaining proceeds from loan repayment of CEPL will be used to fund development of new projects in Australia which has installed capacity of 172.8 Megawatt as follows

  - Project AU1 which has installed capacity of 30.0 Megawatt, Project AU2 which has installed capacity of 71.4 Megawatt, and Project AU3 which has installed capacity of 71.4 Megawatt. Total cost of 3 projects is expected to be approximately AUD 236.8 mm or THB 4,913.51 mm, which is to be paid within 2020. The Company plans to fund the projects through project finance loan for approximately THB 3,439.5 mm and through the Company's equity for THB 1,474.1 mm.
  - Continuous investments and development of renewable energy projects in Japan, where the Company has extensive experience

3.2 Advantages and Disadvantages of Entering into the Transaction

3.2.1 Advantage of Entering into the Transaction

1) The Transaction Price is appropriate

As per the valuation of Assets A and Assets B by using the Discounted Cash Flow approach (details mentioned in Topic 4.5), the IFA views that the fair value of Assets A and Assets B falls between JPY 8,112.8 – 10,151.1 mm or equal to between THB 2,384.4 – 2,983.5 mm with reference to the average selling rate as of 16 December 2020. The fair value of companies in Assets A and Assets B is equal to between JPY 3,848.2 – 5,887.2 mm or equal to THB 1,131.2 - 1,730.3 mm is lower than the Transaction price of no less than JPY 14,000.0 mm or equal to THB 4,114.7 mm, approximately 27.5-42.1 percent. Thus, The Transaction price is higher than the fair value of companies in Assets A and Assets B, thus, the Transaction price is appropriate.

2) The Company can use the proceeds from the Transaction as the capital to develop and/or invest in the Company's business to generate profitability of the Company

Since the Company operates the renewable energy business in Thailand and other countries as well as other related business for the purpose of diversification and business expansion to potential business. Entering into the Transaction will allow the Company to use the proceeds from the Transaction as the capital to develop and/or invest in new solar power plant projects in overseas, including in Japan and Australia which the Company is currently in the process of construction and development of new power plants projects in Thailand and other countries. The Company disclose to SET of its plan on 14 November 2019 to use the proceeds from the Transaction to invest in the new solar power plant projects in Australia with installation capacity of 172.8 MW, comprises of AU1 in South Australia state, AU2 and AU3 in Victoria state with of installation capacity 30.0 MW, 71.4 MW and 71.4 MW, respectively, which the power generated will be sold to Australia's National Energy Market. Such projects required Australian dollar 236.8 mm or equal to THB 4,913.5 mm of investment which is planned to invest the whole amount in 2020 but due to the Covid-19 pandemic situation, the process is delayed. However, the Company plans to use Project finance of THB 3,439.5 mm and THB 1,474.1 mm of equity to fund the projects in Australia. The Company also set investment and development plan of new projects in Japan and Thailand to further generate the profitability of the Company.

3) The Company can use the proceeds from the Transaction to repay debt of the Company or its subsidiaries to lessen its Debt to Equity Ratio

Entering into the Transaction allows the Company to use the proceeds to repay debt of CEPL, a subsidiary of the Company in the remaining amount of THB 1,864.2 mm and the Company's other financial obligations which are due in February and/or March 2021 and allows the Company to lessen its Debt-to-Equity ratio from 10.0 to 0.4 times (as of 30 September 2020)

The IFA provides the pro forma financial statement of the Company after entering into the Transaction (as if the financial statement of Assets A and Assets B are not consolidated) as follow;

Unit: Mm THB	Before	After
Cash and cash equivalent	163.4	862.2
Total Assets	10,655.2	4,862.6
Interest Bearing Debt (IBD)	9,299.4	470.7
Total Liabilities	9,683.5	1,357.8
Total Equity	971.7	3,504.8
Interest Bearing Debt to Equity Ratio (IBD/E)	9.6 times	0.1 times
Debt to Equity Ratio (D/E)	10.0 times	0.4 times

Source: Financial statement of the Company as of 30 September 2020

Financial statement of GK as of 30 September 2020 which is prepared under Thailand's accounting standard and verified by licensed auditor

4) Opportunity to get strategic partner

Since Buyer[1]A, A consortium of renewable energy players in Japan, which is led by a subsidiary of a diversified energy such as petroleum energy and renewable energy players in Japan and worldwide and a company in the financial institution in Japan which both listed on the Tokyo Stock Exchange and Buyer B, a renewable energy player with specialty in solar power projects in Japan. Thus, this Transaction increase opportunity to the Company to have another strategic partner for future client base and business expansion as CEPL, the subsidiary of CHOW operates on solar power production and distribution and related business, including solar power project consultancy, distribution of equipment in relation to solar power plants construction and strategic distribution of solar power plants. Moreover, the CEPL's vision and policy is invest in

[1] IFA is unable to disclose the name of the buyers due to the Non-Disclosure Agreement binding between the Company and the buyers

and develop renewable energy projects from pre-construction phase until the project is operational. In this regard, the Company has received multiple interests from renewable energy players in the market and sees the opportunity to conduct sale process of the projects in order to reinvest the sale proceeds into developing further new projects. The Company will have strategic partners who are energy business with potential to further develop new projects and sell power plants to create profitability to the Company in the future.

3.2.2 Disadvantage of Entering into the Transaction

1) The loss of revenue from the operation of Companies of Assets A and Assets B

Since the solar power generation and distribution has potential to create long term profitability. Disposal of Assets A and Assets B which operate 9 solar power plants cause the loss of revenue the Company should receive from the operation of the Companies of Assets A and Assets B. However, the Company is specialized in investment and development of power plant and investment in new power plant projects will generate higher returns than generated from operating power plants, especially to expand the investment opportunity in Australia which has high renewable power purchasing demand.

3) Additional obligation from entering into the Transaction

Since the Transaction value is equal to 151.3 percent, calculated by applying Net Tangible Assets Basis and is deemed as a disposal of assets of a listed company pursuant to Section 89/29 of the Securities and Exchange Act, the Notification of the Capital Market Supervisory Board No. TorChor.20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and Notification of the Board of the Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, 2004 (collectively, the "**Asset Acquisition or Disposal Notification**"). The Company has no other asset dispositions during the six months preceding this Transaction. As such, the Transaction is classified as Class 1 Asset Disposition Transaction, requiring a disclosure of an information memorandum on the Transaction to the Stock Exchange of Thailand ("**SET**"), a shareholders' meeting to approve the Transaction, and an appointment of an independent financial advisor to provide opinions on entering into the Transaction which cause additional expenses on the Company. However, such additional expense is not considered as significant compared to the benefit the Company will gain from entering into the Transaction.

3.3 Risk Factors

3.3.1 Risk Factors before entering into the Transaction

1) Risk of not getting approval from the shareholders' meeting

The Transaction is deemed as a disposal of assets of a listed company pursuant to Section 89/29 of the Securities and Exchange Act, the Notification of the Capital Market Supervisory Board No. TorChor.20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and Notification of the Board of the Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, 2004 The highest transaction value is 151.3 percent, calculated by applying Net Tangible Assets Basis based on the financial statements for the period ending 30 September 2020. The Company has no other asset dispositions during the six months preceding this Transaction. As such, the Transaction is classified as Class 1 Asset Disposition Transaction, requiring a disclosure of an information memorandum on the Transaction to SET and require a shareholders' meeting to approve the Transaction with no less than three-fourths of all votes. The Company, hence, has a risk of having disapproval from the shareholder' meeting, which the Company may encounter to the expenses in entering into the Transaction preparation such as documentation and holding the bidding. However, since the entering into the Transaction will benefit the Company, the shareholder's meeting shall approve the Transaction.

2) Risk of unable to complete or delay the sale-purchase transaction

Since there are condition precedents in entering into the Transaction (detail in the topic 2.10), which the Company will enter into the Sale and Purchase Agreements with the Buyers A, which will specify that the closing of the Transaction A is subject to the key condition precedents. Therefore, there is a risk that some of the condition precedents may not be accomplished which cause the delay or inability to complete the sale-purchase transaction. However, considering qualification and capacity of the buyers and the Company, the IFA views that there is only small chance that there will be burden to complete the condition precedents. However, the condition precedents are expected to be completed by January 2021 before the completion of Transaction.

3.3.2 Risk Factors after entering into the Transaction

1) Risk of change in exchange rate

Since the proceeds from the Transaction is in Japanese JPY currency while the Company might have to repay its financial obligation in Thai Baht, including to invest in the new projects in Australia in Australian Dollar currency. Hence, the Company may have exchange rate risk, in case of significant change of the exchange rate, which the proceeds might not sufficient the repayment in Thai Baht and investment in Australian Dollar as planned. However, the IFA views that the maturity period of the financial obligation to be repaid in Thai Baht, with the timing of the transaction to be completed and receiving the proceeds is very close. The change in exchange rate, thus, is unlikely to result in significant fluctuation which will cause burden of the use of the proceeds to repay the financial obligation in Thai Baht and to invest in the new projects in Australia.

2) Risk of delay or unsuccess of investment in new projects

Due to the investment in construction and development of new power plant projects in Japan and Australia require the compliance with laws and regulations of such countries, include the acquisition of land on the project sites, obtaining licenses, including entering into power purchase agreements which requires the potential, expertise and reliability of the entity, especially foreign companies to invest and operate. Therefore, there is a risk of investment and construction or development of solar power plant projects in both countries, where there may be delays or unsuccess. However, The Company has experience, expertise and potential in the investment and development of solar power plant projects and licensing and to enter into power purchase agreements and have currently operating solar power plants in both countries.

3) Risk of the performance of the new projects are not as expected

Due to the investment after the transaction in the new solar power plant which may have a risk of the future performance may not be as expected due to economic conditions or other factors such as lower demand for electricity or changes in the unit of power purchase or change in form of renewable energy generation or power generation which may result in decrease or non-expected revenue. However, since the Company has expertise and experience in investment and development of power plant projects abroad, therefore, it is unlikely that the revenue from the operation under normal situation will be significantly overestimated.

4) Risk of the increase of interest rate

Since investing in new projects may require project finance, there may be a risk that the loan interest rate might increase which may result in higher construction and development costs and causing less return on new development than expected. However, the Company has a policy to manage interest rate swap stipulated in loan agreements with financial institutions.

4. Valuation of Assets A and Assets B

In order to evaluate the fair equity value of Assets A and Assets B, the IFA gathered and considered information from the Company based on an interview with the management and employees, and all other public information and information received from the Company. The IFA refers mainly to the group of companies in Assets A and Assets B's historical 3-year TFRS financial statements from that of December 31, 2019 reviewed by EY Company Limited, in which are the financial statements that reflected in the Company's consolidated financial statements. Moreover, the IFA refers to the group of companies in Assets A and Assets B's historical 3-year financial statements from that of December 31, 2019 reviewed by Akasaka Audit LLC, which is the auditing firm based in Japan, for the income tax assumptions. However, the IFA opinion is based on the assumption that such information and document are correct, complete and accurate, which is considered under current circumstance and information available. Significant changes in business operation may change the enterprise value's evaluation and shareholders' decision in considering the fair value. The valuation of Assets A and Assets B will include the 3 types of assets, which are (1) all shares in the group of companies of Assets A and Assets B. (GK) (2) TK investment in all of the 9 solar power projects and (3) land used in the solar power plant projects owned by PSJP. The IFA has performed the valuation of Assets A and Assets B's equity value based on 5 approaches as follows:

- Book Value Approach
- Adjusted Book Value Approach
- Market Comparable Approach consisted of two approaches:
  - Price to Book Value Approach: ("P/BV")
  - Price to Earning Approach: ("P/E")
  - Enterprise Value to Earnings Before Interest, Tax, Depreciation and Amortization: ("EV/EBITDA")
- Transaction Comparable Approach
- Discounted Cash Flow Approach

4.1 Book Value Approach

Book Value Approach is the approach that values net asset value or total equity based on company financial statement at a single moment. The IFA used the book value according to the group of companies in Assets A and Assets B's consolidated financial statement as of 31 December 2019 which reflects the value of GK shares, TK investments, and the value of land used in the solar power plant projects owned by PSJP. With the sum of the parts calculation method, the IFA calculated the equity value of each company in Assets A and Assets B and add them together to be the equity value of the group of companies in Assets A and Assets B. The details are as follows:

Table of Book Value Approach

Equity (Financial Statement) Unit : ¥mm	31 December 2019								
	Assets A					Assets B			Total
	MSP3	HMS	CCH	SE	Total	GS	SPJ	Total	
Paid-up capital	1,195.8	320.0	595.4	765.5	2,876.7	2.3	609.7	612.0	3,488.7
Appropriated retained earnings	(387.6)	(72.5)	(53.6)	(30.5)	(544.2)	6.5	471.6	478.1	(66.1)
Total shareholders' equity	**808.2**	**247.5**	**541.8**	**735.0**	**2,332.5**	**8.8**	**1,081.2**	**1,090.0**	**3,422.6**
Land value[1/]	301.0	242.0	227.0	-	770.0	-	97.5	97.5	867.5
Total equity value					**3,102.5**			**1,187.5**	**4,290.1**

Note: 1/ Based on the land value in Company's consolidated financial statements, in which the Company had arranged for the appraisal of land price by an independent appraiser by using the income approach in 2017.

Source: The group of companies in Assets A and Assets B's consolidated financial statements as of 31 December 2019

The valuation by the book value approach indicates that Assets A's equity value is equal to JPY 3,102.5 mm and Assets B's equity value is equal to JPY 1,187.5 mm, totaling of JPY 4,290.1 mm which is lower than the minimum transaction price of Assets A and Assets B of JPY 14,000.0 mm by JPY 9,709.9 mm or 69.4% of the minimum transaction price of Assets A and Assets B. However, the share value calculated from this approach may not reflect the fair value of Assets A and Assets B at the present and in the future since it does not take future performance, economy and industry trend.

4.2 Adjusted Book Value Approach

This valuation approach determines the valuation of net assets on balance sheet or value of equity on the group of companies in Assets A and Assets B's financial statements as of 31 December 2019, which reflects the value of GK shares, TK investments, and the value of land used in the solar power plant projects owned by PSJP. Then, the IFA adjusted the value by the items which would occur after the date on the financial statements. In 2020, there had been an increased in shareholders' equity of 3 companies; SE, GS, and SPJ, due to TK injections. With the sum of the parts calculation method, the IFA calculated the equity value of each company in Assets A and Assets B and add them together to be the equity value of Assets A and Assets B. The details are as follows:

Table of Adjusted Book Value Approach

Equity (Financial Statement) Unit : ¥mm	31 December 2019								
	Assets A					Assets B			Total
	MSP3	HMS	CCH	SE	Total	GS	SPJ	Total	
Paid-up capital	1,195.8	320.0	595.4	765.5	2,876.7	2.3	609.7	612.0	3,488.7
Appropriated retained earnings	(387.6)	(72.5)	(53.6)	(30.5)	(544.2)	6.5	471.6	478.1	(66.1)
Total shareholders' equity	**808.2**	**247.5**	**541.8**	**735.0**	**2,332.5**	**8.8**	**1,081.2**	**1,090.0**	**3,422.6**
Add: Land value[1/]	301.0	242.0	227.0	-	770.0	-	97.5	97.5	867.5
Equity value, including land value					**3,102.5**			**1,187.5**	**4,290.1**
Add: TK Injections				81.7[2/]	81.7	87.0[3/]	621.9[4/]	708.9	790.6
Adjusted equity value					**3,184.2**			**1,896.4**	**5,080.7**

Note: 1/ Based on the land value in Company's consolidated financial statements, in which the Company had arranged for the appraisal of land price by an independent appraiser by using the income approach in 2017.
2/ TK Injection in SE on February 26, 2020
3/ TK Injection in GS on April 30, 2020
4/ TK Injection in SPJ of 200.0 ¥mm on May 25, 2020 and 421.9 ¥mm on June 19, 2020

Source: The group of companies in Assets A and Assets B's financial statements as of 31 December 2019

For the adjusted book valuation, the IFA used the book value of 3,422.6 ¥mm, according to the group of companies in Assets A and Assets B's financial statements as of 31 December 2019, and add each solar power plant projects' land value which is JPY 770.0 mm for Assets A and JPY 97.5 mm for Assets B, totaling of JPY 867.5 mm. Then, the IFA adjusted the value by the TK injections in SPJ, SE, and GS, totaling JPY 790.6 mm. As a result, Assets A's adjusted equity value is equal to JPY 3,184.2 mm and Assets B's adjusted equity value is equal to 1,896.4 ¥mm, totaling of 5,080.7 ¥mm which is lower than the minimum transaction price of Assets A and Assets B of JPY 14,000.0 mm by JPY 8,919.3 mm or 63.7% of the minimum transaction price of Assets A and Assets B. However, the share value calculated from

this approach may not reflect the fair value of Assets A and Assets B at the present and in the future since it does not take future performance, economy and industry trend.

4.3 Market Comparable Approach

Market comparable approach is the equity valuation of the group of companies in Assets A and Assets B based on assumption that companies operating similar or identical business should have similar market value ratio. In the comparable company selection for the equity valuation of the group of companies in Assets A and Assets B, the selected comparable companies may have some differences such as accounting policy, investment policy, company size, revenue structure, cost structure, source of other revenues and business performance, etc. Therefore, comparison of comparable companies with similar business may not cover all of similarities and may have some differences as aforementioned.

The IFA uses the following financial ratios in the calculation of equity value of Assets A and Assets B:

1. Price to Earnings Ratio: "P/E"

2. Price to Book Value Ratio: "P/BV"

3. Enterprise Value to Earnings Before Interest, Taxes, Depreciation, and Amortization: "EV/EBITDA"

The value will then be added by the value of the PSJP's land used in the solar power plant projects for both Assets A and Assets B.

The IFA has selected the comparable companies by considering the following criteria:

- Operating in solar power sector with the significant shares of revenue from solar power electrical generation
- Have the historical 12-month revenue between JPY 1,000.0 – 5,000.0 mm
- Have power capacity not exceeding 300.0 MW
- Is listed in Asia[1]

In this regard, the IFA had considered the appropriateness and different risks of each stock exchange market in different countries. However, with the limitation of the number of comparable companies with

[1] Since there is only 1 comparable company operating in similar businesses with the group of companies in Assets A and Assets B, that is; conducting electricity generating business with solar power; earning the historical 12-momth revenue between JPY 1,000.0 – 5,000.0 mm; have power capacity not exceeding 300.0 MW; and listed in the Tokyo Stock Exchange ("TSE"), the IFA deems it appropriate to expand the scope of the regional considerations comparable to Asia.

similar properties to the offering assets (which includes the business characteristics, income level, and power capacity), the IFA needs to choose the comparable companies from other stock exchange markets to further expand the reference sample group in order to minimize informational bias and get more appropriate indexes to be referred to in the valuation. The IFA considered that the Asian listed companies are suitable as comparable companies since the light intensity is not significantly different within the region. Nevertheless, the IFA believes that revenue and power capacity are better indicators that should be considered in selecting comparable companies in the solar power sector than the country origin of the company as businesses in the solar power sector are quite similar in each country. Comparable companies and their business description can be summarized as follows:

Table of Comparable Companies

Company	Business Description	Country	MW
Shanghai Lingyun Industries Development Co., Ltd.	Constructs and operates electric photovoltaic power generation projects. It operates a 100 megawatts photovoltaic power station in Baiyin, China.	China	100.0
SDS HOLDINGS Co., Ltd.	Engages in renewable energy and energy saving business in Japan. Its renewable energy includes biogas, solar, and biomass. The company also engages in the manufacture and sale of energy saving related products.	Japan	0.5
Waa Solar Limited	Engages in solar power generation activities in India. The company develops and operates a 10.3 MW solar power plant at Surendranagar, Gujarat; a 0.1 MW solar power plant at Raja Bhoj airport in Bhopal; and a 10.4 MW solar power project in Koppal, Karnataka. It also operates solar power projects of 4.0 MW in Mansa, Punjab; and 4.3 MW in Vadodara, Gujarat.	India	20.7
Prime Road Power Public Company Limited	Operates as a renewable energy project developer. The company has solar power plants with a total of 131.6 MW in Thailand and 77.3 MW in other countries.	Thailand	208.9

Source: Capital IQ[1] as of 17 December 2020

[1] S&P Capital IQ is a company that specializes in providing information to conduct the analysis and uses same standard principles and criteria of the preparation as those of listed companies worldwide. With a professional team of over 4,000 employees worldwide, the company covers the basics in depth both in Thailand and abroad. The offered information consists of financial information, development of companies and other information that has international quality for fundamental analysis.

1) Price to Book Value Approach: "P/BV"

The equity valuation under P/BV is based on the book value of each company in Assets A and Assets B as of 31 December 2019 as shown in the Book Value Approach, multiplied by the median of P/BV ratio of comparable companies for the past 7 – 360 working days which equal to 2.5 – 2.8 times. With the sum of the parts calculation method, the IFA calculated the equity value of each company in Assets A and Assets B and add them together with the value of lands used in operation of solar power plant projects, to be the equity value of Assets A and Assets B. The detailed calculation of each company are as follows:

Table of P/BV Approach of MSP3

MSP3	P/BV Ratio								
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Shanghai Lingyun Industries Development Co., Ltd.	2.3	2.4	2.5	2.5	2.5	2.6	2.4	2.4	2.5
SDS HOLDINGS Co., Ltd.	16.1	17.8	16.9	14.1	13.4	13.0	11.5	10.9	10.9
Waa Solar Limited	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1
Prime Road Power Public Company Limited	3.0	3.1	3.1	3.1	3.2	3.0	2.6	2.5	3.1
Median of P/BV	**2.7**	**2.7**	**2.8**	**2.8**	**2.8**	**2.8**	**2.5**	**2.5**	**2.8**
Book value of MSP3	808.2	808.2	808.2	808.2	808.2	808.2	808.2	808.2	808.2
Equity value of MSP3	**2,173.2**	**2,191.3**	**2,247.0**	**2,235.5**	**2,290.6**	**2,244.6**	**2,016.1**	**1,996.0**	**2,259.0**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

Source: Capital IQ as of 17 December 2020
Financial statement of MSP3 as of 31 December 2019

The equity value using P/BV approach of MSP3 is between JPY 1,996.0 – 2,290.6 mm.

Table of P/BV Approach of HMS

HMS	P/BV Ratio								
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Shanghai Lingyun Industries Development Co., Ltd.	2.3	2.4	2.5	2.5	2.5	2.6	2.4	2.4	2.5
SDS HOLDINGS Co., Ltd.	16.1	17.8	16.9	14.1	13.4	13.0	11.5	10.9	10.9
Waa Solar Limited	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1
Prime Road Power Public Company Limited	3.0	3.1	3.1	3.1	3.2	3.0	2.6	2.5	3.1
Median of P/BV	**2.7**	**2.7**	**2.8**	**2.8**	**2.8**	**2.8**	**2.5**	**2.5**	**2.8**
Book value of HMS	247.5	247.5	247.5	247.5	247.5	247.5	247.5	247.5	247.5
Equity value of HMS	**665.6**	**671.1**	**688.2**	**684.7**	**701.6**	**687.5**	**617.5**	**611.3**	**691.9**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

Source: Capital IQ as of 17 December 2020
Financial statement of HMS as of 31 December 2019

The equity value using P/BV approach of HMS is between JPY 611.3 – 701.6 mm.

Table of P/BV Approach of CCH

CCH	P/BV Ratio								
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Shanghai Lingyun Industries Development Co., Ltd.	2.3	2.4	2.5	2.5	2.5	2.6	2.4	2.4	2.5
SDS HOLDINGS Co., Ltd.	16.1	17.8	16.9	14.1	13.4	13.0	11.5	10.9	10.9
Waa Solar Limited	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1
Prime Road Power Public Company Limited	3.0	3.1	3.1	3.1	3.2	3.0	2.6	2.5	3.1
Median of P/BV	**2.7**	**2.7**	**2.8**	**2.8**	**2.8**	**2.8**	**2.5**	**2.5**	**2.8**
Book value of CCH	541.8	541.8	541.8	541.8	541.8	541.8	541.8	541.8	541.8
Equity value of CCH	**1,456.9**	**1,469.1**	**1,506.4**	**1,498.7**	**1,535.6**	**1,504.8**	**1,351.6**	**1,338.1**	**1,514.5**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

Source: Capital IQ as of 17 December 2020
Financial statement of CCH as of 31 December 2019

The equity value using P/BV approach of CCH is between JPY 1,338.1 – 1,535.6 mm.

Table of P/BV Approach of SE

SE	P/BV Ratio								
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Shanghai Lingyun Industries Development Co., Ltd.	2.3	2.4	2.5	2.5	2.5	2.6	2.4	2.4	2.5
SDS HOLDINGS Co., Ltd.	16.1	17.8	16.9	14.1	13.4	13.0	11.5	10.9	10.9
Waa Solar Limited	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1
Prime Road Power Public Company Limited	3.0	3.1	3.1	3.1	3.2	3.0	2.6	2.5	3.1
Median of P/BV	**2.7**	**2.7**	**2.8**	**2.8**	**2.8**	**2.8**	**2.5**	**2.5**	**2.8**
Book value of SE	735.0	735.0	735.0	735.0	735.0	735.0	735.0	735.0	735.0
Equity value of SE	**1,976.2**	**1,992.7**	**2,043.3**	**2,032.9**	**2,083.0**	**2,041.2**	**1,833.4**	**1,815.1**	**2,054.3**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

Source: Capital IQ as of 17 December 2020
Financial statement of SE as of 31 December 2019

The equity value using P/BV approach of SE is between JPY 1,815.1 – 2,083.0 mm.

Table of P/BV Approach of GS

GS	P/BV Ratio								
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Shanghai Lingyun Industries Development Co., Ltd.	2.3	2.4	2.5	2.5	2.5	2.6	2.4	2.4	2.5
SDS HOLDINGS Co., Ltd.	16.1	17.8	16.9	14.1	13.4	13.0	11.5	10.9	10.9
Waa Solar Limited	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1
Prime Road Power Public Company Limited	3.0	3.1	3.1	3.1	3.2	3.0	2.6	2.5	3.1
Median of P/BV	**2.7**	**2.7**	**2.8**	**2.8**	**2.8**	**2.8**	**2.5**	**2.5**	**2.8**
Book value of GS	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8
Equity value of GS	**23.7**	**23.9**	**24.5**	**24.4**	**25.0**	**24.5**	**22.0**	**21.8**	**24.7**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

Source: Capital IQ as of 17 December 2020
Financial statement of GS as of 31 December 2019

The equity value using P/BV approach of GS is between JPY 21.8 – 25.0 mm.

Table of P/BV Approach of SPJ

SPJ	P/BV Ratio								
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Shanghai Lingyun Industries Development Co., Ltd.	2.3	2.4	2.5	2.5	2.5	2.6	2.4	2.4	2.5
SDS HOLDINGS Co., Ltd.	16.1	17.8	16.9	14.1	13.4	13.0	11.5	10.9	10.9
Waa Solar Limited	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1
Prime Road Power Public Company Limited	3.0	3.1	3.1	3.1	3.2	3.0	2.6	2.5	3.1
Median of P/BV	**2.7**	**2.7**	**2.8**	**2.8**	**2.8**	**2.8**	**2.5**	**2.5**	**2.8**
Book value of SPJ	1,081.2	1,081.2	1,081.2	1,081.2	1,081.2	1,081.2	1,081.2	1,081.2	1,081.2
Equity value of SPJ	**2,907.2**	**2,931.5**	**3,006.0**	**2,990.6**	**3,064.4**	**3,002.9**	**2,697.1**	**2,670.2**	**3,022.1**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

Source: Capital IQ as of 17 December 2020
Financial statement of SPJ as of 31 December 2019

The equity value using P/BV approach of SPJ is between JPY 2,670.2 – 3,064.4 mm.

Therefore, the calculation of the total equity value of Assets A and Assets B using the P/BV approach is as follows:

Table of Total Equity Value Using P/BV Approach

Unit : ¥mm	Equity Value	
	Minimum	Maximum
Assets A		
MSP3	1,996.0	2,290.6
HMS	611.3	701.6
CCH	1,338.1	1,536.0
SE	1,815.1	2,083.0
Land value of Assets A[1/]	770.0	770.0
Total equity value of Assets A	**6,530.5**	**7,380.8**
Assets B		
GS	21.8	25.0
SPJ	2,670.2	3,064.4
Land value of Assets B[1/]	97.5	97.5
Total equity value of Assets B	**2,789.5**	**3,186.9**
Total equity value	**9,320.1**	**10,567.7**

Note: 1/ Based on the land value in Company's consolidated financial statements, in which the Company had arranged for the appraisal of land price by an independent appraiser by using the income approach in 2017.

Source: Capital IQ as of 17 December 2020

Financial statement of the group of companies in Assets A and Assets B as of 31 December 2019

Median of P/BV ratio of comparable companies over the past 12 months is 2.5 – 2.8 times which indicates Assets A's equity value ranging between JPY 6,530.5 – 7,380.8 mm and Assets B's equity value ranging between JPY 2,789.5 – 3,186.9 mm, totaling of JPY 9,320.1 – 10,567.7 mm which is lower than the minimum transaction price of Assets A and Assets B of JPY 14,000.0 mm by JPY 3,432.3 – 4,679.9 mm or 24.5% – 33.4% of the minimum transaction price of Assets A and Assets B. However, the equity value from this approach might not reflect the fair value of Assets A and Assets B since it does not take differences of each company such as revenue structure, capital structure, future performance, and current and future capacity in to consideration. Thus, this valuation approach might not reflect the fair value.

2) Price to Earnings Approach: "P/E"

The equity valuation under P/E is based on the net income[1] of each company in Assets A and Assets B as stated in the financial statements from the year 2019 in which reflects the GK share value and TK investments, multiplied by the median of P/E ratio of comparable companies for the past 7 – 360 working days which equal to 22.1 – 27.9 times. With the sum of the parts calculation method, the IFA calculated the equity value of each company in Assets A and Assets B and add them together with the value of lands used in operation of solar power plant projects, to be the equity value of Assets A and Assets B.

Since the Transaction is the sale of all companies in the group of companies in Assets A and Assets B, therefore, using the sum of the parts method is to reflect the total equity value of all companies. Even with the equity valuation of P/E approach, using information from the financial statements as of December 31, 2019, some companies in Assets A and Assets B have reported net losses. In which, as a result, the equity values of such companies are negative, the IFA still considered it appropriate to include those negative equity values in calculation of the total equity value. This is because it reflects the total value of the group of companies in Assets A and Assets B. The detailed calculation of each company in Assets A and Assets B are as follows:

[1] The IFA used the net income of the group of companies in Assets A and Assets B and adjusted out the non-recurring items which are other incomes and gain/loss from foreign exchange (Normalized Profit)

Table of P/E Approach of MSP3

MSP3	P/E Ratio								
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Shanghai Lingyun Industries Development Co., Ltd.	44.0	45.0	46.7	46.9	47.7	48.6	44.8	46.3	47.9
SDS HOLDINGS Co., Ltd.[1/]	(10.6)	(11.7)	(11.1)	(9.3)	(8.8)	(8.5)	(7.5)	(7.1)	(7.1)
Waa Solar Limited	3.7	3.4	3.0	2.7	2.3	2.0	1.8	1.8	1.8
Prime Road Power Public Company Limited	27.1	27.0	27.4	27.1	27.9	26.5	23.3	22.1	27.2
Median of P/E	**27.1**	**27.0**	**27.4**	**27.1**	**27.9**	**26.5**	**23.3**	**22.1**	**27.2**
Net income of MSP3	(46.2)	(46.2)	(46.2)	(46.2)	(46.2)	(46.2)	(46.2)	(46.2)	(46.2)
Equity value of MSP3	**(1,250.7)**	**(1,249.4)**	**(1,268.2)**	**(1,252.9)**	**(1,290.9)**	**(1,225.8)**	**(1,075.3)**	**(1,023.4)**	**(1,255.6)**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

1/ As the net income of SDS HOLDINGS Co., Ltd. is negative, the IFA did not incorporate the information of SDS HOLDINGS Co., Ltd. in the equity valuation using the P/E approach.

Source: Capital IQ as of 17 December 2020

Financial statement of MSP3 as of 31 December 2019

The equity value using P/E approach of MSP3 is between JPY (1,290.9) – (1,023.4) mm, which is resulted from the net loss of JPY (46.2) mm of MSP3 for the year 2019.

Table of P/E Approach of HMS

HMS	P/E Ratio								
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Shanghai Lingyun Industries Development Co., Ltd.	44.0	45.0	46.7	46.9	47.7	48.6	44.8	46.3	47.9
SDS HOLDINGS Co., Ltd.[1/]	(10.6)	(11.7)	(11.1)	(9.3)	(8.8)	(8.5)	(7.5)	(7.1)	(7.1)
Waa Solar Limited	3.7	3.4	3.0	2.7	2.3	2.0	1.8	1.8	1.8
Prime Road Power Public Company Limited	27.1	27.0	27.4	27.1	27.9	26.5	23.3	22.1	27.2
Median of P/E	**27.1**	**27.0**	**27.4**	**27.1**	**27.9**	**26.5**	**23.3**	**22.1**	**27.2**
Net income of HMS	89.4	89.4	89.4	89.4	89.4	89.4	89.4	89.4	89.4
Equity value of HMS	**2,417.5**	**2,415.0**	**2,451.5**	**2,421.7**	**2,495.2**	**2,369.4**	**2,078.5**	**1,978.2**	**2,427.0**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

1/ As the net income of SDS HOLDINGS Co., Ltd. is negative, the IFA did not incorporate the information of SDS HOLDINGS Co., Ltd. in the equity valuation using the P/E approach.

Source: Capital IQ as of 17 December 2020

Financial statement of HMS as of 31 December 2019

The equity value using P/E approach of HMS is between JPY 1,978.2 – 2,495.2 mm.

Table of P/E Approach of CCH

CCH	P/E Ratio								
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Shanghai Lingyun Industries Development Co., Ltd.	44.0	45.0	46.7	46.9	47.7	48.6	44.8	46.3	47.9
SDS HOLDINGS Co., Ltd.[1/]	(10.6)	(11.7)	(11.1)	(9.3)	(8.8)	(8.5)	(7.5)	(7.1)	(7.1)
Waa Solar Limited	3.7	3.4	3.0	2.7	2.3	2.0	1.8	1.8	1.8
Prime Road Power Public Company Limited	27.1	27.0	27.4	27.1	27.9	26.5	23.3	22.1	27.2
Median of P/E	**27.1**	**27.0**	**27.4**	**27.1**	**27.9**	**26.5**	**23.3**	**22.1**	**27.2**
Net income of CCH	(32.7)	(32.7)	(32.7)	(32.7)	(32.7)	(32.7)	(32.7)	(32.7)	(32.7)
Equity value of CCH	**(883.5)**	**(882.6)**	**(895.9)**	**(885.0)**	**(911.9)**	**(865.9)**	**(759.6)**	**(722.9)**	**(886.9)**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

1/ As the net income of SDS HOLDINGS Co., Ltd. is negative, the IFA did not incorporate the information of SDS HOLDINGS Co., Ltd. in the equity valuation using the P/E approach.

Source: Capital IQ as of 17 December 2020

Financial statement of CCH as of 31 December 2019

The equity value using P/E approach of CCH is between JPY (911.9) – (722.9) mm, which is resulted from the net loss of JPY (32.7) mm of CCH for the year 2019.

Table of P/E Approach of SE

SE	P/E Ratio								
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Shanghai Lingyun Industries Development Co., Ltd.	44.0	45.0	46.7	46.9	47.7	48.6	44.8	46.3	47.9
SDS HOLDINGS Co., Ltd.[1/]	(10.6)	(11.7)	(11.1)	(9.3)	(8.8)	(8.5)	(7.5)	(7.1)	(7.1)
Waa Solar Limited	3.7	3.4	3.0	2.7	2.3	2.0	1.8	1.8	1.8
Prime Road Power Public Company Limited	27.1	27.0	27.4	27.1	27.9	26.5	23.3	22.1	27.2
Median of P/E	**27.1**	**27.0**	**27.4**	**27.1**	**27.9**	**26.5**	**23.3**	**22.1**	**27.2**
Net income of SE	(9.3)	(9.3)	(9.3)	(9.3)	(9.3)	(9.3)	(9.3)	(9.3)	(9.3)
Equity value of SE	**(252.3)**	**(252.1)**	**(255.9)**	**(252.8)**	**(260.5)**	**(247.3)**	**(217.0)**	**(206.5)**	**(253.3)**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

1/ As the net income of SDS HOLDINGS Co., Ltd. is negative, the IFA did not incorporate the information of SDS HOLDINGS Co., Ltd. in the equity valuation using the P/E approach.

Source: Capital IQ as of 17 December 2020

Financial statement of SE as of 31 December 2019

The equity value using P/E approach of SE is between JPY (260.5) – (206.5) mm, which is resulted from the net loss of JPY (9.3) mm of SE for the year 2019.

Table of P/E Approach of GS

GS	P/E Ratio								
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Shanghai Lingyun Industries Development Co., Ltd.	44.0	45.0	46.7	46.9	47.7	48.6	44.8	46.3	47.9
SDS HOLDINGS Co., Ltd.[1/]	(10.6)	(11.7)	(11.1)	(9.3)	(8.8)	(8.5)	(7.5)	(7.1)	(7.1)
Waa Solar Limited	3.7	3.4	3.0	2.7	2.3	2.0	1.8	1.8	1.8
Prime Road Power Public Company Limited	27.1	27.0	27.4	27.1	27.9	26.5	23.3	22.1	27.2
Median of P/E	**27.1**	**27.0**	**27.4**	**27.1**	**27.9**	**26.5**	**23.3**	**22.1**	**27.2**
Net income of GS	(4.9)	(4.9)	(4.9)	(4.9)	(4.9)	(4.9)	(4.9)	(4.9)	(4.9)
Equity value of GS	**(132.6)**	**(132.5)**	**(134.5)**	**(132.8)**	**(136.9)**	**(130.0)**	**(114.0)**	**(108.5)**	**(133.1)**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

1/ As the net income of SDS HOLDINGS Co., Ltd. is negative, the IFA did not incorporate the information of SDS HOLDINGS Co., Ltd. in the equity valuation using the P/E approach.

Source: Capital IQ as of 17 December 2020

Financial statement of GS as of 31 December 2019

The equity value using P/E approach of GS is between JPY (136.9) – (108.5) mm, which is resulted from the net loss of JPY (4.9) mm of GS for the year 2019 as Nihonmatsu 3 plant is not yet to be operated.

Table of P/E Approach of SPJ

SPJ	P/E Ratio								
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Shanghai Lingyun Industries Development Co., Ltd.	44.0	45.0	46.7	46.9	47.7	48.6	44.8	46.3	47.9
SDS HOLDINGS Co., Ltd.[1/]	(10.6)	(11.7)	(11.1)	(9.3)	(8.8)	(8.5)	(7.5)	(7.1)	(7.1)
Waa Solar Limited	3.7	3.4	3.0	2.7	2.3	2.0	1.8	1.8	1.8
Prime Road Power Public Company Limited	27.1	27.0	27.4	27.1	27.9	26.5	23.3	22.1	27.2
Median of P/E	**27.1**	**27.0**	**27.4**	**27.1**	**27.9**	**26.5**	**23.3**	**22.1**	**27.2**
Net income of SPJ	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0
Equity value of SPJ	**460.8**	**460.3**	**467.3**	**461.6**	**475.6**	**451.6**	**396.2**	**377.1**	**462.6**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

1/ As the net income of SDS HOLDINGS Co., Ltd. is negative, the IFA did not incorporate the information of SDS HOLDINGS Co., Ltd. in the equity valuation using the P/E approach.

Source: Capital IQ as of 17 December 2020

Financial statement of SPJ as of 31 December 2019

The equity value using P/E approach of SPJ is between JPY 377.1 – 475.6 mm.

Therefore, the calculation of the total equity value of Assets A and Assets B using the P/E approach is as follows:

Table of Total Equity Value Using P/E Approach

Unit : ¥mm	Equity Value	
	Minimum	Maximum
Assets A		
MSP3	(1,290.9)	(1,023.4)
HMS	1,978.2	2,495.2
CCH	(911.9)	(722.9)
SE	(260.5)	(206.5)
Land value of Assets A[1/]	770.0	770.0
Total equity value of Assets A	**795.4**	**802.0**
Assets B		
GS[2/]	(136.9)	(108.5)
SPJ	377.1	475.6
Land value of Assets B[1/]	97.5	97.5
Total equity value of Assets B	**474.6**	**573.1**
Total equity value	**1,269.9**	**1,375.1**

Note: 1/ Based on the land value in Company's consolidated financial statements, in which the Company had arranged for the appraisal of land price by an independent appraiser by using the income approach in 2017.

2/ As Nihonmatsu 3 is not yet to be operated, the IFA excluded GS in the equity valuation using P/E approach.

Source: Capital IQ as of 17 December 2020

Financial statement of the group of companies in Assets A and Assets B as of 31 December 2019

Median of P/E ratio of comparable companies over the past 12 months is 22.1 – 27.9 times which indicates Assets A's equity value ranging between JPY 795.4 – 802.0 mm and Assets B's equity value ranging between JPY 474.6 – 573.1 mm, totaling of JPY 1,269.9 – 1,375.1 mm which is lower than the minimum transaction price of Assets A and Assets B of JPY 14,000.0 mm by JPY 12,624.9 – 12,730.1 mm or 90.2% – 90.9% of the minimum transaction price of Assets A and Assets B. Since MSP3 CCH and SE had experienced net losses for the year 2019, said companies' equity value using the P/E approach is negative. Moreover, this valuation method does not take differences of each company such as revenue structure, capital structure, future performance, and current and future capacity in to consideration. Thus, this valuation approach may not reflect the fair value of Assets A and Assets B.

3) Enterprise Value to Earnings Before Interest, Taxes, Depreciation, and Amortization: "EV/EBITDA"

The equity valuation under EV/EBITDA is based on the earnings before interest, taxes, depreciation, and amortization[1] of each company in Assets A and Assets B as stated in the financial statements for the year 2019, multiplied by the median of EV/EBITDA ratio of comparable companies for the past 7 – 360 working days which equal to 21.4 – 23.0 times. With the sum of the parts calculation method, the IFA calculated the equity value of each company in Assets A and Assets B and add them together to be the equity value of Assets A and Assets B. Since the Transaction is the sale of all companies in the group of companies in Assets A and Assets B, therefore, using the sum of the parts method is to reflect the total equity value of all companies. Even with equity valuation of EV/EBITDA approach, using information from the financial statements as of December 31, 2019, SE's equity value is negative as net debt is greater than the enterprise value, the IFA still considered it appropriate to include the negative equity value in calculation of the total equity value. This is because it reflects the total value of the group of companies in Assets A and Assets B. Then, the IFA added the land value to Assets A and Assets B. The detailed calculation of each company in Assets A and Assets B are as follows:

[1] The IFA used the earnings before interest, taxes, depreciation, and amortization of the group of companies in Assets A and Assets B and adjusted out the non-recurring items which are other incomes and gain/loss from foreign exchange (Normalized Profit)

Table of EV/EBITDA Approach of MSP3

MSP3	EV/EBITDA Ratio								
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Shanghai Lingyun Industries Development Co., Ltd.	21.4	21.8	22.4	22.4	22.7	23.0	21.7	22.2	22.8
SDS HOLDINGS Co., Ltd.[1/]	(11.1)	(12.4)	(11.7)	(9.4)	(8.8)	(8.5)	(7.3)	(6.8)	(6.8)
Waa Solar Limited	5.6	5.5	5.3	5.3	5.1	5.0	4.9	4.9	4.9
Prime Road Power Public Company Limited	49.4	49.3	49.9	49.4	50.6	48.6	43.7	42.1	49.5
Median of EV/EBITDA	**21.4**	**21.8**	**22.4**	**22.4**	**22.7**	**23.0**	**21.7**	**22.2**	**22.8**
EBITDA of MSP3	883.2	883.2	883.2	883.2	883.2	883.2	883.2	883.2	883.2
Enterprise value of MSP3	**18,943.8**	**19,224.7**	**19,761.2**	**19,815.0**	**20,069.0**	**20,335.0**	**19,179.3**	**19,630.6**	**20,116.9**
Minus: Debt	9,877.9	9,877.9	9,877.9	9,877.9	9,877.9	9,877.9	9,877.9	9,877.9	9,877.9
Add: Cash and cash equivalents	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Equity value of MSP3	**9,068.2**	**9,349.2**	**9,885.7**	**9,939.5**	**10,193.5**	**10,459.5**	**9,303.8**	**9,755.1**	**10,241.3**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

1/ As the earnings before interest, taxes, depreciation, and amortization of SDS HOLDINGS Co., Ltd. is negative, the IFA did not incorporate the information of SDS HOLDINGS Co., Ltd. in the equity valuation using the EV/EBITDA approach.

Source: Capital IQ as of 17 December 2020

Financial statement of MSP3 as of 31 December 2019

The equity value using EV/EBITDA approach of MSP3 is between JPY 9,068.2 – 10,459.5 mm.

Table of EV/EBITDA Approach of HMS

HMS	EV/EBITDA Ratio								
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Shanghai Lingyun Industries Development Co., Ltd.	21.4	21.8	22.4	22.4	22.7	23.0	21.7	22.2	22.8
SDS HOLDINGS Co., Ltd.[1/]	(11.1)	(12.4)	(11.7)	(9.4)	(8.8)	(8.5)	(7.3)	(6.8)	(6.8)
Waa Solar Limited	5.6	5.5	5.3	5.3	5.1	5.0	4.9	4.9	4.9
Prime Road Power Public Company Limited	49.4	49.3	49.9	49.4	50.6	48.6	43.7	42.1	49.5
Median of EV/EBITDA	**21.4**	**21.8**	**22.4**	**22.4**	**22.7**	**23.0**	**21.7**	**22.2**	**22.8**
EBITDA of HMS	464.5	464.5	464.5	464.5	464.5	464.5	464.5	464.5	464.5
Enterprise value of HMS	**9,963.3**	**10,111.0**	**10,393.2**	**10,421.5**	**10,555.1**	**10,695.0**	**10,087.1**	**10,324.5**	**10,580.2**
Minus: Debt	2,294.5	2,294.5	2,294.5	2,294.5	2,294.5	2,294.5	2,294.5	2,294.5	2,294.5
Add: Cash and cash equivalents	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Equity value of HMS	**7,669.4**	**7,817.2**	**8,099.4**	**8,127.6**	**8,261.3**	**8,401.1**	**7,793.3**	**8,030.7**	**8,286.4**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

1/ As the earnings before interest, taxes, depreciation, and amortization of SDS HOLDINGS Co., Ltd. is negative, the IFA did not incorporate the information of SDS HOLDINGS Co., Ltd. in the equity valuation using the EV/EBITDA approach.

Source: Capital IQ as of 17 December 2020

Financial statement of HMS as of 31 December 2019

The equity value using EV/EBITDA approach of HSM is between JPY 7,669.4 – 8,401.1 mm.

Table of EV/EBITDA Approach of CCH

CCH	EV/EBITDA Ratio								
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Shanghai Lingyun Industries Development Co., Ltd.	21.4	21.8	22.4	22.4	22.7	23.0	21.7	22.2	22.8
SDS HOLDINGS Co., Ltd.[1/]	(11.1)	(12.4)	(11.7)	(9.4)	(8.8)	(8.5)	(7.3)	(6.8)	(6.8)
Waa Solar Limited	5.6	5.5	5.3	5.3	5.1	5.0	4.9	4.9	4.9
Prime Road Power Public Company Limited	49.4	49.3	49.9	49.4	50.6	48.6	43.7	42.1	49.5
Median of EV/EBITDA	**21.4**	**21.8**	**22.4**	**22.4**	**22.7**	**23.0**	**21.7**	**22.2**	**22.8**
EBITDA of CCH	375.3	375.3	375.3	375.3	375.3	375.3	375.3	375.3	375.3
Enterprise value of CCH	**8,049.6**	**8,168.9**	**8,396.9**	**8,419.7**	**8,527.7**	**8,640.7**	**8,149.6**	**8,341.4**	**8,548.0**
Minus: Debt	3,915.6	3,915.6	3,915.6	3,915.6	3,915.6	3,915.6	3,915.6	3,915.6	3,915.6
Add: Cash and cash equivalents	-	-	-	-	-	-	-	-	-
Equity value of CCH	**4,134.0**	**4,253.4**	**4,481.3**	**4,504.2**	**4,612.1**	**4,725.2**	**4,234.1**	**4,425.9**	**4,632.5**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

1/ As the earnings before interest, taxes, depreciation, and amortization of SDS HOLDINGS Co., Ltd. is negative, the IFA did not incorporate the information of SDS HOLDINGS Co., Ltd. in the equity valuation using the EV/EBITDA approach.

Source: Capital IQ as of 17 December 2020

Financial statement of CCH as of 31 December 2019

The equity value using EV/EBITDA approach of CCH is between JPY 4,134.0 – 4,725.2 mm.

Table of EV/EBITDA Approach of SE

SE	EV/EBITDA Ratio								
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Shanghai Lingyun Industries Development Co., Ltd.	21.4	21.8	22.4	22.4	22.7	23.0	21.7	22.2	22.8
SDS HOLDINGS Co., Ltd.[1/]	(11.1)	(12.4)	(11.7)	(9.4)	(8.8)	(8.5)	(7.3)	(6.8)	(6.8)
Waa Solar Limited	5.6	5.5	5.3	5.3	5.1	5.0	4.9	4.9	4.9
Prime Road Power Public Company Limited	49.4	49.3	49.9	49.4	50.6	48.6	43.7	42.1	49.5
Median of EV/EBITDA	**21.4**	**21.8**	**22.4**	**22.4**	**22.7**	**23.0**	**21.7**	**22.2**	**22.8**
EBITDA of SE	38.1	38.1	38.1	38.1	38.1	38.1	38.1	38.1	38.1
Enterprise value of SE	**816.2**	**828.3**	**851.4**	**853.7**	**864.7**	**876.1**	**826.3**	**845.8**	**866.7**
Minus: Debt	1,967.1	1,967.1	1,967.1	1,967.1	1,967.1	1,967.1	1,967.1	1,967.1	1,967.1
Add: Cash and cash equivalents	137.7	137.7	137.7	137.7	137.7	137.7	137.7	137.7	137.7
Equity value of SE	**(1,013.2)**	**(1,001.1)**	**(978.0)**	**(975.7)**	**(964.7)**	**(953.3)**	**(1,003.0)**	**(983.6)**	**(962.6)**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

1/ As the earnings before interest, taxes, depreciation, and amortization of SDS HOLDINGS Co., Ltd. is negative, the IFA did not incorporate the information of SDS HOLDINGS Co., Ltd. in the equity valuation using the EV/EBITDA approach.

Source: Capital IQ as of 17 December 2020

Financial statement of SE as of 31 December 2019

The equity value using EV/EBITDA approach of SE is between JPY (1,013.2) – (953.3) mm. The negative value is resulted from the net debt as of JPY 1,829.4 mm being greater than SE's enterprise value by JPY 953.3 – 1,013.2 mm.

Table of EV/EBITDA Approach of GS

GS	EV/EBITDA Ratio								
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Shanghai Lingyun Industries Development Co., Ltd.	21.4	21.8	22.4	22.4	22.7	23.0	21.7	22.2	22.8
SDS HOLDINGS Co., Ltd.[1/]	(11.1)	(12.4)	(11.7)	(9.4)	(8.8)	(8.5)	(7.3)	(6.8)	(6.8)
Waa Solar Limited	5.6	5.5	5.3	5.3	5.1	5.0	4.9	4.9	4.9
Prime Road Power Public Company Limited	49.4	49.3	49.9	49.4	50.6	48.6	43.7	42.1	49.5
Median of EV/EBITDA	**21.4**	**21.8**	**22.4**	**22.4**	**22.7**	**23.0**	**21.7**	**22.2**	**22.8**
EBITDA of GS	(4.5)	(4.5)	(4.5)	(4.5)	(4.5)	(4.5)	(4.5)	(4.5)	(4.5)
Enterprise value of GS	**(97.3)**	**(98.8)**	**(101.5)**	**(101.8)**	**(103.1)**	**(104.5)**	**(98.5)**	**(100.9)**	**(103.4)**
Minus: Debt	181.5	181.5	181.5	181.5	181.5	181.5	181.5	181.5	181.5
Add: Cash and cash equivalents	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Equity value of GS	**(278.7)**	**(280.2)**	**(282.9)**	**(283.2)**	**(284.5)**	**(285.9)**	**(279.9)**	**(282.3)**	**(284.8)**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

1/ As the earnings before interest, taxes, depreciation, and amortization of SDS HOLDINGS Co., Ltd. is negative, the IFA did not incorporate the information of SDS HOLDINGS Co., Ltd. in the equity valuation using the EV/EBITDA approach.

Source: Capital IQ as of 17 December 2020

Financial statement of GS as of 31 December 2019

The equity value using EV/EBITDA approach of SE is between JPY (285.9) – (278.7) mm, which is resulted from the negative earnings before interest, taxes, depreciation, and amortization of JPY (4.5) mm as the Nihonmatsu 3 plant is not yet to be operated.

Table of EV/EBITDA Approach of SPJ

SPJ	EV/EBITDA Ratio								
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	270 days	360 days
Shanghai Lingyun Industries Development Co., Ltd.	21.4	21.8	22.4	22.4	22.7	23.0	21.7	22.2	22.8
SDS HOLDINGS Co., Ltd.[1/]	(11.1)	(12.4)	(11.7)	(9.4)	(8.8)	(8.5)	(7.3)	(6.8)	(6.8)
Waa Solar Limited	5.6	5.5	5.3	5.3	5.1	5.0	4.9	4.9	4.9
Prime Road Power Public Company Limited	49.4	49.3	49.9	49.4	50.6	48.6	43.7	42.1	49.5
Median of EV/EBITDA	**21.4**	**21.8**	**22.4**	**22.4**	**22.7**	**23.0**	**21.7**	**22.2**	**22.8**
EBITDA of SPJ	123.7	123.7	123.7	123.7	123.7	123.7	123.7	123.7	123.7
Enterprise value of SPJ	**2,654.0**	**2,693.3**	**2,768.5**	**2,776.0**	**2,811.6**	**2,848.9**	**2,687.0**	**2,750.2**	**2,818.3**
Minus: Debt	948.7	948.7	948.7	948.7	948.7	948.7	948.7	948.7	948.7
Add: Cash and cash equivalents	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4
Equity value of SPJ	**1,718.6**	**1,758.0**	**1,833.1**	**1,840.6**	**1,876.2**	**1,913.5**	**1,751.6**	**1,814.8**	**1,882.9**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

1/ As the earnings before interest, taxes, depreciation, and amortization of SDS HOLDINGS Co., Ltd. is negative, the IFA did not incorporate the information of SDS HOLDINGS Co., Ltd. in the equity valuation using the EV/EBITDA approach.

Source: Capital IQ as of 17 December 2020

Financial statement of SPJ as of 31 December 2019

The equity value using EV/EBITDA approach of SPJ is between JPY 1,718.6 – 1,913.5 mm.

Therefore, the calculation of the total equity value of the Assets A and Assets B using the EV/EBITDA approach is as follows:

Table of Total Equity Value Using EV/EBITDA Approach

Unit : ¥mm	Equity Value	
	Minimum	Maximum
Assets A		
MSP3	9,068.2	10,459.5
HMS	7,669.4	8,401.1
CCH	4,134.0	4,725.2
SE	(1,013.2)	(953.3)
Land value of Assets A[1/]	770.0	770.0
Total equity value of Assets A	**20,628.5**	**23,402.5**
Assets B		
GS[2/]	(285.9)	(278.7)
SPJ	1,718.6	1,913.5
Land value of Assets B[1/]	97.5	97.5
Total equity value of Assets B	**1,816.1**	**2,011.0**
Total equity value	**22,444.6**	**25,413.5**

Note: 1/ Based on the land value in Company's consolidated financial statements, in which the Company had arranged for the appraisal of land price by an independent appraiser by using the income approach in 2017.

2/ As Nihonmatsu 3 is not yet to be operated, the IFA excluded GS in the equity valuation using EV/EBITDA approach.

Source: Capital IQ as of 17 December 2020

Financial statement of the group of companies in Assets A and Assets B as of 31 December 2019

Median of EV/EBITDA ratio of comparable companies over the past 12 months is 21.5 – 23.0 times which indicates Assets A's equity value ranging between JPY 20,628.5 – 23,402.5 mm and Assets B's equity value ranging between JPY 1,816.1 – 2,011.0 mm, totaling of JPY 22,444.6 – 25,413.5 mm which is more than the minimum transaction price of Assets A and Assets B of JPY 14,000.0 mm by JPY 8,444.6 – 11,413.5 mm or 60.3% – 81.5% of the minimum transaction price of Assets A and Assets B. However, the equity value from this approach might not reflect the fair value of Assets A and Assets B since it does not take differences of each company such as revenue structure, capital structure, future performance, and current and future capacity in to consideration. Thus, this valuation approach might not reflect the fair value.

4.4 Transaction Comparable Approach

Transaction Comparable Approach is the valuation method of Assets A and Assets B's equity value that uses the median of Enterprise value/MW ratio of the comparable solar power plant transactions of Renewable Japan Energy Infrastructure Fund, Inc.[1] multiplied by the MW power of each company in Assets A and Assets B to reflect the power capacity difference of each project as the Transaction is the sales of each solar power plant which the power capacity is not much compared to the sales of large companies operating the renewable energy power plant business which usually evaluate using EV/EBITDA approach. Nevertheless, there may be some differences between each transaction and the group of companies in Assets A and Assets B's transactions such as transaction value and transaction date which might result in inaccurate valuation. The details of each transaction are as follows:

Table of Transaction Comparable Approach

Target	Acquisition Price (¥mm)	MW	Enterprise value/MW (times)
Ichinoseki Kanazawa Solar Power Plant	3,950.0	10.8	366.0
Nishinono Solar Power Plant, Kashiwa-cho, Ise City	705.0	2.0	349.7
Toyocho Mega Solar Power Plant	885.0	2.0	442.1
Kesennuma City Motoyoshi Town Solar Power Plant	390.0	1.0	380.9
Matsusaka City Iidakacho Solar Power Plant (North and South)	605.0	1.9	318.8
Sada Solar Power Plant	235.0	0.7	349.1
Okayama Takahashi Solar Power Plant	765.0	1.7	455.4
Tsutaka Noo Solar Power Plant	723.0	1.7	430.4
Hokuto Honmachi Solar Power Plant	469.0	1.4	339.3
Yamamoto Daiichi Solar Power Plant	1,050.0	2.4	435.5
Kamisu Solar Power Plant	463.0	1.2	396.8
Kameyama City Shirakicho Solar Power Plant	570.0	1.3	438.9
Sumiyoshi-cho Sumiyoshi-cho A/B solar power plant	596.0	1.5	405.9
Yamagami Solar Power Plant	131.0	0.6	208.8
Toyota Paddy Solar Power Plant	559.0	1.2	456.7
No. 1 and No. 2 Solar Power Plants in Usa City, Oita Prefecture	1,576.0	3.3	483.4
Tanakacho Nonaka Solar Power Plant	414.0	1.2	346.0
No. 1, No. 2, No. 3 solar power plant in Ashibetsu, Hokkaido	1,517.0	3.9	393.0
Kashiwara Solar Power Plant, Tomakomai City, Hokkaido	837.0	2.0	425.1

[1] Renewable Japan Energy Infrastructure Fund, Inc. is a Japan-based closed-end fund which invests in 46 solar power generation facilities. It has a policy to invest at least 90.0% of each project value. Therefore, it is comparable with the Transaction which consider the valuation of each solar power plant by project, consistent with the investment policy of Renewable Japan Energy Infrastructure Fund, Inc. that enters into transactions with each power plant.

Target	Acquisition Price (¥mm)	MW	Enterprise value/MW (times)
Miyagi Izumi Ward Mizawa Solar Power Plant	1,079.0	2.9	378.4
Mie Ise City Akame Solar Power Plant	846.0	2.1	395.7
Mie Ise City Okayama Solar Power Plant	351.0	0.9	385.6
Miehirasei Solar Power Plant	265.0	0.7	391.3
Ichinoseki Kanazawa Daini Solar Power Plant	866.0	2.6	336.1
Miyagi Tome City Yonekawa Solar Power Plant	270.0	0.9	307.7
Hokkaido Monbetsu City Solar Power Plant	446.0	1.1	394.2
Yufutsu Solar Power Plant, Tomakomai City, Hokkaido	428.0	1.2	357.2
Tetsuyamacho Solar Power Plant in Hakodate City, Hokkaido	200.0	0.6	353.5
Miyagi Kurihara City Bingozawa Solar Power Plant	250.0	0.7	345.7
Miyagi Kurihara City Uguisawa Solar Power Plant	800.0	2.0	397.3
Chiba Kimitsu Yoshino Solar Power Plant	1,076.0	2.3	458.7
Fukui Mikata-gun Mihama-cho solar power plant	630.0	1.7	376.5
Omiyacho AB Solar Power Plant, Kyotango, Kyoto	1,544.0	4.0	384.1
Fukuoka Oura Town Solar Power Plant	427.0	1.1	390.2
Sueyoshi Town Solar Power Plant in Sogo, Kagoshima	705.0	2.1	332.0
Higashikawa Town, Kamikawa District, Hokkaido Solar Power Plant	412.0	1.2	355.2
Kurumizawa Solar Power Plant, Iwamizawa City, Hokkaido	767.0	2.1	358.1
Iwate-Karunohe-gun Karumai Town Solar Power Plant	954.0	2.2	424.7
Iwate Kitakami City Wagamachi Solar Power Plant	308.0	1.0	305.6
Gunma Annaka City Matsuida Town AC Solar Power Plant	1,476.0	3.2	466.6
Chiba Katori City Kumigami Solar Power Plant	719.0	1.8	391.9
Midokai-gun Shisigo Solar Power Plant	429.0	1.2	371.4
Fukuoka Tagawa-gun Kawasaki Town Solar Power Plant	448.0	1.2	374.8
Kumamoto Kuma-gun Kuma-mura Solar Power Plant	980.0	2.4	409.0
Miyazaki Nichinan Nangocho Solar Power Plant	993.0	2.3	431.0
Kagoshima Kagoshima City Hirata Town Solar Power Plant	692.0	1.5	450.5
Median			**387.9**

Note: Renewable Japan Energy Infrastructure Fund, Inc. has a policy of investing at least 90.0% of each project value

Source: Renewable Japan Energy Infrastructure Fund, Inc. as of July 31, 2020

Median of the Enterprise Value/MW ratio of other trading transactions in the past is 387.9 times.

With the sum of the parts calculation method, the IFA calculated the equity value of each company in Assets A and Assets B and add them together with the value of lands used in operation of solar power plant projects, to be the equity value of Assets A and Assets B. The detailed calculation of each company in Assets A and Assets B are as follows:

Table of the Calculation of Equity Value Using Transaction Comparable Approach

Unit : ¥mm	Last 12 months period								
	Assets A					Assets B			Total
	MSP3	HMS	CCH	SE	Total	GS	SPJ	Total	
Enterprise value/MW	387.9	387.9	387.9	387.9	387.9	387.9	387.9	387.9	387.9
MW of each company in Assets A and Assets B	26.7	11.0	12.0	7.2	56.9	1.5	5.8	7.3	64.2
Enterprise value	10,356.1	4,266.5	4,654.4	2,792.6	22,069.6	581.8	2,249.6	2,831.4	24,901.1
Minus: Debt	9,877.9	2,294.5	3,915.6	1,967.1	18,055.1	181.5	948.7	1,130.2	19,185.3
Add: Cash and cash equivalents	2.4	0.7	-	137.7	140.8	0.1	13.4	13.4	154.2
Equity value	**480.5**	**1,972.7**	**738.9**	**963.3**	**4,155.4**	**400.4**	**1,314.2**	**1,714.6**	**5,870.0**
Add: Land value[1/]	301.0	242.0	227.0	-	770.0	-	97.5	97.5	867.5
Total equity value					**4,925.4**			**1,812.1**	**6,737.5**

Note: The data shown in the table are those that may have been rounded up to be 1 decimal numbers. However, in the calculation of values, the IFA has calculated from un-rounded data. Regardless, for the convenience of displaying, the IFA presents 1 decimal number as shown in the table.

1/ Based on the land value in Company's consolidated financial statements, in which the Company had arranged for the appraisal of land price by an independent appraiser by using the income approach in 2017.

Source: The group of companies in Assets A and Assets B's financial statements as of 31 December 2019

The valuation of Assets A and Assets B's equity value under the Transaction Comparable Approach added by the land value of Assets A and Assets B, indicates Assets A's equity value of JPY 4,925.4 mm and Assets B's equity value of JPY 1,812.1 mm, totaling of JPY 6,737.5 mm which is lower than the minimum transaction price of Assets A and Assets B of 14,000.0 ¥mm by JPY 7,262.5 mm or 51.9% of the minimum transaction price of Assets A and Assets B. However, this approach that does not take into account the differences of individual transactions such as the size of the transaction, timing of the transaction, and the financial leverage of the transaction. Thus, this valuation approach might not reflect the fair value of Assets A and Assets B.

4.5 Discounted Cash Flow Approach

Under the Discounted Cash Flow Approach, the IFA estimated net free cash flow that shareholders expect to receive from power plants' operation (Free Cash Flow to Firm) ("FCFF"). FCFF is obtained from future cash flow projection of Assets A, including 4 subsidiaries and 4 projects which are 1. Mega Solar Park 3 GK (MSP3) (Iwaki project) 2. Hamada Mega Solar GK (HMS) (Hamada 1 project) 3. CC Hamada GK (CCH) (Hamada 2 project) and 4. Sun Energy GK (SE) (Aomori project), and Assets B, including 2 subsidiaries and 5 project which are 1. Good Solar GK (GS) (Nihonmatsu 3 project) and 2. Sun Partner Japan GK (SPJ) (Goryo project, Shibushi project, Nogata project, and Saito project). The valuation is by sum of the parts: ("SOTP") of Assets A and Assets B.

The IFA used several assumptions such as: PPA assumptions of each power plant, energy dispatched assumptions, tariff assumptions and other assumptions relating to the valuation based on public information and historical performance, technical due diligence report, projection of the Company as well as information and news that are publicly available.

The projection and assumptions for the valuation are as follow;

1) **Assumptions of Revenue from Electricity Sales**

The IFA projects revenue from electricity sales based on historical performance, projection of the Company, management interview of the Company, technical due diligence report that reviews technical equipment and capacity by Vector Cuatro, S.L[1] ("Vector Cuatro") who is an expert in renewable energy, and other assumptions that the IFA considers reasonable. Assumptions of revenue from electricity sales are as follow;

- **Feed-in Tariff Power Purchase Agreement ("FiT PPA")**

  The IFA projects revenue based on FiT PPA that the projects are currently operating on.

[1] Vector Cuatro, S.L is an advisor with expertise in renewable energy especially wind, solar, and hydro power. Vector Cuatro has operated as advisors for power plant businesses over 65 GW of capacity with coverage beyond 40 countries.

Table of Summary of FiT PPA

Company	Project	COD	End of COD	PPA Tenor	FiT Tariff	Capacity
Assets A						
MSP3	Iwaki	10 Apr 2018	9 Apr 2038	20 years	JPY 40.0 /kWh	26.68 MW
HMS	Hamada 1	20 Nov 2015	19 Nov 2035	20 years	JPY 40.0 /kWh	11.0 MW
CCH	Hamada 2	2 Mar 2560	1 Mar 2037	20 years	JPY 36.0 /kWh	12.0 MW
SE	Aomori	30 Sep 2019	29 Sep 2039	20 years	JPY 36.0 /kWh	7.21 MW
Assets B						
GS	Nihonmatsu 3	24 Jan 2020	23 Jan 2040	20 years	JPY 32.0 /kWh	1.48 MW
SPJ	Goryo	30 May 2014	29 May 2034	20 years	JPY 40.0 /kWh	1.50 MW
	Shibushi	19 Nov 2013	18 Nov 2033	20 years	JPY 40.0 /kWh	1.00 MW
	Nogata	29 Jun 2015	28 Jun 2035	20 years	JPY 40.0 /kWh	1.11 MW
	Saito[1/]	1 Mar 2021	28 Feb 2039	20 years	JPY 40.0 /kWh	2.23 MW

Note: Saito project's operation has been delayed. It was set to COD on 1 March 2019 but there was a delay from grid connection process.

- **Performance Ratio ("PR")**

Performance ratio indicates performance of the power plant calculated as a ratio of achieved output to theoretical output that does not take into account of solar irradiance. The IFA projects PR of 80.2% - 84.0% specifically for each power plant throughout the projection based on historical performance since COD to November 2019 of each project collected by Vector Cuatro with the following detail.

Table of Assumption of Performance Ratio

Company	Project	Performance Ratio
Assets A		
MSP3	Iwaki	81.2%
HMS	Hamada 1	80.2%
CCH	Hamada 2	81.9%
SE	Aomori	82.5%
Assets B		
GS	Nihonmatsu 3	81.4%
SPJ	Goryo	80.9%
	Shibushi	81.6%
	Nogata	84.0%
	Saito	81.5%

- **Availability Factor ("AF")**

  Availability factor is a ratio of number of days that the power plant generates power to total number of days in a year. The number of days that the power plant can generate power is affected by the days that the power plant has to go under maintenance and stop the generation. The IFA projected AF of 99.0% of total number of days in 1 year, equivalently 361.4 days per year (for the year with 365 days) and 362.3 days per year (for the year with 366 days) throughout the projection based on assumptions from statistic collected by Vector Cuatro.

- **Curtailment**

  Curtailment might occur as a result of Japanese government's policy to limit power production to control demand and supply of power consumption in the area. According to FiT PPA of Hamada project, Iwaki project, Nihonmatsu 3 project, Saito project, Shibushi project, and Nogata project, the curtailment must not exceed 30 days. However, in the past, only Goryo project, Nogata project, and Shibushi project, were curtailed for 14 days in 2019. Hence, the IFA projects curtailment of each project based on historical curtailment in 2019 to reflects current situation of demand and supply of electricity in each area.

- **Degradation**

  Degradation of capacity is caused by the degradation of Photovoltaics Module ("PV Module") annually which depends on the quality of equipment and OV Module of each power plant. The PV Module that the projects in use are JA-Solar, Sopray-Solar, and ZNSHINE which are regarded as Tier-1 PV Modules, which have the least degradation. Hence, the IFA projects degradation of 0.9% per year throughout the projection based on assumption according to historical statistic collected by Vector Cuatro.

- **P50 Solar Irradiance**

  P50 Solar Irradiance is solar irradiance level that the power plant can generate power in 1 sq.m. at confidence level of 50.0%. The IFA projects P50 Solar Irradiance based on technical projection of Vector Cuatro, which was found that the historical average actual electricity volume generated between 2017 – 9 months ending 30 September 2020 is closest to the projection based on P50 solar irradiance of Vector Cuatro. The detail is as follow;

Table of Comparison of Electricity Volume Generated in Each Confidence Level

Company	Project	P50[1/]	P75[2/]	P90[3/]	3-yr Historical Average
Assets A					
MSP3	Iwaki	32,101.7	30,868.3	29,758.0	30,465.0
HMS	Hamada 1	12,134.3	11,728.3	11,363.0	12,694.5
CCH	Hamada 2	13,891.3	13,366.3	12,894.0	14,848.9
SE	Aomori	8,122.6	7,761.6	7,437.8	7,425.0
Assets B					
GS	Nihonmatsu 3	1,584.0	1,499.0	1,423.0	1,633.2
SPJ	Goryo	1,790.8	1,731.5	1,678.0	1,782.1
	Shibushi	1,156.0	1,118.5	1,085.0	1,102.3
	Nogata	1,318.5	1,280.3	1,245.8	1,279.0
	Saito	-	-	-	-
Total		**72,099.1**	**69,353.7**	**66,884.5**	**71,230.1**
Difference from Historical Average (%)		*1.2*	*(2.6)*	*(6.1)*	*-*

Note: Annualized not-full-year operation by prorating

1/ Confidence level of 50% (P50) means at confidence level of 50%, solar irradiance will be sufficient to generate electricity of ne less than 72,099.1 MWh per annum (historical average between 2017 – 9 months ending 30 September 2020)

2/ Confidence level of 75% (P75) means at confidence level of 75%, solar irradiance will be sufficient to generate electricity of ne less than 69,353.7 MWh per annum (historical average between 2017 – 9 months ending 30 September 2020)

3/ Confidence level of 90% (P90) means at confidence level of 90%, solar irradiance will be sufficient to generate electricity of ne less than 66,884.5 MWh per annum (historical average between 2017 – 9 months ending 30 September 2020)

Therefore, the IFA considers P50 solar irradiance of each project to be as the projection of Vector Cuatro;

Table of Assumptions of P50 Solar Irradiance

Company	Project	P50 Solar Irradiance
Assets A		
MSP3	Iwaki	1,484.9 kW/sq.m.
HMS	Hamada 1	1,349.4 kW/sq.m.
CCH	Hamada 2	1,516.2 kW/sq.m.
SE	Aomori	1,478.3 kW/sq.m.
Assets B		
GS	Nihonmatsu 3	1,476.3 kW/sq.m.
SPJ	Goryo	1,405.5 kW/sq.m.
	Shibushi	1,500.0 kW/sq.m
	Nogata	1,405.5 kW/sq.m
	Saito	1,399.2 kW/sq.m

According to assumptions of FiT PPAs and operation abovementioned, revenue from electricity sales can be summarized as follow;

Table of Projection from Electricity Volume Generated

(Unit: MWh)

Company	Project	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Assets A												
MSP3	Iwaki	31,825.3	31,460.7	31,185.4	30,912.5	30,726.0	30,373.9	30,108.2	29,844.7	29,664.6	29,324.7	29,068.1
HMS	Hamada 1	12,035.9	11,898.0	11,793.9	11,690.7	11,620.2	11,487.0	11,386.5	11,286.9	11,218.8	11,090.2	10,993.2
CCH	Hamada 2	13,659.2	13,502.6	13,384.5	13,267.4	13,187.3	13,036.2	12,922.2	12,809.1	12,731.8	12,585.9	12,475.8
SE	Aomori	8,104.3	8,011.4	7,941.3	7,871.8	7,824.3	7,734.7	7,667.0	7,599.9	7,554.1	7,467.5	7,402.2
Total of Assets A		**65,624.7**	**64,872.8**	**64,305.1**	**63,742.5**	**63,357.8**	**62,631.8**	**62,083.8**	**61,540.6**	**61,169.2**	**60,468.3**	**59,939.2**
Assets B												
GS	Nihonmatsu 3	1,471.4	1,552.0	1,538.4	1,524.9	1,515.6	1,498.1	1,484.9	1,471.9	1,462.9	1,446.1	1,433.4
SPJ	Goryo	1,670.7	1,651.4	1,636.9	1,622.5	1,612.6	1,594.1	1,580.0	1,566.1	1,556.6	1,538.7	1,525.2
	Shibushi	1,084.0	1,071.5	1,062.1	1,052.7	1,046.3	1,034.3	1,025.2	1,016.2	1,010.0	998.4	989.6
	Nogata	1,233.1	1,218.9	1,208.2	1,197.6	1,190.3	1,176.6	1,166.2	1,156.0	1,148.9	1,135.7	1,125.7
	Saito	-	2,115.8	2,501.6	2,479.6	2,464.5	2,436.1	2,414.7	2,393.4	2,378.9	2,351.5	2,330.8
Total of Assets B		**5,459.2**	**7,609.7**	**7,947.1**	**7,877.2**	**7,829.3**	**7,739.2**	**7,671.1**	**7,603.6**	**7,557.3**	**7,470.3**	**7,404.6**

Note: Electricity Volume Generated = Net Capacity (Deducted Degradation) x PR x AF x P50 Solar Irradiance x [1 – (Number of Days of Curtailment / Number of Days in a Year)]

Table of Projection from Electricity Volume Generated

(Unit: MWh)

Company	Project	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Assets A											
MSP3	Iwaki	28,813.8	28,639.9	28,311.7	28,064.0	27,818.5	27,650.6	27,333.8	7,372.4	-	-
HMS	Hamada 1	10,897.0	10,831.2	10,707.1	10,613.4	9,314.7	-	-	-	-	-
CCH	Hamada 2	12,366.6	12,292.0	12,151.1	12,044.8	11,939.4	11,867.4	1,935.5	-	-	-
SE	Aomori	7,337.4	7,293.1	7,209.5	7,146.5	7,083.9	7,041.2	6,960.5	6,899.6	5,102.3	-
Total of Assets A		**59,414.8**	**59,056.2**	**58,379.6**	**57,868.7**	**56,156.5**	**46,559.2**	**36,229.8**	**14,272.0**	**5,102.3**	**-**
Assets B											
GS	Nihonmatsu 3	1,420.8	1,412.1	1,395.9	1,383.6	1,371.4	1,363.1	1,347.4	1,335.5	1,329.2	83.7
SPJ	Goryo	1,511.7	1,502.5	1,489.1	606.8	-	-	-	-	-	-
	Shibushi	980.9	975.4	854.8	-	-	-	-	-	-	-
	Nogata	1,115.8	1,109.0	1,096.2	1,089.0	532.9	-	-	-	-	-
	Saito	2,310.3	2,296.2	2,269.8	2,249.8	2,230.0	2,216.5	2,190.9	2,179.7	352.1	-
Assets B		**7,339.4**	**7,295.3**	**7,105.8**	**5,329.2**	**4,134.3**	**3,579.5**	**3,538.3**	**3,515.2**	**1,681.3**	**83.7**

Note: Electricity Volume Generated = Net Capacity (Deducted Degradation) x PR x AF x P50 Solar Irradiance x [1 – (Number of Days of Curtailment / Number of Days in a Year)]

Table of Projection of Revenue from Electricity Sales

(Unit: JPY mm)

Company	Project	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Assets A												
MSP3	Iwaki	1,273.0	1,258.4	1,247.4	1,236.5	1,229.0	1,215.0	1,204.3	1,193.8	1,186.6	1,173.0	1,162.7
HMS	Hamada 1	481.4	475.9	471.8	467.6	464.8	459.5	455.5	451.5	448.8	443.6	439.7
CCH	Hamada 2	491.7	486.1	481.8	477.6	474.7	469.3	465.2	461.1	458.3	453.1	449.1
SE	Aomori	291.8	288.4	285.9	283.4	281.7	278.4	276.0	273.6	271.9	268.8	266.5
Total of Assets A		**2,537.9**	**2,508.9**	**2,486.9**	**2,465.1**	**2,450.3**	**2,422.2**	**2,401.0**	**2,380.0**	**2,365.6**	**2,338.5**	**2,318.1**
Assets B												
GS	Nihonmatsu 3	47.1	49.7	49.2	48.8	48.5	47.9	47.5	47.1	46.8	46.3	45.9
SPJ	Goryo	66.8	66.1	65.5	64.9	64.5	63.8	63.2	62.6	62.3	61.5	61.0
	Shibushi	43.4	42.9	42.5	42.1	41.9	41.4	41.0	40.6	40.4	39.9	39.6
	Nogata	49.3	48.8	48.3	47.9	47.6	47.1	46.6	46.2	46.0	45.4	45.0
	Saito	-	84.6	100.1	99.2	98.6	97.4	96.6	95.7	95.2	94.1	93.2
Total of Assets B		**206.6**	**292.0**	**305.6**	**302.9**	**301.0**	**297.6**	**295.0**	**292.4**	**290.6**	**287.2**	**284.7**

Note: Revenue from Electricity Sales = Electricity Volume Generated x FiT Tariff

Table of Projection of Revenue from Electricity Sales

(Unit: JPY mm)

Company	Project	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Assets A											
MSP3	Iwaki	1,152.6	1,145.6	1,132.5	1,122.6	1,112.7	1,106.0	1,093.4	294.9	-	-
HMS	Hamada 1	435.9	433.2	428.3	424.5	372.6	-	-	-	-	-
CCH	Hamada 2	445.2	442.5	437.4	433.6	429.8	427.2	69.7	-	-	-
SE	Aomori	264.1	262.6	259.5	257.3	255.0	253.5	250.6	248.4	183.7	-
Total of Assets A		**2,297.8**	**2,283.9**	**2,257.7**	**2,238.0**	**2,170.2**	**1,786.7**	**1,413.6**	**543.3**	**183.7**	**-**
Assets B											
GS	Nihonmatsu 3	45.5	45.2	44.7	44.3	43.9	43.6	43.1	42.7	42.5	2.7
SPJ	Goryo	60.5	60.1	59.6	24.3	-	-	-	-	-	-
	Shibushi	39.2	39.0	34.2	-	-	-	-	-	-	-
	Nogata	44.6	44.4	43.8	43.6	21.3	-	-	-	-	-
	Saito	92.4	91.8	90.8	90.0	89.2	88.7	87.6	87.2	14.1	-
Total of Assets B		**282.2**	**280.5**	**273.1**	**202.1**	**154.4**	**132.3**	**130.8**	**129.9**	**56.6**	**2.7**

Note: Revenue from Electricity Sales = Electricity Volume Generated x FiT Tariff

2) **Assumptions of Operating Expenses**

Operating expenses of power plant projects include operation and maintenance, insurance premium, land rent, fixed asset tax, and enterprise tax.

- **Operation and Maintenance ("O&M")**

The Company hires O&M contractor to provide O&M services for the projects and to ensure that the projects will be able to operate efficiently. Therefore, the IFA projects O&M fee of each project based on current O&M contracts as follow;

Table of Assumptions of O&M

Company	Project	Annual O&M[1/]	PR Guarantee[3/]	O&M Contractor
Assets A				
MSP3	Iwaki	JPY 145.9 mm	PR 77.9%	DOHWA Co., Ltd.
HMS	Hamada 1	JPY 50.7 mm	PR 78.5%	LG CNS Co., Ltd.
CCH	Hamada 2	JPY 58.3 mm	PR 82.3%	DOHWA Co., Ltd.
SE	Aomori	JPY 17.0 mm growing 1.0% annually	PR 77.0%	PSJP
Assets B				
GS	Nihonmatsu 3	JPY 2.2 mm growing 1.0% annually	PR 77.0%	PSJP
SPJ	Goryo	JPY 1.8 mm growing 1.0% annually	PR 77.0%	PSJP
	Shibushi	JPY 1.2 mm growing 1.0% annually	PR 77.0%	PSJP
	Nogata	JPY 1.1 mm growing 1.0% annually	PR 77.0%	PSJP
	Saito[2/]	JPY 6.2 mm growing 1.0% annually	-	-

Note: 1/ O&M expenses in 2020 which have grown over the years

2/ Saito project is currently negotiating O&M contract. Hence, the IFA projects assumption of O&M to be the average of O&M per MW of 8 projects which is JPY 2.8 mm/MW (Iwaki: JPY 5.5 mm/MW, Hamada 1: JPY 4.6 mm/MW, Hamada 2: JPY 4.9 mm/MW, Aomori: JPY 2.4 mm/MW, Nihonmatsu 3: JPY 1.5 mm/MW, Goryo: JPY 1.2 mm/MW, Shibushi: JPY 1.2 mm/MW and Nogata: JPY 1.0 mm/MW) and also assume growth rate of the majority of the 8 companies which is 1.0%.

3/ PR guarantee is a part of O&M contracts. However, the IFA does not use it for any assumption in the projection because in the past PR of projects have been higher than the PR guranteed.

- **Insurance Premium**

Insurance premium is for general liabilities insurance ("GLI") and property all risk insurance ("PARL"). The IFA projects insurance premium of each project based on current insurance policies as follow;

Table of Assumption of Insurance Premium

Company	Project	Insurance	Premium[1/]	Insurer
Assets A				
MSP3	Iwaki	GLI	JPY 0.8 mm	Hyundai Marine & Fire Insurance
		PARL	JPY 41.7 mm	
HMS	Hamada 1	GLI	JPY 0.2 mm	Sompo Japan Insurance Inc.
		PARL	JPY 12.8 mm	
CCH	Hamada 2	GLI	JPY 0.2 mm	Sompo Japan Insurance Inc.
		PARL	JPY 12.8 mm	
SE	Aomori	GLI	JPY 0.3 mm	Tokio Marine Nichido
		PARL	JPY 6.2 mm	
Assets Ba				
GS	Nihonmatsu 3	GLI	JPY 0.1 mm	Tokio Marine Nichido
		PARL	JPY 0.8 mm	
SPJ	Goryo	GLI	JPY 0.1 mm	Tokio Marine Nichido
		PARL	JPY 2.2 mm	HDI Global SE
	Shibushi	GLI PARL	JPY 1.5 mm	HDI Global SE
	Nogata	GLI and PARL	JPY 1.5 mm	HDI Global SE
	Saito	GLI	JPY 2.5 mm	Tokio Marine Nichido
		PARL	JPY 0.1 mm	

Note: 1/ Annual premiums are fixed without growth because insurance premium depends on EPC value which does not change over the years.

- **Land Rent**

Projects have rented lands for the operation from PSJP and third parties. After the Transaction, PSJP will transfer land to projects to continue operation. Thus, projects will not have to pay rent to PSJP after the Transaction. Hence, the IFA projects land rent based on current land rent contracts with third parties of each project as follow;

Table of Assumption of Land Rent

Company	Project	Rent Area	Annual Rent
Assets A			
MSP3	Iwaki	1,508 sq.m.	JPY 7.1 mm
HMS	Hamada 1	18,926 sq.m.	JPY 1.9 mm
CCH	Hamada 2	27,912 sq.m.	JPY 2.8 mm
SE	Aomori	182,887 sq.m.	JPY 21.0 mm
Assets B			
GS	Nihonmatsu 3	18,947 sq.m.	JPY 1.3 mm
SPJ	Goryo	21,593 sq.m.	JPY 3.4 mm
	Shibushi	16,857 sq.m.	JPY 2.4 mm
	Nogata	-	-
	Saito	-	-

Note: 1/ Nogata and Saito do not have land rent because they do not rent land from third-party.
2/ Land rents are fixed rate without growth because the land rent contract is long-term contracts that cover 20 years

- **Fixed Asset Tax**

Projects of Assets A and Assets B operate in Japan and have obligation to pay fixed asset tax for fixed Assets At 1.4% of net asset value (land and PPE). Therefore, the IFA projects fixed asset tax of 1.4% of value of land and PPE.

- **Enterprise Tax**

Projects of Assets A and Assets B operate in Japan and have obligation to pay enterprise tax for at 0.90% - 0.97% of revenue from electricity sales. The enterprise tax is progress rate where the revenue under JPY 300.0 mm will be taxed at 0.90% and the revenue exceeding JPY 300.0 mm will be taxed at 0.97%. Therefore, the IFA projects enterprise tax of 0.90% - 0.97% of revenue from electricity sales.

Table of Assumption of Enterprise Tax

Revenue from Electricity Sales	Tax Rate
Revenue less than JPY 300.0 mm	0.90%
Revenue more than JPY 300.0 mm	0.97%

According to the assumptions of operating expenses abovementioned, the projection of operating expenses can be summarized as follow;

Table of Projection of Operating Expenses

(Unit: JPY mm)

Company	Project	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Assets A												
MSP3	Iwaki	316.9	304.5	293.6	284.0	275.5	268.0	261.3	255.5	250.3	245.7	241.6
HMS	Hamada 1	100.3	97.2	94.4	92.0	89.9	88.0	86.3	84.8	83.5	82.3	81.3
CCH	Hamada 2	123.3	118.2	113.7	109.8	106.3	103.2	100.4	98.0	95.9	94.0	92.3
SE	Aomori	80.5	77.2	74.3	71.7	69.5	67.6	65.8	64.4	63.1	61.9	60.9
Total of Assets A		**304.2**	**597.2**	**576.1**	**557.5**	**541.2**	**526.7**	**513.9**	**502.6**	**492.8**	**483.9**	**476.2**
Assets B												
GS	Nihonmatsu 3	7.5	8.2	7.9	7.6	7.4	7.2	7.0	6.9	6.8	6.6	6.5
SPJ	Goryo	10.8	10.6	10.4	10.3	10.1	10.0	9.9	9.9	9.8	9.7	9.7
	Shibushi	7.2	7.1	7.0	6.9	6.8	6.7	6.6	6.6	6.5	6.5	6.5
	Nogata	5.7	5.6	5.4	5.3	5.2	5.1	5.0	5.0	4.9	4.9	4.8
	Saito	-	22.7	21.9	20.8	19.9	19.1	18.4	17.8	17.3	16.8	16.4
Total of Assets B		**31.2**	**54.0**	**52.5**	**50.9**	**49.5**	**48.2**	**47.1**	**46.1**	**45.3**	**44.5**	**43.9**

Table of Projection of Operating Expenses

(Unit: JPY mm)

Company	Project	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Assets A											
MSP3	Iwaki	238.0	234.8	232.0	229.5	227.3	225.3	223.6	60.0	-	-
HMS	Hamada 1	80.4	79.6	78.9	78.2	68.7	-	-	-	-	-
CCH	Hamada 2	90.8	89.5	88.4	87.3	86.4	85.6	13.9	-	-	-
SE	Aomori	60.1	59.4	58.7	58.2	57.8	57.4	57.1	56.8	42.2	-
Total of Assets A		**469.3**	**463.3**	**458.0**	**453.3**	**440.2**	**368.4**	**294.6**	**116.8**	**42.2**	**-**
Assets B											
GS	Nihonmatsu 3	6.5	6.4	6.3	6.3	6.2	6.2	6.2	6.1	6.1	0.4
SPJ	Goryo	9.6	9.6	9.5	3.8	-	-	-	-	-	-
	Shibushi	6.4	6.4	5.5	-	-	-	-	-	-	-
	Nogata	4.8	4.7	4.7	4.7	2.2	-	-	-	-	-
	Saito	16.1	15.8	15.5	15.3	15.1	14.9	14.8	14.7	2.2	-
Total of Assets B		**43.3**	**42.9**	**41.5**	**30.0**	**23.5**	**21.1**	**21.0**	**20.8**	**8.3**	**0.4**

3) **Other Assumptions**

- **Capital Expenditures ("CAPEX")**

Assets A has 4 projects that have already in commercial operation (COD) and will not require any capital expenditures.

Assets B has Saito project, which is one of project under SPJ, that has not been in commercial operation yet and will commence COD on 1 March 2021. Saito is transferred to SPJ on 31 March 2020 and SPJ had to pay for Saito project to PSJP for JPY 555.6 mm. Also, in 2021, Saito will require capital expenditure for grid connection to Kyushu EPCO for JPY 66.3 mm.

Moreover, Assets B also has Nihonmatsu 3 project and GS project that have commenced commercial operation (COD) on 24 January 2020, which have been completely developed and have account payable for project development cost to be paid in 2020 for JPY 29.3 mm.

The detail is as follows;

Table of Assumption of CAPEX

Company	Project	CAPEX
Assets A		
MSP3	Iwaki	-
HMS	Hamada 1	-
CCH	Hamada 2	-
SE	Aomori	-
Assets B		
GS	Nihonmatsu 3	JPY 29.3 mm in 2020
SPJ	Goryo	-
	Shibushi	-
	Nogata	-
	Saito	JPY 555.6 mm in 2020 and JPY 66.3 mm in 2021

- **Depreciation and Amortization**

The IFA projects depreciation and amortization for investment for engineering, procurement & construction (EPC) of power plants, grid connection, and power plant licenses of each project according to Thai Financial Reporting Standards (TFRS) for projection model and according to Japan's financial statement standard for CIT calculation. The detail is as follows;

Asset	TFRS Standard	Japan's CIT Standard
Power Plant License	Straight-line 20 years	Straight-line 20 years
Grid Connection	Straight-line 20 years	Straight-line 15 years
Power Plant	Straight-line 20 years	Double-declining 17 years

- **Finance Cost**

Companies in Assets A and Assets B have finance cost from interest-bearing debt from loan contracts with financial institutions for project development. The IFA projects finance cost and loan repayment schedule of current interest-bearing debts which have average interest rate of 2.5%. The detail is as follows;

Table of Assumptions of interest-bearing debt ("IBD")

Company	Project	IBD a.o. 31 Dec 2020
Assets A		
MSP3	Iwaki	JPY 9,877.9 mm
HMS	Hamada 1	JPY 2,294.5 mm
CCH	Hamada 2	JPY 3,915.6 mm
SE	Aomori	JPY 1,967.1 mm
Assets B		
GS	Nihonmatsu 3	JPY 271.1 mm
SPJ	Goryo	JPY 1,799.6 mm[1/]
	Shibushi	
	Nogata	
	Saito[1/]	

Note: 1/ SPJ has IBD as of 31 December 2019 of JPY 948.8 mm and under negotiation for additional loan for Saito project of JPY 850.9 mm, which will be received in 2021

- **Corporate Income Tax ("CIT")**

  Assets A and Assets B are registered and operate in Japan, which have obligation to pay corporate income tax of 27.5% of earning before tax. However, companies in Assets A and Assets B have net operating loss and 50.0% of the loss can be carried forward for 10 years for CIT deductible.

  Furthermore, investments in Assets A and Assets B are GK-TK investment (additional detail of GK-TK investment is in Section 6.2), which have tax benefit; profit sharing to TK investor (RICI) will be regarded as expenses and can be CIT deductible. Therefore, profit sharing to RICI will not be base for CIT calculation.

- **Working Capital**

  The IFA projects assumptions of working capital based on actual historical data of each company in Assets A and Assets B during 2017 – 2019. The detail is as follows;

Table of Assumption of Working Capital

Company	Day Sales Outstanding (Days)	Days Payable Outstanding (Days)	Consumption Tax Payable (%)	CIT Payable (%)	Interest Payable (%)
Assets A					
MSP3	28.1	20.2	53.1	68.7	16.7
HMS	34.8	34.9	37.6	56.8	2.7
CCH	45.0	29.8	26.9	52.4	6.6
SE[1/]	33.7	42.0	39.2	56.3	8.7
Assets B					
GS[2/]	33.7	42.0	39.2	56.3	8.7
SPJ	26.7	83.0	0.02	47.2	-

Note: 1/ Aomori project has commenced commercial operation on 30 September 2019 which is not a full-year operation. Thus, the IFA project assumptions of working capital of SE to be historical average of working capital ratios during 2017 – 2019 of SPJ, HMS, CCH, and MSP3.
2/ Nihonmatsu 3 project has commenced commercial operation on 24 January 2020 which is not a full-year operation. Thus, the IFA project assumptions of working capital of GS to be historical average of working capital ratios during 2017 – 2019 of SPJ, HMS, CCH, and MSP3.

- **Terminal Value**

  In the terminal year of the operation, companies in Assets A and Assets B would have lands that will not be depreciated. Hence, the IFA project terminal value to be the future value of the lands based on the value disclosed in Information Memorandum on Disposal of Nine Solar Power Projects in Japan. Also, the IFA project the land value to grow at 2.0% according to average growth rate of commercial land and residential land in Japan in 2020, based on information from

Ministry of Land Infrastructure Transport and Tourism of Japan, because land is limited resource and increasing electricity demand from overall growing economy of Japan. Thus, the IFA considers that the growth rate of land value is reasonable. Additionally, land value is based on the land value for preparation of the Company's consolidated financial statements, in which the Company had arranged for the appraisal of land price by an independent appraiser by using the income approach in 2017. In this regard, the Company will arrange the valuation of such land from time to time in order to avoid material difference of the book value from the fair value. The current value of land of Assets A is JPY 770.0 mm, and Assets B is JPY 97.5 mm.

4) **Discount Rate**

In calculating of discount rate to be used in the Discounted Cash Flow Approach, the IFA used Cost of Equity ("Ke") of each company of Assets A and Assets B. The detail is as follows:

$$Ke = Rf + \beta L \times (Rm - Rf)$$

Whereas

Risk Free Rate (Rf)	Based on the 10-year government bond as of 17 December 2020 at 0.02% (based on Ministry of Finance of Japan) which the IFA considers to cover the economic cycle of Japan. Moreover, the IFA also considers Rf of different period and found that 5-year Rf is negative which cannot reflect the long-term economic condition. In addition, the general practice of power plant business in Japan is refinancing in order to lower financial cost. Thus, the IFA uses Rf period that is shorter than the project period which is between 14 – 20 years.
Market Return (Rm)	Based on 5-year CAGR of Nikkei Total Return Index from December 2015 to December 2020, which covers economic cycle of Japan's current economic landscape, of 5.4%. Moreover, the IFA also considers Rm of different period and found that 10-year Rm is 11.0% which is considerably high for economically stable country such as Japan. Such high Rm is because in 2010 Japan's economy had not fully recovered from Subprime Crisis in 2008.
Beta (βL)	Median of 5-year historical beta, from December 2015 to December 2020, of comparable companies that operate solar power business with LTM Revenue between JPY 1,000.0 – 5,000.0 mm and capacity no more than 300.0 MW that is listed in stock exchange in Asia (due to limitation of number of comparable companies with similar characteristics as assets of the Company that is listed in Tokyo Stock

Exchange), namely, 1) Shanghai Lingyun Industries Development Co., Ltd., 2) SDS Holdings Co.,Ltd., 3) Waa Solar Limited, and 4) Prime Road Power Public Company Limited, is equal to 0.6 based on Capital IQ (the IFA refers to 2-year beta for Sermsang Power Corporation Public Company Limited because it has only started solar farm business in 2019) The IFA considers that the βU can reflect fluctuation of return of comparable companies with similar characteristics as Assets A and Assets B that operate solar power plant business reasonably. However, under limitation, the criteria for comparable company selection by filtering size of operation can better reflect characteristics of Assets A and Assets B than bu selecting large companies listed in Tokyo Stock Exchange because large companies usually have lower β (fluctuation against market return), which might not reflect Assets A and Assets B characteristics. Thus, the IFA emphasizes on size than location of the comparable companies[1].

The IFA adjusts the beta from the comparable companies with capital structure of each company of Assets A and Assets B each year to reflect changes of capital structure from loan repayment.

In this regard, Ke can be calculated as follows;

Ke = $Rf + \beta L \times (Rm - Rf)$

= 0.02% + (0.6 to 3.6 changing due to change in capital structure of each company of Assets A and Assets B) x (5.4% – 0.02%)

= 3.4% to 25.8% (changing due to change in capital structure of each company of Assets A and Assets B)[2]

[1] Since there is only 1 comparable company operating in similar businesses with the group of companies in Assets A and Assets B, that is; conducting electricity generating business with solar power; earning the historical 12-month revenue between JPY 1,000.0 – 5,000.0 mm; have power capacity not exceeding 300.0 MW; and listed in the Tokyo Stock Exchange ("TSE"), the IFA deems it appropriate to expand the scope of the regional considerations comparable to Asia.

[2] Cost of Equity (Ke) will change due to change in capital structure of each company of Assets A and Assets B from loan repayment each year which will lower Ke every year. The equivalent average of Ke throughout the projection is 4.1%

5) **Valuation by Discounted Cash Flow Approach**

The IFA conducts projection using DCF approach based on the projection of FCFE of companies in Assets A and Assets B as follows;

Assets A

1. **Mega Solar Park 3 GK (MSP3)** consists of Iwaki project

Table of Projection of FCFE of MSP3

(Unit: JPY mm)

MSP3	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenue	1,273.0	1,258.4	1,247.4	1,236.5	1,229.0	1,215.0	1,204.3	1,193.8	1,186.6	1,173.0	1,162.7
OPEX	(842.2)	(829.8)	(818.9)	(809.3)	(800.8)	(793.2)	(786.6)	(780.7)	(775.6)	(770.9)	(766.9)
EBIT	**430.9**	**428.6**	**428.5**	**427.2**	**428.3**	**421.7**	**417.7**	**413.1**	**411.0**	**402.1**	**395.9**
Finance Cost	(225.3)	(212.6)	(199.5)	(186.1)	(172.4)	(158.4)	(144.1)	(129.5)	(114.5)	(99.1)	(83.5)
EBT	**205.5**	**216.1**	**229.0**	**241.1**	**255.8**	**263.3**	**273.6**	**283.6**	**296.5**	**302.9**	**312.4**
CIT	-	-	-	-	-	-	(1.1)	(3.1)	(4.1)	(4.4)	(4.8)
Net Profit	**205.5**	**216.1**	**229.0**	**241.1**	**255.8**	**263.3**	**272.6**	**280.5**	**292.5**	**298.5**	**307.6**
D&A	525.3	525.3	525.3	525.3	525.3	525.3	525.3	525.3	525.3	525.3	525.3
NOWC	5.4	(2.0)	(2.0)	(2.0)	(1.9)	(2.2)	(1.4)	(0.8)	(1.5)	(2.2)	(2.1)
CAPEX	-	-	-	-	-	-	-	-	-	-	-
Net Borrowing	(568.5)	(568.2)	(581.3)	(594.7)	(608.4)	(622.4)	(636.7)	(651.4)	(666.4)	(681.7)	(697.4)
FCFE	**167.6**	**171.1**	**171.0**	**169.7**	**170.8**	**163.9**	**159.7**	**153.6**	**149.9**	**139.8**	**133.3**
Ke	25.8%	20.8%	17.1%	14.3%	12.1%	10.4%	9.0%	7.9%	6.9%	6.1%	5.4%
PV(FCFE)	**143.1**	**120.8**	**103.1**	**89.6**	**80.4**	**70.1**	**62.8**	**56.2**	**51.4**	**45.4**	**41.2**

Table of Projection of FCFE of MSP3

(Unit: JPY mm)

MSP3	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Revenue	1,152.6	1,145.6	1,132.5	1,122.6	1,112.7	1,106.0	1,093.4	294.9	-	-	-
OPEX	(763.3)	(760.1)	(757.3)	(754.8)	(752.5)	(750.6)	(748.8)	(202.5)	-	-	-
EBIT	**389.3**	**385.5**	**375.2**	**367.8**	**360.2**	**355.4**	**344.5**	**92.4**	**-**	**-**	**-**
Finance Cost	(67.4)	(51.0)	(31.7)	(17.5)	(7.5)	-	-	-	-	-	-
EBT	**321.9**	**334.5**	**343.5**	**350.3**	**352.7**	**355.4**	**344.5**	**92.4**	**-**	**-**	**-**
CIT	(5.1)	(5.4)	(5.7)	(5.9)	(6.1)	(6.2)	(6.3)	3.2	-	-	-
Net Profit	**316.7**	**329.0**	**337.8**	**344.4**	**346.6**	**349.2**	**338.2**	**95.6**	**-**	**-**	**-**
D&A	525.3	525.3	525.3	525.3	525.3	525.3	525.3	142.5	-	-	-
NOWC	(2.2)	(2.2)	(3.0)	(2.0)	(1.3)	(0.8)	0.1	20.6	0.6	-	-
CAPEX	-	-	-	-	-	-	-	365.6	-	-	-
Net Borrowing	(713.5)	(729.9)	(805.3)	(433.3)	(435.6)	-	-	-	-	-	-
FCFE	**126.3**	**122.2**	**54.9**	**434.3**	**435.0**	**873.6**	**863.6**	**624.2**	**0.6**	**-**	**-**
Ke	4.8%	4.3%	3.8%	3.6%	3.4%	3.4%	3.4%	3.4%	3.4%	-	-
PV(FCFE)	**37.4**	**34.9**	**16.8**	**107.6**	**104.2**	**199.8**	**191.1**	**166.1**	**0.1**	**-**	**-**

Equity Value of MSP3 calculated by discounted cash flow approach is JPY 2,387.5 mm.

Table of Projection of FCFE of MSP3

Uni: JPY mm	31 December 2019
Total Present Value of FCFE	1,722.1
Add: Cash and Deposits as of 31 December 2019	665.4
Equity Value of MSP3	**2,387.5**

2. **Hamada Mega Solar GK (HMS)** consists of Hamada 1 project

Table of Projection of FCFE of HMS

(Unit: JPY mm)

HMS	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenue	481.4	475.9	471.8	467.6	464.8	459.5	455.5	451.5	448.8	443.6	439.7
OPEX	(248.7)	(245.6)	(242.9)	(240.4)	(238.3)	(236.4)	(234.7)	(233.2)	(231.9)	(230.8)	(229.7)
EBIT	**232.7**	**230.3**	**228.9**	**227.2**	**226.5**	**223.1**	**220.7**	**218.2**	**216.8**	**212.9**	**210.0**
Finance Cost	(51.4)	(47.5)	(43.4)	(38.9)	(34.2)	(29.2)	(24.0)	(18.5)	(12.9)	(7.1)	(2.9)
EBT	**181.3**	**182.8**	**185.5**	**188.3**	**192.3**	**193.9**	**196.8**	**199.8**	**204.0**	**205.7**	**207.1**
CIT	-	-	-	-	-	-	-	-	-	-	-
Net Profit	**181.3**	**182.8**	**185.5**	**188.3**	**192.3**	**193.9**	**196.8**	**199.8**	**204.0**	**205.7**	**207.1**
D&A	148.4	148.4	148.4	148.4	148.4	148.4	148.4	148.4	148.4	148.4	148.4
NOWC	11.9	(0.1)	(0.0)	(0.0)	0.0	(0.0)	(0.0)	(0.0)	0.0	(0.0)	0.1
CAPEX	-	-	-	-	-	-	-	-	-	-	-
Net Borrowing	(165.0)	(176.4)	(187.9)	(199.4)	(211.8)	(224.3)	(234.5)	(241.7)	(249.7)	(220.3)	(146.0)
FCFE	**176.6**	**154.7**	**146.1**	**137.3**	**128.9**	**117.9**	**110.7**	**106.5**	**102.8**	**133.8**	**209.6**
Ke	15.4%	11.1%	8.7%	7.2%	6.1%	5.3%	4.7%	4.2%	3.8%	3.6%	3.4%
PV(FCFE)	**153.1**	**120.7**	**104.9**	**92.0**	**81.3**	**70.6**	**63.3**	**58.5**	**54.3**	**68.3**	**103.4**

Table of Projection of FCFE of HMS

(Unit: JPY mm)

HMS	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Revenue	435.9	433.2	428.3	424.5	372.6	-	-	-	-	-	-
OPEX	(228.8)	(228.0)	(227.3)	(226.6)	(200.1)	-	-	-	-	-	-
EBIT	**207.1**	**205.2**	**201.0**	**197.9**	**172.5**	**-**	**-**	**-**	**-**	**-**	**-**
Finance Cost	(0.2)	-	-	-	-	-	-	-	-	-	-
EBT	**206.9**	**205.2**	**201.0**	**197.9**	**172.5**	**-**	**-**	**-**	**-**	**-**	**-**
CIT	-	-	-	-	-	-	-	-	-	-	-
Net Profit	**206.9**	**205.2**	**201.0**	**197.9**	**172.5**	**-**	**-**	**-**	**-**	**-**	**-**
D&A	148.4	148.4	148.4	148.4	131.3	-	-	-	-	-	-
NOWC	0.1	0.2	0.2	0.2	6.5	13.4	-	-	-	-	-
CAPEX	-	-	-	-	289.8	-	-	-	-	-	-
Net Borrowing	(37.6)	-	-	-	-	-	-	-	-	-	-
FCFE	**317.8**	**353.9**	**349.6**	**346.5**	**600.2**	**13.4**	**-**	**-**	**-**	**-**	**-**
Ke	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	-	-	-	-	-
PV(FCFE)	**151.8**	**163.5**	**156.3**	**149.9**	**296.0**	**5.4**	**-**	**-**	**-**	**-**	**-**

Equity Value of HMS calculated by discounted cash flow approach is JPY 2,571.0 mm.

Table of Projection of FCFE of HMS

Uni: JPY mm	31 December 2019
Total Present Value of FCFE	1,893.3
Add: Cash and Deposits as of 31 December 2019	677.7
Equity Value of HMS	**2,571.0**

3. **CC Hamada GK (CCH)** consists of Hamada 2 project

Table of Projection of FCFE of CCH

(Unit: JPY mm)

CCH	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenue	491.7	486.1	481.8	477.6	474.7	469.3	465.2	461.1	458.3	453.1	449.1
OPEX	(363.3)	(358.2)	(353.7)	(349.8)	(346.3)	(343.2)	(340.4)	(338.0)	(335.9)	(334.0)	(332.3)
EBIT	**128.4**	**127.9**	**128.1**	**127.9**	**128.5**	**126.2**	**124.8**	**123.1**	**122.5**	**119.1**	**116.8**
Finance Cost	(104.5)	(98.4)	(92.1)	(85.7)	(79.0)	(72.2)	(65.2)	(57.9)	(50.5)	(42.9)	(35.0)
EBT	**23.9**	**29.5**	**36.0**	**42.2**	**49.5**	**54.0**	**59.6**	**65.2**	**72.0**	**76.3**	**81.8**
CIT	-	-	-	-	-	-	-	-	(0.7)	(1.6)	(1.8)
Net Profit	**23.9**	**29.5**	**36.0**	**42.2**	**49.5**	**54.0**	**59.6**	**65.2**	**71.3**	**74.7**	**80.1**
D&A	240.0	240.0	240.0	240.0	240.0	240.0	240.0	240.0	240.0	240.0	240.0
NOWC	(12.1)	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	0.2	0.2	(0.1)
CAPEX	-	-	-	-	-	-	-	-	-	-	-
Net Borrowing	(217.0)	(223.1)	(229.4)	(235.8)	(242.5)	(249.3)	(256.3)	(263.6)	(271.0)	(278.6)	(286.5)
FCFE	**34.8**	**46.1**	**46.3**	**46.1**	**46.7**	**44.4**	**43.0**	**41.4**	**40.4**	**36.3**	**33.4**
Ke	19.2%	16.6%	14.9%	13.3%	11.8%	10.4%	9.2%	8.0%	7.0%	6.1%	5.2%
PV(FCFE)	**37.1**	**40.0**	**34.9**	**30.7**	**27.8**	**24.1**	**21.5**	**19.3**	**17.7**	**15.3**	**13.6**

Table of Projection of FCFE of CCH

(Unit: JPY mm)

CCH	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Revenue	445.2	442.5	437.4	433.6	429.8	427.2	69.7	-	-	-	-
OPEX	(330.8)	(329.5)	(328.3)	(327.3)	(326.4)	(325.6)	(53.4)	-	-	-	-
EBIT	**114.4**	**113.0**	**109.1**	**106.3**	**103.4**	**101.6**	**16.3**	**-**	**-**	**-**	**-**
Finance Cost	(26.9)	(17.3)	(9.7)	(4.1)	-	-	-	-	-	-	-
EBT	**87.5**	**95.7**	**99.4**	**102.2**	**103.4**	**101.6**	**16.3**	**-**	**-**	**-**	**-**
CIT	(1.9)	(2.1)	(2.2)	(2.3)	(2.3)	(2.4)	2.2	-	-	-	-
Net Profit	**85.6**	**93.7**	**97.3**	**99.9**	**101.1**	**99.3**	**18.5**	**-**	**-**	**-**	**-**
D&A	240.0	240.0	240.0	240.0	240.0	240.0	39.4	-	-	-	-
NOWC	(0.2)	(0.2)	(0.1)	(0.0)	0.1	0.4	29.5	5.9	-	-	-
CAPEX	-	-	-	-	-	-	114.6	-	-	-	-
Net Borrowing	(294.6)	(387.8)	(240.0)	(240.0)	-	-	-	-	-	-	-
FCFE	**30.8**	**(54.4)**	**97.1**	**99.9**	**341.2**	**339.6**	**202.0**	**5.9**	**-**	**-**	**-**
Ke	4.3%	3.8%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	-	-	-
PV(FCFE)	**12.3**	**(13.2)**	**30.3**	**30.1**	**93.3**	**89.9**	**62.2**	**1.4**	**-**	**-**	**-**

Equity Value of CCH calculated by discounted cash flow approach is JPY 918.2 mm.

Table of Projection of FCFE of CCH

Uni: JPY mm	31 December 2019
Total Present Value of FCFE	588.4
Add: Cash and Deposits as of 31 December 2019	329.8
Equity Value of CCH	**918.2**

4. **Sun Energy GK (SE)** consists of Aomori project

Table of Projection of FCFE of SE

(Unit: JPY mm)

SE	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenue	291.8	288.4	285.9	283.4	281.7	278.4	276.0	273.6	271.9	268.8	266.5
OPEX	(198.6)	(195.3)	(192.4)	(189.8)	(187.6)	(185.6)	(183.9)	(182.4)	(181.1)	(180.0)	(179.0)
EBIT	**93.2**	**93.1**	**93.5**	**93.6**	**94.1**	**92.8**	**92.1**	**91.2**	**90.8**	**88.8**	**87.5**
Finance Cost	(47.4)	(44.7)	(42.1)	(39.4)	(36.7)	(34.0)	(31.4)	(28.7)	(26.0)	(23.4)	(20.7)
EBT	**45.8**	**48.4**	**51.5**	**54.2**	**57.4**	**58.8**	**60.7**	**62.5**	**64.8**	**65.5**	**66.8**
CIT	-	-	-	-	-	-	-	-	-	(0.3)	(0.6)
Net Profit	**45.8**	**48.4**	**51.5**	**54.2**	**57.4**	**58.8**	**60.7**	**62.5**	**64.8**	**65.2**	**66.1**
D&A	118.1	118.1	118.1	118.1	118.1	118.1	118.1	118.1	118.1	118.1	118.1
NOWC	(8.6)	(0.4)	(0.3)	(0.3)	(0.3)	(0.3)	(0.2)	(0.2)	(0.2)	(0.1)	0.0
CAPEX	-	-	-	-	-	-	-	-	-	-	-
Net Borrowing	(111.1)	(111.1)	(111.1)	(111.1)	(111.1)	(111.1)	(111.1)	(111.1)	(111.1)	(111.1)	(111.1)
FCFE	**44.1**	**55.0**	**58.1**	**60.9**	**64.1**	**65.5**	**67.4**	**69.2**	**71.5**	**72.1**	**73.1**
Ke	8.6%	8.1%	7.5%	7.1%	6.6%	6.2%	5.8%	5.5%	5.2%	4.9%	4.6%
PV(FCFE)	**42.7**	**48.8**	**47.9**	**46.7**	**46.1**	**44.3**	**43.1**	**41.9**	**41.1**	**39.5**	**38.2**

Table of Projection of FCFE of SE

(Unit: JPY mm)

SE	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Revenue	264.1	262.6	259.5	257.3	255.0	253.5	250.6	248.4	183.7	-	-
OPEX	(178.2)	(177.5)	(176.8)	(176.3)	(175.8)	(175.5)	(175.1)	(174.9)	(130.2)	-	-
EBIT	**86.0**	**85.1**	**82.7**	**81.0**	**79.2**	**78.0**	**75.4**	**73.5**	**53.5**	**-**	**-**
Finance Cost	(18.0)	(15.4)	(12.7)	(10.0)	(7.3)	(4.7)	(2.0)	-	-	-	-
EBT	**68.0**	**69.7**	**70.0**	**71.0**	**71.8**	**73.3**	**73.4**	**73.5**	**53.5**	**-**	**-**
CIT	(0.8)	(0.9)	(0.9)	(0.9)	(1.0)	(1.0)	(1.0)	(1.1)	0.4	-	-
Net Profit	**67.2**	**68.9**	**69.1**	**70.0**	**70.9**	**72.3**	**72.4**	**72.4**	**53.9**	**-**	**-**
D&A	118.1	118.1	118.1	118.1	118.1	118.1	118.1	118.1	88.0	-	-
NOWC	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	1.5	6.7	-
CAPEX	-	-	-	-	-	-	-	-	-	-	-
Net Borrowing	(111.1)	(111.1)	(111.1)	(111.1)	(111.1)	(111.1)	(111.1)	-	-	-	-
FCFE	**74.0**	**75.7**	**76.0**	**76.9**	**77.7**	**79.2**	**79.2**	**190.4**	**143.4**	**6.7**	**-**
Ke	4.4%	4.2%	4.0%	3.8%	3.7%	3.5%	3.4%	3.4%	3.4%	3.4%	-
PV(FCFE)	**37.1**	**36.4**	**35.1**	**34.2**	**33.3**	**32.8**	**31.7**	**72.6**	**52.9**	**2.4**	**-**

Equity Value of SE calculated by discounted cash flow approach is JPY 1,109.2 mm.

Table of Projection of FCFE of SE

Uni: JPY mm	31 December 2019
Total Present Value of FCFE	848.7
Add: Cash and Deposits as of 31 December 2019	178.8
Add: TK Investment in 2020	81.7
Equity Value of SE	**1,109.2**

Assets B

1. **Good Solar GK (GS)** consists of Nihonmatsu 3 project

Table of Projection of FCFE of GS

(Unit: JPY mm)

GS	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenue	47.1	49.7	49.2	48.8	48.5	47.9	47.5	47.1	46.8	46.3	45.9
OPEX	(28.3)	(30.4)	(30.1)	(29.8)	(29.6)	(29.4)	(29.2)	(29.1)	(29.0)	(28.8)	(28.7)
EBIT	**18.8**	**19.3**	**19.2**	**19.0**	**18.9**	**18.5**	**18.3**	**18.0**	**17.9**	**17.4**	**17.1**
Finance Cost	(6.9)	(6.5)	(6.1)	(5.7)	(5.3)	(5.0)	(4.6)	(4.2)	(3.8)	(3.4)	(3.0)
EBT	**11.9**	**12.8**	**13.0**	**13.2**	**13.6**	**13.6**	**13.7**	**13.8**	**14.1**	**14.0**	**14.1**
CIT	-	-	-	-	-	-	(0.0)	(0.1)	(0.2)	(0.2)	(0.2)
Net Profit	**11.9**	**12.8**	**13.0**	**13.2**	**13.6**	**13.6**	**13.7**	**13.7**	**13.9**	**13.8**	**13.9**
D&A	20.8	22.2	22.2	22.2	22.2	22.2	22.2	22.2	22.2	22.2	22.2
NOWC	(2.0)	(0.1)	1.5	(1.0)	0.2	0.2	(0.2)	0.1	0.1	(0.0)	0.0
CAPEX	(29.3)	-	-	-	-	-	-	-	-	-	-
Net Borrowing	74.6	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)
FCFE	**75.9**	**19.8**	**21.7**	**19.4**	**20.9**	**20.9**	**20.7**	**21.0**	**21.1**	**20.9**	**21.1**
Ke	9.1%	8.2%	7.4%	6.8%	6.3%	5.9%	5.5%	5.2%	4.9%	4.6%	4.4%
PV(FCFE)	**69.6**	**16.8**	**17.1**	**14.3**	**14.5**	**13.7**	**12.8**	**12.4**	**11.9**	**11.3**	**10.9**

Table of Projection of FCFE of GS

(Unit: JPY mm)

GS	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Revenue	45.5	45.2	44.7	44.3	43.9	43.6	43.1	42.7	42.5	2.7	-
OPEX	(28.7)	(28.6)	(28.5)	(28.5)	(28.4)	(28.4)	(28.4)	(28.3)	(28.3)	(1.8)	-
EBIT	**16.8**	**16.6**	**16.1**	**15.8**	**15.5**	**15.2**	**14.8**	**14.4**	**14.2**	**0.9**	**-**
Finance Cost	(2.6)	(2.2)	(1.8)	(1.5)	(1.1)	(0.7)	(0.3)	-	-	-	-
EBT	**14.2**	**14.4**	**14.3**	**14.3**	**14.4**	**14.5**	**14.5**	**14.4**	**14.2**	**0.9**	**-**
CIT	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	0.1	-
Net Profit	**14.0**	**14.1**	**14.1**	**14.1**	**14.2**	**14.3**	**14.2**	**14.2**	**14.0**	**1.0**	**-**
D&A	22.2	22.2	22.2	22.2	22.2	22.2	22.2	22.2	22.2	1.4	-
NOWC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.9	0.1
CAPEX	-	-	-	-	-	-	-	-	-	-	-
Net Borrowing	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	(15.1)	-	-	-	-
FCFE	**21.1**	**21.3**	**21.2**	**21.3**	**21.3**	**21.5**	**21.4**	**36.4**	**36.2**	**3.3**	**0.1**
Ke	4.2%	4.0%	3.9%	3.7%	3.6%	3.5%	3.4%	3.4%	3.4%	3.4%	3.4%
PV(FCFE)	**10.5**	**10.1**	**9.7**	**9.4**	**9.1**	**8.9**	**8.5**	**14.0**	**13.5**	**1.2**	**0.0**

Equity Value of GS calculated by discounted cash flow approach is JPY 390.7 mm.

Table of Projection of FCFE of GS

Uni: JPY mm	31 December 2019
Total Present Value of FCFE	300.3
Add: Cash and Deposits as of 31 December 2019	3.36
Add: TK Investment in 2020	87.0
Equity Value of GS	**390.7**

2. **Sun Partner Japan GK (SPJ)** consists of Goryo project, Shibushi project, Nogata project, and Saito project.

Table of Projection of FCFE of SPJ

(Unit: JPY mm)

SPJ	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenue	159.5	242.3	256.3	254.1	252.5	249.6	247.4	245.3	243.8	241.0	238.8
OPEX	(76.3)	(110.7)	(133.7)	(132.3)	(131.1)	(130.0)	(129.0)	(128.2)	(127.5)	(126.9)	(126.3)
EBIT	**83.2**	**131.6**	**122.7**	**121.8**	**121.5**	**119.7**	**118.4**	**117.0**	**116.3**	**114.1**	**112.5**
Finance Cost	(21.8)	(41.1)	(38.2)	(35.2)	(32.2)	(29.2)	(26.2)	(23.2)	(20.2)	(17.2)	(14.2)
EBT	**61.4**	**90.6**	**84.5**	**86.6**	**89.3**	**90.5**	**92.2**	**93.8**	**96.1**	**96.9**	**98.3**
CIT	(0.1)	0.1	(0.1)	(0.2)	(0.3)	(0.3)	(0.4)	(0.5)	(0.5)	(0.6)	(0.6)
Net Profit	**61.2**	**90.7**	**84.4**	**86.5**	**89.0**	**90.1**	**91.8**	**93.4**	**95.5**	**96.3**	**97.7**
D&A	52.7	64.8	89.0	89.0	89.0	89.0	89.0	89.0	89.0	89.0	89.0
NOWC	(2.2)	(1.1)	(1.2)	(0.1)	(0.1)	(0.0)	(0.0)	0.0	0.0	0.1	0.1
CAPEX	(555.6)	(66.3)	-	-	-	-	-	-	-	-	-
Net Borrowing	(73.9)	723.9	(127.1)	(127.1)	(127.1)	(127.1)	(127.1)	(127.1)	(127.1)	(127.1)	(127.1)
FCFE	**(517.8)**	**811.9**	**45.1**	**48.3**	**50.9**	**52.0**	**53.7**	**55.3**	**57.5**	**58.3**	**59.7**
Ke	4.57%	5.46%	5.21%	4.98%	4.76%	4.57%	4.38%	4.22%	4.06%	3.91%	3.78%
PV(FCFE)	**(493.9)**	**738.1**	**40.7**	**41.4**	**41.5**	**40.6**	**40.1**	**39.5**	**39.4**	**38.5**	**37.9**

Table of Projection of FCFE of SPJ

(Unit: JPY mm)

SPJ	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Revenue	236.7	235.3	228.4	157.8	110.5	88.7	87.6	87.2	14.1	-	-
OPEX	(125.9)	(125.5)	(122.5)	(85.2)	(61.6)	(51.3)	(51.1)	(51.0)	(8.1)	-	-
EBIT	**110.9**	**109.8**	**105.9**	**72.6**	**48.9**	**37.4**	**36.5**	**36.2**	**6.0**	**-**	**-**
Finance Cost	(11.2)	(8.2)	(5.5)	(4.2)	(2.9)	(1.6)	-	-	-	-	-
EBT	**99.7**	**101.6**	**100.4**	**68.4**	**46.0**	**35.8**	**36.5**	**36.2**	**6.0**	**-**	**-**
CIT	(0.7)	(0.7)	(0.6)	(0.3)	(0.3)	(0.2)	(0.3)	(0.3)	0.3	-	-
Net Profit	**99.0**	**100.9**	**99.8**	**68.1**	**45.7**	**35.5**	**36.2**	**35.9**	**6.3**	**-**	**-**
D&A	89.0	89.0	87.3	61.5	44.3	36.3	36.3	36.3	5.9	-	-
NOWC	0.1	0.1	0.2	2.4	2.0	1.1	0.0	0.0	2.2	0.7	-
CAPEX	-	-	-	-	33.7	-	-	-	63.8	-	-
Net Borrowing	(127.1)	(127.1)	(58.1)	(53.2)	(53.2)	(53.2)	-	-	-	-	-
FCFE	**61.0**	**62.9**	**129.1**	**78.8**	**72.5**	**19.7**	**72.6**	**72.2**	**78.2**	**0.7**	**-**
Ke	3.65%	3.54%	3.48%	3.44%	3.39%	3.35%	3.35%	3.35%	3.35%	3.35%	-
PV(FCFE)	**37.4**	**37.2**	**72.5**	**42.9**	**44.5**	**10.3**	**35.5**	**34.2**	**48.8**	**0.3**	**-**

Equity Value of SPJ calculated by discounted cash flow approach is JPY 1,728.1 mm.

Table of Projection of FCFE of SPJ

Uni: JPY mm	31 December 2019
Total Present Value of FCFE	967.3
Add: Cash and Deposits as of 31 December 2019	138.9
Add: TK Investment in 2020	621.9
Equity Value of SPJ	**1,728.1**

According to valuation by Discounted Cash Flow approach of Assets A and Assets B, sum of the parts (SOTP) of Assets A and Assets B is JPY 9,104.6 mm which can be summarized as follows;

Table of Summary of Equity Value of Assets A and Assets B (SOTP)

Unit: JPY mm	31 December 2019
Assets A	
Mega Solar Park 3 GK (Iwaki project)	2,387.5
Hamada Mega Solar GK (Hamada 1 project)	2,571.0
CC Hamada GK (Hamada 2 project)	918.2
Sun Energy GK (Aomori project)	1,109.2
Total Equity Value of Assets A	**6,985.8**
Assets B	
Good Solar GK (Nihonmatsu 3 project)	390.7
Sun Partner Japan GK (Goryo project, Shibushi project, Nogata project, and Saito project).	1,728.1
Total Equity Value of Assets B	**2,118.8**
Total Equity Value (SOTP)	**9,104.6**

6) **Sensitivity Analysis**

The assumptions that the IFA used for the projection are based on assumptions under current economic conditions. Should there be any material change to the economic conditions or natural environment, the projection under the aforementioned assumptions might be change materially and might affect the rate of return for Assets A and Assets B. Therefore, the IFA has conducted sensitivity analysis of the factors that might directly impact the valuation, namely, cost of equity and revenue from electricity sales since the electricity volume generated depends on various factors, for example, performance of equipment, degradation, availability factor, and other uncontrollable factors such as solar irradiance, climate, and curtailment. In this regard, the historical average of actual electricity volume generated is lower than the projection of electricity volume generated under P50 solar irradiance but higher than P75 and P90 solar irradiance. Thus, there might be fluctuation of electricity volume generated and revenue. The IFA considers the change of +/-3.00% for both factors. The sensitivity analysis can be summarized as follow;

Table of Sensitivity Analysis

Factors (Mm JPY)		Revenue from Electricity Sales				
		+3.0%	+1.5%	Base	-1.5%	-3.0%
Cost of Equity (Ke)	+3.0%	9,678.3	9,280.1	8,886.3	8,497.1	8,112.8
	+1.5%	9,794.0	9,392.2	8,994.6	8,601.7	8,213.6
	Base	9,911.4	9,505.9	9,104.6	8,707.9	8,316.0
	-1.5%	10,030.4	9,621.3	9,216.2	8,815.7	8,420.0
	-3.0%	10,151.1	9,738.3	9,329.5	8,925.2	8,525.5

According to the sensitivity analysis in the table above, total value of Assets A and Assets B is between JPY 8,112.8 – 10,151.1 mm. The DCF approach can reflect business plan and profitability as well as return of shareholders' in the future which is projected based on revenue and expenses of companies in Assets A and Assets B according to assumptions that the IFA considers reasonable. Thus, valuation by such approach can reflect fair value.

4.6 Summary of Fair Valuation of Assets A and Assets B

The IFA has calculated the fair value of Assets A and Assets B using the aforementioned valuation approaches which can be summarized as follows:

Table of Summary of Fair Valuation of Assets A and Assets B

Approach	Total Value (¥mm)	Details
1. Book Value Approach	4,290.1	The Book Value is the method that reflect the financial position at one point in time without take into account of market value of certain assets and significant events after the date of financial statement. Moreover, it will not be able to reflect the ability of asset to generate profit from the group companies in Assets A and Assets B's business in the future. Hence, **the IFA does not select this valuation approach.**
2. Adjusted Book Value Approach	5,080.7	The Adjusted Book Value Approach reflects net value of assets which is closer to the current value when compare to the Book Value Approach. It also considers major incident happened after the date of referred financial statement. However, this approach does not take into consideration of future profitability, trend of related industries as well as other external factors that would affect the future performance of the business. Hence, **the IFA does not select this valuation approach.**
3.1 P/BV	9,320.1 – 10,567.7	The Price to Book Value Ratio reflects financial position at a point of time, from comparing with the average ratio of comparable companies. The IFA concludes that the P/BV ratio is not the appropriate method for the valuation, since it does not reflect the market value of certain assets and significant events after the date of referred financial statement as well as the ability to make profits from the assets for the group of companies in Assets A and Assets B's business in the future. Therefore, it is not an appropriate approach. Hence, **the IFA does not select this valuation approach.**
3.2 P/E	1,269.9 – 1,375.1	The Price to Earnings Ratio refers to the earnings per share for over the past 12 months and multiplied by the P/E ratio. The IFA concludes that this approach does not taking into account of the difference of business structure, such as, revenue structure and cost structure; therefore, this approach might not fully reflect the actual value. Hence, **the IFA does not select this valuation approach.**
3.3 EV/EBITDA	22,444.6 – 25,413.5	The Enterprise Value/Earnings before interest, tax, depreciation and amortization reflects the group of companies in Assets A and Assets B's ability to generate operating profit which is deducted by the different effects from the capital expenditure. The IFA concludes that this valuation approach contains uncertainty regarding many factors such as capital structure, future revenue, as well as current and future power capacity whereby the valuation results obtained using this method may reflect a misleading share value. Hence, **the IFA disregards this valuation approach.**
5. Transaction Comparable Approach	6,737.5	The Transaction Comparable Approach reflects the ability to generate cash flow from operation deducted by the effects of capital structure in different enterprise. The IFA views that this valuation approach contains uncertainty of various factors such as transaction size and time of transaction, which might indicate the misleading share value from the valuation. Hence, **the IFA does not select this valuation approach**

Approach	Total Value (¥mm)	Details
5. Discounted Cash Flow Approach	8,112.8 – 10,151.1	DCF approach reflects business operation plan, ability to make profit and growth prospect as well as return of equity in the future, which is estimated from revenue and expenses based on an assumption that is considered to be fair and appropriate by the IFA**. Hence, the IFA concludes that this valuation approach is appropriate for the valuation of Assets A and Assets B.**

The IFA has an opinion that the most appropriate approach for the valuation of Assets A and Assets B is DCF approach because the DCF approach can reflect cash flows in the future which the IFA projected based on assumptions such electricity sales assumptions, current FiT PPAs, and other assumptions that is crucial to the valuation based on historical performance, technical due diligence report, and information from the Company's management interview as well as information, news that are publicly available. The IFA found that the fair valuation of Assets A and Assets B is JPY 8,1128.8 – 10,151.1 mm or, equivalently, THB 2,384.4 – 2,983.5 mm based on the Exchange Rate as of 16 December 2020.

Nevertheless, the DCF approach is based on assumptions of contracts such as O&M contract, insurance contract, land rent contracts, loan contracts, etc. which only reflects the current operation of the projects. However, the value of the disposed assets is determined by auctioning sale process involving multiple potential buyers and requiring submission of their respective bidding price. Hence, the consideration value was determined from selecting the highest bid received with the most favorable terms for the Sellers. Since Buyer A and Buyer B are renewable energy operators affiliates of renewable power group listed in Tokyo Stock Exchange, specializing in solar power plant business in Japan, the Buyers might be able to buy Assets A and Assets B at a higher transaction price than the fair value assessed by the IFA. Because the Buyers might be able to generate higher return by lowering cost of capital and other costs and expenses, economy of scale, as well as risk minimization of the developed and operating projects.

5. Summary of the Opinion of the IFA

The Board of Directors' meeting of the Company No. 6/2020 held on 17 December 2020 resolved to propose to the shareholders' meeting to approve PSJP and RICI (indirect subsidiaries of the Company with 87.36 percent ownership interest held through CEPL) to dispose of 6 subsidiaries registered in Japan which hold 9 solar power projects in Japan with a total installed of 64.2 MW (separately Transaction A and Transaction B). Total consideration of the Transaction will be no less than JPY 14,000.0 mm or equivalent to THB 4,114.7 mm Assets A's consideration value will be no less than JPY 12,000.0 mm or equivalent to THB 3,526.9 mm and Assets B's consideration value will be no less than JPY 2,000.0 mm or equivalent to THB 587.8 mm, which may be subject to further adjustments as agreed by buyers and seller. Moreover, the disposed assets are comprised of:

(1) All equities interests in Mega Solar Park 3 GK (MSP3) Hamada Mega Solar GK (HMS) CC Hamada GK (CCH) Sun Energy GK (SE) (Companies of Asset A) Good Solar GK (GS) and Sun Partner Japan GK (SPJ) (Companies of Asset A) in total of 6 subsidiaries (GK)

(2) All TK interests in 9 projects (TK Interests) under 6 subsidiaries mentioned in (1)

(3) Plots of land held by PSJP

To consider the appropriateness of the Transaction, Avantgarde Capital Company Limited as the IFA of the Transaction analyzed the objectives of the Transaction, historical operating performance of Assets A and Assets B from financial statement, current and future business policies, technical due diligence report, management's interview of the Company as well as information and news that are publicly available in order to analyze advantages and disadvantages of entering into the Transaction which can be summarized that the Transaction is part of the strategy and business plan of the Company to lower debt obligation and seek new investment opportunity for renewable business growth. The disposal of Assets A and Assets B will lower the risk from interest-bearing debt and open up opportunities to invest and develop new projects in Japan and Austria, which is the countries that the Company has the most experience in order to increase profitability and/or repay financial burden of the Company to restructure capital of the Company to strengthen financial position and generate higher return to the shareholders. Therefore, the IFA has an opinion that the Transaction is reasonable.

The IFA has an opinion that the Transaction Price of no less than JPY 14,000.0 mm or THB 4,114.7 mm, based on the exchange rate on 16 December 2020, is appropriate because the Transaction Price is higher

than the fair valued assessed by the IFA. The IFA has valued the fair value of Assets A and Assets B which is between 8,112.8 – 10,151.1 mm or THB 2,384.4 – 2,983.5 mm, based on the exchange rate on 16 December 2020. By comparison, the Transaction Price of JPY 14,000.0 mm or THB 4,114.7 mm Is higher than the fair valued assessed by the IFA by JPY 3,848.9 – 5,887.2 mm or equivalent to THB 1,131.2 – 1,730.3 mm or the fair value is lower than the transaction value by 27.5 – 42.1%. Nevertheless, the IFA analyzes that the Transaction Price is higher than the fair value is because The Transaction is conducted as an auctioning sale process which might cause price competition and drive the Transaction Price much higher since the Buyer A and Buyer B are large renewable power businesses in Japan and have lower financial cost and expenses for operation as well as economy of scale.

Therefore, the IFA has an opinion that the Transaction will allow the Company to use the proceed from the disposed asset to develop and/or invest in other projects to increase profitability and/or repay financial burden to strengthen capital structure of the Company. Therefore, the IFA has an opinion that the Transaction is reasonable and will benefit the Company and shareholders should approve the Transaction. However, To consider the Transaction, shareholders shall consider information, opinion and other details prepared by the IFA as mentioned earlier as well as advantages and disadvantages of entering into the Transaction. The decision to approve or disapprove for this Transaction is subject to the consideration of shareholders.

The IFA certified that the IFA carefully considered and provided financial opinions in accordance with the professional standard by taking into account the best interest of the shareholders.

The Independent Financial Advisor

Avantgarde Capital Co., Ltd.

-Signed-	-Signed-
(Mr. Worawas Wassanont)	(Mr. Worawas Wassanont)
Supervisor	Managing Director

6. Appendix

6.1 Contracts Related to Project's Operation of Asset A

- **Contracts Related to Project Iwaki**

  In order to comprehend an overview of the transaction The Independent Financial Advisor would like to summarize the details of the contracts related to Iwaki Project into non-effective contracts and effective contracts

O Non-Effective Contract

- **Engineering Procurement and Construction ("EPC") Contract**

  The essence details of EPC contracts for Project Iwaki are shown in the following table.

Table: Summary of Project Iwaki's EPC contact

EPC Contract	Contract's details
Counter Party	DOHWA and Tokyo Densetsu Service
Scope of Work	Conducting in a comprehensive manner in all parts of project construction, starting from designing stage to providing the machinery and equipment until the construction to accomplish the objectives.
Contract Price	JPY 7,556.0 mm
Final Completion Date	30 April 2018
Warranty for Defects	Period: 2 years from final completion date and deposit 2.5% of contract price or equivalent to JPY 189 mm
Warranty for Performance	3 months after final completion date with the amount of 5.0% of contract price or equivalent to JPY 378 mm
Warranty Period	● Guarantee ≥ 90% of the instant module output for 10 years from COD (Apr 2018) ● Guarantee ≥ 80% of the instant module output for 25 years from COD (Apr 2018) ● Guarantee Performance Ratio ("PR") at 77.9% with annual attenuation of 0.6%

- **Land Lease Contract**

Although the Iwaki land lease contract has not expired. However, the land used by the Iwaki Project is land owned by PSJP. This is one of the assets that the Company will sell. Therefore, after the transaction has ended. Land lease agreements are without binding terms. and does not apply. Since the land will be transferred to buyer A. The essence of the land lease agreement of the Iwaki Project is detailed in the following table.

Table: Summary of Project Iwaki's Land contact

Land Lease Contract	Contract's details
Counter Party	PSJP
Land Size	Leased Area of 1,508.0 sq.m. out of total area of 759,202.0 sq.m.
Leasing Fee	Advance payment of JPY 315.0 mm and JPY 7.7 mm/year
Effective Start Date	20 April 2017
Expire Date	18 November 2036
Renewal's Condition	Can renew up to 2041 under same conditions if the Company provides written notice within 3 months and receive consent before end of contract

o Effective Contract

The effective contract for the Iwaki Project consists of an operation and maintenance contract. Asset management contracts and Insurance contracts, although such contracts will still have effectively binding terms, MSP3 is a party in those contracts. and obligations under the contract will be transferred to buyer A.

- **Operation and Maintenance Contract ("O&M")**

The essence details of O&M contracts for Project Iwaki are shown in the following table.

Table: Summary of Project Iwaki's O&M contact

Operation and Maintenance Contract	Contract's details
Counter Party	DOHWA
Scope of Work	Provide the service including repair and maintenance under O&M contract to endure the project will operate effectively.
Annual Fee	JPY 135.1 mm
Effective Strat Date	25 April 2017
Expiration Date	9 April 2038
Performance Assurance	Maintain the minimum availability of 77.9% in first year and annual attenuation of 0.6%
Early Termination's Condition	MSP3 can early terminate the contract without any fees.

- **Asset Management Contract ("AM")**

The essence details of AM contracts for Project Iwaki are shown in the following table.

Table: Summary of Project Iwaki's AM contact

Asset Management Contract	Contract's details
Counter Party	Premier Solution Japan Kabushiki Kaisha
Scope of Work	Covers corporate work ex. accounting, tax filing etc.
Fee	JPY 15.0 mm/year
Effective Start Date	26 April 2017
Transferred of Right's Condition	Prohibit transfer of rights without prior written consent from the other party.
Termination's Condition	MSP3 can terminate the contract with no breakage costs/ early termination fees is MSP3 has repaid full payment of loan.

- **Insurance Contracts**

The essence details of insurance contracts for Project Iwaki are shown in the following table.

Table: Summary of Project Iwaki's insurance contact

Insurance Contracts	Contract's details
All Risk Insurance and General Liability Insurance Counter Party	Hyundai Marine & Fire Inc.
Expire Date	April 2021
Coverage	JPY 8,578.1 mm
Insurance Policy Holder	PSJP

- **Contracts Related to Project Hamada 1**

  In order to comprehend an overview of the transaction The Independent Financial Advisor would like to summarize the details of the contracts related to Hamada 1 Project into non-effective contracts and effective contracts

o Non-Effective Contract

- Engineering Procurement and Construction Contract

The essence details of EPC contracts for Project Hamada 1 are shown in the following table.

Table: Summary of Project Hamada 1's EPC contact

EPC Contract	Contract's details
Counter Party	LG CNS
Scope of Work	Conducting in a comprehensive manner in all parts of project construction, starting from designing stage to providing the machinery and equipment until the construction to accomplish the objectives.
Contract Price	JPY 1,587.0 mm
Final Completion Date	20 November 2015
Warranty for Defects	● Period: 3 years from final completion date ● Amount: 10% of contract price or JPY 159.0 mm until final completion date
Warranty Period	● Guarantee ≥ 90% of the instant module output for 10 years from final completion date ● Guarantee ≥ 80% of the instant module output for 25 years from final completion date ● System performance: Maintain minimum guaranteed system efficiency of 78.5% for 5 years from final completion date

- **Land Lease Contract**

Although the Hamada 1 land lease contract has not expired. However, the land used by the Hamada 1 Project is land owned by PSJP. This is one of the assets that the Company will sell. Therefore, after the transaction has ended. Land lease agreements are without binding terms. and does not apply. Since the land will be transferred to buyer A. The essence of the land lease agreement of the Hamada 1 Project is detailed in the following table.

Table: Summary of Project Hamada 1's Land contact

Land Lease Contract	Contract's details
Counter Party	PSJP
Land Size	Leased Area of 250,203 sq.m. out of total area of 269,129 sq.m.
Leasing Fee	JPY 16.9 mm/year
Effective Start Date	2 July 2018
Expire Date	28 February 2036
Renewal's Condition	Able to renew by parties' mutual agreement
Transferred of Right's Condition	Negotiable

- **Effective Contract**

The effective contract for the Hamada 1 Project consists of an operation and maintenance contract. Asset management contracts and Insurance contracts, although such contracts will still have effectively binding terms, HMS is a party in those contracts. and obligations under the contract will be transferred to buyer A.

- **Operation and Maintenance Contract**

The essence details of O&M contracts for Project Hamada 1 are shown in the following table.

Table: Summary of Project Hamada 1's O&M contact

Operation and Maintenance Contract	Contract's details
Counter Party	LG CNS
Scope of Work	Provide the service including repair and maintenance under O&M contract to endure the project will operate effectively.
Annual Fee	JPY 46.9 mm
Effective Strat Date	6 March 2014
Expire Date	5 March 2029
Renewal's Condition	Automatically renewed for another 1 year unless either party refuses
Performance Assurance	Minimum PR of 78.5% in first year and annual attenuation of 0.7%
Early Termination's Condition	HMS can terminate the contract with no breakage costs/ early termination fees

- **Asset Management Contract**

The essence details of AM contracts for Project Hamada 1 are shown in the following table.

Table: Summary of Project Hamada 1's AM contact

Asset Management Contract	Contract's details
Counter Party	LG CNS
Scope of Work	Covers corporate work ex. accounting, tax filing etc.
Fee	JPY 6.9 mm/year
Effective Start Date	6 March 2014
Expire Date	5 March 2029
Renewal's Condition	Automatically renewed for another 1 year unless either party refuses
Termination's Condition	HMS can terminate the contract with no breakage costs/ early termination fees if HMS has repaid full payment of loan.

- **Insurance Contracts**

The essence details of insurance contracts for Project Hamada 1 are shown in the following table.

Table: Summary of Project Hamada 1's insurance contact

Insurance Contract	Contract's details
All Risk Insurance and General Liability Insurance Counter Party	Sompo Japan Insurance Inc.
Expire Date	December 2021
Coverage	JPY 3,457.7 mm
Insurance Policy Holder	LG CNS

- **Contracts Related to Project Hamada 2**

  In order to comprehend an overview of the transaction The Independent Financial Advisor would like to summarize the details of the contracts related to Hamada 2 Project into non-effective contracts and effective contracts

o Non-Effective Contract

- Engineering Procurement and Construction Contract

The essence details of EPC contracts for Project Hamada 2 are shown in the following table.

Table: Summary of Project Hamada 2's EPC contact

EPC Contract	Contract's details
Counter Party	DOHWA and PowerMax
Scope of Work	Conducting in a comprehensive manner in all parts of project construction, starting from designing stage to providing the machinery and equipment until the construction to accomplish the objectives.
Contract Price	JPY 2,974.0 mm
Final Completion Date	18 March 2017
Warranty for Defects	3 years from final completion date for 10.0% of contract price which is equivalent to JPY 297 mm
Warranty for Performance	2 months from final completion date for 15.0% of contract price which is equivalent JPY 446 mm
Warranty Period	● Guarantee ≥ 90% of the instant module output for 10 years from final completion date ● Guarantee ≥ 80% of the instant module output for 25 years from final completion date ● Maintain PR ratio at the minimum of 82.3% at year 1 with an annual attenuation of 0.5%/year

- **Land Lease Contract**

Although the Hamada 2 land lease contract has not expired. However, the land used by the Hamada 2 Project is land owned by PSJP. This is one of the assets that the Company will sell. Therefore, after the transaction has ended. Land lease agreements are without binding terms. and does not apply. Since the land will be transferred to buyer A. The essence of the land lease agreement of the Hamada 2 Project is detailed in the following table.

Table: Summary of Project Hamada 2's Land contact

Land Lease Contract	Contract's details
Counter Party	PSJP and individuals
Land Size	Leased Area of 27,912.0 sq.m. out of total area of 210,528.0 sq.m.
Leasing Fee	Advance payment of 94.6 mm and JPY 5.0 mm/year
Effective Start Date	1 November 2016
Expire Date	2 October 2037
Renewal's Condition	Able to renew either by parties' mutual agreement, or for another 1 year under the same conditions if the Company provides notice no later than 6 months before end of contract

o Effective Contract

The effective contract for the Hamada 2 Project consists of an operation and maintenance contract. Asset management contracts and Insurance contracts, although such contracts will still have effectively binding terms, CCH is a party in those contracts. and obligations under the contract will be transferred to buyer A.

- Operation and Maintenance Contract

The essence details of O&M contracts for Project Hamada 2 are shown in the following table.

Table: Summary of Project Hamada 2's O&M contact

Operation and Maintenance Contract	Contract's details
Counter Party	DOHWA
Scope of Work	Provide the service including repair and maintenance under O&M contract to endure the project will operate effectively.
Annual Fee	JPY 54.0 mm
Effective Strat Date	18 November 2016
Expire Date	1 March 2037
Performance Assurance	Maintain minimum PR ratio at 82.3% at year 1 with an annual attenuation of 0.5%/year
Early Termination's Condition	CCH can terminate the contract with no breakage costs/ early termination fees

- Asset Management Contract

The essence details of AM contracts for Project Hamada 2 are shown in the following table.

Table: Summary of Project Hamada 2's AM contact

Asset Management Contract	Contract's details
Counter Party	SB Energy Corp.
Scope of Work	Covers corporate work ex. accounting, tax filing etc.
Fee	JPY 15.0 mm/year
Effective Start Date	18 November 2016
Expire Date	1 March 2037
Renewal's Condition	Automatically renewed for another 1 year unless either party refuses
Transferred of Right's Condition	Prohibit transfer of rights without prior written consent from the other party
Termination's Condition	CCH can terminate the contract with no breakage costs/ early termination fees if CCH has repaid full payment of loan.

- **Insurance Contracts**

  The essence details of insurance contracts for Project Hamada 2 are shown in the following table.

Table: Summary of Project Hamada 2's insurance contact

Insurance Contracts	Contract's details
All Risk Insurance and General Liability Insurance Counter Party	Sompo Japan Insurance Inc.
Expire Date	March 2021
Coverage	JPY 3,063.7 mm
Insurance Policy Holder	Power Guard KK

- **Contracts Related to Project Aomori**

  In order to comprehend an overview of the transaction The Independent Financial Advisor would like to summarize the details of the contracts related to Aomori Project into non-effective contracts and effective contracts

O Non-Effective Contract

- Engineering Procurement and Construction Contract

The essence details of EPC contracts for Project Aomori are shown in the following table.

Table: Summary of Project Aomori's EPC contact

EPC Contract	Contract's details
Counter Party	PowerMax
Scope of Work	Conducting in a comprehensive manner in all parts of project construction, starting from designing stage to providing the machinery and equipment until the construction to accomplish the objectives.
Contract Price	JPY 1,153.0 mm
Final Completion Date	30 September 2019
Warranty Period	5 year from Final Completion Date
Warranty for Performance	● Part 1: Warranty Bond at 5.0% of contract price for 6 after September 2019 ● Part 2: Warranty Bond at 1.0% of contract price for 18 months after expiration of part 1 If Counter Party violate the clause specified in the contract, SE has the right to seize warranty bond.
Machinery's Warranty Period	● Solar panel: Guarantee 10 years workmanship, 25 years linear power output from November 2018 ● Inverter: 5 years warranty from Nov 2018 ● Medium voltage switchgear & monitoring system:1 year warranty from November 2018 ● Transformer and mounting system: 2 years warranty from November 2018 ● System performance: Maintain minimum performance ratio of 77.5% for year 1 (annual attenuation of 0.7% for year 2 to year 20)
If the Performance Ratio cannot be achieved,	PowerMax has entered into an insurance contract. If it can not maintain PR ratio, SE will receive the warranty from insurance contract mentioned above.

o Effective Contract

The effective contract for the Aomori Project consists of an operation and maintenance contract. Asset management contracts Insurance contracts and land lease contract, although such contracts will still have effectively binding terms, SE is a party in those contracts. and obligations under the contract will be transferred to buyer A.

- Operation and Maintenance Contract

The essence details of O&M contracts for Project Aomori are shown in the following table.

Table: Summary of Project Aomori's O&M contact

Operation and Maintenance Contract	Contract's details
Counter Party	PSJP
Annual Fee	JPY 15.7 mm
Annual fee's Condition	1.0% increase/annum
Effective Strat Date	30 September 2019
Expire Date	-
Renewal's Condition	-
Performance Assurance	Maintain the minimum availability of 98.0%. If the minimum availability is not reached, SE has the right to terminate the contract.
Early Termination's Condition	SE can early terminate the contract without any fees.

- Asset Management Contract

The essence details of AM contracts for Project Aomori are shown in the following table.

Table: Summary of Project Aomori's AM contact

Asset Management Contract	Contract's details
Counter Party	PSJP
Scope of Work	Covers corporate work ex. accounting, tax filing and managing cash flow
Fee	● 1.5% of revenue/year. ● Additional 25,000 ¥/hour is applied if closure service is required.
Effective Start Date	10 May 2018
Expire Date	10 May 2038
Renewal's Condition	Automatically renewed for another 1 year unless either party refuses.
Transferred of Right's Condition	Prohibit transfer of rights without prior written consent from the other party.
Termination's Condition	SE can terminate the contract with no breakage costs/ early termination fees

- **Insurance Contracts**

The essence details of insurance contracts for Project Aomori are shown in the following table.

Table: Summary of Project Aomori's insurance contact

Insurance Contracts	Contract's details
All Risk Insurance and General Liability Insurance Counter Party	Tokio Marine Nichido
Expire Date	September 2021
Coverage	JPY 1,153.0 mm
Insurance Policy Holder	SE

- **Land Lease Contract**

The essence details of Land contracts for Project Aomori are shown in the following table.

Table: Summary of Project Aomori's Land contact

Land Lease Contract	Contract's details
Counter Party	4 Individuals
Land Size	182,887.0 sq.m.
Leasing Fee	JPY 21.0 mm/year
Effective Start Date	31 May 2039
Expire Date	• Part 1 (2 Individuals) 1 April 2018 • Part 2 (2 Individuals) 1 October 2018
Renewal's Condition	Able to renew under the same conditions for another 1 year if mutually agreed from both party
Transferred of Right's Condition	Negotiable

6.2 Contracts Related to Project's Operation of Asset B

- **Contracts Related to Project Nihonmatsu 3**

  In order to comprehend an overview of the transaction The Independent Financial Advisor would like to summarize the details of the contracts related to Nihonmatsu 3 Project into non- effective contracts and effective contracts

o Non-Effective Contract

- **Engineering Procurement and Construction Contract**

  The essence details of EPC contracts for Project Nihonmatsu 3 are shown in the following table.

Table: Summary of Project Nihonmatsu 3's EPC contact

EPC Contract	Contract's details
Counter Party	PowerMax
Scope of Work	Conducting in a comprehensive manner in all parts of project construction, starting from designing stage to providing the machinery and equipment until the construction to accomplish the objectives.
Contract Price	JPY 160.0 mm
Final Completion Date	31 January 2020
Warranty for Defects	2 year from Final Completion Date
Warranty for Performance	PowerMax has entered into an insurance contract. If it cannot maintain PR ratio
Machinery's Warranty Period	● Solar panel: Guarantee 10 years workmanship, 25 years linear power output from August 2019 ● Inverter: 5 years warranty from August 2019 ● Medium voltage switchgear and monitoring system: 1 year warranty from November 2019 ● Transformer and mounting system: 2 years warranty from November 2019 ● System performance: Maintain minimum performance ratio of 77.0% for year 1 with annual attenuation of 0.7% per year
If the Performance Ratio cannot be achieved,	PowerMax has entered into an insurance contract. If it cannot maintain PR ratio, GS will receive the warranty from insurance contract mentioned above.

o Effective Contract

The effective contract for the Nihonmatsu 3 Project consists of an operation and maintenance contract. Asset management contracts Insurance contracts and land contract, although such contracts will still have effectively binding terms, GS is a party in those contracts. and obligations under the contract will be transferred to buyer B.

- Operation and Maintenance Contract

The essence details of O&M contracts for Project Nihonmatsu 3 are shown in the following table.

Table: Summary of Project Nihonmatsu 3's O&M contact

Operation and Maintenance Contract	Contract's details
Counter Party	PSJP
Scope of Work	Provide the service including repair and maintenance under O&M contract to endure the project will operate effectively.
Annual Fee	JPY nun 2.0 mm
Annual fee's Condition	1.0% increase/annum
Effective Strat Date	31 January 2020
Expire Date	Not Specified
Renewal's Condition	Not Specified
Performance Assurance	Maintain the minimum availability of 98.0%. If the minimum availability is not reached, GS has the right to terminate the contract.
Early Termination's Condition	GS can early terminate the contract without any fees.

- Asset Management Contract

The essence details of AM contracts for Project Nihonmatsu 3 are shown in the following table.

Table: Summary of Project Nihonmatsu 3's AM contact

Asset Management Contract	Contract's details
Counter Party	PSJP
Scope of Work	Covers corporate work ex. accounting, tax filing etc.
Fee	● 1.5% of revenue/year. ● Additional 25,000 ¥/hour is applied if closure service is required.
Effective Start Date	31 January 2020
Expire Date	30 January 2040
Renewal's Condition	Automatically renewed for another 1 year unless either party refuses.
Transferred of Right's Condition	Prohibit transfer of rights without prior written consent from the other party.
Termination's Condition	GS can terminate the contract with no breakage costs/ early termination fees

- **Insurance Contracts**

The essence details of insurance contracts for Project Nihonmatsu 3 are shown in the following table.

Table: Summary of Project Nihonmatsu 3's insurance contact

Insurance Contracts	Contract's details
All Risk Insurance and General Liability Insurance Counter Party	Tokio Marine Nichido
Expire Date	January 2021
Coverage	JPY 210.0 mm
Insurance Policy Holder	GS

- **Land Lease Contract**

The essence details of Land contracts for Project Nihonmatsu 3 are shown in the following table.

Table: Summary of Project Nihonmatsu 3's Land contact

Land Lease Contract	Contract's details
Counter Party	4 Individuals
Land Size	18,947.0 sq.m.
Leasing Fee	JPY 1.3 mm/year
Effective Start Date	1 April 2020
Expire Date	22 after start of construction
Renewal's Condition	Not Specified
Transferred of Right's Condition	Negotiable

- **Contracts Related to Project Goryo**

  In order to comprehend an overview of the transaction The Independent Financial Advisor would like to summarize the details of the contracts related to Goryo Project into non-effective contracts and effective contracts

o Non-Effective Contract

- Engineering Procurement and Construction ("EPC") Contract

The essence details of EPC contracts for Project Goryo are shown in the following table.

Table: Summary of Project Goryo's EPC contact

EPC Contract	Contract's details
Counter Party	Sopray Solar
Scope of Work	Conducting in a comprehensive manner in all parts of project construction, starting from designing stage to providing the machinery and equipment until the construction to accomplish the objectives.
Contract Price	JPY 338.0 mm
Final Completion Date	30 May 2014
Warranty for Defects	● 1 year from Final Completion Date
Warranty Period	● 1year warranty for Inverter from June 2015 (with additional cost for annual maintenance) ● 1year warranty for Transformer from June 2014

o Effective Contract

The effective contract for the Goryo Project consists of an operation and maintenance contract. Asset management contracts Insurance contracts and land lease contract, although such contracts will still have effectively binding terms, SPJ is a party in those contracts. and obligations under the contract will be transferred to buyer B.

- Operation and Maintenance Contract ("O&M")

The essence details of O&M contracts for Project Goryo are shown in the following table.

Table: Summary of Project Goryo's O&M contact

Operation and Maintenance Contract	Contract's details
Counter Party	Premier Solution Japan Kabushiki Kaisha
Scope of Work	Provide the service including repair and maintenance under O&M contract to endure the project will operate effectively.
Annual Fee	JPY 1.5 mm
Annual fee's Condition	1.0% increase/annum
Effective Strat Date	9 January 2019
Contract's Period	Not Specified
Performance Assurance	Maintain the minimum availability of 98.0%. If the minimum availability is not reached, SPJ has the right to terminate the contract.
Early Termination's Condition	SPJ can early terminate the contract without any fees.

- **Asset Management Contract ("AM")**

The essence details of AM contracts for Project Goryo are shown in the following table.

Table: Summary of Project Goryo's AM contact

Asset Management Contract	Contract's details
Counter Party	Premier Solution Japan Kabushiki Kaisha
Scope of Work	Covers corporate work ex. accounting, tax filing etc.
Fee	● 1.5% of revenue/year. ● Additional 25,000 ¥/hour is applied if closure service is required.
Effective Start Date	5 June 2015
Expire Date	4 June 2035
Renewal's Condition	Automatically renewed for another 1 year unless either party refuses.
Transferred of Right's Condition	Prohibit transfer of rights without prior written consent from the other party.
Termination's Condition	SPJ can terminate the contract with no breakage costs/ early termination fees

- **Insurance Contracts**

The essence details of insurance contracts for Project Goryo are shown in the following table.

Table: Summary of Project Goryo's insurnace contact

Insurance Contracts	Contract's details
All Risk Insurance's Counter Party	HDI Global Insurance SE
All Risk Insurance's Coverage	JPY 330.0 mm
General Liability Insurance	Tokio Marine Nichido
General Liability Insurance's Coverage	JPY 300.0 mm
Expire Date	January 2021
Insurance Policy Holder	SPJ

- **Land Contract**

The essence details of Land contracts for Project Goryo are shown in the following table.

Table: Summary of Project Goryo's Land contact

Land Contract	Contract's details
Counter Party	2 Individuals
Land Size	21,593.0 sq.m.
Leasing Fee	JPY 3.4 mm/year.
Effective Start Date	12 July 2013
Expire Date	11 July 034
Renewal's Condition	Able to renew under the same conditions for another 1 year when one party sends written notification and is accepted by the other party; The clause shall apply to the following renewal thereafter
Transferred of Right's Condition	Negotiable

- **Contracts Related to Project's Operation**

In order to comprehend an overview of the transaction The Independent Financial Advisor would like to summarize the details of the contracts related to Shibushi Project into non-effective contracts and effective contracts

o Non-Effective Contract

- **Engineering Procurement and Construction Contract**

The essence details of EPC contracts for Project Shibushi are shown in the following table.

Table: Summary of Project Shibushi's EPC contact

EPC Contract	Contract's details
Counter Party	Sopray Solar
Scope of Work	Conducting in a comprehensive manner in all parts of project construction, starting from designing stage to providing the machinery and equipment until the construction to accomplish the objectives.
Contract Price	JPY 225.0 mm
Final Completion Date	1 April 2014
Warranty for Defects	● 1 year from Final Completion Date ● Deposit at an amount of 5% of Contract Price.
Warranty Period	● Inverter: 1year warranty from November 2013 (with additional cost for annual maintenance) ● Transformer: 1year warranty from November 2013

o Effective Contract

The effective contract for the Shibushi Project consists of an operation and maintenance contract. Asset management contracts Insurance contracts and land lease contracts, although such contracts will still have effectively binding terms, SPJ is a party in those contracts. and obligations under the contract will be transferred to buyer B.

- **Operation and Maintenance Contract**

  The essence details of O&M contracts for Project Shibushi are shown in the following table.

Table: Summary of Project Shibushi's O&M contact

Operation and Maintenance Contract	Contract's details
Counter Party	Premier Solution Japan Kabushiki Kaisha
Scope of Work	Provide the service including repair and maintenance under O&M contract to endure the project will operate effectively.
Annual Fee	JPY 1.0 mm
Annual fee's Condition	1.0% increase/annum
Effective Strat Date	1 March 2016
Expiry Date	18 November 2033
Renewal's Condition	Able to renew for two 5years unless either party refuses
Performance Assurance	Maintain the minimum availability of 98.0%. If the minimum availability is not reached, SPJ has the right to terminate the contract.
Early Termination's Condition	SPJ can early terminate the contract without any fees.

- **Asset Management Contract**

  The essence details of AM contracts for Project Shibushi are shown in the following table.

Table: Summary of Project Shibushi's AM contact

Asset Management Contract	Contract's details
Counter Party	Premier Solution Japan Kabushiki Kaisha
Scope of Work	Covers corporate work ex. accounting, tax filing etc.
Fee	● 1.5% of revenue/year. ● Additional 25,000 ¥/hour is applied if closure service is required.
Effective Start Date	5 June 2015
Expire Date	4 June 2035
Renewal's Condition	Automatically renewed for another 1 year unless either party refuses.
Transferred of Right's Condition	Prohibit transfer of rights without prior written consent from the other party.
Termination's Condition	SPJ can terminate the contract with no breakage costs/ early termination fees

- **Insurance Contracts**

The essence details of insurance contracts for Project Shibushi are shown in the following table.

Table: Summary of Project Shibushi's insurnace contact

Insurance Contracts	Contract's details
All Risk Insurance and General Liability Insurance's Counter Party	HDI Global SE
Insurance Coverage	JPY 220.0 mm
Expire Date	January 2021
Insurance Policy Holder	SPJ

- **Land Contract**

The essence details of Land contracts for Project Shibushi are shown in the following table.

Table: Summary of Project Shibushi's Land contact

Land Contract	Contract's details
Counter Party	Individual
Land Size	16,857.0 sq.m.
Leasing Fee	JPY 2.4 mm/year.
Effective Start Date	8 July 2013
Expire Date	7 July 2034
Renewal's Condition	Able to renew under the same conditions for another 1 year when one party sends written notification and is accepted by the other party; The clause shall apply to the following renewal thereafter
Transferred of Right's Condition	Negotiable

- **Contracts Related to Project Nogata**

In order to comprehend an overview of the transaction The Independent Financial Advisor would like to summarize the details of the contracts related to Nogata Project into non-effective contracts and effective contracts

o Non-Effective Contract

- Engineering Procurement and Construction Contract

The essence details of EPC contracts for Project Nogata are shown in the following table.

Table: Summary of Project Nogata's EPC contact

EPC Contract	Contract's details
Counter Party	Horiuchi Denki
Scope of Work	Conducting in a comprehensive manner in all parts of project construction, starting from designing stage to providing the machinery and equipment until the construction to accomplish the objectives.
Contract Price	JPY 168.0 mm
Final Completion Date	30 June 2015
Warranty for Defects	2 years from final completion date
Warranty Period	● PV Module: Guarantee 10 years workmanship, 25 years linear power output from Jun 2015 ● Inverter: 1year warranty from Jun 2015 (with additional cost for annual maintenance) ● Transformer: 1year warranty from Jun 2015

- Land Contract

Although the Nogata land lease contract has not expired. However, the land used by the Nogata Project is land owned by PSJP. This is one of the assets that the Company will sell. Therefore, after the transaction has ended. Land lease agreements are without binding terms. and does not apply. Since the land will be transferred to buyer A. The essence of the land lease agreement of the Nogata Project is detailed in the following table.

Table: Summary of Project Nogata's Land contact

Land Contract	Contract's details
Counter Party	Premier Solution Japan Kabushiki Kaisha
Land Size	17,497.0 sq.m.
Leasing Fee	JPY 0.7 mm/year
Effective Start Date	1 March 2016
Expire Date	28 June 2036
Renewal's Condition	Able to renew 1 time under the same conditions until 27 June 2041
Transferred of Right's Condition	Able to transfer leasehold right and transferred individual has the right to preserve the same conditions under the contract.

o Effective Contract

The effective contract for the Nogata Project consists of an operation and maintenance contract. Asset management contracts and Insurance contracts, although such contracts will still have effectively binding terms, SPJ is a party in those contracts. and obligations under the contract will be transferred to buyer B.

- Operation and Maintenance Contract

The essence details of O&M contracts for Project Nogata are shown in the following table.

Table: Summary of Project Nogata's O&M contact

Operation and Maintenance Contract	Contract's details
Counter Party	Premier Solution Japan Kabushiki Kaisha
Scope of Work	Provide the service including repair and maintenance under O&M contract to endure the project will operate effectively.
Annual Fee	JPY 1.0 mm
Annual fee's Condition	1.0% increase/annum
Effective Strat Date	1 July 2016
Expiry Date	28 June 2035
Performance Assurance	Able to renew for two 5years unless either party refuses
Early Termination's Condition	Maintain the minimum availability of 98.0%. If the minimum availability is not reached, SPJ has the right to terminate the contract.
Counter Party	SPJ can early terminate the contract without any fees.

- Asset Management Contract

The essence details of AM contracts for Project Nogata are shown in the following table

Table: Summary of Project Nogata's AM contact

Asset Management Contract	Contract's details
Counter Party	Premier Solution Japan Kabushiki Kaisha
Scope of Work	Covers corporate work ex. accounting, tax filing etc.
Fee	● 1.5% of revenue/year. ● Additional 25,000 ¥/hour is applied if closure service is required.
Effective Start Date	5 June 2015
Expire Date	4 June 2035
Renewal's Condition	Automatically renewed for another 1 year unless either party refuses.
Transferred of Right's Condition	Prohibit transfer of rights without prior written consent from the other party.
Termination's Condition	SPJ can terminate the contract with no breakage costs/ early termination fees

- **Insurance Contracts**

The essence details of insurance contracts for Project Nogata are shown in the following table.

Table: Summary of Project Nogata's insurnace contact

Insurance Contracts	Contract's details
All Risk Insurance and General Liability Insurance's Counter Party	HDI Global SE
Insurance Coverage	JPY 220.0 mm
Expire Date	January 2021
Insurance Policy Holder	SPJ

- **Contracts Related to Solar Power Plant Project Saito**

In order to comprehend an overview of the transaction The Independent Financial Advisor would like to summarize the details of the contracts related to Saito Project into non-effective contracts and effective contracts

o Non-Effective Contract

- **Engineering Procurement and Construction Contract**

The essence details of EPC contracts for Project Saito are shown in the following table.

Table: Summary of Project Saito's EPC contact

EPC Contract	Contract's details
Counter Party	Eco Life and Premier Solution Japan Kabushiki Kaisha
Scope of Work	Conducting in a comprehensive manner in all parts of project construction, starting from designing stage to providing the machinery and equipment until the construction to accomplish the objectives.
Contract Price	JPY 205.0 mm
Final Completion Date	Under constructing period
Warranty for Defects	● 5 year from Final Completion Date ● Contractor assumes full responsibility for the cost of replacing or repairing any damages (caused by negligent, grossly negligent or willful acts of contractor) before COD
Warranty Period	● PV module: Guarantee 10 years workmanship and 25 years power output from Jun 2015 ● Racking system: 10 years warranty from Jun 2015 ● Guarantee PR at a minimum of 81.2% in year 1 with an annual attenuation of 0.7%/year from year2 to year20

- **Land Contract**

Although the Saito land lease contract has not expired. However, the land used by the Saito Project is land owned by PSJP. This is one of the assets that the Company will sell. Therefore, after the transaction has ended. Land lease agreements are without binding terms. and does not apply. Since the land will be transferred to buyer A. The essence of the land lease agreement of the Saito Project is detailed in the following table.

Table: Summary of Project Saito's Land contact

Land Contract	Contract's details
Counter Party	Premier Solution Japan Kabushiki Kaisha
Land Size	50,464.0 sq.m..
Leasing Fee	-
Effective Start Date	1 September 2018
Expire Date	31 August 2039
Renewal's Condition	Able to renew for 5 years if there is mutual agreement between both counter parties.
Transferred of Right's Condition	Not specified

O effective contract

The effective contract for the Saito Project consists of an operation and maintenance contract. Asset management contracts and Insurance contracts, although such contracts will still have effectively binding terms, SPJ is a party in those contracts. and obligations under the contract will be transferred to buyer B.

- **Operation and Maintenance Contract**

Project's Saito O&M contract is in progress.

- **Asset Management Contract**

Project's Saito AM contract is in progress.

- **Insurance Contracts**

  The essence details of insurance contracts for Project Saito are shown in the following table.

Table: Summary of Project Saito's insurnace contact

Insurance Contracts	Contract's details
All Risk Insurance and General Liability Insurance's Counter Party	Tokio Marine Nichido
Expire Date	February 2021
Insurance Coverage	JPY 509.8 mm
Insurance Policy Holder	Premier Solution Japan Kabushiki Kaisha

6.3 Company Profile

Chow Steel Industries Public Company Limited ("CHOW" or "the Company") was founded in 11 November 2003 to manufacture and distribute Steel Billet and its subsidiaries operate in inland transportation services. Moreover, as a holding company, it operates 4 major business unit comprising of solar power generation and distribution business, Consulting business and providing services related to solar power plants, Distributing machinery and equipment related to solar power plants and strategic power plant distribution business

1) General information of Chow Steel Industries Public Company Limited

Company Name	Chow Steel Industries Public Company Limited
Headquarters' Address	2525 FYI Center Building 2, 10th Floor, Unit 2/1006-1008, Rama IV Road, Khlong Toei, Bangkok 10110
Business Description	Operates in manufacture and distribute Steel Billet and solar power generation and distribution business
Company Registration	0107552000049
Website	www.chowsteel.com
Registered Capital	800,000,000 THB
Issued and Paid-up Capital	800,000,000 THB
Board of Director	

	Name	Position
1	Pruchya Piumsomboon, PH.D., P.E.	Independent Director and Chairman of the Board of Directors
2	Mr, Anavin Jiratomsiri	Director
3	Mr. Sanguangkiat Lewmanomont	Director
4	Miss Man Wai Koo	Director
5	Mrs. Sharuta Chin	Director
6	Mr. Mark David Remijan	Independent Director
7	Associate Professor Kalyaporn Pan-ma-rerng	Independent Director Chairman of the Audit Committee
8	Associate Professor Dr. Narong Yoothanom	Independent Director and Audit Committee
9	Mr. Noppadon Jason Chirasanti	Independent Director and Audit Committee

6.3.2 Major Shareholders of the Company

Table: 10 Major Shareholders of the Company

	List of Shareholders	Number of Shares	%
1.	Mr, Anavin Jiratomsiri	408,000,000	51.0
2.	Miss Man Wai Koo	40,500,000	5.1
3.	Miss Sharuta Jiratomsiri	40,500,000	5.1
4.	Mr. Chairat Kovitchindachai	36,705,100	4.6
5.	Miss Kanyakorn Pongpanish	29,831,200	3.7
6.	Ms. Kamolrut Jitpradabsilp	27,200,000	3.4
7.	Mr. Ukrit Tanthasatian	26,311,300	3.3
8.	Miss Preeyanuch Pananda	19,200,000	2.4
9.	Miss Patcharee Kovitchindachai	13,463,900	1.7
10.	Miss Varatp Charoensiriwat	10,600,000	1.3

Source: Information from Stock Exchange of Thailand as of 16 March 2020

6.3.3 Business Overview

Chow Steel Industries Public Company Limited ("CHOW" or "the Company") engages in production and distribution of steel billets using scrap as major raw material. The Company has employed imported production technology which is well accepted globally. Steel billet production process encompasses three steps. First, scrap is prepared. Second, the scrap is then melted in the electric induction furnace ("EIF") with required elements added to enhance the characteristics and quality of the steel to meet the standard quality and customers' demand. Last, the steel is cast into billet. The EIF technology will transform electric energy into heat to melt iron and steel. The advantage of the induction furnace is a clean, energy-efficient and well-controllable melting process compared to most other means of metal melting. The Company's customers use billet to manufacture round bar, deformed bar, and wire rod. These long products are mainly used in small and medium construction works such as residential and commercial units as well as other general construction works, including machine tools, auto parts and components, and large-scale construction works that require steel products for reinforced concrete which require high strength and durability for construction of bridges, dams, expressways, and structures that can tolerate high compression, as well as high-rise buildings. and its subsidiaries operate in inland transportation services. Moreover, as a holding company, it operates 4 major business unit comprising of solar power generation and distribution business, consulting business and providing services related to solar power plants,

distributing machinery and equipment related to solar power plants and strategic power plant distribution business

6.3.4 Product's Description of the Company

Production and Distribution of Steel Billet Business

In 2019, the Company has gradually started to provide OEM services to a customer since end of March 2019. However, due to factory Phase 2 revamping, including manufacturing process development, machinery improvement, since July 2019 and finished revamping process in November 2019. The Company started commissioning test over the new manufacturing process together with new machines development since then. The commissioning test is expected to be completed by February 2020 and the Company can start to provide full OEM service to a customer by end of Quarter 1' 2020.

For industry outlook, price of steel billets in the domestic market, was decreased compare to prior year which resulting from excess supply in the market

Renewable Energy Business

In 2019, the Company has successfully commercial operated a new solar power plant which located in Aomori, Japan. This project has capacity of electricity generation at 7.2 Megawatt. As of 31 December 2019, the Company had total electricity generation capacity of 67.1 Megawatt, which comprise of 6.6 Megawatt and 60.5 Megawatt in Thailand and Japan respectively. In comparison of 65.8 Megawatt electricity generation capacity as at 31 December 2018. As a result, the revenue from sale electricity in current year was higher than prior year. In addition, the Company is continue looking for new investment opportunities on Solar Power business expansion in overseas. During 2019, the Company started the feasibility study for new projects and on process of requesting for Solar Power Plant development's license in Australia.

During 2019, the Company continued to maximize its operational assets' value through the strategic exit of 5 solar power plants projects, which had electricity generation capacity of 5.9 Megawatt, to listed infrastructure fund in Japan. As a result, the Company recognized a gain on sales of solar plants of THB 97.7 mm

A subsidiary company got mandate for several new projects, installation of solar cell panel system. As of 31 December 2019, the company was completely installed solar cell to customers. A subsidiary recognized service income in 2019

Transportation Service Business

The objective of transportation business is to support sale billet of a parent company transactions. Since the price of steel billets in the domestic market was decreased. Therefore, the parent company slow-down of manufacturing billet and started providing OEM service to a customer. Furthermore, there were revamping factory Phase 2 in current year. As a result, the billet transaction by the parent company were significant decreased. In current year, the Company expanded the service to new customers in various type of businesses e.g., cements industry, fertilizer industry etc.

6.3.5 Revenue Structure

The Company is manufacturing and distributing Steel Billet and its subsidiaries operate in inland transportation services. Moreover, as a holding company operates 4 major business unit comprising of solar power generation and distribution business, consulting business and providing services related to solar power plants, distributing machinery and equipment related to solar power plants and strategic power plant distribution business

Table: Revenue Structure of the Company from 2017 – 2020 by Business Unit

Business Unit	Year 2017		Year 2018		Year 2019	
	THBmm	%	THBmm	%	THBmm	%
Steel Business						
Revenue from Distribution of Steel Billet	476.7	*30.7*	3,077.8	*71.4*	2,264.6	*53.6*
Revenue from OEM services	95.4	*6.1*	-	-	-	-
Revenue from Transportation Services	8.6	*0.6*	4.3	*0.1*	1.3	*0.0*
Total Revenue from Steel Business	**580.7**	***37.4***	**3,082.1**	***71.5***	**2,265.9**	***53.7***
Renewable Energy						
Power plant in Japan	694.8	*44.7*	652.2	*15.1*	438.9	*10.4*
Project Solar Rooftop in Thailand	51.8	*3.3*	50.1	*1.2*	43.8	*1.0*
Consulting and other services	6.7	*0.4*	1.8	*0.0*	5.6	*0.1*
Machinery and equipment	-	-	277.8	*6.5*	921.9	*21.8*
Profit from power distribution	97.7	*6.3*	214.5	*5.0*	172.6	*4.1*
Total Revenue from Renewable Energy	**851.0**	***54.8***	**1,196.4**	***27.8***	**1,582.7**	***37.5***
Profit from Foreign Exchange	90.3	*5.8*	-	-	129.8	*3.1*
Other Revenue/1	32.2	*2.1*	31.3	*0.7*	244.1	*5.8*
Total Revenue	**1,554.2**	***100.0***	**4,309.7**	***100.0***	**4,222.5**	***100.0***

Source: From 56-1 of the Company

Note: 1/Other revenue comprises of compensation of damages, interest income and other revenue

6.3.6 Operating Performance and Financial Position

The IFA summarized the Company's performance and financial position based on financial statements as audited and reviewed by EY Office Limited

1. Summary of significant items in the consolidated financial statements

- **Consolidated Statement of Comprehensive Income**

Table: Statement of Comprehensive Income of the Company from year 2017 – 2019 and Quarter 3 year 2019 - 2020

	2017		2018		2019		3Q2019		3Q2020	
	THBmm	%	THBmm	%	THBmm	%	THBmm	%	THBmm	%
Sales and Services income	3,676.0	*87.1*	4,064.0	*94.3*	1,334.0	*85.8*	1,181.2	*85.3*	1,044.4	*99.6*
Gain on sales of power plant projects	-	-		-		-	98.5	*7.1*		-
Other income	546.5	*12.9*	245.8	*5.7*	220.2	*14.2*	104.8	*7.6*	3.9	*0.4*
Total revenues	**4,222.5**	***100.0***	**4,309.7**	***100.0***	**1,554.2**	***100.0***	**1,384.5**	***100.0***	**1,048.4**	***100.0***
Cost of sales and services	(3,047.5)	*(72.2)*	(3,704.5)	*(86.0)*	(1,093.4)	*(70.4)*	(932.4)	*(67.3)*	(781.6)	*(74.6)*
Gross Profit	**1,175.0**	***27.8***	**605.3**	***14.0***	**460.8**	***29.6***	**452.0**	***32.7***	**266.8**	***25.4***
Selling and distribution expenses	(63.2)	*(1.5)*	(62.8)	*(1.5)*	(7.1)	*(0.5)*	(6.9)	*(0.5)*	(5.5)	*(0.5)*
Administrative expenses	(385.2)	*(9.1)*	(196.6)	*(4.6)*	(219.9)	*(14.1)*	(170.7)	*(12.3)*	(136.0)	*(13.0)*
Loss on exchange	-	-	(20.3)	*(0.5)*	-	-	-	-	(94.9)	*(9.1)*
Total expenses	**(448.4)**	***(10.6)***	**(279.7)**	***(6.5)***	**(227.0)**	***(14.6)***	**(177.6)**	***(12.8)***	**(236.4)**	***(22.6)***
Profit (loss) from operating activities	**726.6**	***17.2***	**325.6**	***7.6***	**233.8**	***15.0***	**274.4**	***19.8***	**30.4**	***2.9***
Finance cost	(349.6)	*(8.3)*	(414.4)	*(9.6)*	(420.0)	*(27.0)*	(318.2)	*(23.0)*	(303.5)	*(28.9)*
Income tax	(59.6)	*(1.4)*	(19.0)	*(0.4)*	(10.1)	*(0.6)*	(13.1)	*(0.9)*	(2.2)	*(0.2)*
Loss sharing from investment in Joint Venture	(10.1)	*(0.2)*	-	-	-	-	-	-	-	-
Net Profit (Loss)	**307.3**	***7.3***	**(107.8)**	***(2.5)***	**(196.4)**	***(12.6)***	**(57.0)**	***(4.1)***	**(275.3)**	***(26.3)***

Source: the Company's consolidated financial statement in 2017-2019 and Quarter 3 in 2019-2020

- **Consolidated Statement of Financial Position**

Table: Statement of financial position in 2017-2019 and Quarter 3 in 2020

	31 Dec 2017		31 Dec 2018		31 Dec 2019		3Q2020	
	THBmm	%	THBmm	%	THBmm	%	THBmm	%
Assets								
Cash and cash equivalents	975.9	*7.8*	1,140.8	*8.6*	107.2	*1.0*	163.4	*1.5*
Restricted bank deposits	200.7	*1.6*	288.1	*2.2*	272.2	*2.6*	413.7	*3.9*
Current portion of bank deposits pledged as collateral	-	-	627.9	*4.8*	567.3	*5.5*	442.9	*4.2*
Trade and other receivables	726.8	*5.8*	544.7	*4.1*	501.2	*4.9*	566.4	*5.3*
Inventories	699.0	*5.6*	766.0	*5.8*	409.8	*4.0*	107.2	*1.0*
Account receivable - Revenue Department	306.5	*2.4*	299.0	*2.3*	191.1	*1.9*	151.6	*1.4*
Non-current assets for sales	-	-	46.8	*0.4*	-	-		-
Other current assets	18.8	*0.1*	19.1	*0.1*	67.0	*0.7*	64.6	*0.6*
Total current assets	**2,927.7**	***23.3***	**3,732.3**	***28.3***	**2,115.9**	***20.6***	**1,909.8**	***17.9***
Bank deposits pledged as collateral - net of current portion	911.7	*7.3*	716.0	*5.4*	289.1	*2.8*	338.6	*3.2*
Investments in subsidiaries	-	-	-	-	-	-	-	-
Investment property	-	-	22.9	*0.2*	22.1	*0.2*	23.5	*0.2*
Property, plant and equipment	7,381.0	*58.7*	7,029.5	*53.2*	6,255.5	*60.8*	6,556.8	*61.5*
Right-of-use assets	-	-	-	-	-	-	196.1	*1.8*
Intangible assets	1,255.6	*10.0*	1,591.3	*12.1*	1,483.7	*14.4*	1,537.5	*14.4*
Deferred tax assets	8.3	*0.1*	6.4	*0.0*	8.6	*0.1*	15.4	*0.1*
Other non-current assets	81.2	*0.6*	105.3	*0.8*	106.0	*1.0*	77.4	*0.7*
Total non-current assets	**9,637.8**	***76.7***	**9,471.4**	***71.7***	**8,165.1**	***79.4***	**8,745.4**	***82.1***
Total assets	**12,565.4**	***100.0***	**13,203.7**	***100.0***	**10,281.0**	***100.0***	**10,655.2**	***100.0***

	31 Dec 2017		31 Dec 2018		31 Dec 2019		3Q2020	
	THBmm	%	THBmm	%	THBmm	%	THBmm	%
Liabilities								
Bank overdrafts and short-term loans from Financial Institutions	730.0	*5.8*	917.7	*7.0*	190.6	*1.9*	187.5	*1.8*
Trade and other payables	671.8	*5.3*	271.6	*2.1*	327.3	*3.2*	258.7	*2.4*
Current portion of long-term liabilities								
Long-term loans	3,224.0	*25.7*	4,815.3	*36.5*	2,166.5	*21.1*	3,436.6	*32.3*
Lease liabilities	3.8	*0.0*	2.4	*0.0*	-	-	15.8	*0.1*
Long-term liabilities classified as Current liabilities	17.4	*0.1*	-	-	-	-	-	-
Short-term loans from a related party	-	-	-	-	-	-	-	-
Short-term loans from unrelated parties	-	-	-	-	219.5	*2.1*	245.7	*2.3*
Income tax payable	40.7	*0.3*	10.5	*0.1*	5.4	*0.1*	2.8	*0.0*
Account payable - Revenue Department	95.6	*0.8*	67.1	*0.5*	58.3	*0.6*	28.4	*0.3*
Other current liabilities	15.4	*0.1*	13.4	*0.1*	5.7	*0.1*	17.3	*0.2*
Total current liabilities	**4,798.8**	***38.2***	**6,098.0**	***46.2***	**2,973.3**	***28.9***	**4,193.0**	***39.4***
Long-term liabilities - net of current portion								
Long-term loans	6,194.6	*49.3*	5,604.7	*42.4*	6,087.7	*59.2*	5,269.5	*49.5*
Lease liabilities	2.4	-	-	-	-	-	144.2	*1.4*
Deferred tax liabilities	29.4	*0.2*	31.4	*0.2*	30.9	*0.3*	32.0	*0.3*
Provision for long-term employee benefits	9.5	*0.1*	11.7	*0.1*	14.1	*0.1*	16.9	*0.2*
Provision for decommissioning costs of leased assets	5.1	-	5.3	-	7.2	*0.1*	7.9	*0.1*
Other non-current liabilities	-	-	4.0	-	19.7	*0.2*	20.0	*0.2*
Total non-current liabilities	6,240.9	*49.7*	5,657.1	*42.8*	6,159.6	*59.9*	5,490.5	*51.5*
Total liabilities	**11,039.7**	***87.9***	**11,755.1**	**89.0**	***9,132.9***	***88.8***	***9,683.5***	***90.9***

	31 Dec 2017		31 Dec 2018		31 Dec 2019		3Q2020	
	THBmm	%	THBmm	%	THBmm	%	THBmm	%
Shareholders' equity								
Share capital	800.0	*6.4*	800.0	*6.1*	800.0	*7.8*	800.0	*7.5*
Share premium	380.8	*3.0*	380.8	*2.9*	380.8	*3.7*	380.8	*3.6*
Differences from changes in the ownership interests in subsidiaries	(5.5)	-	(5.5)	-	(5.5)	*(0.1)*	(5.5)	*(0.1)*
Retained earnings								
Appropriated - statutory reserve	15.4	*0.1*	15.4	*0.1*	15.4	*0.1*	15.4	*0.1*
Deficit	287.6	*2.3*	165.5	*1.3*	(31.6)	*(0.3)*	(303.5)	*(2.8)*
Other components of shareholders' equity	(58.8)	*(0.5)*	(31.4)	*(0.2)*	(123.4)	*(1.2)*	(24.5)	*(0.2)*
Equity attributable to owners of the Company	1,419.5	*11.3*	1,324.8	*10.0*	1,035.8	*10.1*	862.7	*8.1*
Non-controlling interests of the subsidiaries	106.2	*0.8*	123.7	*0.9*	112.3	*1.1*	109.0	*1.0*
Total shareholders' equity	**1,525.8**	***12.1***	**1,448.6**	***11.0***	**1,148.1**	***11.2***	**971.7**	***9.1***
Total liabilities and shareholders' equity	**12,565.4**	***100.0***	**13,203.7**	***100.0***	**10,281.0**	***100.0***	**10,655.2**	***100.0***

Source: the Company's consolidated financial statement in 2017-2019 and Quarter 3 2020

- **Key Financial Ratio**

Table: Key Financial Ratios of the Company in 2017-2019 and Quarter 3 in 2020

	2017	2018	2019	Quarter 3 2020
Liquidity ratio				
Current ratio (times)	0.6	0.6	0.7	0.5
Quick ratio (times)	0.4	0.3	0.2	0.2
Account receivable day (days)	106.9	57.1	143.1	165.2
Inventory day (days)	154.0	72.2	196.3	120.1
Account payable day (days)	64.9	46.5	100.0	88.1
Cash Cycle (days)	196.0	82.8	239.4	197.2
Profitability ratio				
Gross profit margin (%)	17.1	8.9	18.0	25.2
Operating profit margin (%)	17.0	7.6	15.0	2.9
Net profit margin (%)	6.1	(2.8)	(12.8)	(24.6)
Return-on-equity (%)	19.0	(8.9)	(16.8)	(37.8)
Solvency ratio				
Debt-to-equity ratio (times)	7.8	8.9	8.8	11.2
Interest coverage ratio (times)	2.1	0.8	0.6	0.1

Source: the Company's consolidated financial statement in 2017-2019 and Quarter 3 in 2020

2. Explanation for Financial Status and Performance

- **Financial Performance**

Revenue from sales and services

Revenue from sales and services of the Company comprises of revenue from steel business, revenue from renewable energy and other revenue

In 2018, the Company had Sales and Services income equal to THB 4,064.0 mm, an increase from 2017 which was THB 3,676.0 mm equal to THB 388.0 mm or 10.6% increase. This is mainly due to the increase in revenue from Sales and Services. In 2018, the revenue from steel equals THB 3,077.8 mm, a decrease from 2018 which was THB 2,265.4 mm equal to THB 813.3 mm or 35.9% increase. This is caused by an increase in domestic and international sales.

In 2019, the Company had Sales and Services income equal to THB 1,334.0 mm, a decrease from 2018 which was THB 4,064.0 mm equal to THB 2,730.0 mm or 74.3% decrease. This is mainly due to the decrease in revenue from Sales and Services. In 2019, the revenue from steel equals THB 572.1 mm, a decrease from 2018 which was THB 3,077.8 mm equal to THB 2,505.8 mm or 81.4% decrease. The decrease in sales is due to the Company's halt in its Phase 1 and Phase 2 factory production processes. This is a preparation taken to transform the Company's Phase 1 and Phase 2 factories into an Original Equipment Manufacturer (OEM) contractor.

In quarter 3 of 2020, the Company had Sales and Services income equal to 1,044.4 THB mm, a decrease from quarter 3 of 2019 which was THB 1,181.2.0 mm equal to THB 136.8 mm or 11.6% decrease. This is mainly due to the decrease in revenue from Sales and Services. In quarter 3 of 2020, the revenue from steel equals THB 36.0 mm, a decrease from quarter 3 of 2019 which was THB 308.9 mm equal to THB 272.9 mm or 88.4% decrease. The decrease in Sales is due to the ongoing performance evaluation of the Company's machineries at the time. This step was taken to ensure the Company's transition to an OEM contractor. In addition, the widespread of COVID-19 has caused a decline in the industrial demand for steels. The steel price in Thailand has not yet been able to rise due to the pressure from the steel price abroad.

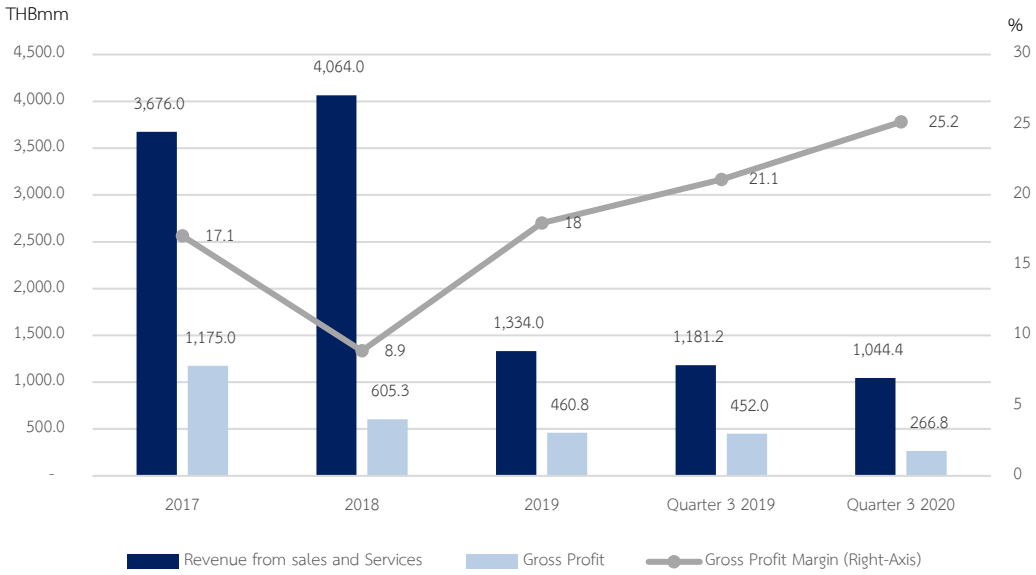
Gross Profit

In 2018, the Company had Gross Profit equal to THB 605.3 mm, a decrease from 2017 which was THB 1,175.0 mm equal to THB 569.7 mm or 48.5% decrease. The main reasons for the decrease are due to 1. The rise in the raw material price as there was a 170.2% increase in the price of scrap 2. The maintenance expenses of the Phase 1 factories equal to THB 18.0 mm at the beginning of the year 3. The devaluation of the products equal to THB 56.9 mm and the idle capacity cost equal to THB 5.0 mm

In 2019, the Company had Gross Profit equal to THB 406.8 mm, a decrease from 2018 which was THB 605.3 mm equal to THB 144.5 mm or 23.9% decrease. This is due to the halt in its steel production and distribution processes in its Phase 1 and Phase 2 factories, a preparation taken to transform into a contractor. The company was in its machine development process back in 2019.

In quarter 3 of 2020, the Company had Gross Profit equal to THB 266.8 mm, a decrease from 2019 which was THB 450.2 mm equal to THB 185.3 mm or 41.0% decrease. The main reason for the decrease is due to the wide spread of COVID-19 which consequently caused 1. The Company to halt its production and distribution of steel between from February to March 2020 2. A halt in any ongoing business processes overseas as regulations forbidding domestic and international travels were imposed 3. A decline in the customers usage of the Company's logistic services 4. An increase in the Company's capital expenditure as the cost of testing the improvement and development of its Phase 2 factories' machines, which was done in April 2020, were included in the cost of machineries and factories according to the standard accounting principle. This, in turn, has caused an increase in the depreciation cost in May 2020. As a result, the Company saw a decrease in its gross profit as there was a decline in its revenue due to the previously stated reasons while being burdened with business costs that were unavoidable.

Chart: Revenue from sales and services, Gross Profit and Gross Profit Margin from 2017 to Quarter 3 2020



Selling and Administration Expenses

In 2018, the Company had selling and administration equal to THB 259.4 mm, a decrease from 2017 which was THB 448.4 mm equal to THB 189.0 mm or 42.1% decrease. This is mainly due to the decrease in the Management expense equal to THB 139.2 mm, a decrease of THB 148.4 mm compared to 2017. In 2017, the Company's main expenses were the cost of acquiring 2 power plants, an allowance for doubtful accounts totaled THB 58.0 mm put forth

In 2019, the Company had selling and administration equal to THB 227.0 mm, a decrease from 2018 which was THB 259.4 mm equal to THB 32.3 mm or 12.5% decrease. This is mainly due to the Company's staff restructure which led to an employee's compensation fee of THB 19.7 mm and the halt in its Phase 1 and Phase 2 factories' production processes for the improvement of the machines and the facilities to transform into an OEM contractor. The halt spawned depreciation costs and other expenses that did not generate income equal to THB 37.0 mm, presented in the Management expense.

In quarter 3 of 2020, the Company had selling and administration expense equal to 141.5 THB mm, a decrease from 2019 which was THB 177.6 mm equal to THB 36.1 mm or 20.3% decrease. This is mainly due to the Company's staff restructure which led to an employee's compensation fee of THB 19.7 mm and the halt in its Phase 1 and Phase 2 factories' production processes for the improvement of the machines and the facilities to transform into an OEM contractor. The halt spawned depreciation costs and other expenses that did not generate income equal to 37.0 THB mm, presented in the Management expense.

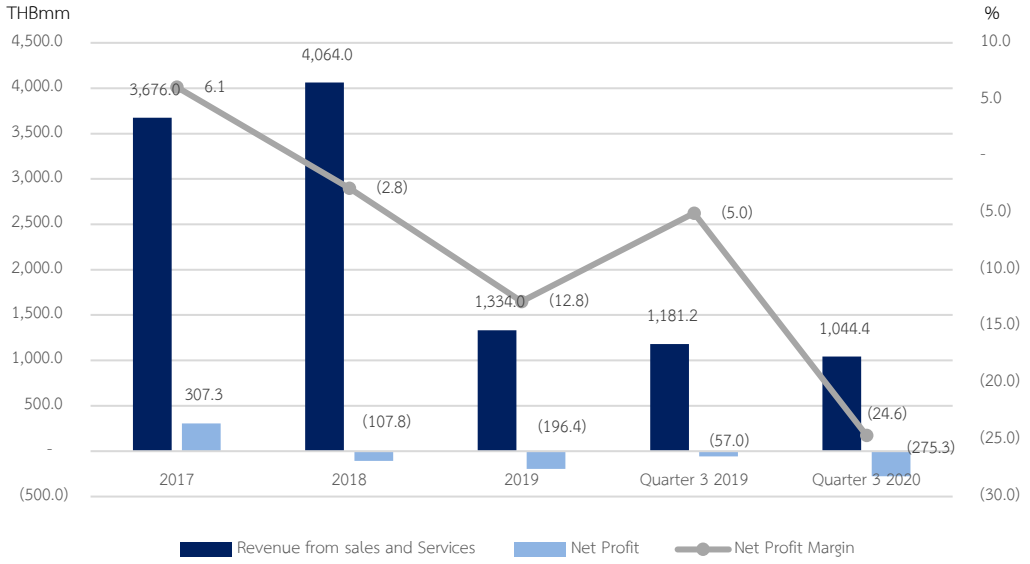
Net Profit

In 2018, the Company had Net Profit equal to THB (107.8) mm, a decrease from 2017 which was THB 307.3 mm equal to THB 415.1 mm or 135.1% decrease. This is mainly due to the increase in the cost of sales, cost of services and the financing costs. In 2018, the Company had financing cost of THB 414.4 mm, an increase from 2017 which was THB 349.6 mm equal to THB 64.8 mm or 18.5% increase. The main contribution for the increase in its financing fund is the additional financing funds provided by (a) Japanese financial institution(s) for the construction of 5 power plants between quarter 2 and quarter 3 of 2018.

In quarter 3 of 2020, the Company had Net Loss equal to THB 275.3 mm, an increase from quarter 3 of 2019 which was THB 57.0 mm equal to THB 218.4 mm or 383.3% increase. This

is mainly due to ongoing performance evaluation of the Company's machineries at the time. This step was taken to ensure the Company's transition to an OEM contractor. In addition, the widespread of COVID-19 has caused a decline in the industrial demand for steels. The steel price in Thailand has not yet been able to rise due to the pressure from the steel price abroad.

Chart: Revenue from sales and services, Net Profit and Net Profit Margin from 2017 to Quarter 3 2020



- **Financial Position**

Assets

At the end of 2018, the Company had Total Assets equal to THB 13,203.7 mm, an increase from 2017 which was THB 12,565.4 THB mm equal to THB 638.2 mm or 5.1% increase. This is mainly due to the increase in cash and cash equivalents. At the end of 2018, the Company had cash and cash equivalents equal to THB 1,140.8 mm, an increase from 2017 which was THB 975.9 mm equal to THB 164.9 mm or 16.9% increase. The main contribution for the increase in cash and cash equivalents is because settlement of bank transaction of advance intercompany during year end by THB 177.4 mm.

At the end of 2019, the Company had Total Assets equal to THB 10,281.0 mm, a decrease from 2017 which was THB 13,203.7 mm equal to THB 2,922.6 mm or 22.1% decrease. This is mainly due to the decrease in cash and cash equivalents. At the end of 2019, the Company had cash and cash equivalents equal to THB 107.2 mm, a decrease from 2018 which was THB 1,140.8 mm equal to THB 1,033.5 mm or 90.6% decrease. The main contribution for the decrease in cash and cash equivalents are repayment on short-term loans and long-term loans from to financial institutions and other individuals from the Company during the year 2019.

At the end of quarter 3 of 2020, the Company had Total Assets equal to THB 10,655.2 mm, an increase from 2019 which was THB 10,281.0 mm equal to THB 374.2 mm or 3.6% increase. This increase is mainly due to the increase in property, plant and equipment. The Company realized an increase in machinery equal to THB 110 mm due to the Company's realization on the cost of machinery test in quarter 2 of 2020. In addition, there was an increase in the purchase of fixed assets equal to THB 13.6 mm and a profit equal to THB 546.4 mm from currency translation.

Liabilities

At the end of 2018, the Company had Total Liabilities equal to THB 11,755.1 mm, an increase from 2017 which was THB 11,039.7 mm equal to THB 715.4 mm or 6.5% increase. This is mainly due to the long-term borrowing for the national power plant construction.

At the end of 2019, the Company had Total Liabilities equal to THB 9,132.9 mm, a decrease from 2018 which was THB 2,622.2 mm equal to THB 22.3 mm or 22.3% decrease. This is mainly due to the Company's repayment on short-term debentures that are due during the year equal to THB 1,483.0 mm. In addition, the Company has also redeemed its long-term debentures during the year equal to THB 909.5 mm. However, the Company has issued new debentures with more than 12 months maturity equal to THB 1,140 mm. This figure is reported under long-term loans.

At the end of quarter 3 of 2020, the Company had Total Liabilities equal to THB 9,683.5 mm, an increase from 2019 which was THB 9,132.9 mm equal to THB 550.6 mm or 6.0% increase. This is mainly due to the increase in the long-term loans that are due within 1 year equal to THB 1,270 mm. Of all the increase in the long-term loans, THB 1,140 mm come from the transition from long-term loans to long-term loans that are due within a year according to the maturity date. The rest come from the long-term loans of the energy business section due to the additional funds to support the construction of 2 new power plants which were; Aomori and Nihonmatsu 3. The receipt of the stated additional funds depended on the payment schedule.

Shareholders' Equity

At the end of 2018, the Company had Shareholders' Equity equal to THB 1,4486.6 mm, a decrease from 2017 which was THB 1,525.8 mm equal to THB 77.2 mm or 5.1% decrease. This is mainly due to Company's net loss for the year 2018 equal to THB 107.8 mm. However, the translation currency of the Japanese subsidiaries' financial statements caused a positive in the difference equal to THB 30.6 mm.

At the end of 2019, the Company had Shareholders' Equity equal to THB 1,148.1 mm, a decrease from 2018 which was THB 1,448.6 mm equal to THB 300.5 mm or 20.7% decrease. This is mainly due to the decrease in the non-controlling interest of the subsidiary equal to THB 11.4 mm, the increase in the Company's accumulated loss equal to THB 197.1 mm and the increase in the difference from the currency translation equal to THB 91.9 mm.

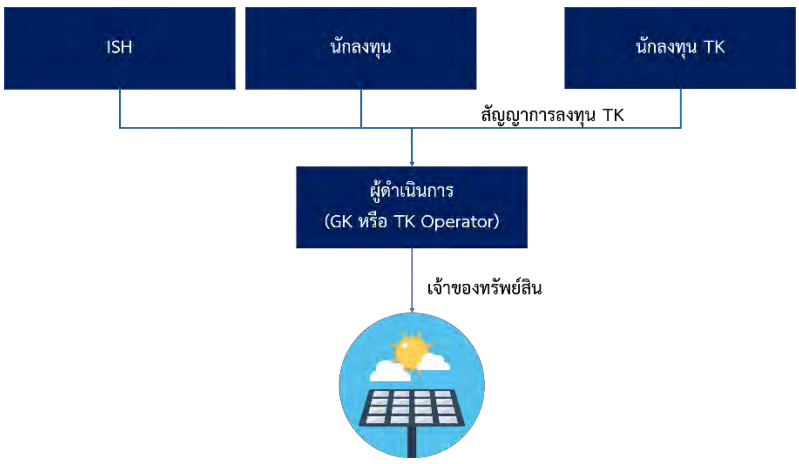
At the end of quarter 3 of 2020, the Company had Shareholders' Equity equal THB 971.7 mm, a decrease from 2019 which was THB 1,148.1 mm equal THB 176.4 mm or 15.4 % decrease. This is mainly due to the loss obtained during quarter 3 of 2020 and the adjustment of items according to TAS 9 equal to THB 271.9 mm. In addition, the difference from the currency translation equal to THB 98.9 mm.

6.4 The GK-TK Investment Structure

The GK-TK investment structure is one of the joint venture structures in Japan. The structure involves a TK investment contract ("TK Agreement") between a TK investor ("TK Investor") and an operator ("GK or "TK Operator"). The TK investment contract is under the Commercial Code of Japan, Section 5351. Under the GK-TK investment structure, the business operator will be responsible for the possession of the power plant's assets. Therefore, all project-related assets and licenses will be transfer to the subsidiaries as they will be acting as an operator.

Ippan Shadan Hojin ("ISH") is a Normal Membership Interest and/or Managing Membership Interest, the latter has the authority to manage the operator (the subsidiaries). Generally, ISH does not proceed to administrate the operator because ISH does not have an owner(s) which prevents ISH from allocating any project-related management profit. Hence, if the operator wishes to allocate profits to the shareholders, the operator would have to issue preferred shares which come with no management power and no voting rights at the board of shareholders meeting. Although, preferred stockholder has senior claim to dividend before any other types of shareholder. The GK-TK investment structure is illustrated in a figure below.

Diagram: The GK-TK Investment Structure



6.5 Solar Power Generation Process

The process of Solar Power Generation is the conversion of sunlight into electricity through the capture of sunlight with Solar Cell. This process is a direct method of converting sunlight into electricity. This process works as the sunlight, which is an electromagnetic wave and also contains energy, touches the semiconductor. In effect, it creates energy. The energy that comes from sunlight will cause an electric movement in the semiconductor. Thus, allows the electricity to be used. The aforementioned principle led to an invention of Solar Cell. Solar cell is an electronic invention made from semiconductor, capable of capturing an energy wave from sunlight. When the semiconductor is exposed to sunlight, the Solar Cell will convert light energy into Direct Current. Although, the amount of energy extracted from a single Solar Cell would be fairly low. In order for the concept to be applicable for commercial use, many Solar Cells would have to be connected in series to increase the energy extracted from electric movement. This series of Solar Cells are called PV module.

6.6 Electricity Generation from Solar Power Plant

Electricity generation from solar power plant comes from the principle explained earlier. The Solar Cell acts as a receiver of sunlight and when the sunlight touches the cell, it will generate electricity. The electricity generated is low voltage direct current therefore the use of Inverter is required to convert the low voltage Direct Current into low voltage Alternating Current (AC). Subsequently, the low voltage AC is sent through a Transformer to increase its voltage by converting it to a higher voltage. The now-higher voltage AC is then sent to the electric power transmission for further distribution to the users.