
- Information Memorandum -
TPI Polene Power Public Company Limited (“TPIPP”)

Head Office

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Factory Location

The Company's power plants are located at 299 Moo 5, Mitraphab Rd., Km.134, Thap Kwang, Kaeng Khoi, Saraburi Thailand
The petrol and gas stations are located in Bangkok, Saraburi, Nakornsawan, Samutprakan, Ubonrajchatani and Udonthani

Listing Date

5 April 2017
(Trading commencement on 5 April 2017)

Listing Securities

No. of common shares	8,400,000,000 shares
Par value per share	Baht 1.00
Total	Baht 8,400,000,000

Capital

As of 5 April 2017 (Trading commencement)
Registered and paid-up capital Baht 8,400,000,000

Secondary Market

Stock Exchange of Thailand (SET)

Offering Price

Baht 7.00

Offering Date

22 to 24 March 2017 for pre-emptive right for the existing shareholders of TPI Polene Power Public Company Limited, and 24 and 27 to 29 March 2017 for retail and institutional investors (including foreign investors subscribed through initial purchasers)

Objectives and plans for utilizing the capital increase

Objectives	Approximate Amount (Baht million)	Approximate Time Frame
3.1 Repayment of loans of the Company	6,328 – 8,678	Within 2017
1.1 Loans from TPI Polene Plc.		
1.2 Loans from financial institutions (which may include loans from TISCO and CIMB)		
3.2 Investment in projects, including:	8,100	
2.1 RDFPP-70MW		Within 2017
2.2 Coal-PP-150MW		Within 2017
2.3 Coal-RDF-PP-70MW		Within 2017
2.4 Capacity expansion of RDF production facilities		Within 2017
2.5 Additional RDF boilers for RDFPP-60MW and RDFPP-70MW		Within 2018
2.6 Improvements in WHPP-30MW to increase its efficiency in utilizing steam for power generation		Within 2017
2.7 Investment in additional semi-mobile waste-sorting machines		Within 2017
3.3 Funding for working capital and general corporate purposes	200 - 300	
Total	14,628 – 17,078	

Type of Business and Nature of Operation

The Company's principal businesses are energy and utilities and petrol and gas stations.

1. Product Characteristics**Energy and Utilities Business**

As an energy and utilities company with a focus on the production of power from clean technology and renewable fuels, the Company currently operates two types of power plants: (1) waste heat recovery power plants, which use waste heat emitted during TPIPL's cement production process to generate power; and (2) RDF-fired power plants, which generate power by burning combustible waste known as RDF as the primary fuel. To support its RDF-fired power generation capacity, the Company operates its RDF production facilities with the daily installed capacity to process up to 4,000 tons of MSW and produce up to 2,000 tons of RDF. The Company is also constructing 3 power plants consisting of a RDF-fired power plant, a coal-fired power plant and a coal and RDF-fired power plant with the total capacity of 290MW. The Company believes that its waste heat recovery power plants and RDF-fired power plant operations are well positioned to benefit from the trend towards renewable

energy, and particularly, the Thai government's policy of promoting and supporting power generation from renewable fuel sources.

As of December 31, 2016, the summary of the Company's power plants both in operation and under construction is as follows:

Plant Name	Fuel type	Installed Power Generation	Off-taker	Expiry Date	Date of Commercial Operation
		Capacity			
WHPP-40MW	Waste heat	40	TPIPL	July 2044	June 2009
RDFPP-20MW	RDF / waste heat	20	EGAT	July 2044	January 2015
RDFPP-60MW	RDF / waste heat	60	EGAT	July 2042	August 2015
WHPP-30MW (as part of RDFPP-100MW)	Waste heat	30	TPIPL	July 2042	January 2016
Total capacity in operation		150			
RDFPP-70MW (as part of RDFPP-100MW)	RDF / waste heat	70	EGAT	December 2045	4th quarter of 2017 (expected)
Coal-PP-150MW	Coal	150	TPIPL	July 2042	4th quarter of 2017 (expected)
Coal-RDF-PP- 70 MW	Coal / RDF	70	TPIPL	July 2042	4th quarter of 2017 (expected)
Total capacity under construction		290			
Total		440			

Petrol and Gas Stations Business

The Company also operates petrol and gas stations and derives revenue from sale of goods from these stations. As of December 31, 2016, the Company had eight petrol stations, one gas station and three petrol and gas stations. Under the "TPIPL" brand, the Company's petrol stations primarily sell petrol and gas to retail customers. The Company's stations are located in Bangkok and other provinces in Thailand.

In addition, the Company generates revenue from sale of goods from the agriculture segment, which primarily consists of revenue from selling residual organic materials produced by the Company's RDF production facilities to TPIPL Bio Organics to be used as a raw material to produce organic fertilizers.

2. Revenue Structure

The following table sets forth a breakdown of the Company's revenue from sale of goods for the periods indicated:

	For the year ended December 31					
	2014		2015		2016	
	THB	%	THB	%	THB	%
Energy and utilities	959.2	48.3	1,692.1	64.4	3,509.6	80.3
Petrol and gas stations.....	882.9	44.5	858.3	32.6	781.3	17.9
Agriculture.....	142.8	7.2	78.9	3.0	77.3	1.8
Total revenue from sale	1,984.9	100.0	2,629.4	100.0	4,368.2	100.0

3. Target Customers

3.1 Energy and Utilities Business

The Company sells power to EGAT and TPIPL, which is the parent company of the Company and is listed in the Stock Exchange of Thailand.

3.2 Petrol and Gas Stations Business

The Company's petrol stations primarily sell petrol and gas to retail customers.

4. Distribution Channels

4.1 Energy and Utilities Business

The Company has the power purchase agreements with EGAT and TPIPL.

4.2 Petrol and Gas Stations Business

The following table sets forth a breakdown of the Company's petrol and gas stations by type and location as of December 31, 2016:

Location	Number of petrol stations	Number of gas stations	Number of petrol and gas stations
		(Stations)	
Bangkok	2	-	1
Saraburi province	4	1	1
Nakornsawan province	1	-	-
Ubonrajthani province.....	-	-	1
Samutprakan province.....	1	-	-
Total	8	1	3

5. Sources of Supply

5.1 Energy and Utilities Business

Main feedstocks used to generate electricity for the Company are wasteheat, waste and coal, where the Company has the procurement of the feedstock as follows

(1) *The procurement of wasteheat*

The Company purchases wasteheat from TPI Polene Plc. under TPIPL Framework Agreement

(2) *The procurement of waste*

The Company's RDF-fired power plants generate power by burning RDF which the Company produces from waste in its RDF production facilities, in addition to partially using waste heat. The Company procures three primary types of waste, (1) pre-sorted landfill waste generally supplied by waste management companies; (2) unsorted landfill waste supplied by waste management companies; and (3) MSW transported to the Company by municipal governments and waste management companies authorized by municipal governments to dispose of MSW. Pre-sorted landfill waste is waste from landfills that has been processed by waste management companies to remove items with low combustion value, such as sand, stone and metal. Substantially all pre-sorted landfill waste can be used for burning in RDF boilers as RDF with minimal processing. Unsorted landfill waste is waste from landfills that has not been processed. Unsorted landfill waste requires processing by the Company before it can be used for burning in RDF boilers as RDF

(3) *The procurement of coal*

There is currently no need for a substantial amount of coal as the coal-fired power plant, Coal-PP-150MW is still under construction. Nevertheless, under the TPIPL Framework Agreement, TPIPL supplies coal to the Company as part of the initial stages and in preparation for the commercial operation of Coal-PP-150MW.

5.2 Petrol and Gas Stations Business

The Company procures petrol for its petrol stations from oil companies such as Bangchak Petroleum Public Company Limited, Esso (Thailand) Public Company Limited, IRPC Public Company Limited and Shell Oil Company Limited at market price on a spot basis. For its petrol stations in Saraburi province, the Company also purchases petrol from TPIPL, which regularly purchases petrol at large volumes and at discounted prices in the open market. TPIPL sells petrol to the Company at cost.

The Company procures gas for its gas stations from PTT Public Company Limited ("PTT") under long-term gas sale and purchase agreements. The Company has entered into a gas sale and purchase agreement for each of its gas stations. Under the gas sale and purchase agreements, the Company agrees to purchase a minimum amount of gas from PTT for each of its gas stations every month, ranging from 700,000 kilograms to 1,200,000 kilograms per month. These gas sale and purchase agreements typically have a 20-year term.

6. Market Competition

The waste-to-energy industry in Thailand is in an early stage of development. The market has high barriers of entry due to the high technological demands and capital intensive nature of waste-to-energy facility construction.

The Company competes with its competitors primarily in terms of waste procurement. According to AWR Lloyd, as of 2014, the amount of waste generated per year in Thailand was 26.2 million tons. While the competition for the procurement of waste may intensify in the future, the Company believes it can compete effectively by virtue of its strong operational capabilities and track record, industry-leading proprietary technologies in sorting and processing waste and good relationship with municipal governments.

In addition, the Company competes with other power producers to enter into power purchase agreements with EGAT. Once a power producer has entered into a power purchase agreement with EGAT, it benefits from a stable stream of power sales income for a fixed number of years as specified in the agreement in exchange for supplying power to EGAT. As such, most competition in the waste-to-energy industry occurs during the contract bidding phase. The Company typically secures power purchase agreements through a public tender process with EGAT. The Company faces strong competition mainly from domestic waste-to-energy companies which compete in terms of technology, reliability and project execution capability, among others.

Environmental Impacts

The Company is subject to the Enhancement and Conservation of National Environment Quality Act B.E. 2535 (1992), and the Office of Natural Resources and Environmental Policy and Planning has approved environmental impact assessments for each of the Company's operating facilities. The Company is liable for breaches of environmental laws and would be responsible for making any improvements and/or modifications to its facilities which may be required to continue to comply with environmental laws.

The Company is determined to follow a "zero waste" plan and works continuously to supervise, control and improve its processes in order to ensure that regulated emissions from its operations are within and below stipulated maximum levels. The Company uses continuous emission monitoring systems to monitor emissions from the combustion processes of its plants and periodically monitors the quality of effluent discharge and compares it to the environmental impact assessment mitigation and monitoring programs to ensure that it complies with regulatory standards. For its emissions and discharge, the Company is well within regulatory requirements.

Summary of Material Contracts

1. Power purchase agreement

1.1 Power purchase agreement between the Company and TPIPL

As of 31 December 2016, the Company agreed to sell power generated from WHPP-40MW and WHPP-30MW (which is part of RDFPP-100MW), including Coal-PP-150MW and Coal-RDFPP 70MW to TPIPL pursuant to the PPA of each plant. Under each PPA, the Company shall receive a monthly power tariff from TPIPL at the same rate per kWh of power as the average tariff rate at which TPIPL

purchases power from the Provincial Electricity Authority (the "PEA") each month, subject to any value-added tax. Power tariff is determined based on the actual amount of power delivered each month. Under the PPAs, the Company is not obligated to supply a minimum amount of power to TPIPL. However, under the Coal-PP-150MW PPA, the Company is obligated to supply at least 30% of power generated by Coal-PP-150MW each year to TPIPL.

The term of the PPAs will end upon the expiration of the lease agreement for each plant entered into between the Company as lessee and TPIPL as lessor.

1.2 Power purchase agreement between the Company and EGAT

The Company sells power generated from RDFPP-20MW and RDFPP-60MW to EGAT pursuant to the PPA of each plant, and also RDFPP-100MW after the construction is completed (consisting of WHPP-30MW and RDFPP-70MW) pursuant to the PPA that the Company will enter with EGAT by 7 September 2017, which the Company shall receive a monthly power tariff from EGAT consisting of an energy payment and an adder, subject to value added tax:

- **Energy payment:** The Company receives an energy payment which is calculated as the product of the actual amount of power supplied to EGAT and an energy payment rate. The energy payment rate is the aggregate of (1) the bulk supply purchase price at which EGAT sells power to power distribution agencies such as the PEA and the Metropolitan Electricity Authority (the "MEA"), subject to adjustments by EGAT; and (2) a fuel adjustment surcharge for bulk power supply ("Ft"), which is adjusted and announced by the Energy Regulatory Commission of Thailand (the "ERC") every four months.
- **Adder:** The Company also receives an adder at the rate of THB3.5 per kWh of power supplied to EGAT for a period of seven years from the commencement of commercial operations.

To be entitled to the tariff specified above, each power plant must satisfy certain requirements in respect of fuel source. The Company is required to use waste as the primary fuel. The Company is also allowed to use other types of fuel as co-fuel, including waste heat emitted from TPIPL's cement production process, but the Company may not use coal as co-fuel. The use of such other types of fuel must not exceed 25.0% of the total amount of thermal energy used in power generation in any contract year.

In any contract year, if the use of waste heat as co-fuel is higher than the 25.0% threshold, the Company will not be entitled to receive energy payments at the rate as specified above for that year, and instead, will receive energy payments at the rate applicable to co-generation power plants, which is generally a lower rate. In addition, the Company will not be entitled to receive adder payments for that year. To the extent that the Company has already received energy payments at the higher rate or any adder payments which it is not entitled to receive, it must return the difference between the higher energy payment and the lower energy payment, as well as any adder payments received. The Company will continue to receive energy payments at such lower rate without adder payments until any

breaches in respect of fuel source have been remedied. Thereafter, the Company will be entitled to energy payments and adder payments as specified above.

If coal is used as co-fuel, the Company must return the difference between the higher energy payment and the lower energy payment, as well as any adder payments, it has received since the commencement of commercial operations. The Company will continue to receive energy payments at such lower rate without adder payments until the end of the contract term of the PPAs.

The PPAs have a term of 5 years from the date on which the power plants first sold power to EGAT. At the expiration date, the PPAs will be automatically extended for additional 5-year terms, subject to at least 30 days' prior written notice from the Company to EGAT. The Company will automatically receive the adder during the first 5 years of the next 5-year term, subject to the fuel source requirements specified in the PPAs. The Company understands that the Thai government is in the process of formulating future policies in relation to its support of the development of the renewable energy industry by replacing the adder payment structure with a feed-in tariff scheme after the current adder payments expire. In this regard, the Thai government is currently in discussion with power producers who will be affected by such transition, including the Company.

2. Framework agreement between the Company and TPIPL

The Company entered into the TPIPL Framework Agreement in April 2016, whereby TPIPL, as a contractor, was engaged to perform certain tasks and responsibilities for the Company. Under the agreement, the Company agrees to provide some services to TPIPL and TPIPL agrees to provide some services to the Company. In case any party can procure the products or services from other suppliers with more favorable terms or conditions, the party has the right to procure the products or services from other suppliers. TPIPL's services are mainly the administrative work for the purpose of reducing the need for the Company to employ its own personnel for these tasks.

The services provided by TPIPL to the Company include:

- the administrative services for head office and power plant, primarily relating to, human resources, legal, administration, information technology, research and development, purchasing, waste procurement (TPIPL has a waste management department that procures waste, a portion of which may be supplied to the Company as another source of the Company's waste supply), public relations, accounting, finance, import-export, engineering and logistics services.
- sale of waste heat in the form of exhaust gas emitted from TPIPL's cement production process
- water, electricity, coal
- cost of temporary labor, spare machinery parts and other materials including maintenance of power plant and machinery

The TPIPL Framework Agreement specifies the fee and price rate for each type of services and product sales. Pricing depends on the actual usage of the services and the actual quantity of the purchases. The TPIPL Framework Agreement has a 3-year term and will expire in March 2019 and will be automatically renewed for additional 3-year terms unless terminated by the Company and TPIPL.

3. Waste purchase agreements

3.1 Landfill waste purchase agreements

The Company has entered into landfill waste purchase agreements with waste management companies to purchase both pre-sorted and unsorted landfill waste. These agreements typically specify a minimum amount of pre-sorted and unsorted landfill waste to be provided by waste management companies, ranging from 200 tons to 5,000 tons per month, and generally have a 3-year term. The price of pre-sorted and unsorted landfill waste varies based on the heat content of the waste, and the Company has established facilities to determine the heat content of each batch of waste that arrives at its site. In general, the Company pays a price of Baht 0.2 per kcal per ton for landfill waste that has a heat content not less than 2,500 kcal per kg. The Company pays an additional processing fee of Baht 400.0 to Baht 800.0 per ton if the landfill waste has been pre-sorted or if the waste quality meets the Company's specifications (for example, if the waste yields heat content between 3,500 and 4,500 kcal/kg or the waste has a moisture content not exceeding 15%).

3.2 MSW deposit agreements

The Company enters into two main types of MSW deposit agreements to procure MSW with the following detail, where the first type of MSW deposit agreements has a 3-year term and the second type of MSW deposit agreements has a 7-year term. The Company has the right to terminate the agreements before the expiry of the term by giving 30-days prior written notice.

(1) *The first type of agreement*

The Company will specify the minimum waste amount that the waste management company is required to procure and transport to the Company. The Company charges a fee to the waste management companies for transporting such waste to the RDF production facilities at the rate of Baht 300.0 per ton if the heat content of the waste supplied to the Company is less than 1,000 kcal/kg or the waste composition contains more than 10% of stone, glass, and metal. If the waste quality meets the Company specifications, for example, the waste has a heat content between 1,000 to 2,499 kcal/kg, then the Company will not charge a fee. If the waste has a heat content of not less than 2,500 kcal/kg, the Company will pay the waste management companies at the rate of Baht 0.2 per kcal/ton. An adder or discount to the waste cost may apply depending on other qualities as detailed in the relevant agreements.

The term of the first type of MSW deposit agreements is 3 years. The Company has the right to terminate the agreements before the expiry of the term by giving 30-days prior written notice, or if the waste management company fails to deposit MSW under the specified conditions, then the Company may terminate the agreement within a reasonable period. If the waste management company cannot deliver the minimum waste amount, the Company may also charge a penalty at the rate of Baht 600 per ton.

(2) The second type of agreement

Under this type of agreement, the Company's purpose is to support its corporate social responsibility initiatives, particularly its policies to provide assistance to municipal and other private sectors with their MSW disposal. The Company agrees to pay the waste management companies a transportation fee ranging from Baht 150.0 to Baht 250.0 per ton of MSW delivered, provided that the Company is satisfied with the quality of the MSW. The Company may refuse to accept MSW delivered or make compensation payment for the transportation fee in the event that the MSW's quality does not meet the standard specified by the Company, for example industrial hazardous waste or waste with moisture content of over 60% of the amount of waste. Prior to April 2016, the second type of MSW deposit agreement did not specify a fixed amount of MSW to be deposited but beginning April 2016, the Company began to specify minimum waste deposit quantities.

The term of the second type of MSW deposit agreement is generally 7 years. The parties have the right to terminate the agreements before the expiry of the term by giving 30-days prior written notice. If the waste management company fails to deposit MSW under the specified conditions, the Company is entitled to terminate the agreement immediately.

Project feasibility study

- None -

Technical and management assistance

- None -

Future Projects**1. RDF power plant project**

The Company is constructing a RDF power plant, RDFPP-70MW, with an expected installed power generation capacity of 70 MW, which is located in Kaeng Khoi District, Saraburi Province, in the same area with the cement plants of TPIPL. After the construction of RDFPP-70MW completed, it will be combined with WHPP-30MW as a RDF power plant with the the total installed power generation capacity of 100 MW.

The Company expects the investment in the project of approximately Baht 3,300.0 million with funding source from bank loan and/or part of proceed from this public offering. The Company expects the RDFPP-70MW to commence commercial operations by the fourth quarter of 2017.

2. Coal-fired power plant project

The Company is constructing a coal-fired power plant, Coal-PP-150MW, with an expected installed power generation capacity of 150 MW, which is located in Kaeng Khoi District, Saraburi Province, in the same area with the cement plants of TPIPL. The Company estimates the investment in the project of approximately Baht 7,300.0 million with funding source from bank loan and/or part of proceed from this public offering and/or cash from the operation. The Company expects the Coal-PP-150MW to commence commercial operations by the fourth quarter of 2017.

3. Coal and RDF-fired power plant project

The Company is constructing another coal and RDF-fired power plant, Coal-RDF-PP-70MW, with an expected installed power generation capacity of 70 MW, which is located in Kaeng Khoi District, Saraburi Province, in the same area with the cement plants of TPIPL.

Coal-RDF-PP-70MW is designed and constructed to enhance the Company's operational flexibility. In the event that any of the Company's RDFPP-60MW or RDFPP-70MW operates at less than full capacity due to machinery breakdown, maintenance or otherwise, Coal-RDF-PP-70MW can be used as a backup power plant to provide power for such power plants, where necessary, in order to generate power at full capacity to sell to EGAT.

The Company expects the investment in the project of approximately Baht 900.0 million with funding source from cash from operation, bank loan and/or part of proceed from this public offering. The Company expects the Coal-RDF-PP-70MW to commence commercial operations by the fourth quarter of 2017. This investment budget is an additional budget from the construction and other machenaries of Coal-RDF-PP-70MW that the Company has invested.

4. RDF Plant capacity expansion project

The Company began the capacity expansion of its RDF production facilities to support the expansion of electricity generation business. Once the expansion project is completed, the RDF production facilities are expected to have the daily installed capacity to process up to 6,000 tons of MSW and produce up to 3,000 tons of RDF.

The Company expects the investment in the project of approximately Baht 1,450.0 million with funding source from bank loan and/or part of proceed from this public offering and/or cash from the operation. The Company expects the completion of the capacity expansion project and commencement the commercial operations by the first quarter of 2017.

5. Investment in additional RDF boilers

The Company has a plan to invest in 2 additional boilers to be used as back-up boilers for RDFPP-60MW and RDFPP-70MW in case the boilers of these plants are under maintenance or in order to generate power at full capacity to sell to EGAT.

The Company expects the investment in the project of approximately Baht 1,540.0 million with funding source from bank loan and/or part of proceed from this public offering. The installation of the additional RDF boilers is expected to be completed and become operational by the first quarter of 2018.

6. The production efficiency improvement of wasteheat power plant project

The Company is in the process of improving the efficiency of operations of WHPP-30MW when recovering waste heat from TPIPL's cement production process. This improvement will increase WHPP-30MW's utilization rate.

The Company expects the investment in the project of approximately Baht 85.2 million with funding source from cash from operation, bank loan and/or part of proceed from this public offering. The improvement is expected to be completed by the second quarter of 2017.

7. The investment in the semi-mobile waste-sorting machines at the landfill site project

The Company has a plan to invest in the semi-mobile waste-sorting machines at the landfill site with both contracts that have been signed and during negotiation. The Company believes that the semi-mobile waste-sorting machines allow it to diversify waste sourcing channels and increase the quality of waste sourced.

The Company expects the investment in the project of approximately Baht 450.0 million with funding source from cash from operation, bank loan and/or part of proceed from this public offering. The installation is expected to be completed by the second quarter of 2017.

Related Party Transactions

The company's key related party transactions as of and for the years ended December 31, 2015 and 2016 are summarized in the following tables.

(1) TPI Polene Public Company Limited ("TPIPL")

Transaction	Value (Million Baht)		Details
	As of and for the year ended December 31, 2015	As of and for the year ended December 31, 2016	
Power sales	466.0	555.0	The Company sold power generated from its power plants to TPIPL to be used in TPIPL's operations. The Company received a monthly electricity tariff at the same rate per kWh of power as the average tariff rate at which TPIPL purchases power from the PEA each month, subject to any value-added tax.
Accounts receivable	27.4	54.5	
Shredded tire sales	43.1	7.2	The Company purchased used tires from TPIPL at cost. It then shredded the used tires and sold shredded tires to TPIPL at cost. Beginning January 2016, the Company provided tire shredding services to TPIPL. The services were provided at cost, plus 10.0% of cost.
Shredded tire services	-	10.0	
Accounts receivable	7.0	1.9	
Old tire purchases	14.2	9.0	
Petrol and gas sales	38.9	38.7	The Company sold petrol and gas to TPIPL's vehicles at its petrol and gas stations at retail prices.
Accounts receivable	3.5	3.2	
Steam sales	12.7	24.8	The Company sold steam generated from its power generation process to TPIPL for TPIPL's operation of brick production plants. Steam used to be sold at cost but is now sold at cost, plus 10% of cost.
Accounts receivable	2.0	2.1	

Trensaction	Value (Million Baht)		Details
	As of and for the year ended December 31, 2015	As of and for the year ended December 31, 2016	
Provision for labor	8.0	24.0	The Company seconded certain of its employees to TPIPL who worked at the power generation department of TPIPL's tile production plants. The secondment arrangements were provided to TPIPL at cost (taking into account monthly salary, fringe benefits and other expenses), but are now provided at cost, plus 10% of cost.
Other receivable	4.2	1.9	
Waste heat purchase	9.3	9.6	The Company bought waste heat from TPIPL in the form of exhaust gas emitted from TPIPL's cement production plants in order to generate power from waste heat. In exchange for waste heat from TPIPL, the Company pays TPIPL at fixed rate per kWh of power generated based on additional costs by TPIPL.
Payables and advance from related party	1.2	0.8	
Power purchase	41.7	82.6	The Company purchased power from TPIPL to be used in its RDF production facilities at the same tariff rate as the rate at which TPIPL purchases power from the PEA using a 115kv system. The tariff rate at which the Company purchases power from TPIPL is lower than the tariff rate applicable to the Company if the Company purchased power from the PEA. The Company would also need to install additional transmission lines to connect its power system with that of the PEA if the Company purchased power from the PEA.
Payables and advance from related party	6.1	3.3	
Petrol purchase	54.2	54.6	The Company purchased petrol from TPIPL, which regularly purchases petrol at large volumes and at discounted prices in the open market. TPIPL sells petrol to the Company at cost.
Accounts payable	9.8	7.5	
Coal purchase	-	240.9	The Company purchased coal from TPIPL to sell in petrol and gas station under the TPIPL Framework Agreement for the test run of its boilers at cost, plus 10% of cost, with an adjustment based on the actual heat content received.
Accounts payable	-	14.2	

Trensaction	Value (Million Baht)		Details
	As of and for the year ended December 31, 2015	As of and for the year ended December 31, 2016	
Water purchase	-	33.5	The Company purchased untreated water from TPIPL under the TPIPL Framework for use in the power generation process.
Accounts payable	-	4.0	
Rental	6.5	7.6	The Company leased a number of premises from TPIPL, including land for power plants, RDF production facilities and petrol and gas stations, as well as office space. The land is leased at rates comparable to rentals charged by other unrelated parties.
Advance payment	3.1	4.1	
Spare parts and cement purchase	2.2	8.4	<p>Sales of spare machinery parts take place from time to time within the TPIPL Group when a TPIPL group company requires machinery parts in its operations that another TPIPL group company has in storage.</p> <p>In addition, under the Company's EPC arrangements, the Company is required to purchase cement from TPIPL at cost, plus 10% of cost, and resell such cement to its EPC contractor at the price at which TPIPL sells cement to its customers.</p>
Accounts receivable	-	0.3	
Receivables and advance to related party			
Spare parts and cement purchases	196.5	331.7	
Accounts payable	40.6	76.1	
Payables and advance from related party			

Trensaction	Value (Million Baht)		Details
	As of and for the year ended December 31, 2015	As of and for the year ended December 31, 2016	
Administrative service fee	-	120.0	The Company signed the service agreement with TPIPL in which TPIPL provides administrative services for both head quarter and Saraburi province. The service areas include purchasing, administration, accounting, finance, security, public relation, law, engineer, IT, remuneration and others. The service fee is based on costs, plus 10% of cost.
Payables and advance from related party	-	10.0	
Long-term loan	1,635.0	4,528.8	The Company was party to a long-term loan agreement with TPIPL with an interest rate of MLR minus 1.5-2.0% per annum. The purpose of the loan was for the repayment of the Company's pre-existing loans from financial institutions. The interest rate charged by TPIPL was lower than that for the Company's loans from financial institutions.
Interst expenses	63.1	152.0	
Accrued interest expenses	-	1.3	
Sales of investment in subsidiaries	1,474.5	-	<p>In connection with the Corporate Reorganization, the Company sold the equity interests and assets of four subsidiaries to TPIPL as follows:</p> <ul style="list-style-type: none"> ● TPI Service ● TPIPL Bio Organics ● Polene Plastic ● TPI Power

(2) TPI Polene Bio Organics Company Limited (“TPIPL Bio Organics”)

Trensaction	Value (Million Baht)		Trensaction
	As of and for the year ended December 31, 2015	As of and for the year ended December 31, 2015	
Organic material sales	79.0	77.3	The Company sold residual organic materials produced by the Company's RDF production facilities to TPIPL Bio Organics to be used as a raw material to produce organic fertilizers. The selling price of organic materials is indexed to the Company's cost of production, plus a profit margin.
Accounts receivable	1,347.4	66.4	

Contractual Obligations and Commitments

The Company's contractual obligations and commitments primarily consist of its commitments with non-related parties, including commitments for power plant construction, machine and equipment. It also include rental fees under operating lease agreements in respect of a batching plant, an office and vehicles and other commitments such as unused letters of credit and bank guarantees.

As of December 31, 2016, the principal of the Company's contractual obligations and commitments was THB 31.3 million.

Key Risk Factors

The Company's key risk factors include the followings:

1. Uncertainties and adverse changes in the Thai government's initiatives, incentives and policies that affect the waste-to-energy industry may unfavorably affect the Company's business and results of operations.

The growth and performance of the Company's business is affected by the availability of support and financial incentives from the Thai government. The waste-to-energy industry faces intense competition from conventional power generation technologies. Due to the relatively high costs of generating power from waste compared to most conventional methods of generating power, the waste-to-energy industry is generally not competitive on an unsubsidized basis

With two operating RDF-fired power plants selling power to EGAT, the Company is highly dependent on government initiatives, incentives and other favorable policies to support the Company's operation of waste-to-energy facilities. These initiatives, incentives and policies include preferential tax treatment and preferential tariffs for power generated from renewable energy, including waste. For example, in selling power to EGAT, all of the Company's RDF-fired power plants in operation are entitled to an adder of THB3.5 per kWh, which is payable in addition to the base price of power under the power purchase agreements. For the years ended December 31, 2015 and 2016, the Company's revenue from adders was THB633.0 million and THB1,677.5 million, representing 24.1% and 38.4% of revenue from sale of goods, including revenue from adder, respectively. Consistent with the current policies of the Thai government, the adder is available to each of the Company's RDF-fired power plants for a period of seven years from the date of commercial operations commencement of the respective power plants. Thus, under the current regime, the Company will continue to receive revenue from adders for RDFPP-20MW and RDFPP-60MW until January 2022 and August 2022, respectively.

The Company understands that the Thai government is in the process of formulating future policies in relation to its support of the development of the renewable energy industry by replacing the adder payment structure with a feed-in tariff scheme after the current adder payments expire. There can be no assurance that the Thai government will provide adders, other subsidies or tax incentives at the present level or at all after the expiration of the current adders and tax incentives and that the Company will be eligible for such subsidies.

There can also be no assurance that the Company's future operations will be eligible for government incentives, if any. Any decrease in, or elimination of, government incentives available to the Company, in

particular, any decrease or elimination of the adder, would have a material adverse effect on its business and results of operations.

2. Power tariffs received by the Company may not reflect the Company's actual costs.

The Company sells power generated from WHPP-40MW to TPIPL at prices that are based on the tariff charged by the PEA, whereas the Company sells power generated from its RDF-fired power plants to EGAT at prices determined by EGAT, plus an adder at a fixed rate of THB3.5 per kWh.

The Company's reliance on these tariff rates could limit its ability to pass through increases in its power production costs, if any, to its offtakers, thereby affecting the Company's results of operations and profitability.

3. Full energy payment and adder rates from EGAT depend on the Company meeting the requirements specified in the power purchase agreements.

Under the power purchase agreements with EGAT for the Company's RDF-fired power plants, the Company must satisfy certain requirements in respect of fuel source. The Company is required to use waste as the primary fuel. The power purchase agreements with EGAT also allow the Company to use other types of fuel as co-fuel, including waste heat emitted from TPIPL's cement production process, but the Company may not use coal as co-fuel. The use of such other types of fuel must not exceed 25.0% of the total amount of thermal energy used in power generation in any contract year.

While the Company has not had any instances of non-compliance in respect of fuel source and has always received the full energy payment and adder, the Company cannot assure you that it will always be able to comply with such requirements throughout the respective contract terms, and in such an event, the Company's business, financial condition and results of operations may be materially and adversely affected.

4. The Company has a small number of offtakers.

The Company sells substantially all of the power produced to EGAT and TPIPL. EGAT is the Company's largest and most important customer, and the Company's power purchase agreements with EGAT are material to its business, accounting for 45.0% and 68.3% of the Company's total revenue from sale of goods for the years ended December 31, 2015 and 2016, respectively. The Company's power purchase agreements with EGAT to sell power from RDFPP-20MW and RDFPP-60MW will expire in January 2020 and August 2020, respectively. These power purchase agreements are for a term of five years and will be automatically extended at their respective expiration dates for additional five-year terms, subject to at least 30 days' prior written notice from the Company to EGAT. In addition, RDFPP-20MW and RDFPP-60MW are situated on the lands leased from TPIPL for a 30-year term. The leases will expire in July 2044 and July 2042, respectively, and the Company intends to continue to lease the lands from TPIPL.

If the Company's power purchase agreements with EGAT are not extended, if the lease agreements with TPIPL for those parcels of land where the power plants are located are not extended, or if extensions are entered into on less favorable terms, the Company's business, financial condition and results of operations may be adversely affected.

Sales of power to TPIPL accounted for 47.1%, 17.7% and 11.9% of its total revenue from sale of goods for the years ended December 31, 2014, 2015 and 2016, respectively. This indirectly exposes the Company to the performance of the cement sector. The cement industry in Thailand is highly competitive, and significant price fluctuations and business cyclicity are common in the cement industry. These factors may negatively affect TPIPL's demand of power. Under the power purchase agreements between the Company and TPIPL, there is no minimum offtake that TPIPL is obligated to purchase from the Company, except for Coal-PP-150MW. The Company and TPIPL also entered into a power purchase agreement for Coal-PP-150MW. Under the power purchase agreement, Coal-PP-150MW is obligated to supply and TPIPL is obligated to offtake at least 30.0% of power generated by Coal-PP-150MW each year to TPIPL. If the Company's power purchase agreements with TPIPL are not extended or if extensions are entered into on less favorable terms, the Company's business, financial condition and results of operations may be adversely affected.

More generally, any failure of TPIPL and EGAT to fulfill their payment or other contractual obligations under their respective power purchase agreements with the Company could have a material adverse effect on the Company's business, financial condition, results of operations and cash flows. In addition, if the Company is unable to retain EGAT or TPIPL as a customer, it may not be able to replace either of them with other customers on commercially reasonable terms or at all, which would materially and adversely affect the Company's business, financial condition, results of operations and cash flows.

5. The Company's competitors compete with the Company for waste supply and entry into power purchase agreements with EGAT, and the competition could intensify as waste processing technology matures and as new competitors enter the market.

There is intense competition in waste sourcing. In particular, as RDFPP-20MW and RDFPP-60MW commenced commercial operations in 2015, the Company's waste supply requirements also increased. The Company expects that its waste supply requirements will further increase when RDFPP-70MW commences commercial operations.

In the event that the Company's competitors' waste processing technology enables them to process waste in a more cost-effective manner than the Company, they may be able to make waste-sourcing arrangements with local governments and waste management companies on terms that are more attractive to these parties than the Company is able to offer. Such competition may intensify further as new domestic or international waste-to-energy power generation companies enter the market.

While the Company has developed its own proprietary waste processing technology, waste processing technologies in Thailand are at the early stages of development compared to those in the U.S. and in many European countries. The waste procurement market could experience rapid change with the introduction of new and improved technologies and services. This may require the Company to make additional capital expenditures with respect to technology upgrades. There can be no assurance that the Company will be able to respond to technological advances and emerging waste-to-energy industry standards and practices on a cost-effective and timely basis.

In addition, the Company competes with other power producers to enter into power purchase agreements with EGAT. Once a power producer has entered into a power purchase agreement with EGAT, it benefits from a stable stream of power sales income for a fixed number of years as specified in the agreement in exchange for supplying power to EGAT. As such, most competition in the waste-to-energy industry occurs during the contract bidding phase. The Company typically secures power purchase agreements through a public tender process with EGAT. The Company faces strong competition mainly from domestic waste-to-energy companies which compete in terms of technology, reliability and project execution capability, among others. A failure to compete effectively with its competitors could have a material adverse effect on the Company's business, financial condition and results of operations.

6. The Company may not have enough waste processing capacity to process all MSW deposited at its site.

The Company has entered into waste deposit agreements with local governments and waste management companies to procure MSW. The Company's waste deposit agreements do not specify a maximum amount of waste to be received, and the Company is required to accept all MSW transported to its site. The Company has established RDF production facilities to process MSW within three hours after the MSW arrives at the Company's site, and unprocessed MSW is not stored. For the year ended December 31, 2016, the Company's utilization rate at its RDF production facilities was 76.0%.

Currently, the Company's RDF production facilities have an installed capacity to process up to 4,000 tons of MSW and produce up to 2,000 tons of RDF per day. The Company uses the RDF from its own RDF production facilities as fuel to generate power in its RDF-fired power plants. The Company began the capacity expansion of the RDF production facilities in January 2016. Once the expansion project is completed which is expected to be by the first quarter of 2017, the RDF production facilities will have a daily installed capacity to process up to 6,000 tons of MSW and produce up to 3,000 tons of RDF.

In the event that the operations of the Company's RDF production facilities is disrupted or that the amount of MSW transported to the Company increases beyond the waste processing capacity of the Company's RDF production facilities, the Company may have to incur costs to manage or dispose of any unprocessed MSW. In such an event, the Company's business, financial condition and results of operations may be materially and adversely affected.

7. The Company's generation of power from RDF depends on a steady supply of waste with sufficient heat content.

The Company relies on a steady supply of landfill waste and MSW for the generation of power from RDF. The transportation of landfill waste and MSW to the Company's plants may be subject to various uncertainties, including road conditions, transport infrastructure, accidents, natural disasters, weather, public demonstrations, unrest or strikes. There can be no assurance that in the future, the Company will not experience insufficient allocation of transportation capacity or delays in the delivery or receipt of waste supplies. Furthermore, some of the Company's agreements for the supply of waste, particularly those for the supply of MSW, do not specify a minimum quantity of waste to be supplied to the Company's site. While the

Company's RDF storage facilities can store up to 100,000 tons of RDF to sustain its operations for up to approximately one month, a failure to maintain a continuous supply of waste for a longer period could disrupt the Company's power production. An occurrence of any of these events could result in an adverse effect on the Company's business, financial condition and results of operations.

The amount of power which the Company can generate from RDF depends on the heat content of RDF that the Company produces from waste. RDF with a higher heat content produces more power. While waste processing at the Company's RDF production facilities help control the heat content of the RDF to be used for power generation, in the event that there is a decrease in the supply of landfill waste or MSW that has a high heat content or a decrease in the heat content of the RDF produced, the amount of power generated by the Company may decrease, thereby lowering the efficiency of the Company's power generation from RDF, which could have a material adverse effect on the Company's business, financial condition and results of operations.

8. The Company's generation of power from waste heat depends on a steady supply of waste heat from TPIPL.

The Company relies on a steady supply of waste heat for the generation of power from its waste heat recovery and RDF-fired power plants. The Company sources all its waste heat requirements from TPIPL by recovering hot exhaust gas emitted from TPIPL's cement production process. In the event of a disruption in TPIPL's cement production process, a decrease or slowdown in TPIPL's cement production or gas recovery equipment breakdown, the Company may not have sufficient waste heat supply to generate power from its waste heat recovery power plants and RDF-fired power plants. In such an event, the Company's power production could be disrupted and its business, financial condition and results of operations may be materially and adversely affected. In addition, technological changes in the cement production process reducing waste heat emission may render the Company's waste heat recovery power generation capacity inefficient and therefore materially and adversely affect the Company's business and prospects.

9. A failure to secure commercially reasonable coal supply arrangements or any interruptions in coal supplies may adversely affect the Company's operations of its coal-fired power plants.

The Company is currently in the process of constructing, among others, a coal-fired power plant and a coal and RDF-fired plant. The success of the Company's operations of these power plants depends on, among others, the ability to source a sufficient amount of coal at competitive prices. The Company has entered into the TPIPL Framework Agreement to purchase coal at a fixed price from TPIPL. In the event that the TPIPL fails to supply sufficient coal to the Company in a timely manner, the Company may be forced to purchase coal from alternative suppliers at higher prices or at a quality or quantity lower than the Company's coal supply plan. Any of these events could have a material adverse effect on the Company's operations of its coal-fired power plants and coal-RDF fired power plants and the profitability of such operations.

10. The Company's operations may be disrupted due to factors beyond its control, and a significant portion of the Company's and TPIPL's operations are located in the same vicinity.

The operation of the Company's power plants and petrol and gas stations may be disrupted for reasons that are beyond its control, including natural disasters, industrial accidents, arson (including terrorist attacks), technical failures and labor disputes. Because the Company's power generating facilities are complex, the Company's business is susceptible to industrial accidents, which may result in the suspension of the Company's operations and the imposition of civil or criminal liabilities. As a significant portion of the Company's and TPIPL's operations are located in the same vicinity in Kangkhoy, Saraburi province, this increases the potential for a single catastrophic event to significantly disrupt the Company's business. Any significant interruption in the operations of the Company could materially and adversely affect the Company's business, financial condition and results of operations.

11. The Company relies on TPIPL and third parties for the non-routine maintenance of some of its facilities and equipment.

The Company's business involves the use of highly complex machinery and generation processes and the Company's success is dependent upon the effective maintenance of its equipment. While the Company performs its own operations and routine maintenance and inspections, major overhauls, which are scheduled every five years, are outsourced to either TPIPL or other external parties. A major overhaul of the Company's waste heat recovery power plants took place at the end of 2016, which cost THB47.3 million. Any failure on the part of the Company to engage TPIPL or external service providers on commercially reasonable terms or at all could materially and adversely affect the Company's operations and maintenance of its plants. In addition, any failure on the part of TPIPL or the Company's contractors to adequately maintain the Company's facilities and equipment or to conduct any repairs in a satisfactory and timely manner and any failure on the part of the Company to train its employees to perform necessary and urgent repairs could have a material adverse effect on the Company's business, results of operations, financial condition and prospects. In addition, any contracts entered into with third-party maintenance services providers may contain limitations on such services providers' liability, and as such, the Company may not be fully compensated for damages and losses or at all in a timely manner, including indirect losses such as loss of profits or business interruption, that it may suffer due to a services provider's failure to adequately perform maintenance work as contracted. In addition, any monetary compensation may not be an adequate remedy for any consequential breaches by the Company of its own obligations under its other agreements.

12. Disruptions in the Company's power generation operations and petrol and gas station operations may significantly adversely affect the Company's business, financial condition, results of operations and cash flows.

The Company is dependent upon its power plants being able to deliver power to its offtakers and the proper operations of its petrol and gas stations. The following events could disrupt the Company's operations, including but not limited to:

- the termination of gas sale and purchase agreements with PTT as the Company procures gas for its gas station operations solely from PTT;
- breakdown or failure of equipment or processes;

- planned and unplanned shutdowns, including routine power plants maintenance and overhauls outsourced to TPIPL and third parties, and delays in such overhauls;
- flaws in equipment design;
- grid congestion, restrictions on the transmission capacity of the grid or unplanned outages of power transmission lines;
- failure of civil structures;
- issues with the quality of, or interruption in the supply of, key inputs, including waste, petrol, gas and water;
- inability to operate due to a failure to meet licensing requirements or to obtain or maintain required regulatory permits and approvals;
- human errors, including mistakes made by an operator when operating any equipment;
- pollution or environmental contamination affecting the plant and petrol and gas station operations; and
- force majeure and catastrophic events.

If any of these or similar risks materializes, the Company's business operations could be adversely affected.

13. The Company may be adversely affected if there is any significant downtime at any of the Company's plants.

Normal wear and tear of the power plants is a natural consequence of operations in the Company's industry and results from exposure to the elements and deterioration of equipment. The Company anticipates a certain amount of downtime at its plants for repairs and maintenance. Major overhauls usually take place at steam turbines and involve the shutdown of every boiler of a power plant. Major overhauls are carried out once every five years in accordance with the guidelines of equipment manufacturers and generally take 30 to 60 days. Between major overhauls, routine maintenance and inspections are scheduled once a year and generally take 15 to 30 days. In addition, if any extraordinary or extensive repairs to the plants or equipment are required, due to any catastrophic event or otherwise, the plants could be subject to a significant downtime. The Company cannot assure you that repairs and maintenance activities will be conducted in a timely manner or at all, and any extensive downtime at any of the Company's plants could have a material adverse effect on the Company's business, financial condition and results of operations.

14. For the Company's projects under development, the estimated time frame and budget for the completion of critical tasks may be materially different from the actual completion date and costs, which may delay the date of commercial operations of the projects or result in cost overruns.

The Company is expanding its power generation operations and currently has three power plants under construction. These projects involve environmental, engineering, construction and commission risks, which may result in cost overruns, delays or performance that is below expected levels of output or efficiency. In addition, projects under construction may be affected by the timing of the issuance of permits

and licenses by government agencies, any litigation or disputes, inclement weather, natural disasters, accidents or unforeseen circumstances, manufacturing and delivery schedules for key equipment, defect in design or construction, and supply and cost of equipment and materials such as cement, steel and other items. Further, project delays or cancellations or adjustments to the scope of work may occur from time to time due to incidents of force majeure or legal impediments.

The Company is currently in the process of developing RDFPP-70MW, the installed power generation capacity of which is equivalent to 46.7% of the Company's total installed power generation capacity in operation and for which the Company has budgeted THB3,300.0 million for its construction, amounting to 18.2% of the Company's total assets as of December 31, 2016. Once the power plant commences its commercial operations, the Company will sell power generated by RDFPP-100MW (WHPP-30MW and RDFPP-70MW) to EGAT in accordance with the acceptance letter to purchase electricity issued by EGAT dated November 21, 2014 (the "**Letter of Acceptance**") under which the signing of a power purchase agreement is conditional upon the Company having secured the necessary financing arrangements, leases, technological management and permits for operating the power plant, and the Company is required to execute a power purchase agreement with EGAT within two years from the date on which EGAT notifies the Company of its acceptance. However, the Company did not execute the power purchase agreement with EGAT within the said time period and on January 18, 2017, the Energy Regulatory Commission resolved to extend the time period for the execution of the power purchase agreement to September 7, 2017. The Company believes that it will be able to comply with the terms and conditions specified in the Letter of Acceptance, expects to enter into the power purchase agreement with EGAT within the above time period, and expects that RDFPP-70MW will commence its commercial operations within the fourth quarter of 2017. Notwithstanding the foregoing, there is no assurance that Company will be able to comply with the terms and conditions prescribed by the relevant authorities, or that the commencement of commercial operations of RDFPP-70MW will not be delayed, or that agreements relating to EGAT will not be canceled.

In addition, RDFPP-70MW, Coal-PP-150MW and Coal-RDF-PP-70MW, which are under construction, are required to prepare an Environmental Impact Assessment Report (an "**EIA Report**") or an Environmental and Health Impact Assessment Report (an "**EHIA Report**"), as applicable. The Company may not be able to complete the preparation of such report within the estimated timeframe, which may result in a delay in commencement of commercial operation of the relevant power plants.

The Company primarily relies on one contractor for the engineering and construction of its two power plants and one turbine generator (i.e., RDFPP-70MW (a part of RDFPP-100MW), Coal-PP-150MW and Coal-RDF-PP70MW). Any inability of the contractor to deliver construction work on time would also materially and adversely affect the Company's business and prospects.

Depending on the severity and duration of the relevant events or circumstances, these risks may significantly delay the commencement of new projects, reduce the economic benefit from such projects, including higher capital expenditure requirements and loss of revenues, or result in the cancellation of agreements relating to EGAT, which in turn could have a material adverse effect on the Company's business, financial condition, results of operations and cash flows.

15. Government intervention in the Company's pricing decisions of petrol and gas may adversely affect the Company's petrol and gas station business.

The prices of petroleum products such as petrol and gas were historically subject to the Thai government's regulations and policies, which caused the retail prices of petroleum products in Thailand to be lower than international market prices. Although the retail prices of petrol have been deregulated, they are still subject to excise tax, municipal tax and contributions to the oil fund and energy conservation fund for petrol. The Thai government has also introduced policies to make gas prices more in line with international market prices. For example, as part of the new petrol management plan introduced in 2015, are no longer subject to a ceiling and shall reflect the actual production costs. The Company cannot assure you that the Thai government will not intervene or change its regulations and policies in the future. In such an event, the Company's business, cash flow, financial condition, results of operations and prospect may be materially and adversely affected.

16. Failure to respond quickly and effectively to product substitution or government-mandated product formulations may adversely affect the Company's petrol and gas station business.

The use of alternative fuels such as ethanol and bio-diesel fuel has become more popular in recent years. In the event that alternative fuels become more affordable and available than petrol and gas products, customers may shift from petrol and gas to these alternative fuels not offered by the Company, resulting in lower sales volume of petrol and gas. In addition, the Thai government has implemented supportive measures for and incentivized the use of alternative fuels. If the Company does not respond effectively and in a timely manner to product substitutions or government-mandated product formulations in the future, its business, including the completion of its ongoing projects, financial conditions, results of operations and prospects may be adversely affected.

17. The Company is controlled by a substantial shareholder.

TPIPL is the Company's principal shareholder and owns 99.99% of the Company's issued and paid-up share capital prior to the Offering. After completion of the Offering, TPIPL will beneficially own not less than 70.00% of the Company's issued and paid-up share capital and will continue to exercise control over the Company. TPIPL primarily engages in the manufacture and distribution of construction materials, low-density polyethylene, and ethylene vinyl acetate. The Company believes that it benefits from business support provided by TPIPL to the Company because of the Company's relationship with TPIPL. For example, all of the Company's power plants are located in the same vicinity as TPIPL's cement production lines, which enable the Company's power plants to use the waste heat which is emitted during TPIPL's cement production process to generate power at a relatively low cost.

The Company entered into the TPIPL Framework Agreement in April 2016, whereby TPIPL, as a contractor, was engaged to perform certain tasks and responsibilities for the Company, primarily relating to, among others, human resources, legal, administration, information technology, research and development, purchasing, waste procurement, public relations, accounting, finance, import-export, engineering and logistics services. In relation to waste procurement, TPIPL has a waste management department that procures

waste, a portion of which may be supplied to the Company as another source of the Company's waste supply. The total amount of waste procured with the assistance of TPIPL represented 27.3% of the total waste sourced under the Company's outstanding waste supply agreements as of December 31, 2016. In relation to accounting services, TPIPL only provides supporting accounting services. Core accounting services, such as entry closure, preparation of financial statements and securing loans, are handled by the Company and not by TPIPL. TPIPL's services under the TPIPL Framework Agreement reduce the need for the Company to employ its own personnel for these tasks. To enable the Company's power plants to generate power from waste heat, TPIPL agrees to sell waste heat in the form of exhaust gas emitted from its cement production plants to the Company pursuant to the TPIPL Framework Agreement. The Company agrees to sell certain products to TPIPL, such as fly ash and steam, and agrees to provide certain services to TPIPL, such as tire-shredding services. The TPIPL Framework Agreement specifies the fee and price rate for each type of services and product sales. Pricing depends on the actual usage of the services and the actual quantity of the purchases. The TPIPL Framework Agreement has a three-year term and will expire in March 2019 and will be automatically renewed for additional three-year terms unless terminated by the Company and TPIPL. If the TPIPL Framework Agreement is terminated, the Company's business, operations and prospects may be materially and adversely affected.

Other than for specific periods after the closing of the Offering, pursuant to SET requirements, TPIPL is under no obligation to retain its shareholding in the Company, and the Company cannot assure you whether or for how long it will continue to do so. However, a purchaser of TPIPL's controlling interest which results in such purchaser holding 25.00% or more of the total voting rights in the Company would generally be required to make a general offer for all of the Company's outstanding shares pursuant to relevant Thai regulations. A reduction of TPIPL's shareholding in the Company, or a deterioration of the Company's relationship with TPIPL for any reason, could have a material adverse effect on the Company's business, prospects, and operations.

18. The structure and provisions of the Company's future financing arrangements could give rise to certain risks.

The use of borrowings presents certain additional risks for the Company. The Company may be unable to service interest payments and principal repayments or comply with other requirements of loans, rendering borrowings immediately repayable in whole or in part, together with any attendant cost. Any cross-default provisions contained in the Company's loans could magnify the effect of an individual default and if such a provision were exercised, this could result in a substantial loss to the Company.

19. The loss of certain tax exemptions and tax incentives or the imposition of new taxes would increase the Company's tax liability and decrease its future profits.

The Company's power plants, RDF production facilities and gas station have obtained investment promotion privileges, including tax exemptions, from the Board of Investment of Thailand (the "BOI"). There can be no assurance that these tax privileges will not be revoked or repealed, or that the Company will be able to comply with the terms and conditions required for tax exemptions and tax incentives, which may

result in the revocation of tax exemptions or tax incentives. Furthermore, there can be no assurance that the Company will be able to obtain and benefit from these or similar tax exemptions and tax incentives in the future, in which case income from these sources would be subject to income tax and accordingly, the Company's tax expenditure would increase and its profitability would decrease. The loss of these tax exemptions and tax incentives or the imposition of new taxes could have a material adverse effect on the Company's financial condition, results of operations and cash flows.

20. The Company may be unable to fully comply with the laws and regulations relating to regulatory approvals for business operations with relevant authorities, laws and regulations regarding health, hygiene, safety, and environmental and other laws and regulations as well as the conditions under relevant licenses.

Because of the nature of the Company's power plants and petrol and gas operations, the Company is subject to the laws and regulations relating to regulatory approvals for business operations, construction of power plants and installation of machinery with relevant authorities, laws and regulations regarding health, hygiene, safety, environment and other laws, and conditions under licenses required for business operations and regulations of Thailand. Such laws and regulations govern, among other matters, air emissions, wastewater discharges, solid and hazardous waste management, and the use, composition, handling, distribution and transportation of hazardous materials.

In this regard, the Company is currently developing RDFPP-70MW, Coal-PP-150MW and Coal-RDF-PP-70MW. The Saraburi Industry Office, the Department of Industrial Works (the "DIW") performed a regular inspection of the power plants and notified the Company in writing on January 25, 2017 that the installation of machinery for the purpose of factory operation in connection with the construction of Coal-PP-150MW and Coal-RDF-PP-70MW constituted acts of establishing a factory without obtaining permission. The Saraburi Industry Office requested the Company to settle the case, whereby if the Company agreed to pay a fine within 30 days from the date the fine is imposed, then the case shall be deemed settled in accordance with the Criminal Procedures Code. The charge of unauthorized operation of a factory is subject to the penalty of imprisonment not exceeding two years, a fine in an amount not exceeding THB200,000, or both, with the Case Settlement Committee having the authority to settle the case. On March 13, 2017, the Company paid a fine in the amount of THB150,000 for each power plant, totaling THB300,000. The case is, therefore, deemed to be settled. In the meantime, the Company has suspended the construction of the buildings for the installation of machinery until the necessary approval is obtained. Nevertheless, the construction of buildings of Coal-PP-150MW and Coal-RDF-PP-70MW is nearly completed and the Company expects that it will be able to obtain the approval, prepare the environmental impact assessment report (EIA) and the environmental health impact assessment report (EHIA) (as the case may be), and obtain the factory licenses. The Company expects that it will be able to generate and sell electricity by the fourth quarter of 2017 as scheduled. RDF-70MW Furthermore, the Company will also undertake such acts necessary to obtain approval for RDFPP-70MW as this power plant may be exposed to an issue similar to that of Coal-PP-150MW and Coal-RDF-PP-70MW described above. The Company may receive a notification from the DIW subjecting the Company to another charge of unauthorized operation of a factory and requesting the Company to settle the case with a fine not exceeding THB200,000. As at December 31, 2016, the Company

has invested THB2,556.6 million, THB2,844.6 million and THB225.3 million for the construction of RDFPP-70MW, Coal-PP-150MW and Coal-RDF-PP-70MW, respectively, totaling THB5,626.5 million or 31.0% of the Company's total assets. In case the required regulatory approvals for RDFPP-70MW, Coal-PP-150MW and Coal-RDF-PP-70MW are not obtained, the Company may incur a loss for the investments made. In this regard, the Company has taken steps to closely and continuously supervise and monitor these issues—the Company's Board of Directors will oversee and monitor compliance with the relevant laws and the Company's Internal Audit department shall monitor to ensure compliance with the requirements of the governmental authority for the Company's business operations and will report developments concerning the issues mentioned above to the Board of Directors' Meeting by the end of March 2017.

The environmental impact of new power plants and petrol and gas stations also attracts public interest, and regulations of new power plants and petrol and gas stations may be subject to political considerations that are beyond the Company's control. New or more stringent environmental requirements or changes in the application, interpretation or increased governmental enforcement of existing requirements or other developments in the future could result in substantially increased capital, operating or compliance costs in order to comply with such requirements and to maintain current operations, and could impose conditions that restrict or limit the Company's operations. These changes could limit the availability of the Company's funds for other purposes, which could adversely affect its business, results of operations and financial condition.

The environmental impact of new power plants and petrol and gas stations also attracts public interest, and regulations of new power plants and petrol and gas stations may be subject to political considerations that are beyond the Company's control. New or more stringent environmental requirements or changes in the application, interpretation or increased governmental enforcement of existing requirements or other developments in the future could result in substantially increased capital, operating or compliance costs in order to comply with such requirements and to maintain current operations, and could impose conditions that restrict or limit the Company's operations. These changes could limit the availability of the Company's funds for other purposes, which could adversely affect its business, results of operations and financial condition.

Legal Proceedings

From time to time, the Company is involved in legal disputes arising in the ordinary course of business. The Company is not, as of December 31, 2016, engaged in any material litigations, arbitrations or claims, nor is the Company aware of any litigations, arbitrations or claims pending or threatened by or against it that would have a material adverse effect on its results of operations or financial condition, defined under Thai rules as litigations, arbitrations or claims with a claim amount higher than 5.0% of the Company's shareholders' equity.

Number of employees

As of December 31, 2016, the Company has total of 740 employees.

Overview

The Company was established as TPI Nylon Co., Ltd. by the Leophairatana family in June 1996 and renamed to TPI Polene Power Co., Ltd., with an objective to carry out power generation operations as the principal business in 1996. In 2007, the company entered into a power purchase agreement to sell power generated from WHPP-40MW to TPIPL and expanded into the business of operating petrol stations by acquiring 11 petrol stations from IRPC Public Company Limited.

In 2009, the company commenced the operations of WHPP-40MW and began selling power to TPIPL. WHPP-40MW initially consisted of two power generation units each with an installed power generation capacity of 20MW, totaling 40M and commenced operations of the Company's RDF production facilities.

As of December 31, 2016, the Company had four commercially operating power plants with a total of 150 MW of installed power generation capacity, all of which are located in the same vicinity as TPIPL's cement production plants in Kangkhoy, Saraburi Province in Thailand. The Company had a total of 290 MW of installed power generation capacity under construction. TPIPP also owns and operates 8 petrol stations, one gas station and three petrol and gas stations in Bangkok and other provinces in Thailand.

Investments in Subsidiary/ Associated/ Related Companies

- None -

Change in Registered Capital in the last 3 years

Date / Month / Year	Registered Capital Increase (Decrease)	After the Increase (Decrease)	Note
29 June 2015	Baht 1,000 million	Baht 5,900 million	For the investment in power plant projects
2 May 2016	Baht 2,500 million	Baht 8,400 million	For the allocation in initial public offering for Baht 2,500 million

Accounting Period

1 January to 31 December

Auditor

Audited Financial Statements	Auditor's Name and Company
For the year ended 31 December 2014	Ekkasit Chuthamsatid
For the year ended 31 December 2015	KPMG Phoomchai Audit Limited
For the year ended 31 December 2016	Bunyarit Thanormcharoen KPMG Phoomchai Audit Limited

Registrar

Thailand Securities Depository Company Limited (TSD)

Financial Advisor

CIMB Bank Public Company Limited
 Maybank Kim Eng Securities (Thailand) Public Company Limited
 TISCO Bank Public Company Limited

Lead Underwriter

CIMB Securities (Thailand) Co., Ltd.
 Maybank Kim Eng Securities (Thailand) Public Company Limited
 TISCO Securities Co., Ltd.

Company's Dividend Policy

The Company's dividend payment policy is to distribute annual dividends to its shareholders at a rate of not less than 50.0% of the net profit as recorded in the Company's separate financial statements after deductions for income tax and legal reserves as required by law and its articles of association. Notwithstanding the foregoing, dividend payments are subject to the discretion of the Company's board of directors based on the Company's results of operations, cash flow, investment plans, future needs and other factors as the Company's Board of Directors deems appropriate, and the dividend payment must be approved by the annual general meeting of shareholders.

In addition, the Board of Directors may, from time to time, pay the shareholders the interim dividends, provided that it is of the view that the Company has adequate profits to make such payment. After the interim dividends have been paid, such dividend payment shall be reported to the shareholders at the next shareholders' meeting.

B.O.I. Certificates

The Company has been granted promotional privileges under the Investment Promotional Act, B.E. 2520 (as amended) by the Thai Board of Investment.

The board of investment privileges of the Company's power plants, RDF production facilities and gas station are summarized as follows:

Plant / Gas Station	Month on which Income was First Derived from Promoted Activity	Expiration of Full Income Tax Exemption	Expiration of 50% Income Tax Reduction
WHPP-40MW	June 2009	June 2017	N/A ⁽¹⁾
RDFPP-20MW	June 2009	June 2017	N/A ⁽¹⁾
RDFPP-60MW	September 2015	September 2023	September 2028
WHPP-30MW	January 2016	January 2024	N/A ⁽¹⁾
RDFPP-70 MW	— ⁽²⁾	Eight years from the date on which income from operation is first received	N/A ⁽¹⁾
Coal-PP-150MW	— ⁽²⁾	Eight years from the date on which income from operation is first	N/A ⁽¹⁾

Plant / Gas Station	Month on which Income was First Derived from Promoted Activity	Expiration of Full Income Tax Exemption	Expiration of 50% Income Tax Reduction
		received	
RDF production facilities	July 2011	June 2019	June 2024
Gas Station	July 2009	July 2017	July 2022

Notes: (1) The 50% income tax reduction does not apply after the expiry date of the full corporate income tax exemption period.

(2) RDFPP-70 MW and Coal-PP-150MW have not derived income from their respective promoted activities yet.

Number of Shareholders

As of 31 March 2017

	Number of Shareholders	Number of Shares	% of Paid-up Capital
1. Strategic shareholders			
1.1 Directors, manager, and executive management including related persons and associated persons	22	32,148,624	0.38
1.2 Shareholders who have a holding of above 5% including related persons	1	5,899,999,300	70.24
1.3 Controlling Shareholders	-	-	-
2. Non-Strategic shareholders hold > 1 trading unit	18,630	2,467,805,025	29.38
3. Non-Strategic shareholders hold < 1 trading unit	944	47,051	0.00
Total Shareholders	19,597	8,400,000,000	100.00

Note: 1 trading unit equals to 100 shares

Major Shareholders

As of 31 March 2017

Name of Shareholder	After IPO		Before IPO	
	No. of shares	% of Paid-up Capital	No. of shares	% of Paid-up Capital
1. TPI Polene Public Company Limited	5,899,999,300	70.24	5,899,999,300	100.00
2. CIMB SECURITIES (SINGAPORE) PTE.LTD. ⁽¹⁾	432,750,000	5.15	-	-
3. DEUTSCHE BANK AG, LONDON	97,000,000	1.15	-	-
4. MAYBANK KIM ENG SECURITIES PTE. LTD. ⁽¹⁾	67,250,000	0.80	-	-
5. Phillip Securities (Thailand) Public Company Limited for Private Fund Client	55,000,000	0.65	-	-
6. FWD Life Insurance Public Company Limited	35,714,300	0.43	-	-

Name of Shareholder	After IPO		Before IPO	
	No. of shares	% of Paid-up Capital	No. of shares	% of Paid-up Capital
7. Pattarasitthipong Group⁽²⁾	34,163,000	0.41	-	-
7.1 Mr. Talerngkiat Pattarasitthipong	34,000,000	0.40	-	-
7.2 Mrs. Suree Pattarasitthipong	163,000	0.00	-	-
8. Leophairatana Enterprises Company Limited	26,590,094	0.32	-	-
9. Leophairatana Group⁽²⁾	26,345,399	0.31	600	0.00
9.1 Ms. Orapin Leophairatana	5,354,089	0.06	100	0.00
9.2 Mr. Prayad Liewphairatana	5,352,708	0.06	100	0.00
9.3 Mr. Pakorn Leopairut	5,325,591	0.06	-	-
9.4 Mr. Pramuan Leophairatana	4,993,408	0.06	200	0.00
9.5 Miss Pattrapran Leopairut	3,883,192	0.05	-	-
9.6 Mr. Pakkapol Leopairut	570,399	0.01	-	-
9.7 Ms. Nitawan Leophairatana	250,571	0.00	-	-
9.8 Mrs. Suphitcha Leophairatana	129,876	0.00	-	-
9.9 Mrs. Chayanid Leophairatana	125,617	0.00	-	-
9.10 Dr. Yuwadee Leopairut	111,975	0.00	-	-
9.11 Ms. Pannee Liewphairatana	99,348	0.00	-	-
9.12 Mr. Porakrit Leophairatana	87,314	0.00	-	-
9.13 Ms. Malinee Leopairut	50,265	0.00	-	-
9.14 Mr. Manop Leophairatana	4,273	0.00	-	-
9.15 Mrs. Ratchanee Leophairatana	2,756	0.00	-	-
9.16 Mrs. Sirikarn Leophairatana	2,583	0.00	-	-
9.17 Mr. Prachai Leophairatana	717	0.00	100	0.00
9.18 Ms. Salinthip Leophairatana	617	0.00	-	-
9.19 Mr. Prateep Leopairut	100	0.00	100	0.00
10. Munwichachai Group⁽²⁾	21,750,000	0.26	-	-
10.1 Mrs. Kwanta Munwichachai	21,000,000	0.25	-	-
10.2 Mrs. Pitchsuda Munwichachai	600,000	0.01	-	-
10.3 Mr. Sunhachit Munwichachai	150,000	0.00	-	-
11. Others	1,703,437,907	20.28	100	0.00
Total	8,400,000,000	100.00	5,900,000,000	100.00

Note:

(1) Initial purchasers allocate shares in this offering to foreign investors, of which none of these foreign investors are each allocated more than 5% of the total 8,400,000,000 shares after IPO, and did not allocate shares in this offering to TPIPP's strategic shareholders.

(2) The above presentation of major shareholders by grouping of shareholders who have the same surname but may not be related by blood does not convey that persons among the group are concert party

Foreign Shareholders

As of 31 March 2017, the Company has 94 foreign shareholders holding 614,616,900 shares, representing 7.40% of total paid-up capital after the IPO. In this regard, the Company has a limitation on the percentage of equity shares held by foreign shareholders stated in the article of association that shares held by foreign shareholder at any one time must not exceed 49% of the total issued and paid-up shares of the Company.

Board of Directors

Name	Position	Date of Position
1. Mr. Prachai Leophairatana	Chairman of the Board	11 November 1991
2. Mr. Pramuan Leophairatana	Vice Chairman of the Board	8 January 2016
3. Mrs. Orapin Leophairatana	Vice Chairman of the Board	8 January 2016
4. Mr. Prayad Liewphairatana	Director	11 November 1991
5. Miss Pattrapan Leopairut	Director	30 April 2007
6. Mr. Pakorn Leopairut	Director	16 February 2016
7. Mr. Pakkapol Leopairut	Director	16 February 2016
8. Ms. Nitawan Leophairatana	Director	13 July 2015
9. Ms. Malinee Leopairut	Director	8 January 2016
10. Mr. Manu Leopairote	Independent Director; Chairman of the Audit Committee	8 January 2016
11. Mr. Thiraphong Vikitset	Independent Director; Member of the Audit Committee	8 January 2016
12. Mr. Abhijai Chandrasen	Independent Director; Member of the Audit Committee	8 January 2016
13. Mr. Khantachai Vichakkhana	Independent Director	8 January 2016
14. Mr. Wanchai Manosooti	Independent Director	29 April 2016

Audit Committee

Audit committee was appointed by the Board of Directors' Meeting No. 1/2559 on 8 January 2016

Members of Audit Committee

Chairman of the Audit Committee	Mr. Manu Leopairote
Member of the Audit Committee	Mr. Thiraphong Vikitset
	Mr. Abhijai Chandrasen
Audit Committee Secretary	Ms. Weeranuch Khimkhum

Scope of Authorities, Duties and Responsibilities

The Company's audit committee is accountable to the board of directors of the Company for the performance of its duties. The audit committee is required to maintain compliance with the rules and

regulations of the SET securities law and the law relating to the Company's business. The duties and responsibilities of the audit committee are set forth below:

1. to review the financial reporting process to ensure that the Company's financing reporting is accurate and adequate;
2. to review the internal audit systems and ensure that the Company has adequate internal control;
3. to ensure that the Company has duly complied with the laws on securities and exchange, the SET regulations, and the laws relating to its business;
4. to consider, select and nominate an independent auditor, to propose the independent auditor's remuneration, and to attend a non-management meeting with the independent auditor at least once a year;
5. to review connected transactions and transactions that may lead to conflicts of interests to ensure that they are in compliance with laws and the SET regulations and are reasonable and for the Company's highest benefit;
6. to prepare, and to disclose the Company's annual report, an audit committee's report which must be signed by the chairman of the audit committee and consist of at least the following information:
 - an opinion on the accuracy, completeness and creditability of the financial report;
 - an opinion on the adequacy of the internal control system;
 - an opinion on the compliance with the law on securities and exchange, the SET regulations, or the laws relating to the business;
 - an opinion on the suitability of an auditor;
 - an opinion on transactions that may lead to conflicts of interest;
 - the number of the audit committee meetings, and the attendance of such meeting by each committee member;
 - an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter; and
 - other transactions which, according to the audit committee's opinion, should be known to the Company's shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Board of Directors;
7. to report to the board of director in case there is a doubt in any transaction or action that may have material impact to the Company's financial position and operating performance in order to improve them within the period of time the Audit Committee deems appropriate
 - (1) transaction that causes a conflict of interest
 - (2) corruption or irregularities or material misconduct in internal control system
 - (3) violation of the Securities and Exchange Committee Act., SET regulations or any law and regulation related to the business of the Company
8. to perform any other tasks as assigned by the Board of Directors upon the audit committee's consent.
9. to revise the audit committee's charter at least once a year

Dr. Teerapong Vikitseth is a person who has sufficient knowledge and experience in accounting and finance to review the reliability of the Company's financial statements. He holds a bachelor's degree in chemical engineering from West Virginia University and master's and doctor's degree in Economics (West Virginia University)

Term of Membership

- 1) Chairman of Audit Committee 3 years
- 2) Audit Committee 3 years

Listing Conditions

- None -

Silent Period

Shareholders, who own common shares before the Company's public offering, holding 4,620,000,000 shares or 55% of paid-up capital after the initial public offering certify to the Stock Exchange of Thailand that their share will not be sold for the period of one year from the first trading date. Upon the expiry of 6 months period of the prescribed time, those shareholders will be allowed to sell 25% of the total amount of shares prohibited for the sale and the rest after one year.

Relaxation

- None -

Others (if any)

- None -

Statistical Summary

TPI Polene Power Public Company Limited

ปี	Baht million		Per Share Basis ⁽¹⁾			%
	Total revenues	Net Profit (Loss)	Net Profit (Loss)	Dividends	Book value	Payout Ratio
2014 (Audited)	2,152.49	379.07	0.06	-	1.16	-
2015 (Audited)	2,794.83	493.36	0.08	-	1.53	-
2016 (Audited)	4,433.32	1,824.25	0.31	0.43	1.41	139.89

Notes : (1) Calculated based on 5,900,000,000 Shares, in order to compare between each year

Par Baht 1.00

TPI Polene Power Public Company Limited

Statement of Financial Position

(Unit: Baht million)	Separate Financial Statement		
	As of December 31		
	2014	2015	2016
Current assets			
Cash and cash equivalents	31.38	113.74	285.86
Current investments	0.28	0.34	-
Trade account receivables	1,454.54	1,678.61	822.81
Other receivables	9.84	12.15	38.66
Short-term loans to related parties	723.03	-	-
Receivables and advances to related parties	9.39	16.75	18.95
Investories	393.82	440.29	392.64
Other current assets	94.37	11.93	146.42
Total current assets	2,716.64	2,273.82	1,705.34
Non-current assets			
Investment in subsidiaries	1,011.49	-	-
Other long-term investments	5.61	5.55	5.48
Investment Properties	41.34	44.26	-
Property, plant and equipment	8,069.16	9,282.40	15,459.21
Leasehold rights	2.65	1.46	0.65
Advances for plant and equipment	31.58	882.43	808.93
Deferred tax assets	77.67	183.66	189.74
Parent's shares held for donation	342.00	-	-
Other non-current assets	1.93	-	-
Total non-current assets	9,583.43	10,399.76	16,464.01
Total assets	12,300.07	12,673.58	18,169.35
Current liabilities			
Short-term loans from financial institutions	-	-	28.73
Trade accounts payable	129.62	85.54	96.89
Other payables	865.05	1,366.22	2,382.16
Payables and advances from related parties	1,166.39	425.12	101.25
Current portion of long-term loans from financial institutions	305.69	-	165.00
Short-term loans from related parties	231.33	-	1.27
Income tax payable	5.96	-	-
Other current liabilities	6.27	85.43	49.57
Total current liabilities	2,710.31	1,962.31	2,824.87
Non-current liabilities			
Long-term loans from financial institutions	2,751.21	-	2,331.63
Long-term loan from related parties	-	1,635.02	4,528.85
Employee benefit obligations	22.90	31.05	58.15
Decommissioning costs	-	-	104.86
Total non-current liabilities	2,774.11	1,666.07	7,023.48
Total liabilities	5,484.42	3,628.38	9,848.36

(Unit: Baht million)	Separate Financial Statement		
	As of December 31		
	2014	2015	2016
Equity			
Authorized share capital	4,900.00	5,900.00	8,400.00
Issued and paid-up share capital	4,151.16	5,900.00	5,900.00
Retained earnings			
Legal reserve	-	-	218.80
Unappropriated	2,655.74	3,145.20	2,202.19
Other components of equity	8.75	-	-
Total equity	6,815.65	9,045.20	8,320.99
Total liabilities and equity	12,300.07	12,673.58	18,169.35

TPI Polene Power Public Company Limited

Statement of Comprehensive Income

(Unit: Baht million)	Separate Financial Statement		
	For the year ended December 31		
	2014	2015	2016
Revenue			
Revenue from sale of goods	1,984.89	1,996.38	2,690.64
Revenue from adders	-	632.99	1,677.52
Investment income	47.30	24.05	6.04
Net foreign exchange gain	-	-	25.16
Other income	120.30	141.41	33.96
Total revenue	2,152.49	2,794.83	4,433.32
Expenses			
Cost of sales of goods	(1,629.12)	(1,624.50)	(2,265.01)
Selling expenses	(74.55)	(68.93)	(65.03)
Administrative expenses	(33.06)	(33.28)	(125.56)
Loss from disposal of investment in subsidiaries	-	(537.07)	-
Net foreign exchange loss	(9.63)	(48.98)	-
Finance costs	(9.00)	(94.60)	(160.38)
Total expenses	(1,755.36)	(2,407.36)	(2,615.97)
Profit before income tax expense from continuing operations	397.13	387.47	1,817.34
Income tax (expense) income	(18.06)	105.89	6.91
Profit for the period	379.07	493.36	1,824.25
Other comprehensive income (loss)			
Defined benefit plan actuarial gains (losses)	10.66	(4.89)	4.12
Income tax on other comprehensive income (loss)	(2.13)	0.98	(0.82)
Net change in fair value of available-for-sale investments	8.75	(8.75)	-
Other comprehensive income (loss) for the period, net of tax	17.28	(12.66)	3.30
Total comprehensive income for the period	396.35	480.70	1,827.55
Basic earnings per share ⁽¹⁾	9.25	9.66	0.31
Pro forma adjusted earnings per share ⁽²⁾	0.06	0.08	0.31

(Unit: Baht million)	Separate Financial Statement For the year ended December 31		
	2014	2015	2016
Pro forma further adjusted earnings per share ⁽³⁾	0.05	0.06	0.22

Notes:

- (1) Calculated based on 59,000,000 Shares with a par value of THB100 per share as of December 31, 2015. On April 26, 2016, resolutions of extraordinary shareholders' meeting No.2/2016 were passed, which approved a 100-to-1 stock split with par value of the Shares changing from THB100 to THB1.
- (2) Calculated based on 5,900,000,000 Shares, the number of Shares with a par value of THB1 per share as of the date of this Offering Circular.
- (3) Calculated based on 8,400,000,000 Shares, the number of Shares with a par value of THB1 per share after the Combined Offering and the Eligible TIPL Existing Shareholders Offering.

TPI Polene Power Public Company Limited

Statement of Cash Flows

(Unit: Baht million)	Separate Financial Statement For the year ended December 31		
	2014	2015	2016
Net cash from (used in) operating activities	776.74	346.63	2,826.14
Net cash used in investing activities	(3,214.21)	(140.99)	(5,323.67)
Net cash from (used in) financing activities	2,410.14	(123.28)	2,669.65
Net cash and cash equivalents increased (decreased)	(27.33)	82.36	172.12
Cash and cash equivalents at the beginning of the period	58.72	31.38	113.74
Effect of exchange rate changes on balances held in foreign currencies	(0.01)	-	0.00
Cash and cash equivalents at the end of the period	31.38	113.74	285.86

Prepared by

CIMB Bank Public Company Limited

Maybank Kim Eng Securities (Thailand) Public Company Limited

TISCO Bank Public Company Limited

The Company hereby certifies that the information reported in this Information Memorandum is correct.

TPI Polene Power Public Company Limited

.....
Mr. Pakorn Leopairut

Director

.....
Mr. Pakkapol Leopairut

Director