

**Information Memorandum on Listing of Chow Energy Company Limited
On The Stock Exchange of Thailand and the Market for Alternative Investment**

Chow Energy Co., Ltd. ("CE"), a subsidiary of the Company, intends to list its stocks on the Stock Exchange of Thailand ("SET") or the Market for Alternative Investment ("MAI") (hereinafter referred to as the "Stock Exchange"). CE will increase its registered capital from 221,536,980 Baht to 570,000,000 Baht by offering 34,846,302 new ordinary shares each of 10 Baht par value to CE's existing shareholders in proportion to shareholding. Afterward, CE will be transformed into a public limited company and raise its registered capital from 570,000,000 Baht to 760,000,000 Baht, with a change of its par value to 0.10 Baht per share. The 1,900,000,000 new ordinary shares each of 0.10 Baht par value will be issued for initial public offering (IPO) and also to the Company's existing shareholders in proportion to shareholding (pre-emptive rights). Such IPO and pre-emptive rights offering to the existing shareholders of the Company are deemed as an asset disposal transaction of a listed company pursuant to Notification of the Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of Listed Companies concerning the Acquisition and Disposition of Assets B.E. 2547 (2004), and the amendment pursuant to Notification of the Capital Market Supervisory Board No. ThorJor. 20/2551, as well as Section 89/29 of the Securities and Exchange Act, B.E. 2551 (2008), thereby the maximum transaction size by the net profit method is 19.94% of the consolidated net profit of the Company and subsidiary according to the consolidated financial statements as at 31 December 2014, which is higher than 15% and less than 50%. Therefore, the Company is obligated to prepare a report and disclose information on such transaction to the Stock Exchange as prescribed, and to submit a letter to the shareholders within 21 days from the date of disclosure of the transaction to the Stock Exchange. In addition, the Company will submit the plan on the listing of CE on the Stock Exchange and the capital increase with IPO and pre-emptive rights offering to the Company's shareholders meeting for consideration and approval. Details of the information memorandum are as follows:

1. Date of entering into the transaction

Listing of CE on the Stock Exchange by offering of new ordinary shares through IPO and pre-emptive rights offering to the existing shareholders of the Company shall take place upon obtaining permission from the Office of the Securities and Exchange Commission ("Office of the SEC").

2. Parties concerned

Seller of securities	:	Chow Energy Co., Ltd. ("CE")
Buyer of securities	:	General public and the Company's shareholders

3. General characteristics of asset acquisition transaction and transaction size

For listing on the Stock Exchange, CE will increase its registered capital from 570,000,000 Baht to 760,000,000 Baht by offering 1,900,000,000 new ordinary shares each of 0.10 par value, the allotment of which is as detailed below:

- 1) Pre-emptive rights offering of 475,000,000 shares each of 0.10 Baht par value to the Company's shareholders in proportion to shareholding
- 2) Initial public offering (IPO) of 1,425,000,000 shares each of 0.10 Baht par value and the remaining portion of shares from pre-emptive rights offering

After the issuance and offering of 1,900,000,000 new ordinary shares, the Company's holding proportion of ordinary shares of CE after CE's listing on the Stock Exchange will decrease from 76.67% to 57.50% of its paid-up capital of 760,000,000 Baht, or a 25.00% decrease in shareholding proportion.

The above transaction for listing of CE on the Stock Exchange is deemed as an asset disposal transaction of a listed company pursuant to Notification of the Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (2004), and the amendment pursuant to Notification of the Capital Market Supervisory Board No. ThorJor. 20/2551, as well as Section 89/29 of the Securities and Exchange Act, B.E. 2551 (2008), thereby the maximum transaction size by the net profit method is 19.94% of the consolidated net profit of the Company and subsidiary according to the consolidated financial statements as at 31 December 2014. Details of calculation of the asset disposal transaction size by four methods are as follows:

Basis of calculation	Calculation	Transaction size (%)
1. Asset value method	$\frac{\% \text{ of NTA of CE in the disposal proportion}}{\text{NTA of Company and subsidiary}}$	$= ((76.67\% - 57.50\%) * 105.67) / 1,256.69$ $= 1.61\%$
2. Net profit method	$\frac{\% \text{ of net profit of CE in the disposal proportion}}{\text{Net profit of Company and subsidiary}}$	$= ((76.67\% - 57.50\%) * 49.49) / 47.57$ $= 19.94\%$
3. Total value of consideration method	$\frac{\text{Selling value}}{\text{Total assets of Company and subsidiary}}$	$= (1,900.00 * 0.10^{1/}) / 4,728.83$ $= 4.02\%$
4. Securities value method	$\frac{\text{Number of shares issued}}{\text{Total number of issued and paid-up shares of Company}}$	Not applicable, as the Company is not to issue shares in this case.

Note: 1/ As the offering price of the IPO and the pre-emptive offering to the shareholders is not yet determined at present, the transaction size is calculated based on the par value of 0.10 Baht per share.

The maximum size of the above transaction by the net profit method is 19.94%, which is higher than 15% and less than 50%. Therefore, the Company is obligated to prepare a report and disclose information on such transaction to the Stock Exchange as prescribed, and to submit a letter to the shareholders within 21 days from the date of disclosure of the transaction to the Stock Exchange.

Preliminary description of asset to be disposed of

Details of CE share offering

Type of securities to be offered	:	New ordinary shares of CE
Number of shares to be offered	:	A total of 1,900,000,000 shares with the allotment thereof shown below: <ol style="list-style-type: none">1) Pre-emptive rights offering of 475,000,000 shares each of 0.10 Baht par value to the Company's shareholders in proportion to shareholding2) Initial public offering (IPO) of 1,425,000,000 shares each of 0.10 Baht par value and the remaining portion of shares from pre-emptive rights offering <p>Chief Executive Committee or the person assigned by him shall thereafter determine the ratio of allotment of CE new shares to the existing shareholders of the Company, and the closing date of the share register to determine the names of those entitled such new shares.</p>
Par value	:	0.10 Baht per share
Offering price	:	Not yet determined. Chief Executive Committee or the person assigned by him shall determine the offering price after CE obtains permission from Office of the SEC to offer the new shares.
Offering period	:	Not yet determined. Chief Executive Committee or the person assigned by him shall determine the offering period after CE obtains permission from Office of the SEC to offer the new shares.

Details of CE

Entity name	:	Chow Energy Co., Ltd. ("CE")
Head office	:	209/1 K. Tower, 18 th Floor, Unit 3 Sukhumvit 21 (Asoke), Klongtoey Nua, Wattana, Bangkok
Nature of business operation	:	Operate as a holding company by holding shares in entities relating to investment in, production and distribution of electricity from various types of energy.
Capital structure	:	Before the IPO and share offering to existing shareholders of the Company, CE will have registered capital of 570,000,000 Baht, divided into 5,700,000,000 ordinary shares each of 0.10 par value. After the IPO and share offering to existing shareholders of the Company, CE will have registered capital of 760,000,000 Baht, divided into 7,600,000,000 ordinary shares each of 0.10 par value.
Company's shareholding proportion in CE	:	Before the IPO and share offering to existing shareholders of the Company, the Company will have a shareholding proportion of 76.67% in CE.

After the IPO and share offering to existing shareholders of the Company, the Company will have a shareholding proportion of 57.50% in CE.

Subsidiaries : CE engages in holding shares in other entities. It currently has 100% shareholding in Premier Solution Co., Ltd. (“PSCL”) and Chow International Co., Ltd. (“CI”).

1. PSCL: engages in securing power sale and purchase agreements, land lease and purchasing agreements, and dealing projects for solar power plant operators.
2. CI: engages in investing in solar power plant projects. At present, CI has investment only in projects developed by PSCL and/or subsidiary of PSCL.

Board of Directors : As of 9 December 2014, CE’s Board of Directors is composed of 6 members as follows:

1. Mr. Smith Banomyong
2. Mr. Jittiphon Devahastin
3. M.L. Dispanadda Diskul
4. Mr. Sanguankiat Lewmanomont
5. Mr. Anavin Jiratomsiri
6. Ms. Koo Man Wai

Financial highlights of CE

Unit: THB million	2014
Total assets	1,233.71
Total liabilities	1,088.80
Issued and paid-up shares	221.54
Retained earnings (losses)	48.96
Shareholders’ equity	144.91
Total revenues	76.02
Total expenses	26.53
Net profit	49.49

Note: CE was incorporated on 9 December 2014.

4. Total value of consideration

CE will offer shares to the existing shareholders of the Company in proportion to their shareholding (pre-emptive rights) at the same offering price as that in the IPO. The offering price is not yet determined at present. CE will set the definite offering price upon receiving share offering approval from Office of the SEC.

5. Value of asset to be disposed of

The offering price is not yet determined at present. Thus, value of asset to be disposed of is calculated based on the par value of 0.10 Baht per share multiplied by total number of CE ordinary shares of 1,900,000,000, making up a total of 190,000,000 in the asset value.

6. Expected benefits from the transaction

1) Benefits to shareholders of the Company

- Shareholders of the Company will be entitled to the allotment of the new ordinary shares in proportion to their shareholding (pre-emptive rights).
- Shareholders of the Company will have opportunity to invest in solar power businesses directly.

2) Benefits to the Company

- The Company can relieve its burden in financial assistance to CE, such as capital increase in CE, guarantee obligation, securing of financial sources, lending of loans, etc.
- The Company can recognize business value of CE in term of fair value.
- The Company can recognize capital gains in case of divestment of its equity portion in CE.

3) Benefits to CE

- CE will have access to additional funding source.
- CE will have adequate capital funds for its business expansion or additional investment in any subsidiary and/or associated companies, and/or for CE's loan repayment, and/or for serving its working capital requirement.
- The transaction will strengthen and enhance the image of CE.
- The transaction will add value to and boost liquidity of CE ordinary shares.

7. Impacts from listing of CE on the Stock Exchange

1) EPS dilution and control dilution effects

The offering of 1,900,000,000 new ordinary shares will result in a decline in the Company's shareholding proportion from 76.67% to 57.50%, or a 25.00% decrease, resulting in dilution of EPS from and control in CE in future. However, to offset such impact, CE will propose to its shareholders' meeting to allocate 475,000,000 new ordinary shares each of THB 0.10 par value, representing 25% of a total of 1,900,000,000 new ordinary shares under this capital increase for pre-emptive rights offering to the Company's existing shareholders at the same offering price as that to the general public in the IPO.

2) Price dilution effect

As the shares to be offered are CE shares, no impact is expected on the market price of the Company's ordinary shares. However, the Company's decrease in the shareholding proportion in CE will affect the proportion of profit to be recognized from CE.

8. Application of proceeds obtainable from the share offering

CE will use the proceeds obtainable from the share offering to the Company's shareholders and the general public for its business expansion or additional investment in any subsidiary and/or associated companies, and/or for CE's loan repayment, and/or for serving its working capital requirement.

9. Conditions of transaction

- 1) The Company's 2015 annual general meeting of shareholders has given approval for listing of CE on the Stock Exchange and CE's capital increase with the IPO and the pre-emptive rights offering to the existing shareholders of the Company.
- 2) CE's shareholders meeting has given approval for listing of CE on the Stock Exchange and CE's capital increase with the IPO and the pre-emptive rights offering to the existing shareholders of the Company.
- 3) CE has registered the capital increase with Department of Business Development.
- 4) CE has obtained approval from Office of the SEC for making the IPO and the pre-emptive rights offering to the existing shareholders of the Company.
- 5) The Stock Exchange has accepted CE as a listed stock.

10. Opinion of the Board of Directors and the Audit Committee

The Company's Board of Directors, including Audit Committee, is of the opinion that the entering into this transaction is reasonable, helping strengthen CE, enhance its competitiveness, and enable it to raise funds from the market on its own, as well as adding value to the Company's investment in CE.

11. Opinion of the Audit Committee and/or the director which is different from the Board of Directors' opinion in Item 10

The Company's Audit Committee has the same opinion as the Board of Directors, and no director has any different opinion from that of the Board of Directors.

12. Responsibility of the Board of Directors for the Information Memorandum

The Board of Directors of Chow Steel Industries Public Company Limited has reviewed, with prudence in the capacity of directors of the Company, information in this Information Memorandum regarding the disclosure and acts of the Company in the acquisition or disposal of assets, and hereby certify that such information is correct and complete, without any misleading or lack of material information that should have been disclosed. In this regard, this Information Memorandum has been prepared only for disclosure purpose, not for persuasion or as proposal to acquire or subscribe for any securities.

13. Significant legal cases or complaints in process

In the past year, the Company has had no any legal dispute that may pose negative impact on its assets in the amount more than 5% of its shareholders' equity as of the end of the latest accounting period.

14. Transactions with related person and companies

14.1 Relationship and pricing policy

The relationship and pricing policies among the Company, subsidiaries and related parties are as follows:

	Relationship
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Subsidiaries	
Chow Energy Co., Ltd.	76.67% Shareholding and Directorship
Vertex Logistics Service Co., Ltd.	40% Shareholding and Directorship
Chow International Co., Ltd.	Shareholding by the subsidiary and directorship
Premier Solution Co., Ltd.	Shareholding by the subsidiary and directorship
AE Solar Goudou Kaisha	Shareholding by the subsidiary and directorship
Premier Solution Japan K.K.	Shareholding by the subsidiary and directorship
Premier Solution GmbH	Shareholding by the subsidiary and directorship
Sun Goudou Kaisha	Shareholding by the subsidiary and directorship
Sol Goudou Kaisha	Shareholding by the subsidiary and directorship
Associated company	
Overseas Green Energy Co., Ltd.	Shareholding by the subsidiary and directorship
RICI International Investment Pte. Ltd.	Shareholding by the subsidiary and directorship
Related Company	
Lewmanomont International Law Office	Directorship
Sritanathep Co., Ltd.	Directorship
Related Persons	
Mr. Anavin Jiratomsiri	Shareholder and Director
Mr. Tanachart Poudpongpaiboon	Shareholder and Director of subsidiary
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Pricing policies	
Loan to	Interest charged at rate of 12% per annum
Loan from	Interest charged at rate of 12% per annum
Disposal of fixed assets	Compared to market price
Rental income	At Contract price which had been agreed upon
Transportation expense	At Contract price which had been agreed upon
Administrative expenses	At Contract price which had been agreed upon
Guarantee	No fee charged

14.2 Balances of transactions with related parties

Balances of transactions among the Company with subsidiaries and related parties as at 31 December 2014 and 2013 are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Other receivables (Note 10)				
Subsidiaries	-	-	34,327,260	644,703
Short-term loan to				
Subsidiaries				
Balance, beginning of year	-	-	37,225,800	-
<u>Add</u> Increase during the year	-	-	1,177,547,745	37,225,800
<u>Less</u> Decrease during the year	-	-	(193,746,862)	-
Balance, end of year	-	-	1,021,026,683	37,225,800
Other payables (Note 19)				
Subsidiaries	-	-	778,175	1,676,159
Related company	395,158	-	10,500	-
Total	395,158	-	788,675	1,676,159
Short-term loan from				
Subsidiaries				
Balance, beginning of year	-	-	-	-
<u>Add</u> Increase during the year	-	-	10,370,816	-
<u>Less</u> Decrease during the year	-	-	(10,370,816)	-
Balance, end of year	-	-	-	-
Related company				
Balance, beginning of year	-	-	-	-
<u>Add</u> Increase during the year	10,000,000	-	-	-
Balance, end of year	10,000,000	-	-	-
Related person				
Balance, beginning of year	350,000	-	-	-
<u>Add</u> Increase during the year	-	350,000	-	-
<u>Less</u> Decrease during the year	(350,000)	-	-	-
Balance, end of year	-	350,000	-	-
Total	10,000,000	350,000	-	-
Other current liabilities				
Subsidiaries	-	-	108,560	63,560
Disposal of fixed assets				
Subsidiaries	-	-	-	24,800

14.3 Revenues and expenses transactions with related parties

Revenues and expenses transactions with related parties for the year ended 31 December 2014 and 2013 are as follows

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Rental income				
Subsidiaries	-	-	969,224	464,224
Interest income				
Subsidiaries	-	-	34,904,395	-
Transportation expense				
Subsidiary	-	-	61,947,994	76,774,169
Legal fee				
Related company	503,200	161,000	503,200	161,000
Financial cost				
Subsidiaries	-	-	259,128	-
Related company	384,658	-	-	-
Total	384,658	-	259,128	-
Directors and management's benefits	11,309,212	11,425,785	10,409,212	10,645,785

Sincerely,

(Mr. Anavin Jiratomsiri)

Chief Executive Committee