

Information Memorandum on Listing of Chow Energy Public Company Limited
on The Market for Alternative Investment (MAI)

Chow Energy Public Company Limited (“CEPL”), 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”). CEPL will increase its registered capital from 570,000,000 Baht to be 815,000,000 Baht by offering 122,500,000 new ordinary shares at the par value of 0.50 Baht each to CEPL’s existing shareholders by way of rights issue. The number of 367,500,000 new ordinary shares each of 0.50 Baht par value will be offered by way of initial public offering (“IPO”) and also to the existing shareholders of Chow Steel Industries Public Company Limited (“Company”) in proportion to their shareholding percentage in the Company (“Pre-emptive Rights Offering”) in order to provide opportunities for the shareholders of the Company to invest in CEPL. Additionally, this will also reduce the impact on shareholders of the Company as its shareholding percentage in CEPL decreases.

In this regards, such IPO and Pre-emptive Rights Offering to the existing shareholders of the Company are deemed as a disposition transaction of assets 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 according to the net profit criteria equals to 36.66% of the consolidated net profit of the Company and subsidiary according to the consolidated financial statements ended as at 31 December 2017, When combined with asset disposition transactions of solar power plant projects, the total value of the transaction will be 47.59% which is higher than 15% but 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 notify 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 CEPL 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 CEPL 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 after CEPL obtains permission on the IPO from the Office of the Securities and Exchange Commission (“Office of the SEC”).

2. Parties concerned

Seller of securities : Chow Energy Public Company Limited (“CEPL”)
Buyer of securities : General public and the Company’s shareholders

3. General characteristics of asset disposition transaction and transaction size

In listing CEPL on the Stock Exchange, CEPL will increase its registered capital from 570,000,000 Baht to be 815,000,000 Baht by offering 490,000,000 new ordinary shares at the par value of 0.50 Baht each as per the following allotment:

- 1) Pre-emptive Rights Offering of 122,500,000 shares at the par value of 0.50 Baht each (“Pre-emptive Rights Shares”) to the Company’s shareholders in proportion to their shareholding percentage in the Company
- 2) Initial public offering (IPO) of 367,500,000 shares at the par value of 0.50 Baht each and all unsubscribed Pre-emptive Rights Shares

After the issuance and offering of 490,000,000 new ordinary shares, the Company’s shareholding percentage in CEPL after CEPL’s listing on the Stock Exchange will decrease from 87.36% to 61.10% of its paid-up capital of 815,000,000 Baht, or decrease by 26.26%.

The listing of CEPL on the Stock Exchange is deemed as a disposition transaction of assets 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 according to the net profit criteria equals to 36.36% of the consolidated net profit of the Company and subsidiary according to the consolidated financial statements ended as at 31 December 2017. Details of calculation of the size of such disposition transaction of assets as per four calculation criteria are as follows:

Basis of calculation	Calculation	Transaction size (%)
1. Asset value criteria	$\frac{\text{NTA of CE (disposing portion) X Acquired portion}}{\text{NTA of Company and subsidiary}}$	14.65%
2. Net profit criteria	$\frac{\text{Net profit of CE (disposing portion) X Acquired portion}}{\text{Net profit of Company and subsidiary}}$	36.66%
3. Total consideration value criteria	$\frac{\text{Value of disposing transaction}^{1}}{\text{Total assets of Company and subsidiary}}$	1.95%
4. Securities value criteria	$\frac{\text{Number of shares issued for disposing transaction}}{\text{Total number of issued and paid-up shares of Company}}$	Not applicable, as the Company is not to issue shares in this case.

Note: ¹ As the offering price of shares for the IPO and the Pre-emptive Rights Offering is not yet determined at present, the transaction size is calculated based on the par value of 0.50 Baht per share. However, if the calculation is based on book value per shares as of 31 December 2017, latest audit financial statement by auditor, the transaction size would be 1.95 percent

The maximum size of the above transaction according to the net profit criteria method equals to 36.66%, When combined with asset disposition transactions of solar power plant projects, the total value of the transaction will be 47.59% which is higher than 15% but 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 notify the shareholders within 21 days from the date of disclosure of the transaction to the Stock Exchange.

4. Preliminary description of disposed assets

Type of securities to be offered	:	New ordinary shares of CEPL
Number of shares to be offered	:	A total of 490,000,000 shares, which will be allotted as follows: <ol style="list-style-type: none"> 1) Pre-emptive Rights Offering of 122,500,000 shares at the par value of 0.50 Baht ("Pre-emptive Rights Shares") to the Company's shareholders in proportion to shareholding 2) Initial public offering (IPO) of 367,500,000 shares each of 0.50 Baht par value and all unsubscribed Pre-emptive Rights Shares <p>Executive Committee or his designated person shall be authorized to determine the ratio of allotment of CEPL's new shares to the existing shareholders of the Company, and the closing date of the share register book to determine the names of those entitled such new shares.</p>
Par value	:	0.50 Baht per share
Offering price	:	Not yet determined. The board of directors or his designated person shall be authorized to determine the offering price after CEPL obtains permission from Office of the SEC to offer the new shares.
Offering period	:	Not yet determined. Executive Committee or his designated person shall be authorized to determine the offering period after CEPL obtains permission from Office of the SEC to offer the new shares.

Details of CEPL

Entity name	:	Chow Energy Public Company Limited ("CEPL")
Head office	:	2525 FYI Center 2 Building, 10 th Floor, Unit 2/1006-1008 Rama IV Road, Klongtoey, Klongtoey, Bangkok 10110
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 shares offering to existing shareholders of the Company, CEPL will have registered capital of 570,000,000 Baht,

divided into 1,140,000,000 ordinary shares at the par value of 0.50 Baht each.

After the IPO and shares offering to existing shareholders of the Company, CEPL will have registered capital of 815,000,000 Baht, divided into 1,630,000,000 ordinary shares at the par value of 0.50 Baht each.

Company's shareholding proportion in CEPL : Before the IPO and shares offering to existing shareholders of the Company, the Company will have a shareholding percentage of 87.36% in CEPL.

After the IPO and share offering to existing shareholders of the Company, the Company will have a shareholding percentage of 61.10% in CEPL.

Subsidiaries : CEPL 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 31 December 2017, CEPL's Board of Directors comprises of 8 members as follows:

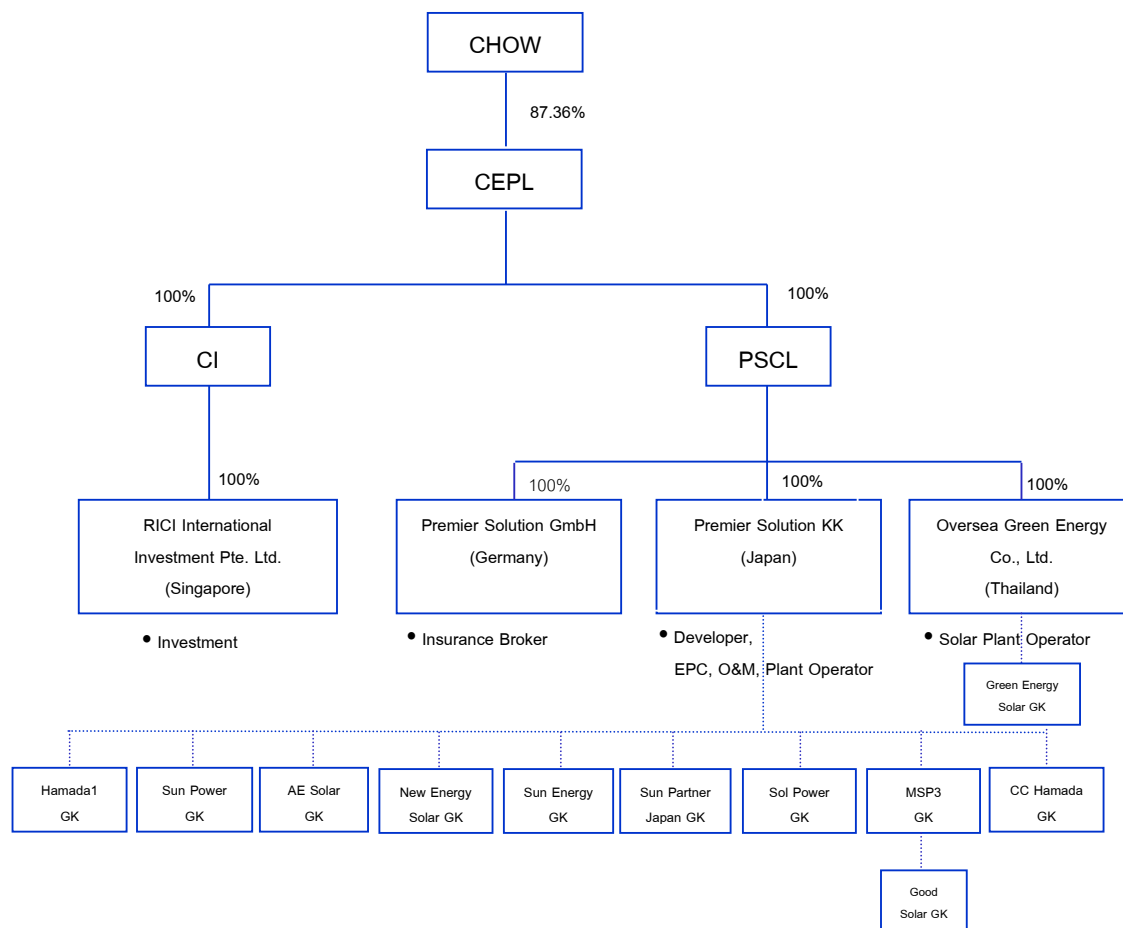
1. Mr. Narongsak Kammelet
2. Mr. Smith Banomyong
3. Mr. Jittiphon Devahastin Na Ayudhaya
4. M.L. Dispanadda Diskul
5. Mr. Sanguankiat Lewmanomont
6. Dr. Kanoksak Sukwatthanasinit
7. Mr. Anavin Jiratomsiri
8. Ms. Koo Man Wai

Summary of Changes in shareholding of CEPL;

No	Shareholders' name list	2016 (as Feb 2016)		2016 (as May 2016)		2016 (as June 2016)		2017 - Present	
		Par value 10 baht		Par value 10 baht		Par value 10 baht		Par value 0.50 baht	
		No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
1	Chow Steel Industries PCL	43,699,532	76.67	51,830,622	90.93	49,797,860	87.36	995,957,180	87.36
2	Mr.Tanachart Poudpongpaiboon	13,300,401	23.33	5,169,352	9.07	7,202,114	12.64	144,042,300	12.64
3	Mr.Anavin Jiratomsiri	67	0.00	26	0.00	26	0.00	520	0.00
	Total	57,000,000	100.00	57,000,000	100.00	57,000,000	100.00	1,140,000,000	100.00

In February 2016 the Company's shareholding percentage 76.67% in CEPL. The Company increase shareholding percentage of CEPL by acquiring the portions of share from Mr.Tanachart Poudpongpaiboon by the number of 8,131,049 shares or equivalent to 14.27% as a result, the Company's ownership interest in CEPL as at May 2016 changed from 76.67% to 90.93% of its registered and paid-up capital. In June 2016, the Company to sale its ordinary shares totaling 2,032,763 shares or equivalent to 3.57% to Mr.Tanachart Poudpongpaiboon to reserve voting the right in CEPL. After this transaction will result in a decline in the Company's shareholding percentage from 90.93% to 87.36%. Moreover the transactions do not affect the management structure of CEPL.

CEPL Group Structure



Financial information highlights of CEPL

Unit: THB million	2014	2015	2016	2017
Total assets	1,209.29	4,945.67	10,633.49	9,866.62
Total liabilities	1,110.39	4,713.11	10,118.41	9,069.06
Issued and paid-up shares	221.54	308.65	570.00	570.00
Retained earnings (losses)	(31.68)	(4.18)	22.05	436.28
Shareholders' equity	98.90	232.56	515.07	797.56
Total revenues	93.18	989.15	1,253.66	1,941.07
Total expenses	104.31	871.36	1,121.11	1,153.05
Earnings Before Interest and Tax	(11.14)	122.44	131.34	788.02
Net profit	(31.89)	27.01	25.33	429.02

Note: CEPL was incorporated on 9 December 2014.

Financial Date based on audited financial statement by auditor as of 31 December 2014-2017

5. Total value of consideration

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

6. 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 0.50 Baht per share multiplied by total number of CEPL ordinary shares of 490,000,000 shares making up a total of Baht 245,000,000 in the asset value.

7. Expected benefits of the Company 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 percentage (pre-emptive rights).
- Shareholders of the Company will have opportunity to invest in the businesses relating to solar power directly.

2) Benefits to the Company

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

3) Benefits to CEPL

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

8. Impacts from listing of CEPL on the Stock Exchange

1) EPS dilution and control dilution effects

The offering of 490,000,000 new ordinary shares will result in a decline in the Company's shareholding percentage from 87.36% to 61.10%, or a 26.26% decrease, resulting in dilution of EPS from and control in CEPL in future. However, to offset such impact, CEPL will propose to its shareholders' meeting to allocate 122,500,000 new ordinary shares at the par value of THB 0.50 each, representing 25% of a total 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 CEPL shares, no impact is expected on the market price of the Company's ordinary shares. However, the Company's decrease in the shareholding percentage in CEPL will affect the proportion of profit to be recognized from CEPL.

9. Plan on utilization of proceeds derived from the share offering

CEPL will use the proceeds derived 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 CEPL's loan repayment, and/or for serving its working capital requirement.

10. Conditions of transaction

- 1) The Company's 2018 annual general meeting of shareholders has given approval for listing of CEPL on the Stock Exchange and CEPL's capital increase with the IPO and the pre-emptive rights offering to the existing shareholders of the Company.
- 2) CEPL's shareholders meeting has given approval for listing of CEPL on the Stock Exchange and CEPL's capital increase with the IPO and the pre-emptive rights offering to the existing shareholders of the Company.
- 3) CEPL has registered the capital increase with Department of Business Development.
- 4) CEPL 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 CEPL's securities as a listed security.

11. 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 entry into this transaction is reasonable, improves CEPL's strength, enhances its competitiveness, and enables it to raise funds from the market on its own, as well as adds value to the Company's investment in CEPL.

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

-None-

13. 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.

14. Financial Projections of Present Year (if any)

-N/A –

15. Other information

In the offering of the new shares to the Company's shareholders, which include the major shareholders, the controlling persons, directors and executives of the Company and their related persons as prescribed in the Notification of the Capital Market Supervisory Board No. Thor Jor. 40/2557 Regarding Underwriting of New Securities in form of Shares and Warrants to Purchase Ordinary Shares of Companies Issuing Equity Instrument. Such major shareholders, controlling persons, directors and executives including their related persons, who are preliminarily entitled to be allotted such new shares, are as follows:

Name	CE		Company		Number of Allotted Shares	Shareholding Percentage in CE	
	Position	Shareholding Percentage	Number of Shares	Shareholding Percentage		Before Offering	After Offering
Mr. Anavin Jiratomsiri	Director	0.00%	408,000,000	51.0%	62,475,000	0.00%	3.83%
Ms. Koo Man Wai	Person under Section 258	None	40,500,000	5.06%	6,201,563	None	0.38%
Ms. Benjamas Jiratomsiri	Person under Section 258	None	10,000,000	1.25%	2,531,250	None	0.09%
Mr. Tanachart Poudpongpaiboon	Director	12.64%	1,919,500	0.24%	293,924	12.64%	8.85%
Ms. Preeyanuch Panananda	Person under Section 258	None	19,200,000	2.40%	2,940,000	None	0.18%

If there are changes in the shareholding percentage in the Company of such major shareholders, controlling persons, directors or executives including their related persons, such changes may result in changing of the number of the shares to be allotted. However, the names of the allotted persons and the number of the allotted

shares will be in accordance with the names and the number of shares held in the Company on the record data that is used to determine the names of the shareholders who are entitled to be allotted the shares.

The rationale and necessity of the allotment of the new shares to such persons are that such persons are the Company's shareholders who will be affected by the dilution effect of the Company in its subsidiary as the other shareholders of the Company. The Company therefore gives opportunities to its shareholders to invest in the subsidiary in proportion to their shareholding percentage in the Company (Pre-emptive Rights) by offering the shares at the same price as the IPO price.

16. Pending Material Litigation Case or Claim

-None-

18. Interest or connected transaction between the Company and directors, management and shareholders directly or indirectly holding shares up to 10 per cent or more

No.	Name	Relationship	Transaction	For the year ended 31 December 2017 (million baht)
1	Chow Energy Public Company Limited	87.36% Shareholding and Directorship	Other receivables	16.86
			Short-term loan to related companies	999.23
			Other current liabilities	0.07
			Interest income	134.27
			Rental income	0.82
			Other income	0.19
2	Vertex Logistics Service Co., Ltd.	40% Shareholding and Directorship	Other receivables	1.16
			Trade	0.63
			Other current liabilities	0.02
			Interest income	0.19
			Rental income	0.33
			Other income	0.16
			Cost of services	30.78
3	Chow International Co., Ltd.	100% Shareholding and Directorship	Other receivables	1.82
			Other current liabilities	0.07
			Rental income	0.78
			Other income	1.75

No.	Name	Relationship	Transaction	For the year ended 31 December 2017 (million baht)
4	Premier Solution Co., Ltd.	100% Shareholding and Directorship	Other receivables	0.35
			Other non-current assets	0.12
			Other current liabilities	0.28
			Rental income	3.48
			Other income	0.12
			Rental Equipment	1.09
5	Lewmanomont International Law Office	Directorship	Other payables	0.08
			Legal fee	3.32

The Company hereby certifies that information as show is true and correct in all respects, and is carefully prepared for the benefits of all shareholders. This document is prepared for the purpose of information disclosure only. It is neither an invitation nor an offer to subscribe any securities.

Please be informed accordingly.

Yours Faithfully,

(Mr. Anavin Jiratomsiri)

The Chairman of Executive Committee