

No. SIAM 027/2016

December 15, 2016

Subject : The Investment in new companies

To : The President
The Stock Exchange of Thailand

Siam Steel International Public Company Limited ("the Company") would like to inform that Siam Biomass Product Limited ("SBP") an indirect subsidiary company in which the Company hold 100 % of its total issued shares through SIE, will establish the new company namely , Siam Biomass Product - South Phrasaeng Limited so Siam Biomass Product - South Phrasaeng Limited is the indirect subsidiary company, detail as follows:

1. **Transaction date** : The new company will establish at Department of Business Development, Ministry of Commerce within December 2016
2. **Parties involved and Relationship with the Company**
New company name and address : Siam Biomass Product – South Phrasaeng Limited
51 Moo 2 Poochaosamingprai Rd.,
Bangyaprak Sub-district,
Phrapradaeng District,
Samutprakarn Province
3. **General Characteristics of Transaction** : The new company will establish and SBP will hold 9,999,997 shares, representing 100 percent, par value of Baht 10 per share, total amount of Baht 99,999,970.
4. **Calculation of the Transaction size** : This transaction size dose not regarded as transaction of acquisition and disposition of material assets of listed companies and it is not a connected transaction
5. **Total value of the consideration** : SBP will hold 9,999,997 shares, par value of Baht 10 per share, total amount of Baht 99,999,970.

**6. Detail of the
General Information
(Three Companies)ew**

Name	:	Siam Biomass Product –South Phrasaeng Limited.
Registered capital	:	The registered capital is Baht 100,000,000 divided into 10,000,000 share, par value of Baht 10 per share.
Type of Business	:	Investment in renewable energy business.
Shareholding	:	SBP will hold 9,999,997 shares, representation 100% ,par value of Baht 10,total amount of 99, 999,970
Name of directors	:	Mr. Wanchai Kunanantakul Mr. Surasak Kunanantakul Mrs. Naphaporn Hoonthanasevee Mr. Surapol Kunanantakul Mr. Sittichai Kunanantakul
Authorized of Directors	:	Group A consists of 2 directors namely ; Mr. Wanchai Kunanantakul , Mrs. Naphaporn Hoonthanasevee, Group B consists of 3 directors namely ; Mr. Surasak Kunanantakul, Mr. Surapol Kunanantakul, Mr. Sittichai Kunanantakul Any one of director from Group A may jointly sign with any one director from Group B and the Company seal affixed.
7. The criteria used to determine the value of the consideration	:	SBP will hold 9,999,997 shares, par value of Baht 10 per share , total amount of Baht 99,999,970.
8. To indicate net profit excluding special items which is the part of assets acquired or disposed within 2 years prior to the transaction , if necessary	:	None

- 9. Expected Benefits for the Company** : The establishment of new indirect subsidiary company in renewable business is in line with the Company's business plan, investment strategy and business objectives into renewable energy business and will has the best benefits in the future
- 10. Source of Fund** : Working capital of SBP
- 11. Plan of using money from selling the assets** : None
- 12. Issuing share for buying the assets** : None
- 13. Conditions of Transaction** : This transaction size does not regarded as transaction of acquisition and disposition of material assets of listed companies and it is not a connected transaction so it does not comply with the regulations of SET.
- 14. The Company will invest in the Other which has connected person** : None
- 15. Opinion of the Board of Directors regarding the Transaction** : None
- 16. Opinion of the Audit Committee or / Board of Directors which are Different from the opinions of The Board of Directors according to Item 15.** : None

Please be informed accordingly.

Yours sincerely

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 Surapol Kunanantakul
 Director