

No. SIAM 015/2016

May 12, 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 International Energy Limited ("SIE") a subsidiary in which the Company hold 100 % of its total issued shares, established the two new subsidiary companies ,namely , Siam Biomass Product Limited and Siam Inter Biomass Limited so Siam Biomass Product Limited and Siam Inter Biomass Limited are the indirect subsidiary companies, detail as follows:

1. **Transaction date** : The two new companies established at Department of Business Development, Ministry of Commerce on March 24, 2016
2. **Parties involved and Relationship with the Company**  
New company name and address :
  1. Siam Biomass Product Limited  
51 Moo 2 Poochaosamingprai Rd., Bangyaprak Sub-district, Phra Pradaeng District, Samut prakarn Province
  2. Siam Inter Biomass Limited  
51 Moo 2 Poochaosamingprai Rd., Bangyaprak Sub-district, Phra Pradaeng District, Samut prakarn Province
3. **General Characteristics of Transaction** : The two Companies established and SIE hold in each company 99,997 shares representing 99.99 percent, par value of Baht 10 per share, total amount of 999,970 for each company.
4. **Calculation of the Transaction size** : This transaction size did not regarded as transaction of acquisition and disposition of material assets of listed companies and it was not a connected transaction

- 5. Total value of the consideration** : SIE hold in each company 99,997 shares, par value of Baht 10 per share, total amount of Baht 999,970 for each company.
- 6. Detail of the acquired assets**  
**General Information**  
**(Three Companies)**
- Name : 1. Siam Biomass Product Limited.  
2. Siam Inter Biomass Limited.
- Registered capital : The registered capital of each company is Baht 1,000,000 at 100,000 share, par value of Baht 10 per share.
- Type of Business : Investment in renewable energy business.
- Shareholding : SIE hold in each company 99,997 shares, representation 100% ,par value of Baht 10, total amount of 999,970 for each company.
- 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** : SIE hold in each company 99,997 shares, par value of Baht 10 per share , total amount of Baht 999,970 for each company.
- 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 established of two subsidiary companies in renewable business are 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 SIE
- 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 did not regarded as transaction of acquisition and disposition of material assets of listed companies and it was not a connected transaction so it did 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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 (Mr. Surapol Kunanantakul)  
 Director