

CHOW.276/2021

12 January 2021

- Subject:** Invitation to the Extraordinary Annual Meeting of Shareholders No.1/2021
- To:** Shareholders of Chow Steel Industries Public Company Limited
- Enclosures :**
1. the copy of the minutes of the 2020 Annual General Meeting of Shareholders held on April 29, 2020.
  2. The Information Memorandum on sale of nine solar power projects in Japan with total installed capacity of 64.21 MW: (Schedule 1) (“IM1”)
  3. The Information Memorandum on sale of nine solar power projects in Japan with total installed capacity of 64.21 MW (Schedule 2) (“IM2”)
  4. The Independent Financial Advisor’s Opinion on the Disposition of Assets
  5. The information of the independent directors (Proxy for Shareholders)
  6. Proxy Form A. Form B. and Form C. (Recommend using Form B.)
  7. Guidelines for attending the EGM through Electronic Meeting Method (E-Meeting) and appointment of proxy
  8. Registration Form for attending the EGM through Electronic Meeting Method (E-Meeting)
  9. The Article of Association, concerning to the shareholders’ meeting
  10. Notification of the Ministry of Digital Economy and Society, RE: Standards for Maintaining Security of Meeting via Electronic Means, B.E.2563 (2020)

The Board of Directors of Chow Steel Industries Public Company Limited (“**the Company**”) had passed a resolution to convene the Extraordinary General Meeting of Shareholders No.1/2021 on Wednesday, January 27, 2021 at 14.00 hrs. The Company is deeply concerned about health and safety of the Shareholders in view of the current COVID-19 situation and would like to conduct the Extraordinary General Meeting of Shareholders No.1/2021 **on Wednesday, January 27, 2021 at 14.00 hrs. through Electronic Meeting method (E-Meeting)** by broadcasting live from the at the Company meeting room, FYI Center Tower 2, 10<sup>th</sup> Floor in accordance with the rules, procedures and conditions as stipulated by the laws without any Shareholders having to attend in person.

Should any Shareholder be unable to personally attend the meeting by Electronic Meeting Method (E-Meeting), the Company recommends such shareholders appoints an Independent Directors as their proxy to attend the meeting in person, to consider the matters in according with the following agenda;

**Agenda No.1 To consider certifying the minutes of the 2020 Annual General Meeting of Shareholders held on April 29, 2020**

**Fact and Rationale:**

The 2020 Annual General Meeting of Shareholders was held on April 29, 2020. The minutes was properly prepared and submitted to the Stock Exchange of Thailand (SET) and the Ministry of Commerce within the period specified by law and published on the Company’s website (www.chowsteel.com). A copy of the minutes of the 2020 Annual General Meeting of Shareholders is the attached as per the Enclosure 1.

**Board of Directors’ Opinion:**

The Board of Directors has viewed that the minutes was true and complete in all respect and deemed it appropriate to propose the shareholders’ meeting to certify the minutes of the 2020 Annual General Meeting of Shareholders.

**Required Votes:** the agenda must be approved with majority of votes of the shareholders attending the meeting and casting their votes.

**Agenda No.2 To consider and approve the disposition of nine solar power plants in Japan with total installed capital of 64.21 MW which considered as a disposition of assets**

**Fact and Rationale:**

Chow Energy Public Company Limited (“CEPL”) is a subsidiary of the Company with 87.36 percent ownership, which operate business as a holding company with a policy to make investment in renewable energy business. CEPL’s vision as a renewable energy platform is to continuously invest in and develop renewable energy projects from pre-construction phase until the project is operational, sells the operational projects, and reinvests the proceeds into developing further new projects with key regions including Japan, Thailand, and Australia.

As such, CEPL views that it is appropriate to dispose of 6 its indirect subsidiaries registered in Japan, which hold 9 solar power projects in Japan with a total installed capacity of 64.21 MW. The 6 subsidiaries are held by CEPL through Premier Solution Japan KK (“PSJP”) and RICI International Investment Pte Ltd. (“RICI”). The Board of Directors of the Company has, hence, approved to propose to the Extraordinary General Meeting of Shareholders No.1/2021 to approve such disposition (the “**Transaction**”). The assets to be disposed comprise of (1) all equity interests in 6 Japan subsidiaries (2) all TK interests in 9 projects and (3) Plots of land held by PSJP (the “**Assets**”). The assets will be disposed in two groups, Assets A and Assets B, to Buyers A and Buyer B, respectively. The summary of assets components is as follows:

Project	Installed Capacity (MW)	Entity	GK Shareholder	TK Investor	Lands
<b>Assets A</b>					
Iwaki	26.68	Mega Solar Park 3 GK	PSJP Iwaki Solar ISH	RICI	757,694m <sup>2</sup> (179 lots)
Hamada 1	11.00	Hamada Mega Solar GK	PSJP <sup>1</sup>	RICI <sup>1</sup>	250,203m <sup>2</sup> (169 lots)
Hamada 2	12.00	CC Hamada GK	PSJP CC Hamada Solar ISH	RICI	182,616m <sup>2</sup> (310 lots)
Aomori	7.21	Sun Energy GK	PSJP Sun Partner Japan ISH	RICI	N/A <sup>2</sup>
<b>Assets B</b>					
Nihonmatsu 3	1.48	Good Solar GK	PSJP Sun Partner Japan ISH	RICI	N/A <sup>2</sup>
Goryo	1.50			RICI	N/A <sup>2</sup>
Shibushi	1.00			RICI	N/A <sup>2</sup>
Nogata	1.11	Sun Partner Japan GK	PSJP Sun Partner Japan ISH	RICI	17,497m <sup>2</sup> (6 lots)
Saito	2.23			RICI	50,464m <sup>2</sup> (18 lots)

<sup>1</sup> Hamada Mega Solar GK is currently owned 100% by RICI without any TK arrangement but will be restructured into a GK-TK arrangement prior to closing of the Transaction as a part of conditions precedent; Final shareholding may be subject to further changes as deemed appropriate.

<sup>2</sup> All of the lands used are under lease agreement with external parties.

The Assets will be purchased by a consortium of renewable energy players in Japan (collectively the “**Buyers**” and, separately, “**Buyers A**” and “**Buyer B**”) at a total consideration value of no less than JPY 14 billion or equivalent to THB 4.1 billion (with reference to the average selling rate of THB 29.3906 per JPY 100 as of 16 December 2020 as announced by the Bank of Thailand), which may be subject to further adjustments as agreed by the Sellers and the Buyers. Assets A will be purchased by the Buyers A at a consideration value of no less than JPY 12 billion or equivalent to THB 3.5 billion (subject to further adjustments as agreed by the Sellers and the Buyers A). Assets B will be purchased by the Buyer B at a consideration value of no less than JPY 2 billion or equivalent to THB 0.6 billion (subject to further adjustments as agreed by the Sellers and the Buyer B).

Proceed from the Transaction will be used on repayment of CEPL’s loan from financial institutions as well as further development of new projects.

The Transaction is deemed as a disposal of assets of a listed company pursuant to Section 89/29 of the Securities and Exchange Act, the Notification of the Capital Market Supervisory Board No. TorChor.20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and Notification of the Board of the Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, 2004. The highest transaction value is 151.3 percent, calculated by applying Net Tangible Assets Basis based on the financial statements for the period ending 30 September 2020. The Company has no other asset dispositions during the six months preceding this Transaction. As such, the Transaction is classified as Class 1 Asset Disposition Transaction, requiring a disclosure of an information memorandum on the Transaction to the Stock Exchange of Thailand, a shareholders’ meeting to approve the Transaction, and an appointment of an independent financial advisor to provide opinions on entering into the Transaction as per the Enclosure 4.

Further information regarding the Transaction as well as the Company is outlined in the Enclosure 2. and Enclosure 3.

**Board of Directors’ Opinion:**

The Board of Directors resolved to propose to this meeting for shareholders’ approval of the above disposition of nine solar power plants in Japan with total installed capital of 64.21 MW which considered as a disposition of assets. The Board of Directors the Company has the opinion that the company should entering into the Transaction which give appropriate benefit to the Company and in-line with CEPL’s vision as a renewable energy as a developer. The Transaction allows the Company to immediately realizes long-term value of the projects and, to enhance the Company overall financial position, which can re-invest into new future projects with attractive returns.

**Required Votes:** The agenda must be approved with votes of not less than three-fourths (3/4) of the total votes of shareholders attending the meeting and having the right to vote; however, votes by any person having a conflict of interest in the Transaction will be disregarded. There is no shareholder having a conflict of interest in this Agenda No.2

**Agenda No.3 Other matters (if any)**

The Board of Directors has resolved to determine the names of shareholders who have right to attend the Extraordinary General Meeting of Shareholders No.1/2021 as on Monday, January 4, 2021.

The company would like to invite all shareholders to join the meeting through Electronic Meeting method (E-Meeting) without any Shareholders having to attend in person, at date and time specified. Guidelines for attending the EGM through Electronic Meeting Method (E-Meeting) and appointment of proxy is Enclosure 7.

Yours sincerely,



( Dr.Pruchya Piumsombon )  
Chairman of the Board of Directors

Yours sincerely,



( Mr.Anavin Jiratomsiri )  
Chairman of the Executive Committee