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INFORMATION MEMORANDUM

ON

SALE OF NINE SOLAR POWER PROJECTS IN JAPAN WITH
TOTAL INSTALLED CAPACITY OF 64.21 MW

SCHEDULE 1

The Board of Directors' meeting of Chow Steel Industries Public Company Limited (the "**Company**") No. 6/2020 held on 17 December 2020 resolved to propose to the shareholders' meeting to approve Premier Solution Japan KK ("**PSJP**") and RICI International Investment Pte. Ltd. ("**RICI**") (collectively, the "**Sellers**"), indirect subsidiaries of the Company with 87.36 percent ownership interest held through Chow Energy Public Company Limited ("**CEPL**"), to dispose of 6 subsidiaries registered in Japan which hold 9 solar power projects in Japan with a total installed of 64.21MW (collectively the "**Transaction**" and, separately, "**Transaction A**" and "**Transaction B**"). Total consideration of the Transaction will be 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. Such consideration implies a total enterprise value of the assets at approximately JPY 33 billion or equivalent to THB 9.6 billion. The assets to be disposed in relation to the Transaction comprise of (1) all equity interests in 6 Japan subsidiaries ("**GKs**") (2) all TK interests in 9 projects ("**TK Interests**"), and (3) Plots of land held by PSJP (collectively, the "**Assets**"), which will be disposed in two groups, **Assets A** and **Assets B**. Further details of the disposed assets as well as the transaction structure can be found under Section (3) and (4) of this information memorandum.

The Transaction is in line with CEPL's vision and business policy to invest in and develop renewable energy projects from pre-construction phase until the project is operational. In this regards, the Company has received multiple interests from renewable energy players in the market and sees the opportunity to conduct sale process of the projects in order to reinvest the sale proceeds into developing further new projects with key regions including Japan, Thailand, and Australia.

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 (collectively, the "**Asset Acquisition or Disposal Notification**"). 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 ("**SET**"), a shareholders' meeting to approve the Transaction, and an appointment of an independent financial advisor to provide opinions on entering into the Transaction.

1. Date of the Transaction

PSJP and RICI have agreed to enter into the Transaction with a consortium of renewable energy player in Japan (collectively, the "**Buyers**" and, separately, "**Buyers A**" and "**Buyer B**") and have mutually agreed on its key terms and conditions. The Transaction will be separate into Transaction A, where Assets A is purchased by Buyers A, and Transaction B, where Assets B is purchased by Buyer B. The Sellers expect to enter into the sale and purchase agreements as well as other relevant transaction agreements (collectively, the "**Sale and Purchase Agreements**") with the Buyers within December 2020 and expect the Transaction to be completed within January 2021 after the conditions as specified under Section (9) are fulfilled.

2. Parties Involved and their Relationship with the Company

Sellers: PSJP and RIC1

Buyers: A consortium of renewable energy players in Japan, which is led by a subsidiary of a diversified energy player listed on the Tokyo Stock Exchange with business in renewable energy in Japan and worldwide and a renewable energy player with specialty in solar power projects in Japan; nevertheless, the Buyers are not acting in concert.

The Buyers are not connected persons of the Company pursuant to the Notification of the Capital Market Supervisory Board No. ThorJor. 21/2551 Re: Rules on Connected Transactions dated 31 August 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re; Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transaction, 2003 (“**Connected Transaction Notification**”). Hence, the transaction is not considered a connected transaction under the Connected Transaction Notification above.

3. General Characteristics of the Transaction

The assets to be disposed in relation to the Transaction comprise of (1) all equity interests in 6 GKs, (2) all TK Interests in 9 projects, and (3) plots of land held by PSJP. The assets will be disposed in two groups, Assets A and Assets B, to Buyers A and Buyer B, respectively through execution of the Sale and Purchase Agreements. The summary of assets components is as follows:

Summary of Assets Components

Project	Installed Capacity (MW)	Entity	GK Shareholder	TK Investor	Lands
Assets A					
Iwaki	26.68	Mega Solar Park 3 GK	PSJP Iwaki Solar ISH	RIC1	757,694m ² (179 lots)
Hamada 1	11.00	Hamada Mega Solar GK	PSJP ¹	RIC1 ¹	250,203m ² (169 lots)
Hamada 2	12.00	CC Hamada GK	PSJP CC Hamada Solar ISH	RIC1	182,616m ² (310 lots)
Aomori	7.21	Sun Energy GK	PSJP Sun Partner Japan ISH	RIC1	N/A ²
Assets B					
Nihonmatsu 3	1.48	Good Solar GK	PSJP Sun Partner Japan ISH	RIC1	N/A ²
Goryo	1.50			RIC1	N/A ²
Shibushi	1.00			RIC1	N/A ²
Nogata	1.11	Sun Partner Japan GK	PSJP Sun Partner Japan ISH	RIC1	17,497m ² (6 lots)
Saito	2.23			RIC1	50,464m ² (18 lots)

¹ Hamada Mega Solar GK is currently owned 100% by RIC1 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.

² All of the lands used are under lease agreement with external parties.

The Assets will be purchased by the Buyers 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. Further details on the consideration value of Assets A and Assets B can be found under Section (0) of this information memorandum.

Transaction Size Calculation

1. Net Tangible Asset (NTA) Basis:

Transaction value:

$$\begin{aligned}
 &= \frac{\text{Net tangible assets of the Assets} \times 100}{\text{Net tangible assets of the Company}} \\
 &= \frac{\text{THB 1,282.3 million} \times 100}{\text{THB 847.3 million}} \\
 &= 151.3 \text{ percent}
 \end{aligned}$$

2. Net Profit Basis

The method is not applicable since the Company generated a negative net profit in the last twelve months.

3. Total Value of Consideration Basis

Transaction value:

$$\begin{aligned}
 &= \frac{\text{Value of the Transaction received} \times 100}{\text{Total assets of the Company}} \\
 &= \frac{\text{THB 4,114.7 million} \times 100}{\text{THB 10,655.2 million}} \\
 &= 38.6 \text{ percent}
 \end{aligned}$$

4. Value of Securities Issued by the Company as a Consideration for Assets Acquired Basis:

This method is not applicable since the Transaction is a disposal of assets.

Calculation of the Transaction is based on the reviewed consolidated financial statement of the Company for the period ending 30 September 2020 and financial statements of the GKs for the period ending 30 September 2020, which are prepared on the TFRS basis and have been reviewed by the auditor of the Company. Based on the calculation methodologies above, the highest transaction value is 151.3 percent, calculated under Net Tangible Assets Basis. The Company has no other asset disposal during the six months preceding this Transaction. In accordance with the Asset Acquisition and Disposition Notification, the Transaction is, hence, classified as Class 1 Asset Disposition Transaction, requiring a disclosure of an information memorandum on the Transaction to the SET, a shareholders' meeting to approve the Transaction, and an appointment of an independent financial advisor to provide opinions on entering into the Transaction.

4. Details of the Assets

The Assets, aggregately, make up 9 solar power projects in Japan with a total installed capacity of 64.21 MW. Summary of the 9 projects which are under 6 GKs is as below.

1. Mega Solar Park 3 GK

Nature of Business	: Power Distribution and Generation
Paid-in Capital	: JPY 35,884,030
Shareholder	: PSJP (99.97%) and Iwaki Solar ISH (0.03%)
Executive Member	: Iwaki Solar ISH
Representative Member	: Iwaki Solar ISH

Project Iwaki

Province	: Fukushima	Feed-in-Tariffs	: JPY 40 per kWh
Installed Capacity	: 26.68 MWdc	PPA Period	: 20 years
Off-taker	: Tohoku EPCO	End of PPA	: April 2038
Status	: Operational	Curtailement Limit	: 30 days
COD	: April 2018	Land Ownership	: 759,202 m ² owned and 1,508 m ² leased

Key Financial Information

Items	Unit	FY2017	FY2018	FY2019	9M2020
Generation	MWh	--	21,916.8	30,243.9	23,307.9
Revenue	JPYm	--	884.4	1,181.8	932.3
EBITDA	JPYm	(45.3)	739.4	883.5	717.9
Operating Profit	JPYm	(45.3)	357.3	359.1	321.9
Net Profit	JPYm	(76.0)	19.5	(45.9)	30.4
Total Assets	JPYm	11,839.0	12,198.4	11,661.7	11,618.2
Interest Bearing Debt	JPYm	10,123.8	10,389.2	9,877.9	9,619.0
Total Liabilities	JPYm	11,004.3	11,344.3	10,853.5	10,779.6
Paid-up Capital	JPYm	1,195.8	1,195.8	1,195.8	1,195.8
Retained Earnings	JPYm	(361.2)	(341.7)	(387.6)	(357.2)
Total Shareholders' Equity	JPYm	834.6	854.1	808.2	838.6
Land*	JPYm	305.2	305.2	305.2	305.2

2. Hamada Mega Solar GK

Nature of Business	: Power Distribution and Generation
Paid-in Capital	: JPY 320,000,000
Shareholder	: PSJP (100%) ¹
Executive Member	: PSJP and RIC I
Representative Member	: PSJP and RIC I

Project Hamada 1

Province	: Shimane	Feed-in-Tariffs	: JPY 40 per kWh
Installed Capacity	: 11.00 MWdc	PPA Period	: 20 years
Off-taker	: Chugoku EPCO	End of PPA	: November 2035
Status	: Operational	Curtailement Limit	: 30 days
COD	: November 2015	Land Ownership	: 250,203 m ² owned and 18,926 m ² leased

¹ Hamada Mega Solar GK is currently owned 100% by RIC I 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.

Key Financial Information

Items	Unit	FY2017	FY2018	FY2019	9M2020
Generation	MWh	12,735.3	12,414.3	12,341.5	9,965.2
Revenue	JPYm	417.2	497.4	491.7	398.6
EBITDA	JPYm	334.2	406.7	410.3	234.2
Operating Profit	JPYm	157.8	258.7	262.3	123.1
Net Profit	JPYm	11.1	78.4	122.0	(0.8)
Total Assets	JPYm	4,823.9	3,264.0	3,163.1	3,049.9
Interest Bearing Debt	JPYm	2,591.3	2,448.5	2,294.5	2,166.1
Total Liabilities	JPYm	4,812.7	3,138.5	2,915.5	2,803.1
Paid-up Capital	JPYm	0.0	320.0	320.0	320.0
Retained Earnings	JPYm	11.1	(194.5)	(72.5)	(73.2)
Total Shareholders' Equity	JPYm	11.2	125.5	247.5	246.8
Land*	JPYm	242.0	242.0	242.0	242.0

3. CC Hamada Solar GK

Nature of Business	: Power Distribution and Generation
Paid-in Capital	: JPY 17,872,630
Shareholder	: PSJP (99.94%) and CC Hamada Solar ISH (0.06%)
Executive Member	: CC Hamada Solar ISH
Representative Member	: CC Hamada Solar ISH

Project Hamada 2

Province	: Shimane	Feed-in-Tariffs	: JPY 36 per kWh
Installed Capacity	: 12.00 MWdc	PPA Period	: 20 years
Off-taker	: Chugoku EPCO	End of PPA	: March 2037
Status	: Operational	Curtailment Limit	: 30 days
COD	: March 2017	Land Ownership	: 182,616 m ² owned and 27,912 m ² leased

Key Financial Information

Items	Unit	FY2017	FY2018	FY2019	9M2020
Generation	MWh	13,192.3	14,242.7	14,161.5	11,403.0
Revenue	JPYm	461.7	514.5	512.4	410.5
EBITDA	JPYm	393.4	363.6	375.3	313.8
Operating Profit	JPYm	192.2	124.0	135.5	132.2
Net Profit	JPYm	42.9	(54.9)	(32.6)	9.7
Total Assets	JPYm	5,167.1	4,915.9	4,668.9	4,669.0
Interest Bearing Debt	JPYm	4,331.9	4,126.6	3,915.6	3,807.9
Total Liabilities	JPYm	4,537.7	4,341.5	4,127.1	4,117.4
Paid-up Capital	JPYm	595.4	595.4	595.4	595.4
Retained Earnings	JPYm	34.0	(21.0)	(53.6)	(43.9)
Total Shareholders' Equity	JPYm	629.4	574.5	541.8	551.6
Land*	JPYm	95.7	95.7	95.7	95.7

4. Sun Energy GK

Nature of Business	: Power Distribution and Generation
Paid-in Capital	: JPY 20,245,191
Shareholder	: PSJP (99.9%) and Sun Partner Japan ISH (0.1%)
Executive Member	: PSJP and Sun Partner Japan ISH
Representative Member	: PSJP and Sun Partner Japan ISH

Project Aomori

Province	: Aomori	Feed-in-Tariffs	: JPY 36 per kWh
Installed Capacity	: 7.21 MWdc	PPA Period	: 20 years
Off-taker	: Tohoku EPCO	End of PPA	: September 2039
Status	: Operational	Curtailment Limit	: Unlimited
COD	: September 2019	Land Ownership	: 182,887 m ² leased

Key Financial Information

Items	Unit	FY2017	FY2018	FY2019	9M2020
Generation	MWh	--	--	1,517.3	5,907.7
Revenue	JPYm	--	--	52.0	212.7
EBITDA	JPYm	(2.8)	(3.0)	38.1	169.9
Operating Profit	JPYm	(2.8)	(3.0)	8.0	68.3
Net Profit	JPYm	(4.5)	(7.3)	(9.3)	19.1
Total Assets	JPYm	999.9	2,118.7	2,802.4	3,113.6
Interest Bearing Debt	JPYm	141.0	1,451.1	2,047.1	1,909.4
Total Liabilities	JPYm	1,013.8	1,644.1	2,067.4	2,277.8
Paid-up Capital	JPYm	0.0	495.8	765.5	847.2
Retained Earnings	JPYm	(13.8)	(21.2)	(30.5)	(11.4)
Total Shareholders' Equity	JPYm	(13.8)	474.6	735.0	835.8
Land*	JPYm	--	--	--	--

5. Good Solar GK

Nature of Business	: Power Distribution and Generation
Paid-in Capital	: JPY 2,310,000
Shareholder	: PSJP (99.9%) and Sun Partner Japan ISH (0.01%)
Executive Member	: Mega Solar Park 3 GK, PSJP, and Sun Partner Japan ISH
Representative Member	: Mega Solar Park 3 GK, PSJP, and Sun Partner Japan ISH

Project Nihonmatsu 3

Province	: Fukushima	Feed-in-Tariffs	: JPY 32 per kWh
Installed Capacity	: 1.48 MWdc	PPA Period	: 20 years
Off-taker	: Tohoku EPCO	End of PPA	: January 2040
Status	: Operational	Curtailment Limit	: Unlimited
COD	: January 2020	Land Ownership	: 18,947 m ² leased

Key Financial Information

Items	Unit	FY2017	FY2018	FY2019	9M2020
Generation	MWh	--	--	--	1,224.9
Revenue	JPYm	--	--	--	38.6
EBITDA	JPYm	(0.9)	(1.4)	(4.5)	31.5
Operating Profit	JPYm	(0.9)	(1.4)	(4.5)	20.9
Net Profit	JPYm	(1.3)	(1.7)	(4.9)	7.6
Total Assets	JPYm	17.2	292.7	504.6	687.7
Interest Bearing Debt	JPYm	--	22.3	181.5	276.4
Total Liabilities	JPYm	4.0	281.3	495.8	584.3
Paid-up Capital	JPYm	0.0	0.0	2.3	89.3
Retained Earnings	JPYm	13.1	11.4	6.5	14.1
Total Shareholders' Equity	JPYm	13.1	11.4	8.8	103.4
Land*	JPYm	--	--	--	--

6. Sun Partner Japan GK

Nature of Business	: Power Distribution and Generation
Paid-in Capital	: JPY 28,170,758.
Shareholder	: PSJP (99.9%) and Sun Partner Japan ISH (0.1%)
Executive Member	: Sun Partner Japan ISH
Representative Member	: Sun Partner Japan ISH

Project Goryo

Province	: Kagoshima	Feed-in-Tariffs	: JPY 40 per kWh
Installed Capacity	: 1.50 MWdc	PPA Period	: 20 years
Off-taker	: Kyushu EPCO	End of PPA	: May 2034
Status	: Operational	Curtailment Limit	: 30 days
COD ¹	: May 2014	Land Ownership	: 21,593 m ² leased

Project Shibushi

Province	: Kagoshima	Feed-in-Tariffs	: JPY 40 per kWh
Installed Capacity	: 1.00 MWdc	PPA Period	: 20 years
Off-taker	: Kyushu EPCO	End of PPA	: November 2033
Status	: Operational	Curtailment Limit	: 30 days
COD	: November 2013	Land Ownership	: 16,857 m ² leased

Project Nogata

Province	: Kagoshima	Feed-in-Tariffs	: JPY 40 per kWh
Installed Capacity	: 1.11 MWdc	PPA Period	: 20 years
Off-taker	: Kyushu EPCO	End of PPA	: June 2035
Status	: Operational	Curtailment Limit	: 30 days
COD	: June 2015	Land Ownership	: 17,497 m ² owned

Project Saito

Province	: Miyazaki	Feed-in-Tariffs	: JPY 40 per kWh
Installed Capacity	: 2.23 MWdc	PPA Period	: 18 years
Off-taker	: Kyushu EPCO	End of PPA	: February 2039
Status	: Under Construction	Curtailment Limit	: 30 days
Expected COD	: March 2021	Land Ownership	: 50,464 m ² owned

Key Financial Information

Items	Unit	FY2017	FY2018	FY2019	9M2020
Generation					
<i>Project Goryo</i>	<i>MWh</i>	1,811.2	1,881.3	1,747.8	1,210.0
<i>Project Shibushi</i>	<i>MWh</i>	1,159.2	1,151.0	1,076.5	729.9
<i>Project Nogata</i>	<i>MWh</i>	1,370.5	1,312.8	1,262.7	834.3
Revenue	JPYm	295.9	107.3	160.4	111.0
EBITDA	JPYm	307.7	65.6	123.8	92.1
Operating Profit	JPYm	256.9	14.8	44.9	25.3
Net Profit	JPYm	446.9	11.8	17.1	2.1
Total Assets	JPYm	1,847.9	1,617.1	2,136.6	2,816.6
Interest Bearing Debt	JPYm	660.2	616.6	948.7	913.6
Total Liabilities	JPYm	973.8	731.2	1,055.4	1,111.4
Paid-up Capital	JPYm	431.4	431.4	609.6	1,231.5
Retained Earnings	JPYm	442.7	454.5	471.6	473.7
Total Shareholders' Equity	JPYm	874.1	885.9	1,081.2	1,705.2
Land*	JPYm	84.1	84.1	84.1	84.1

* Lands are held and recorded at PSJP

Currently, CEPL renewable energy projects portfolio consists operating power projects with installed capacity of 64.21 MW in Japan and 6.62 MW in Thailand as well as projects that the Board of Directors has approved for investment with installed capacity of 172.80 MW in Australia. After the Transaction, CEPL actively maintains its operating and developing projects with total installed capacity of 179.72 MW in Thailand and Australia. Further, CEPL, as a leading renewable energy player, intends to continuously invest and develop renewable energy projects in potential regions including Thailand, Japan, and Australia.

5. Total Value of Consideration

Total consideration value will be 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. Such consideration implies a total enterprise value of the assets at approximately JPY 33 billion or equivalent to THB 9.6 billion. Total consideration value can be separated as follows

5.1. Assets A

Assets A's consideration value will be no less than JPY 12 billion or equivalent to THB 3.5 billion, which may be subject to further adjustments as agreed by the Sellers and Buyers A including adjustments with regard to debt, debt-like items, cash, cash-like items, or equity injection into the projects ("Purchase Price A"). Such consideration value implies an enterprise value of Assets A at approximately JPY 30 billion or equivalent to THB 8.7 billion. Assets A will be collectively purchased at Purchase Price A, which will be paid on the closing date of the Transaction A, which will be upon fulfillment of the conditions specified in Assets A's Sale and Purchase Agreements as shown under Section (9.1)

5.2. Assets B

Assets B's consideration value will be no less than JPY 2 billion or equivalent to THB 0.6 billion, which may be subject to further adjustments as agreed by the Sellers and Buyer B including adjustments with regard to debt, debt-like items, cash, cash-like items, or equity injection into the projects. ("Purchase Price B"). Such consideration value implies an enterprise value of Assets B at approximately JPY 3 billion or equivalent to THB 0.9 billion. Assets B will be collectively purchased at Purchase Price B, which will be paid in two portions as follows

- Closing payment equivalent to Purchase Price B minus the deferred payment (as defined under the following item) paid on the closing date of the Transaction B, which will be upon fulfillment of the conditions specified in Asset B's Sale and Purchase Agreements as shown under Section (9.2)
- Deferred payment of JPY 200 million or equivalent to THB 58.8 million paid upon the commercial operation date of Project Saito; in this regard, the Company expects Project Saito to begin commercial operation on March 2021

6. Determination of the Value of Consideration

The Transaction is conducted as an auctioning sale process involving multiple potential buyers and requiring submission of their respective bidding price. The Buyers and, hence, the consideration value were determined from selecting the highest bid received with the most favorable terms for the Sellers.

Enterprise value of the Transaction is determined by discounted future cash flow approach with appropriate discount rate. Such enterprise value is subsequently deducted by existing net debt (debt and debt-like items minus cash and cash-like items) of the Assets to derive the total consideration of the Transaction.

7. Value of the Disposed Assets

Value of the disposed assets equal to an amount of THB 1,537.2 million, which are separated into

7.1. Assets A – a total value of THB 966.2 million comprises of

- Book value of the 4 GK at THB 739.9 million based on the financial statements of the GKs for the period ending 30 September 2020, which are prepared on the TFRS basis and have been reviewed by the auditor of the Company
- Appraised value of the plots of land at JPY 770.0 million or equivalent to THB 226.3 million (with reference to the average selling rate of THB 29.3906 per JPY 100 as of 16 December 2020)

7.2. Assets B – a total value of THB 571.0 million comprises of

- Book value of the 2 GK at THB 542.4 million based on the financial statements of the GKs for the period ending 30 September 2020, which are prepared on the TFRS basis and have been reviewed by the auditor of the Company
- Appraised value of the plots of land at JPY 97.5 million or equivalent to THB 28.7 million

8. Expected Benefits and Use of Proceed

8.1. Realization of Value

The Transaction allows the Company to realize value of the projects upfront, rather than waiting for projects' cash flows to materialize over its lifetime. This is in-line with CEPL's vision as a renewable energy projects development platform, where CEPL, through its subsidiaries, initially invests in and develops renewable energy projects from pre-construction phase until the project is operational. CEPL, then, may sell the operational projects and reinvest the proceeds into developing further new projects.

8.2. Enhancement of Financial Positions

Entering into the Transaction will reduce the Company's interest bearing liabilities by THB 7,469.7 million based on the consolidated financial statements for the period ending 30 September 2020. The decreased in liabilities comprises of THB 5,605.5 million reduction in project financial liabilities under the GKs and THB 1,864.2 million debt from financial institution lending at CEPL that CEPL plans to repay with the proceeds from the Transaction, which leads to a decrease in debt to equity ratio.

The enhanced debt to equity ratio will allow the Company to seek further debt funding from financial institutions for development of future projects.

8.3. Use of Proceed

- Repayment of CEPL's Loan

Proceed from the Transaction will be used on repayment of CEPL's loan from financial institutions. Total remaining amount of the loan is THB 1,864.2 million.

- Investment in Future Projects

The remaining proceeds from loan repayment under Section (□) will be used to fund development of new projects. Currently, the Company has several projects under its development pipeline as follow:

- Project AU1, Project AU2, and Project AU3 as disclosed to the SET on 14 November 2019, which is in accordance with the Asset Acquisition or Disposal Notification. Total cost of the projects is expected to be approximately AUD 236.79 million or THB 4,913.51 million, which is to be paid within 2020. The Company plans to fund the projects through project finance loan for approximately THB 3,439.46 million and through the Company's equity for THB 1,474.05 million.
- Continuous investments and development of renewable energy projects in Japan, where the Company has extensive experience

- Continuous investments and development of renewable energy projects in Thailand, where the Company also has extensive experience

At present, CEPL is continuously reviewing opportunities in various regions including Thailand, Japan, and Australia for future investments and expects to follow relevant procedures under the Asset Acquisition or Disposal Notification, should the opportunities be reasonable for investment.

9. Conditions on Entering into the Transaction

9.1. Transaction A

The Sellers will enter into the Sale and Purchase Agreements with the Buyers A, which will specify that the closing of the Transaction A is subject to the key conditions precedents including but not limited to the following:

- 9.1.1. The shareholders' meeting of the Company has resolved to approve the Transaction
- 9.1.2. The written approvals from lender of each project have been obtained
- 9.1.3. The Sellers have organized Hamada Mega Solar GK into a GK-TK structure
- 9.1.4. Both parties have prepared and delivered relevant documents to the opposite parties

Key conditions for the termination of Transaction A are as follows

- 9.1.5. Either party may terminate the agreement if closing of Transaction A fails to occur on 31 December 2021 (which may be extended based on parties' mutual written agreement)
- 9.1.6. Either party may terminate the agreement if the other party has breached a material obligation under the agreement
- 9.1.7. Either party may terminate the agreement if the other party has commenced bankruptcy process, civil rehabilitation, or any other similar insolvency proceedings

Nevertheless, the Company has considered the aforementioned termination risk and view that such event is unlikely due to the fact that the buyers are experienced operators, have strong financial position, and have thoroughly conducted due diligence of the assets prior to entering into the agreements.

After closing of the Transaction A, the Sellers shall have the following obligations

- 9.1.8. Conduct repair works as agreed with the Buyers A such as tree cutting, fences improvement, or replacement of broken solar panels, all of which are general maintenance works
- 9.1.9. Using best effort to negotiate extension of land usage consents for Project Aomori, Iwaki, and Hamada 2, all of which are operational without any hindrance

However, the Company, as a leading solar power player, has extensive experiences in constructing and developing solar power projects in Japan. Hence, the aforementioned conditions are normal operating activities of the Company and the above risk is very limited.

9.2. Transaction B

The Sellers will enter into the Sale and Purchase Agreements with the Buyer B, which will specify that the closing of the Transaction B is subject to the key conditions precedents including but not limited to the following:

- 9.2.1. The shareholders' meeting of the Company has resolved to approve the Transaction
- 9.2.2. The written approvals from lender of each project have been obtained
- 9.2.3. Both parties have prepared and delivered relevant documents to the opposite parties, which includes an EPC contract and the Development Service Agreement for project Saito

Key conditions for the termination of Transaction B are as follows

- 9.2.4. Either party may terminate the agreement if closing of Transaction B fails to occur on 31 December 2021 (which may be extended based on parties' mutual written agreement)
- 9.2.5. Either party may terminate the agreement if the other party has breached a material obligation under the agreement
- 9.2.6. Either party may terminate the agreement if the other party has commenced bankruptcy process, civil rehabilitation, or any other similar insolvency proceedings

Nevertheless, the Company has considered the aforementioned termination risk and view that such event is unlikely due to the fact that the buyer is an experienced operator, has strong financial position, and will have thoroughly conducted due diligence of the assets prior to entering into the agreements

After closing of the Transaction B, the Sellers shall have the following obligations.

- 9.2.7. Conduct repair works as agreed with the Buyer B such as replacement of ground wire, debris removal from drainage, or repair of fences, all of which are general maintenance works

However, the Company, as a leading solar power player, has extensive experiences in constructing and developing solar power projects in Japan. Hence, the aforementioned conditions are normal operating activities of the Company and the above risk is very limited.

In addition to conditions precedents set out above, the following actions must be taken as a part of the post-closing obligations for Transaction B.

Project Shibushi

- The Sellers and the Buyer B must conduct necessary actions to ensure that rectification works to prevent landslide on Shibushi project has been done by Shibushi City Hall and the contractor.
- The Buyer B may terminate the purchase of project Shibushi if the rectification works do not meet the required qualification within a specified period of time. If such event occur, project Shibushi will be transferred back to the Sellers and the Sellers will be refunded at the value to be agreed with the buyer

Project Saito

- The Sellers to perform in accordance with the EPC contract and the Development Service Agreement to ensure that Project Saito will successfully reached COD.
- The Buyer B may terminate the purchase of project Saito if the project has not reached COD within a specified period of time.. If such event occur, project Saito will be transferred back to the Sellers and the Sellers will be refunded at the value to be agreed with the buyer

Transaction B's conditions may be subject to further additions as agreed by the Sellers and the Buyer B

The conditions precedents for the Transaction is expected to be fulfilled within January 2021, prior to the closing of the transaction.

10. Advisors in the Transaction

The Company has appointed Nomura International (Hong Kong) Limited as its sole Financial Advisor. In addition, to ensure that the Company's shareholders have complete and sufficient information to make a decision on the Transaction, the Company has appointed Avantgarde Capital Company Limited as its Independent Financial Advisor to give opinions to the shareholders.

11. Opinions of the Board of Directors regarding the Transaction

The Board of Directors of the Company is of the opinion that entering into the Transaction is beneficial to the Company and is in-line with CEPL's vision as a renewable energy developer. The Transaction allows the Company to immediately realize long-term value of the projects, to enhance the Company overall financial position, and to reinvest into future projects with attractive returns.

12. Opinion of the Audit Committee(s) and/or Directors of the Company Whose Opinion Differs from that of the Board of Directors

The Audit Committee(s) agreed with the Board of Directors and none of the directors have any opinions that are different from those of the Board of Directors under Section (11).