



# CHOW

## OPPORTUNITY DAY FY 2023

Strictly Confidential

March 18, 2024

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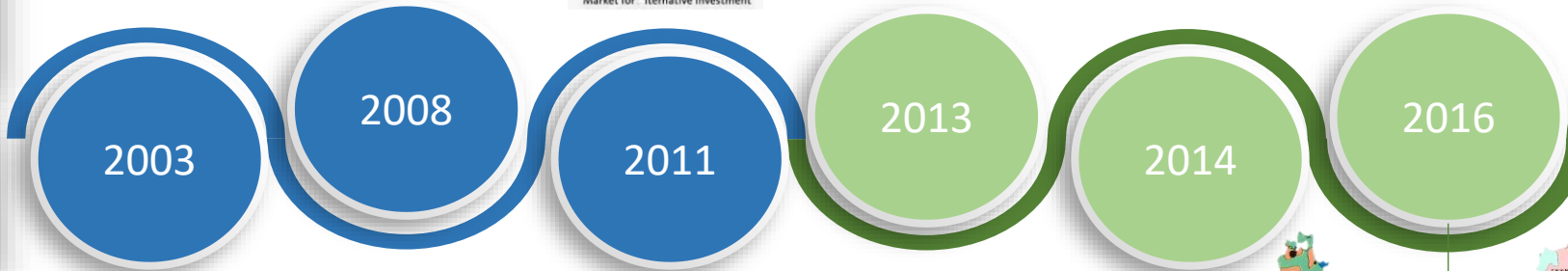


# CHOW's journey

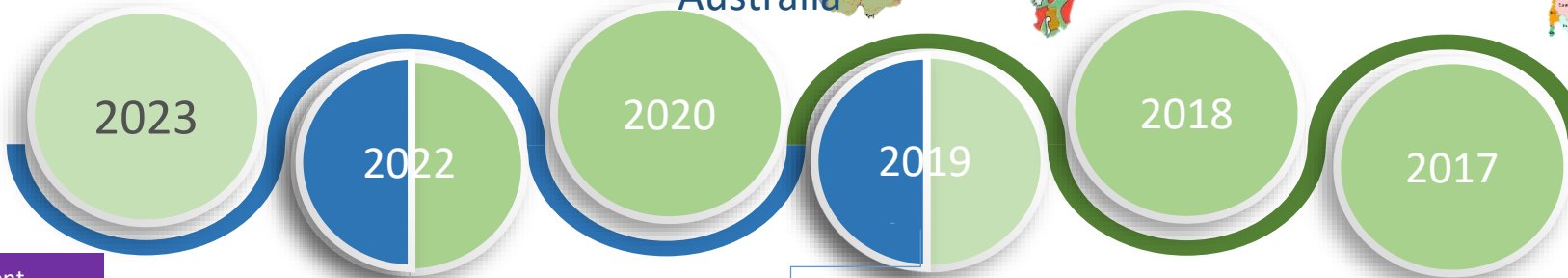


**Diversify to Renewable Energy Business**

- # Japan : solar farm developer and sale electricity
- # Australia : solar farm developer
- # Thailand : residential and industrial scale



**Steel Billets Production**  
 # Phase I : at 250,000 tons  
 # Phase II : at 480,000 tons



2023: Jointly Investment in domestic Solar Rooftop platform with BlackRock "Climate Fund Partnership : CFP"

**Rolling-mill factory : OEM**  
 # Capacity of 400,000 tons per year

**Steel : change business model to OEM agreement**



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# Company Profile

Shareholding Structure : as of Mar 15, 2024



64.2% Jiratomsiri Family

35.8% Others

## Stock Information

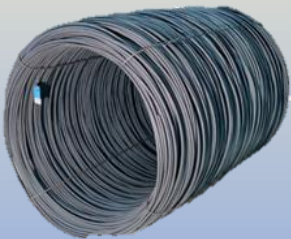
Symbol	CHOW
Trade Market	MAI (December 24, 2011)
Industry	Industrial
Registered & Paid up capital	800 mBaht
Market CAP	1,888 mBaht
P/ E	4.62
P/ BV	0.95

# Core Business

## 1. Steel Manufacturing : OEM

CHOW is a leading steel billets manufacturer in Thailand which produced by Electricity Induction Furnace Technology (EIF) with a total capacity of 730,000 metric tons per year.

Chow also improve the production process together with a wide range of finished goods to support steel's demand by domestic and oversea customers, the products include steel billets, wire-rod, round bar and etc.



## 2. Renewable Energy – Solar (PPA & EPC)

CHOW diversified to renewable energy business since 2013 by investing and developing Solar Power System more than 300 megawatts in overseas and Thailand. Chow was the first developer who successful of construction and reached COD of Solar Farm in Japan. CHOW continuing expand solar business in Thailand and overseas by offer high quality of equipment, provide best standard of installation process together with after sale service to ensure our services were satisfy the client's needs.

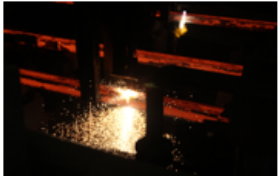


# Core Business – Steel Manufacturing : OEM

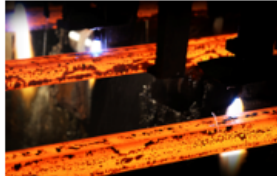
1  
**Top 5  
 Steel billet player in  
 Thailand<sup>1</sup>**




3  
**London Metal  
 Exchange  
 Participant**





2  
**The 1<sup>st</sup>  
 Thai-listed company  
 for steel billet  
 manufacturing**



4  
**Strong  
 Partnerships  
 with Chinese  
 investors for capacity  
 expansion**


 **Stable income** by entering into a toll manufacturing agreement to produce and sell 400,000 metric tons of steel billets

 **Realizing growth** through the continuous focus and investment of renewable energy


 **Agile and effective decision making** with Chow Energy's independent management and governance setup

1. In terms of licensed capacity

## Our Core Capabilities

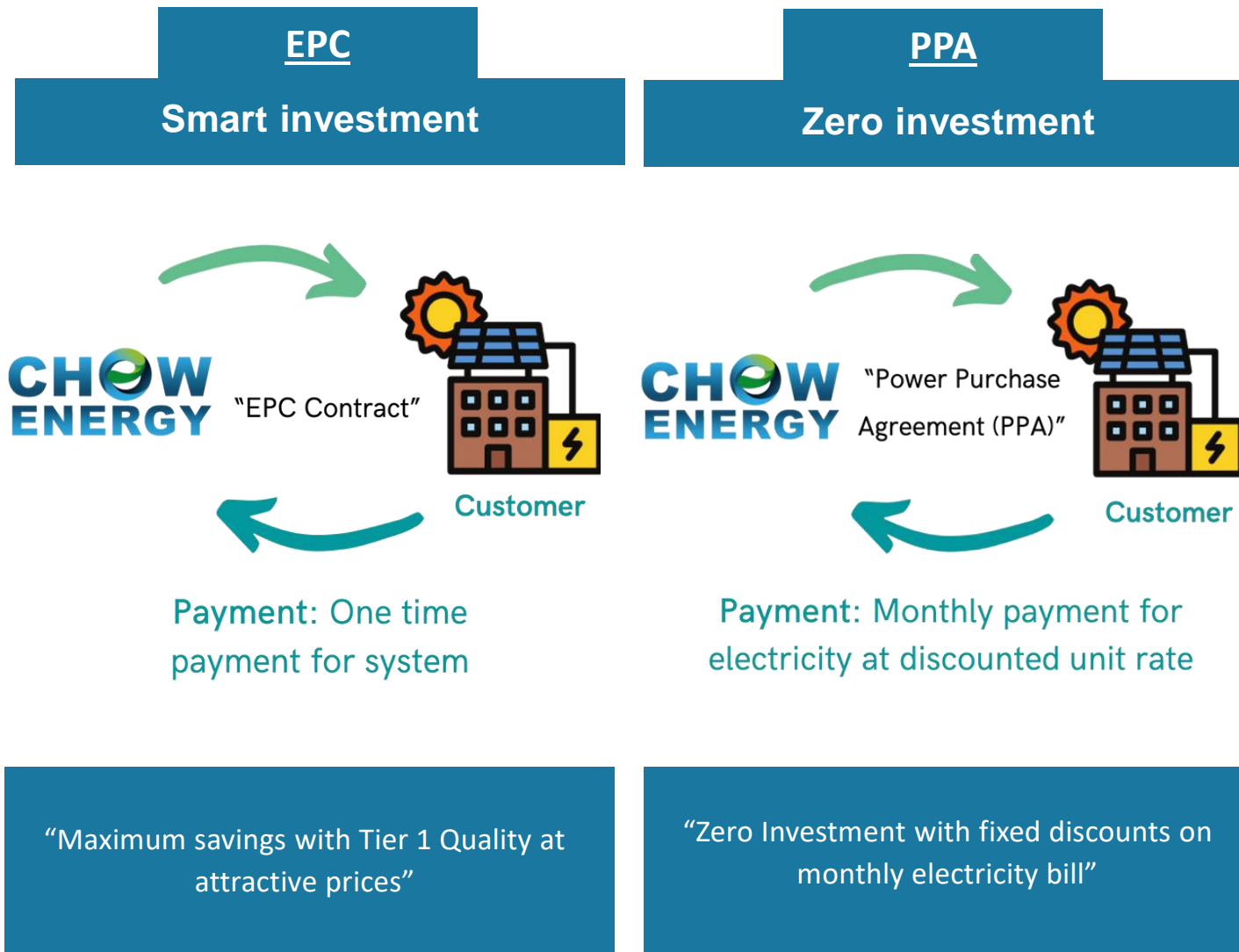
**Vertical Integration**   
 Provide wide range of products from melting scrap to billets then to end products

**Cash Flow Protection and Liquidity**   
 Eliminate steel price fluctuation by entering into committed toll manufacturing agreement for 10 years

**Reliable Operations**   
 Experience Procurement, Operation, Quality assurance, Maintenance and Safety & Environmental regulations team with ability to work in challenging situation.

**Financial Structure**   
 IPO in 2011 allows company to access into equity market, debt capital market and working capital from financial institutions.

# Core Business – Renewable Energy



	EPC Service	Private PPA
Key Features	Purchase our system and enjoy maximum savings	Chow Energy invests, own, operate, and O&M system while customer enjoys discount electricity price
Investment Cost	< 23-36 THB/Watt (depend on size)	Zero investment cost (Build-operate-transfer)
Savings	Free electricity from solar system	Discount 10%-40% from utility rate
Ownership	Customer	Chow Energy during PPA period (15-20years) then transfer to customer
Maintenance	Free maintenance during first year	Free maintenance service for whole PPA period



# Core Business - Renewable Energy

## Utility Scale

Solar Farm Projects  
in Japan and  
Australia



## Commercial & Industrial Scale

Solar Rooftop system  
projects size ranges  
from 3 kWh upto 2 MWh



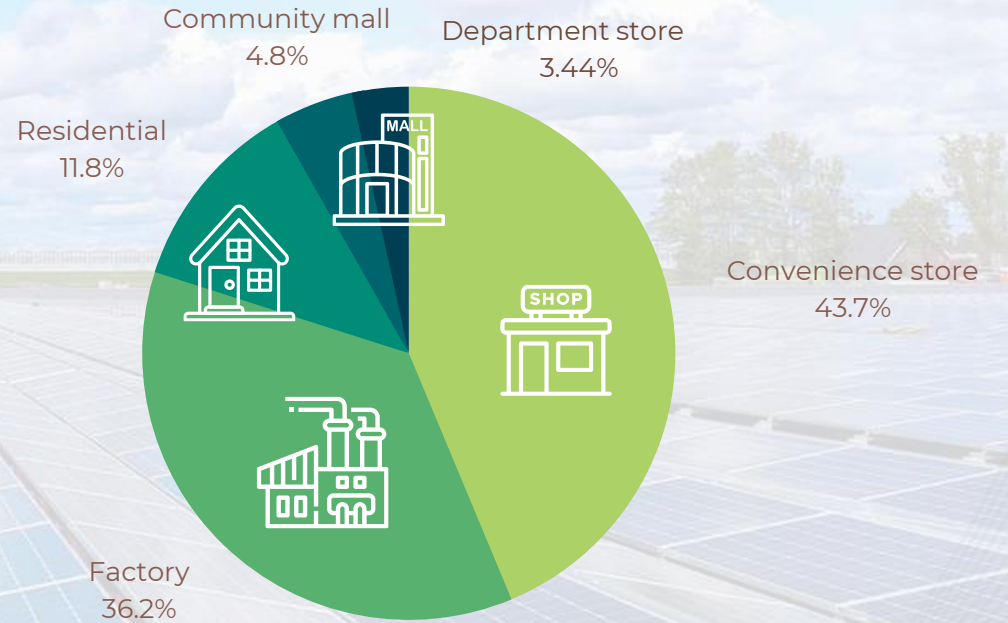
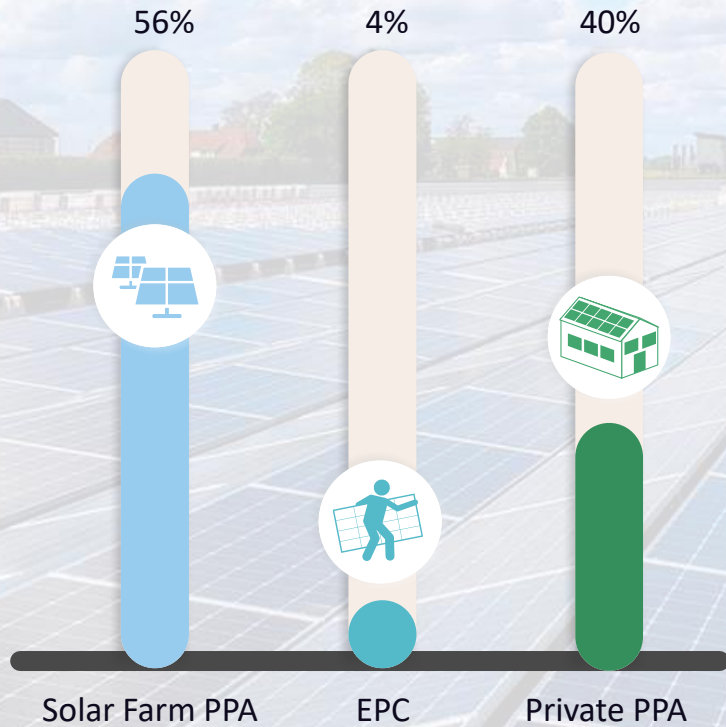
## Residential scale

Chow is the leader of  
secured capacity from  
PPA and the largest of  
portfolio of small scale  
solar rooftop across  
Thailand.



# CHOW's experienced and operational portfolio

Excess 300 MW of projects have been brought to commercial operation while more than 500 MW of developing pipeline.



Customer Sector of Private PPA

# Our Capabilities

Our business model is organized into 4 key business areas, vertically integrated in order to define and strengthen our offer as a group:



## Project Development

- Identify best location
- Secure the site
- Preliminary design
- Secure key contracts
- Acquire all necessary permits



## Equipment Distribution

- Tier-1 manufacturers at your fingertips
- Premium contractual terms and condition



## EPC

- Full EPC services provide
- High performance
- Good warranty



## O&M

- Full O&M services provide
- Maximize plant performance
- Minimize plant production losses

# Main Equipment used in our projects

All equipments are selected with best quality and best price from our strong supplier relationship

**PV Panel:** Choose a quality solar panel (Tier 1 Rating) with good reliability, warranty and efficiency

Product Warranty: 12 years, Performance Warranty: 25 years

**Inverter:** Selected based on quality, durability, efficiency, and service

Product Warranty: 5-10 years

**Racking:** Look at suitability for technical requirement, meets required standard, durable and long-lasting material



JA SOLAR

Trinasolar

JinKO

LONGI

risen  
solar technology



Schneider  
Electric

ABB

SMA

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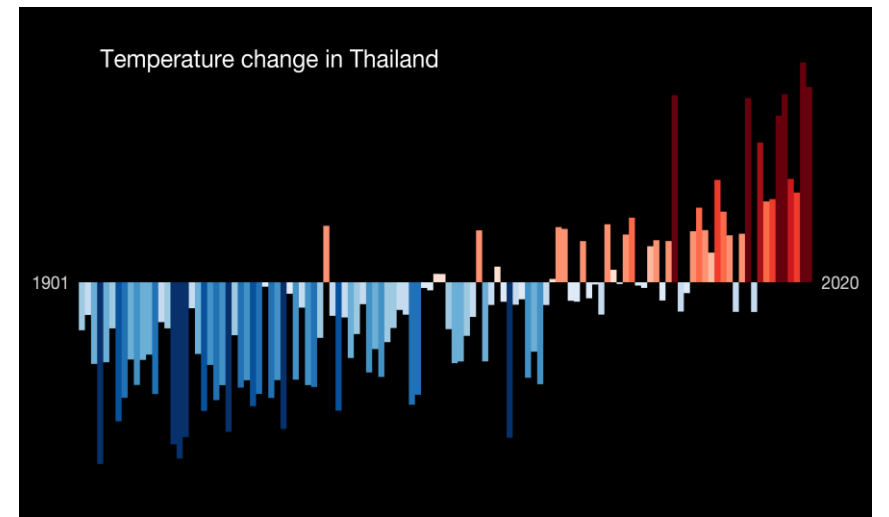
# CHOW – Social Responsibility

## Fighting Climate Change in Thailand



According to the Global Climate Risk Index 2020, Thailand ranks 8th on the list of countries most affected by climate change crisis. This crisis can be seen from droughts and floods that often happen in Thailand over the past two decades resulting economic losses and poor life quality of Thai people.

CHOW concerns itself deeply about this crisis and does take part in helping to put in supporting measures through our renewable energy business. To reduce CO<sub>2</sub> emission, CHOW has operated 6.64 Mw residential solar rooftop in Thailand since 2015 and expanding circa 30 Mw of solar rooftop for commercial buildings through Private PPA scheme in this year. We plan to COD more than 220 Mw within 2024.



# CHOW – Social Responsibility

## Increase Energy Security and Reduce Fossil Fuel Consumption



### CO<sub>2</sub> Emission Reduction

Reducing CO<sub>2</sub> emissions to slow climate change could prevent health problems due to air pollution and lead to a better quality of life of Thai people.

### Job Creation

Our solar rooftop projects located across the country create employment opportunities for Thai people more than 400 jobs.

CHOW aims to be a part in building sustainable economic growth and enhancing the quality of life of Thai people.



### Increase Energy Security and Reduce Fossil Fuel Consumption

With the ability to produce clean energy domestically, the projects can contribute to decrease Thailand's dependency on imported energy resources. Since we generally import conventional energy sources, this is also considered as a reduction of utilization of fossil fuel.

# CHOW – Social Responsibility

## CHOW - COMMUNITY SUPPORTS



### Community development

To develop our community, Chow Energy collaborates with community leaders to create careers within the community by developing products from local resources and educating people in community.

We sincerely aim to support the community to be a self-reliant community for a better quality of life and sustainable growth .



# CHOW's Award

Received an excellent rating of **5 stars**  
CG Scoring by IOD



## NACC Integrity Awards

CHOW has been awards by  
"Thai Investor Association"  
for 99 scoring result from  
2023 AGM Quality  
Assessment





# CHOW's Award

Chow Steel Industries Plc.



Re-certification by Thailand's  
Private Sector Collective Action  
Against Corruption (CAC)

Chow Energy Plc.



# Jointly Investment in Thailand Solar Project

**BlackRock**

**CHOW ENERGY**



## Proven of good governance and professional

BlackRock is the world largest investment funding which require an intensive due diligence process through professional advisors.



## Stronger capital to support new rapid growth of Solar energy in Thailand

The demand for energy saving in Thailand significant growth which will be supported by our business model



## Access to new customer under network of BlackRock

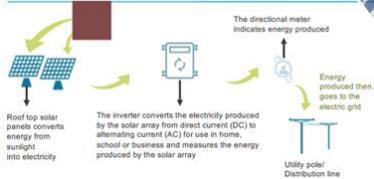
A number of customers under network of BlackRock becomes new potential customer of the Company



## Access to financial network of BlackRock

Possible to access with alternative source of fund with competitive price

Solar Roof Top Energy Generation



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# 2023's Operating Results

2023

VS

2022

Unit: Mb



40%

3,796

100.0%

REVENUE

100.0%

2,709

676

17.8%

GROSS PROFIT

58.8%

1,593

654

17.2%

EBITDA

54.6%

1,479

460

12.2%

NET PROFIT

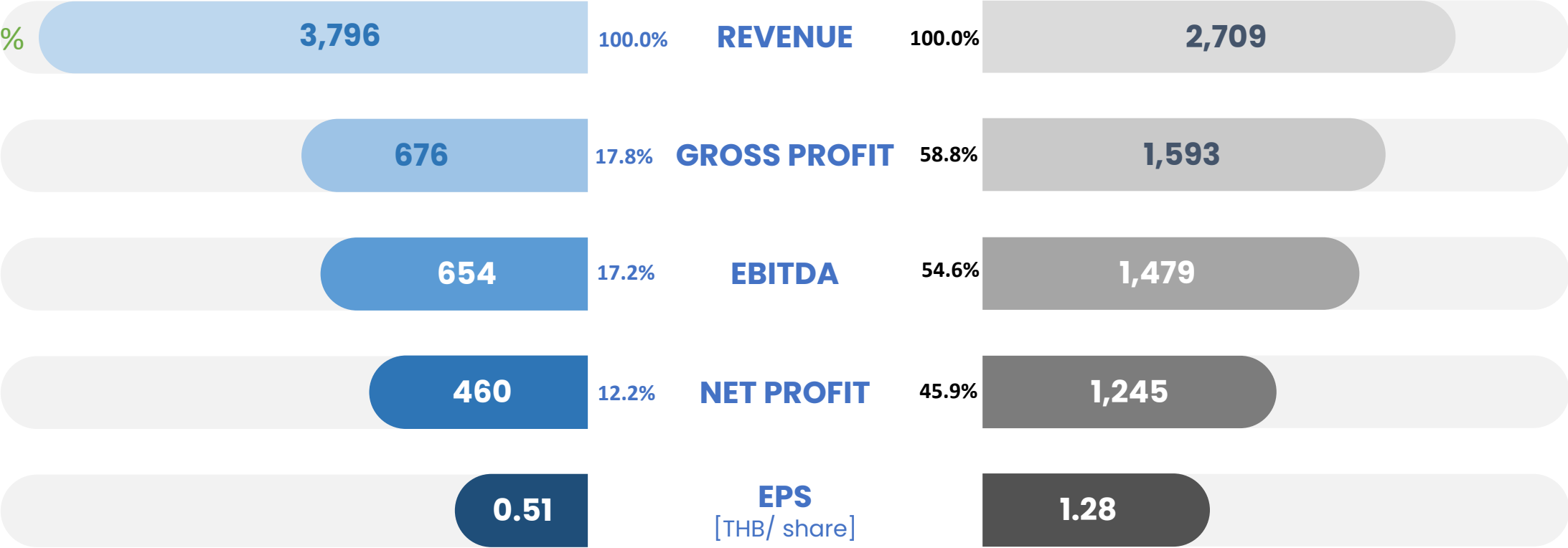
45.9%

1,245

0.51

EPS  
[THB/ share]

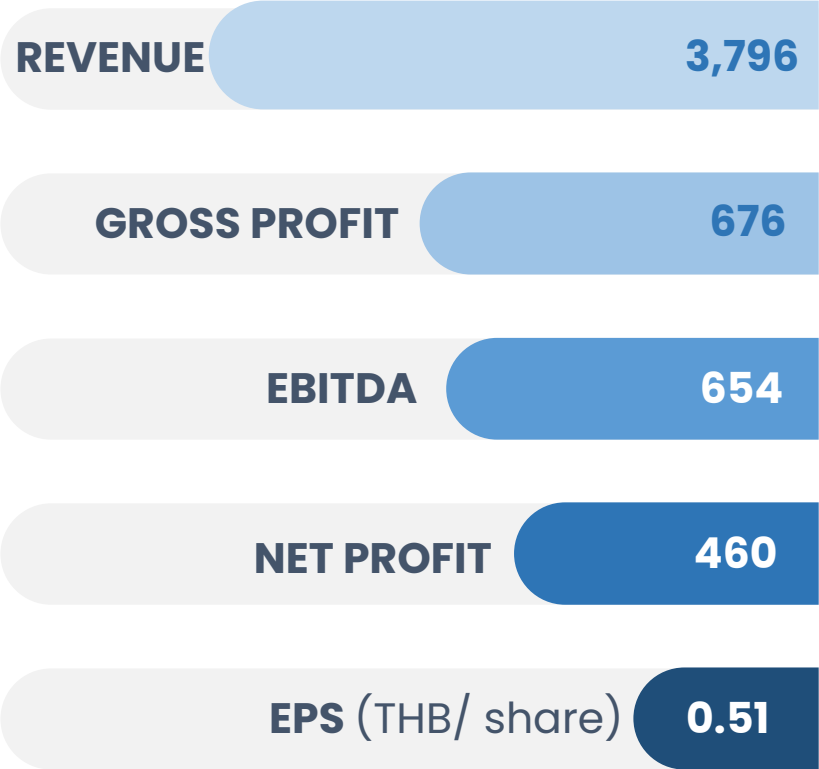
1.28



# 2023's Operating Results

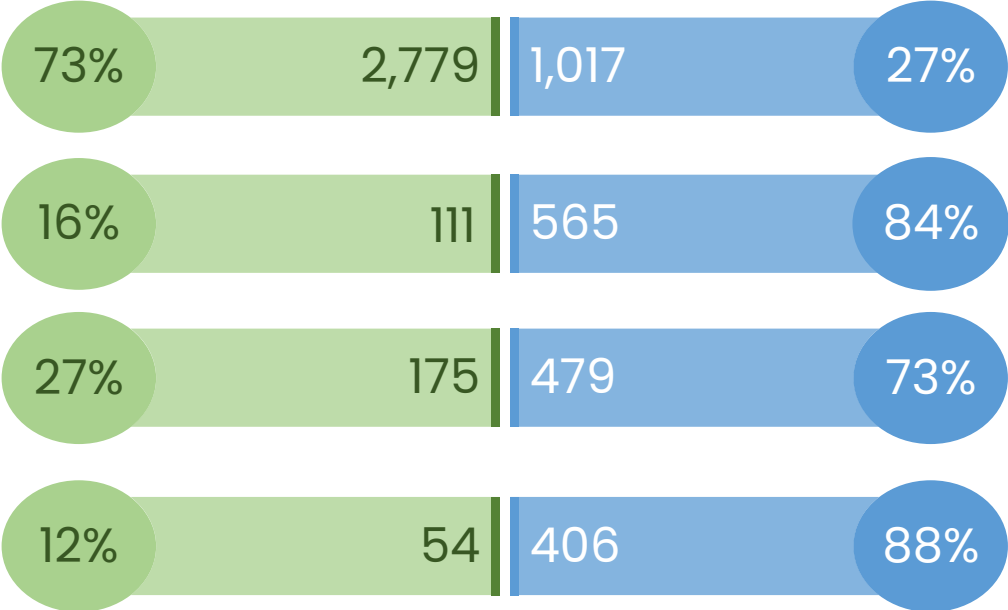
**2023**

Unit: Mb



STEEL BU

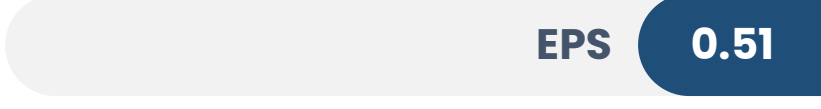
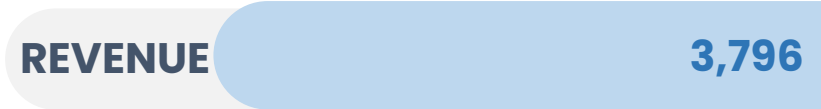
SOLAR BU



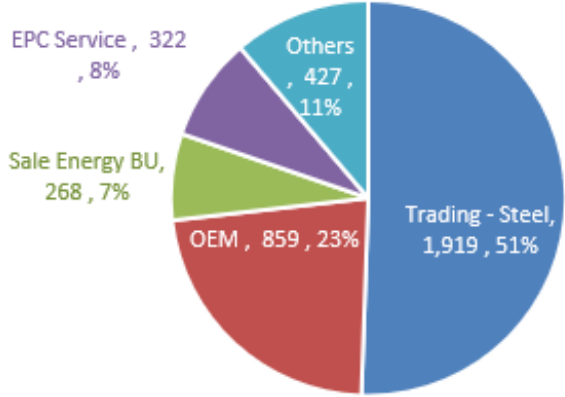
# 2023's Operating Results

**2023**

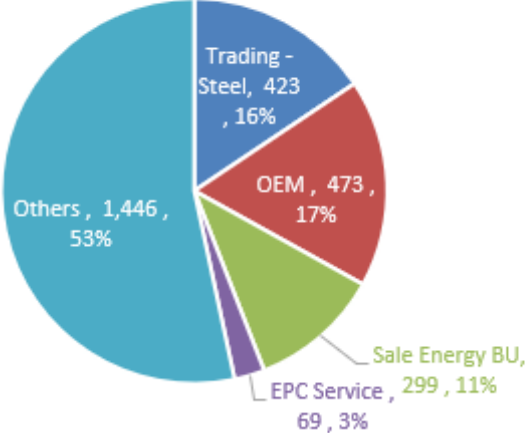
Unit: Mb



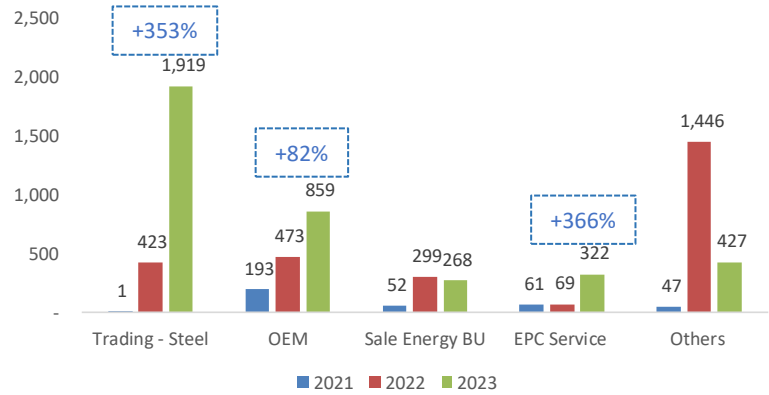
2023 - Sale Mix



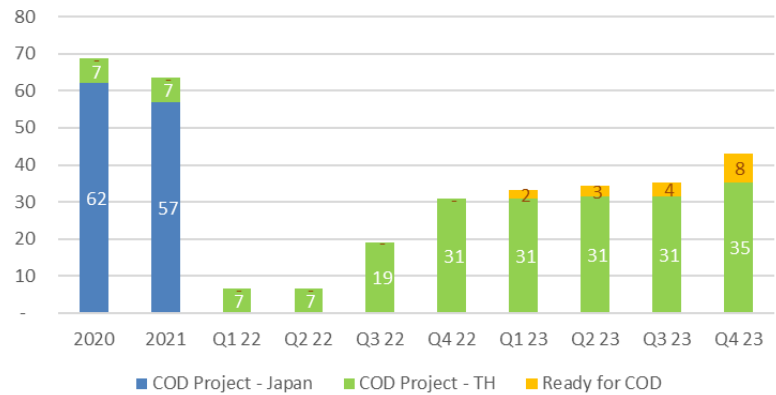
2022 - Sale Mix



Revenue Tracking [Unit: Mb]

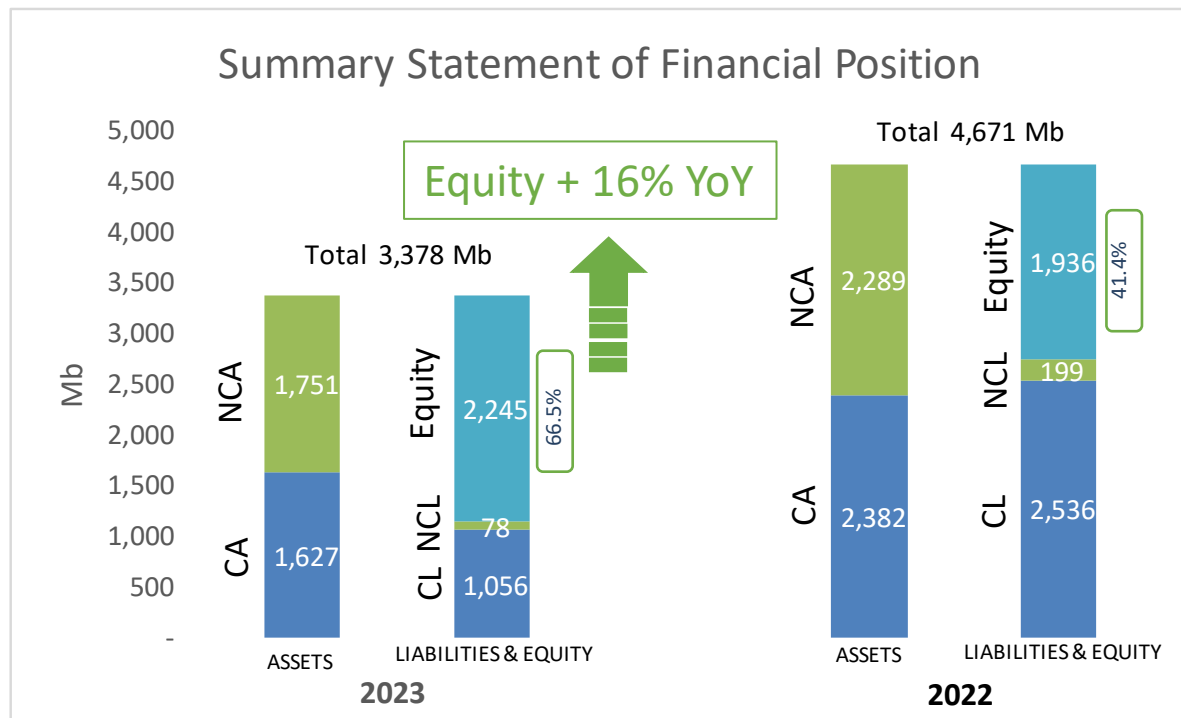


COD and Ready for COD projects



+ Project under construction 48 Mwatts  
 + Agreed and award project 22 Mwatts

# Financial Position 2023 vs 2022



Financial Ratios	2023	2022
Current ratio	1.54	0.94
D : E Ratio	0.51	1.41
Net IBD/ Equity	0.24	0.50
BV per share	2.49	2.12
EPS (THB/ share)	0.51	1.28

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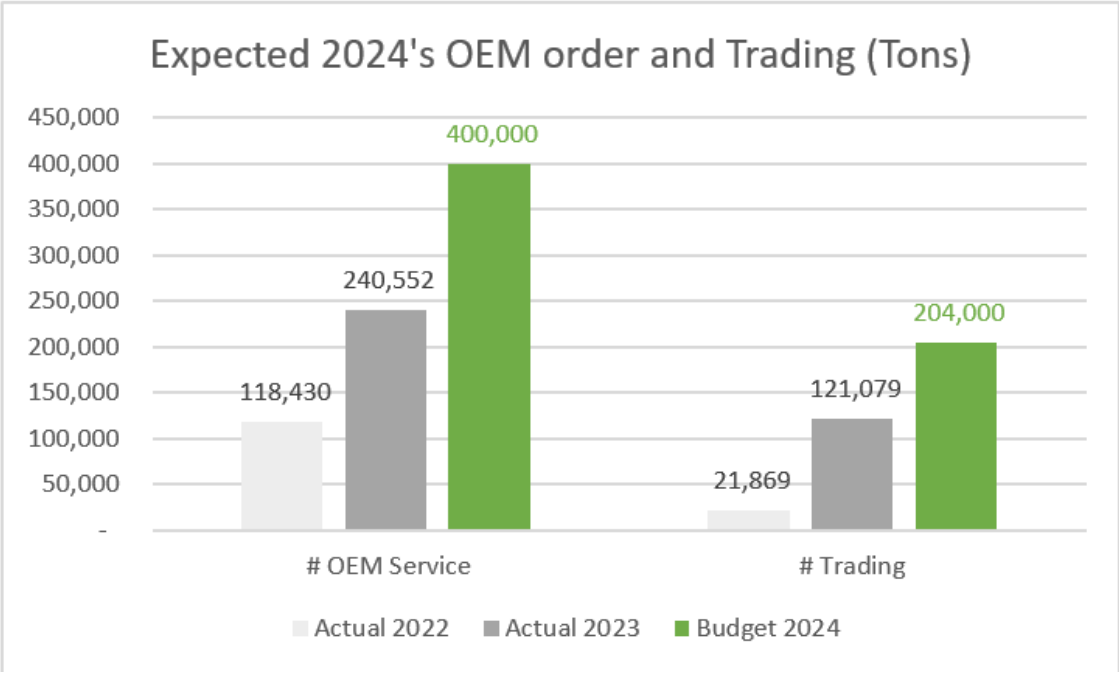
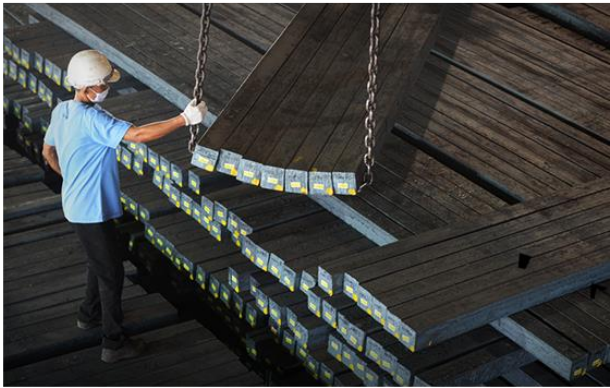
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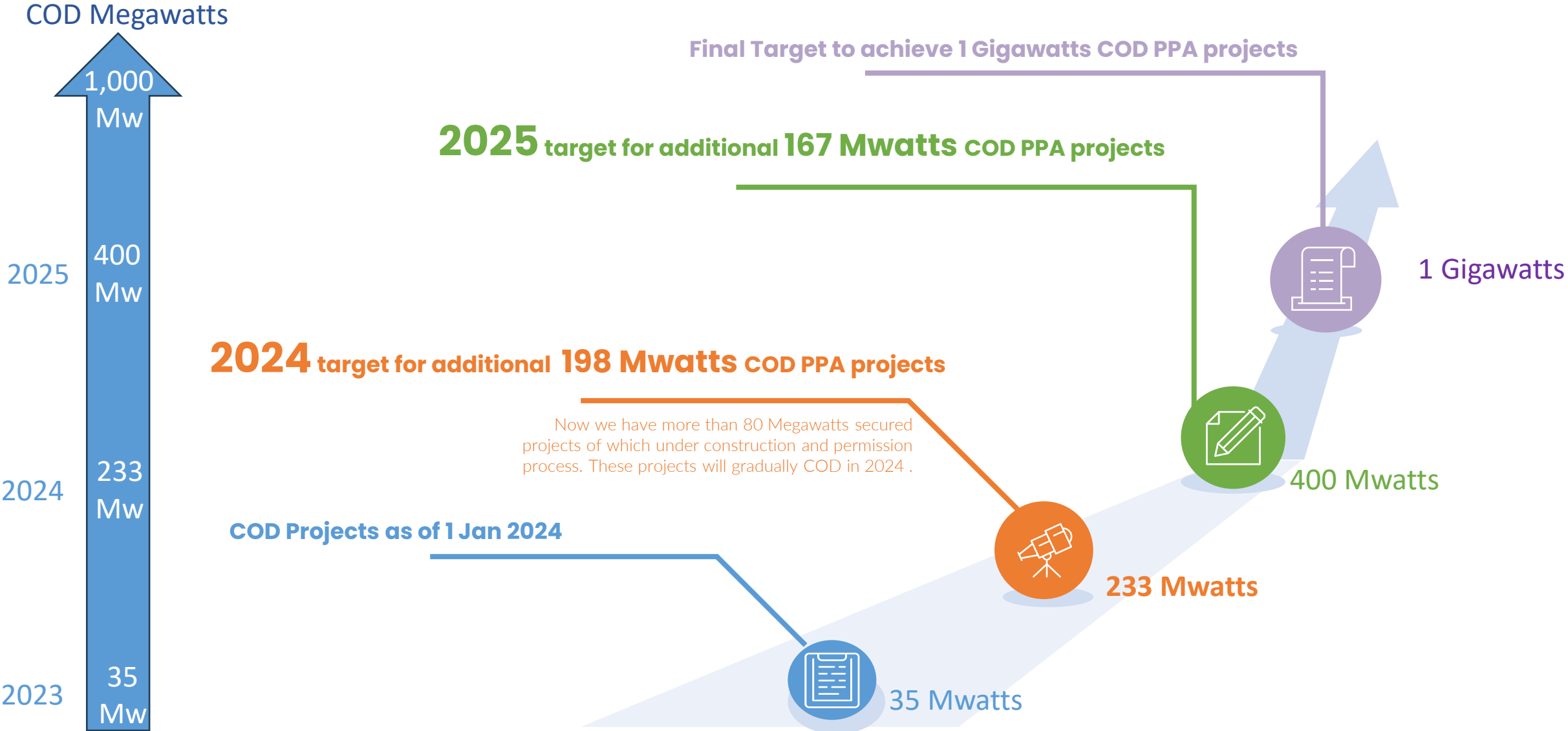


# CHOW – Forward Looking

## Steel Business



# PPA Project – Forward Looking



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# Q&A

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