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**Capital increase report form**

**Chow Steel Industries Public Company Limited**

**27 February 2017**

We, Chow Steel Industries Public Company Limited, hereby report on the resolution of board of directors meeting no.1/2017, held on 24 February 2017 from 14.00 to 17.40 hours, relating to a capital increase/share allotment as follows:

**1. Capital increase:**

The board of directors' meeting passed resolutions increased the Company's registered capital under General Mandate in amount Baht 240,000,000 from the current registered capital of Baht 800,000,000 to the new registered Baht 1,040,000,000 by issuing ordinary shares in amount of 240,000,000 shares at par value of Baht 1.00 per share. Details of each type of capital increase are as follow;

Type of capital increase	Type of share	Number of shares (shares)	Par value (THB/share)	Total (THB million)
General mandate	Ordinary	240,000,000	1.00	240,000,000

**2. Allotment of new shares:**

The Board of Directors' Meeting passed a resolution approving the allocation of not exceeding 240,000,000 ordinary shares at par value of Baht 1.00 per share, totaling Baht 240,000,000, with the following details;

Allotted to	Type of shares	Number of shares (shares)	Percentage of paid-up capital <sup>1/</sup>	Note
Existing shareholders	Ordinary	Up to 160,000,000	20	
Specific persons	Ordinary	Up to 80,000,000	10	

<sup>1/</sup> Percentage of paid-up capital on the date that the Board of Directors resolves to increase capital under a general mandate.

**Remark** the Board of Directors shall be authorized to be empowered to do the followings:

- Consider and determine whether share allocation shall be made once or several times later and shall be offered to any group of person or all groups of persons at the same time. Furthermore, the Board of Directors has authority to determine offering price, offering period, and other details and conditions relating to the allotment of newly issued shares.
- Negotiate and execute any relevant documents and agreements, as well as take actions in connection with the allocation of such newly issued ordinary shares

- Execute applications for permission and necessary evidence in connection with the allocation of such newly issued ordinary shares, arrange and submit applications for such permission, documents and evidence to relevant authorities or agencies and list such newly issued ordinary shares on the Market for Alternative Investment (mai)

In this regard, the Company shall completely allocate the newly issued shares either by the date of the next annual general meeting or by the date required by law to fix the date of the next annual general meeting, whichever is the earlier.

**3. Schedule for a shareholders' meeting to approve the capital increase/allotment**

The Annual General Meeting of Shareholders 2017 on April 21, 2017, at 14.00 hrs., at Victor 3-4 Room, Victor Club, 2<sup>nd</sup> Floor, FYI Center 1, No.2525 FYI Center, Rama 4 road, Khlong toei, Bangkok 10110, Thailand. The Board of Directors' meeting no.1/2017 resolved to fix the date of determining the names of shareholder who shall have the right to attend the Annual General Meeting of Shareholders 2017 on March 13, 2017 (Record Date) and to gather the names of shareholder under section 225 of the Securities and Exchange Act B.E. 2535 by closing the share register book and suspension of share transfer on March 14, 2017.

**4. Approval of the capital increase/share allotment by relevant governmental agency and conditions thereto (if any)**

- 4.1 The Company is required to register the increase of registered and paid-up capital and the amendment of its Memorandum of Association with the Department of Business Development, the Ministry of Commerce.
- 4.2 The Company is required to obtain an approval from the Stock Exchange of Thailand for the listing of such newly issued ordinary shares on the Market for Alternative Investment (mai).

**5. Objectives of the capital increase and plans for utilizing proceeds received from the capital increase**

To utilize as working capital of the Company and/or to invest in future business expansion and/or to reduce the financial cost the Company.

**6. Benefits which the Company will receive from the capital increase/share allotment:**

To strengthen the Company's financial position and/or have sufficient fund for investment in business expansion and/or to decrease debt to equity ratio of the Company

**7. Benefits which shareholders will receive from the capital increase/share allotment:**

The improvement of the Company's financial position as well as profitability potential will enhance the future operating result of the Company. Consequently, the shareholders will get benefit from the increase in enterprise value.

**8. Other details necessary for shareholders to approve the capital increase/share allotment:**

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9. **Schedule of action if the board of directors passes a resolution approving the capital increase or allotment of new shares:**

No.	Procedures of the capital increase	Date/Month/Year
1	The Board of Directors' meeting no. 1/2017 to consider and approve the capital increase and the allotment of newly issued shares	24 February 2017
2	The record date for the purpose of determining the eligible shareholders to attend the 2017 Annual General Meeting of Shareholders	13 March 2017
3	Gather the names of shareholder under section 225 of the Securities and Exchange Act B.E. 2535 by closing the shareregister book and suspension of share transfer	14 March 2017
4	The 2017 Annual General Meeting of Shareholder	21 April 2017
5	Register the capital increase and the amendment of the Company's Memorandum of Association with the Ministry of Commerce	Within 14 days from the date of shareholders meeting's resolution

The Company hereby certifies that the information contained in this report form is true and complete in all respects.

Signed.....Authorized director

(Mr. Anavin Jiratomsiri)

The Chairman of Executive Committee