

No. SIAM 017/2016

June 6, 2016

Subject : The Investment in new company (revised)

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, will establish the new subsidiary company ,namely , Siam Forest Management Limited so Siam Forest Management Limited is the indirect subsidiary company, detail as follows:

1. **Transaction date** : The new company shall be established at Department of Business Development, Ministry of Commerce on June 3, 2016
2. **Parties involved and Relationship with the Company**
New company name and address : Siam Forest Management Limited
51 Moo 2 Poochaosamingprai Rd., Bangyaprak Sub-district, Phra Pradaeng District, Samut prakarn Province
3. **General Characteristics of Transaction** : The Company will establish and SIE will hold in company 1,199,997 shares representing 60 percent.
4. **Calculation of the Transaction size** : This transaction size does not regarded as transaction of acquisition and disposition of material assets of listed companies and it is not a connected transaction
5. **Total value of the consideration** : SIE will hold in company 1,199,997 shares, par value of Baht 10 per share, total amount of Baht 11,999,970.

6. Detail of the acquired assets

General

Name	:	Siam Forest Management Limited.
Registered capital	:	The registered capital of company is Baht 20,000,000 divided into 2,000,000 share, par value of Baht 10 per share, paid up 25%
Type of Business	:	To carry on the business of forestry, forest plantation, to provide all kinds of plantation to obtain raw material for the production of renewable energy or the forest management in term of commercial.

Shareholding	:	
SIE	:	1,199,997shares (60%)
Mr. Wanchai Kunanantakul	:	1 share (0.00%)
Mrs. Naphaporn Hoonthanasevee	:	1 share (0.00%)
Mr. Surapol Kunanantakul	:	1 share (0.00%)
Siam Chitose Co., Ltd. (Who is not the connected person)	:	800,000 shares (40%)

Directors of
the 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 will hold in company 1,199,997 shares, par value of Baht 10 per share, total amount of Baht 11,999,970.

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 indirect subsidiary company is to carry on the business of forestry to obtain raw material for the production of renewable energy 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
(This project is under our study for the operation)
- 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 does not regarded as transaction of acquisition and disposition of material assets of listed companies and it is not a connected transaction so it does 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