

Ref. PDI/BK-BS-081/2018

7 December 2018

To : President
The Stock Exchange of Thailand

Subject: Ceasing of Zinc Trading Business

Padaeng Industry Public Company Limited (the “Company”) would like to inform that as the Board of Directors of the Company at its meeting, No. 05-2017 held on 6 November 2017 had adopted the resolutions to perform metals trading business (PDI Metals) in order to serve the domestic customers’ need after the ceasing of Zinc mining in Mae Sot District, Tak Province in 2016 and ceasing of the zinc operation at the end of 2017.

Given that the international Zinc price has been declining, together with higher competition in the domestic market, while the operating expenses are higher, resulting in the performance of metals trading business not being in line with the expectation. Therefore, the Board of Directors of the Company at its meeting, No. 05-2018 held on 6 November 2018 had resolved the resolution to focus on renewable energy business and other businesses that generated sustainable higher returns in the long term and delegated Management to negotiate the terms with concerned parties.

Recently, the Company has already reached the agreement on the key commercial terms with concerned parties. Hence, the Company would like to inform the SET that the Company shall cease Metals trading business at the end of Q1 of 2019. There will be no impact on the performance of the Company and no effect to the Shareholders. Furthermore, there will be more working capital to create investment opportunities and the Company could thoroughly focus on renewable energy and other businesses.

At present, the Company operates 7 Solar Farms in Thailand, total capacity is 36.3 Megawatts and operates 2 Solar Farms in Japan, total capacity is 13 Megawatts that can generate income since end of 2016 onwards.

However, if there are any commercial terms beneficial to the metals trading business that can be achieved in the future, the Company will inform SET accordingly.

Please be informed accordingly.

Yours truly,

- Signature -

(Ms. Suthathip Pilasarom)
Company Secretary

Board Secretary Division
Tel. 0 2695 9499 Ext. 9414 and 9335
Fax. 0 2695 9495