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70 หมู่ 2 ด.ช้างใหญ่ อ.บางไทร จ.พระนครศรีอยุธยา ประเทศไทย 13290  
โทรศัพท์ : (66) 035-372961-6 โทรสาร : (66) 035-372967-8  
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( Translation )

Ref. No.MCS-003/2018  
March 5, 2018

Subject : Appointed director, AGM ,Dividend Payment , Connected Transaction and other important resolutions. – **Edit some wording No.3.1 (Attachment 1)**

To : Director and Manager  
The Stock Exchange of Thailand

The board meeting of M.C.S. Steel Public Company Limited (MCS) No.2/2018 have approved the resolutions are as details;

1. Appoint Mr.Somsakdi Suriyawongse as Director and Independent Director in replacement of Mr. Sompong Metasatidsuk who resigned since December 15,2017.

The remain period as 2 years.

2. Approved the Charters of Nomination and Remuneration Committee (NRC) and appointed Nomination and Remuneration Committee (NRC) including

- |                             |                      |
|-----------------------------|----------------------|
| 1) Mr.Somsakdi Suriyawongse | Independent Director |
| 2) Mr.Tinakorn Seedasomboon | Audit Committee      |
| 3) Mr.Supoj Kaewmanee       | Audit Committee      |

And appointed Mr.Somsakdi Suriyawongse to be as Chairman of Nomination and Remuneration Committee and appointed Ms.Kanchalika Sangparinya to be as secretary of Nomination and Remuneration Committee. The effective date is from February 26, 2018 onwards and the period is 3 years.

3. Approved to sell the land 3-3-8 Rai (1,508.00 Meters) Total 7.54 Million Baht to Dr.Naiyuan Chi Chairman of Board Director which the person related party with company, as detailed in the enclosure 1.
4. Agreed to propose to the Annual General Meeting of shareholders 2018 to certify the minutes of the Annual General Meeting of shareholder of 2017 on April 7,2017.
5. Agreed to propose to the Annual General Meeting of shareholders 2018 to acknowledge the company 'annual report of the operation in 2017.

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6. Agreed to propose to the Annual General Meeting of shareholders 2018 to approve the consolidated financial statements of company and subsidiaries of 2017 period ended December 31, 2017.
  
7. Agreed to propose to the Annual General Meeting of shareholders 2018 to approve the total dividend payment of year 2017 at 0.60 Baht per share that the interim dividend has paid at 0.20 Baht per share under Non-BOI privilege on September 11,2017.

**and the addition dividend payment at 0.40 Baht per share ( Derived from profit under BOI privilege : 0.13 Baht per share and Derived from profit under Non-BOI privilege : 0.27 Baht per share )** and the dividend date will be on May7, 2018.

The company 's share register book shall be close on April 20,2018 to identify shareholders with right to receive dividends.

**The right to receive dividends are also uncertainties to resolution from the Annual General Meeting of shareholders 2018.**

The dividend payment was under the company's policy by the year 2017 pay rate of 50.28 % of its net profit (Separate Financial).

8. Agreed to propose to the Annual General Meeting of shareholders 2018 to acknowledgment that Mr.Phairat Viwatborvornwong and Mr.Pornchai Phisarnanukunkit will retire as director by rotation at the Annual General Meeting of shareholders and submission to re-elect all of them to be the director for another period.

And agreed to propose to the Annual General Meeting of shareholders 2018 to approve the remuneration of 2018 will pay not to exceed 8.09 Million Baht that including

- 1) Remuneration per month ,it will allocated by Board's discretion.
- 2) The allowance of meeting is 15,000 Baht per attend per person.

9. Agreed to propose to the Annual General Meeting of shareholders 2018 to appoint Mr.Peeradate Phongsathainsak (Registration number 4752) or Mr.Thanawat Piboonsawat (Registration number 6699) or Ms.Wannisa Ngambaonthong (Registration number 6838) or Mr.Pojana Asawasontichai (Registration number 4891) or Ms.Suralit Ardsawang (Registration number 7517) or Mr.Suwat Maneekanoksakul (Registration number 8134) or Ms.Soraya Tintasuwana (Registration number 8658) , all of Auditors from Dharmniti Auditing Co., Ltd. as the auditor of the company for 2018.The auditor remuneration will pay not to exceed 4,000,000 Baht.



# M.C.S. STEEL PUBLIC COMPANY LIMITED

ทะเบียนเลขที่ 0107548000048

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10. Approved the Annual General Meeting of shareholders 2018 will be held on April 3, 2018 at 10.30 a.m. ( Ball Room No.2-3 at Conrad Hotel Bangkok ) The record Date will be on March 13,2018 in order to identify shareholders of record who are entitled to notification of AGM Meeting of 2018.

11. Approved the following agendas for AGM 2018.

- |          |   |
|----------|---|
| Agenda 1 | To consider and certify the minutes of the Annual General Meeting of shareholder of 2017 on April 7,2017.                         |
| Agenda 2 | To acknowledge the company 'annual report of the operation in 2017.   |
| Agenda 3 | To consider and approve the consolidated financial statements of company and subsidiaries of 2017 period ended December 31, 2017. |
| Agenda 4 | To consider and approve the payment dividend of the company and inform about the interim dividend.                                |
| Agenda 5 | To elect Directors for replace those who retire for the year by rotation and their fee.   |
| Agenda 6 | To consider and appointment of the auditors of 2018 and their fee.  |
| Agenda 7 | Other matters, if any.  |

For your acknowledgement

Yours Sincerely,

.....  
(Mr.Phairat Viwatborvornwong)  
President

Company Secretary : [kancharica@mcssteel.co.th](mailto:kancharica@mcssteel.co.th)  
Tel : 035-372961-6 Ext.903

M.C.S. Steel Public Company Limited (MCS)  
Information of the Connected Transaction

1. Date, Month, Year of the Transaction and the Related Parties

Date of the Transaction

- Within Quarter 2 of 2018

The Related Party

- Dr. Naiyuan Chi Chairman of Board Director  
Total of share : 5,000,000 shares or 1.00% (December 29,2017)

2. The Nature of Transaction

The Board Director approved to disposal of land 1 plot ,Total sale of land 3-3-8 Rai (1,508 Meters) , that locate Ratchakram Bangsai , Phra Nakon Si Ayutthaya (the land is opposite to M.C.S. Steel Public Co., Ltd. which the same area of M.C.S. Village) which the company bought back from Tanaka Welding Center Co., Ltd. ( MCS hold 99.92%) as 1,700 Baht (Book Value) which is the remain from housing development to Dr.Naiyuan Chi Chairman of Board Director. This land is not used in the area of operations.

The details of the connected transaction are as follow :

Transaction Type	Details of Asset	Total (Baht)	The Related Party
Assets and Services	Sell land total 3-3-8 Rai	7,540,000	Dr.Naiyuan Chi Chairman of Board Director

3. Size of transaction

3.1 Connected Transaction required to be disclosed pursuant to the Notification of the Capital Market Supervisory Board No. Tor Chor 20/2551 Re: Rules on the transaction that is significant to the Acquisition or Disposition Assets and the Notification of the Stock Exchange of Thailand Re : Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposal of Assets BE 2547 dates October 29,2547. After calculation which has a transaction size of 0.20% under the value of Consideration paid criteria, Therefore the nose Acquisition or Disposal of Assets incurred during the past six months. Size of transaction ratio is 0.70% under the value of Consideration paid criteria, so there is no need to disclose to Stock Exchange of Thailand.

3.2 The transaction is in accordance with Notification of the Capital Market Supervisory Board No. Tor Chor 21/2551 Re : Rules on Connected Transactions and according to Notification of the Board of Governors of the Stock Exchange of Thailand, Disclosure of Information and Other Acts of Listed Companies concerning the Connected transactions 2003 which has a medium transaction size of 0.31% under the Value of Consideration paid criteria.

MCS's consolidate financial statements of company and subsidiary of 2017 periods ended 31 December 2017 that audited by the Independent Auditor

$$\begin{aligned} \text{Method of calculation} &= \frac{\text{Value of consideration} \times 100}{\text{NTA of consolidated financial statement}} \\ &= \frac{7,540,000 \times 100}{2,413,584,388} \\ &= 0.31\% \end{aligned}$$

With medium transaction size of 0.31%, the Company have to get approved by board of directors and required to disclose to Stock Exchange of Thailand. There is no connected transactions took place during six months, the size of connected transaction the highest is 0.31% of NTA.

#### 4. Criteria used in determining the Connected Transaction

The Board of Directors' meeting of the Company, at which Dr. Naiyuan Chi, the director who had no interest in the connected transaction attended, had the opinion that the entry into such supporting normal transaction. Such Connected Transaction is considered at arm's length basis.

This transaction was considered and reviewed by the Audit Committee.

The price to sell to employee was 5,000 Baht per Meters.

And the price from Value (list of SEC) that appraisal by Market Approach method as following

- (1) Plan Appraisal Company Limited , cost appraisal is 5,280,000 Baht (3,501.33 Baht per Meters)  
Date of appraisal November 28, 2017.
- (2) RPV Valuation Company Limited , cost appraisal is 5,278,000 Baht (3,500 Baht per Meters)  
Date of appraisal December 14, 2017.

\*\* The highest price from valuer was 3,501.33 Baht per Meters.

Which management considers that it is reasonable and the selling price is the same price from housing development (MCS Village) for MCS employees that higher than appraised value and Book Value.

5. Mode of Payment : Pay in cash on register date within Quarter 2 of 2018. The money receive from the disposal ,The company will be use as working capital.

#### 6. Connected Persons and Conflict of Interest

As the good corporate governance practices, Dr. Naiyuan Chi did not attend the Board of Directors Meeting for this specific matter and had no right to vote.

**7. Opinions of the Company's Board of Directors on the Entering into the connected Transactions**

The Board of Directors' meeting of the Company, at which the directors who had no interest in the connected transaction attended, had the opinion is justified ,the disposal price is the same price with housing development (MCS Village) for MCS employees that higher than appraised value from independent value that appraisal by Market Approach method and Book Value

**8. Opinion of the Audit Committee and/or the Company's directors that is different from the opinion of the Board of Directors**

- None -