



Quality Steel by Quality People

บริษัท จี เจ สตีล จำกัด (มหาชน)
G J Steel Public Company Limited

ทะเบียนเลขที่ 0107538000401

No. GJS/ELCID-04/2562

28 February 2019

Subject Notification of Resolutions of the Board of Directors Meeting No. 2/2019 and the convening of the 2019 Annual General Shareholders Meeting

To President
Stock Exchange of Thailand

Reference Letter to the President of the Stock Exchange of Thailand No. GJS/ELCID-02/2562
Re: Reports on Connected Transaction (the extend period for granted financial assistance) dated 18 January 2019

Enclosure Reports on Connected Transaction (receiving financial assistance)

We, G Steel Public Company Limited (**Company**), would like to disclose the resolutions of the Board of Directors Meeting No. 2/2019 (**Meeting**), held on 26 February 2019, where the Meeting has passed the following key resolutions:

(1) Resolutions relating to the 2019 Annual General Shareholders Meeting

1. After due consideration, a resolution was passed to approve the Company's Audited Financial Statements for the year 2018 ended 31 December 2018, which has been audited by the auditor, and propose to the Annual General Meeting of Shareholders (**AGM**) to consider and approve the Company's Financial Statements for the year 2018 ended 31 December 2018.
2. It is appropriate to propose to the AGM to approve the abstention from the distribution of dividends from the Company's 2018 operating results.
3. Concurred with the Nominating and Remuneration Committee's recommendation and resolved to propose to the AGM to approve the re-election of 3 following directors who retired by rotation to be directors for another term as follows:
 - (1) Assoc. Prof. Niputh Jitprasonk Independent Director
 - (2) Mr. Yanyong Kurovat Director
 - (3) Mr. Somchai Leesawadtrakul Director
4. Concurred with the Nominating and Remuneration Committee's recommendation and resolved to propose to the AGM to approve the determination of director's remuneration for the year 2019, which is the rate of the previous year, details as mentioned below. Any directors holding executive position and receive salary shall not receive any of the remuneration stated in the below table.

Position	Fixed Remuneration (Baht/month)	Monthly Remuneration (Baht/month)	Meeting Allowance (Baht/Meeting)
Board of Directors			
Chairman	60,000	-	6,250
Director	-	20,000	5,000
Audit Committee			
Chairman	60,000	-	6,250
Member	-	-	5,000

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Position	Fixed Remuneration (Baht/month)	Monthly Remuneration (Baht/month)	Meeting Allowance (Baht/Meeting)
Sub-Committees*			
Chairman	-	-	6,250
Member	-	-	5,000

Remark:

* Sub-Committees include Nomination and Remuneration Committee, Corporate Governance Committee, and Risk Management Committee

5. Concurred with the Audit Committee's recommendation and resolved to propose to the AGM to approve the appointment of A.M.T. & Associates to be the Auditor of the Company and approve the determination of the auditor remuneration for year 2018, in an amount of not exceeding Baht 3,420,000, which is the rate of the previous year, and approve the appointment of the following Certified Public Accountants to be the Auditor of the Company and its subsidiaries:

- (1) Mr. Chaiyuth Angsuwithaya Certified Public Accountant License No. 3885, and/or
- (2) Mrs. Natsarak Sarohnunjeen Certified Public Accountant License No. 4563, and/or
- (3) Ms. Daranee Somkamnerd Certified Public Accountant License No. 5007, and/or
- (4) Ms. Jarunee Nuammae Certified Public Accountant License No. 5996

6. Resolved to approve in principle for the case of proposing the transaction of providing financial assistance for G Steel Public Company Limited (GSTEEL), the major shareholder, by extend the previous term of the loan which is a short term loan without collateral of Baht 117.15 million (divided into principle of Baht 94 million and remaining interest of Baht 23.15 million), the principle and the total interest are due within 15 May 2019, to the annual general meeting for ratification.

The Board of Directors' meeting has appointed the management to gather more information and discuss with the Stock Exchange of Thailand (the "SET") and the Securities and Exchange Commission, to seek for the conclusion of whether the Company needs to propose the transaction of providing financial assistance to the annual general meeting for ratification or not. If there is a conclusion on the matter, the Board of Directors of the Company will arrange for the information to be disclosed via the SET's website and further proceed as per prescribed by the law and relevant regulations.

In this regard, the Company has disclosed the information of the transaction of providing financial assistance via the SET's website on 18 January 2019, as per the details in the Reference.

7. A resolution was passed to convene the Annual General Meeting of Shareholders for year 2019 to be held on 29 April 2019, at 9.30 hrs. at the Arnoma Grand Room, 3rd floor, the Arnoma Grand Bangkok, at 99 Ratchadamri Road, Lumpini, Pathumwan, Bangkok 10330, to consider the following agenda items:

- Agenda 1 Chairman of the Board of Directors Notification
- Agenda 2 To consider and adopt the Minutes of the Extraordinary General Meeting of Shareholders No. 1/2019 held on 14 January 2019
- Agenda 3 To acknowledge the Company's 2018 operating results and to approve the Audited Financial Statements for the year 2018 ended 31 December 2018
- Agenda 4 To consider and approve the abstention from the distribution of dividends from the Company's 2018 operating results
- Agenda 5 To consider and approve the election of the directors in replacement of the directors who retire by rotation

- Agenda 6 To consider and approve the determination of director's remuneration for the year 2019
- Agenda 7 To consider and approve the appointment of the auditor for the Financial Statements for the year 2019 and determination of the remuneration
- Agenda 8 To consider and approve the amendment of the Company's Objective
- Agenda 9 Other business (if any)
8. Determined the shareholders' names who will be entitled to attend the 2019 AGM on 19 March 2019 (Record Date).

As the Company invited its shareholders to propose agenda and nominate candidates to be elected as directors in advance for the 2019 Annual General Meeting of Shareholders, during 28 December 2018 to 31 January 2019. Please be informed that the proposal period had been due, and neither the agenda nor the names of the nominated person have been proposed, for the 2019 Annual General Meeting of Shareholder.

(2) Resolutions relating to the approval on Connected Transaction (receiving financial assistance)

The Board of Directors Meeting, under the approval of the Company's Audit Committee's Meeting No.1/2019 held on February 26, 2019, has passed the resolution to approve additional financial support from Link Capital I (Mauritius) Limited ("**Link Capital I**") in form of a secured loan for the amount of USD 20 million or equivalent to THB 623.12 million (Weighted-average Interbank Exchange Rate at THB 31.156 per USD as of February 21, 2019) as a short-term loan for a period of not more than 3 months from the first draw down date with the same mortgage value for Land, Building, and Machinery Mortgaged in order to use the fund as working capital in business operation, and purchasing imported raw material. However, the Company had received the financial support from Link Capital I for the amount not exceeding USD 50 million or equivalent to THB 1,557.80 according to the Board of Directors Meeting of the Company No.10/2017 held on November 6, 2017 which had already disclosure through the Stock Exchange of Thailand (SET) on November 13, 2017.

Since this transaction is between the Company and Link Capital I, a company having the same major shareholder with the Company which is Kendrick Global Limited (KG) who is a subsidiary company of SSG Capital Partners III, L.P. (SSG III), so this financial support is deemed as a connected transaction according to the Notification of the Capital Market Supervisory Commission No. Tor Chor 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand (SET) Re: Disclosure of Information of Listed Company Concerning the Connected Transactions B.E. 2546 (2003), the details of which are as appeared in the enclosure.

Please be informed accordingly.

Yours faithfully,

(Miss Pannee Tanaprateepkul)
Company Secretary

Reports on Connected Transaction (receiving financial assistance)

The Board of Directors Meeting of G J Steel Public Company Limited (“**Company**”) No.12/2019 held on February 26, 2019, under the approval of the Company’s Audit Committee’s Meeting No.1/2019 held on February 26, 2019, has passed the resolution to approve additional financial support from Link Capital I (Mauritius) Limited (“**Link Capital I**”) in form of a secured loan for the amount of USD 20 million or equivalent to THB 623.12 million (Weighted-average Interbank Exchange Rate at THB 31.156 per USD as of February 21, 2019) as a short-term loan for a period of not more than 3 months from the first draw down date with the same mortgage value for Land, Building, and Machinery Mortgaged in order to use the fund as working capital in business operation, and purchasing imported raw material. However, the Company had received the financial support from Link Capital I for the amount not exceeding USD 50 million or equivalent to THB 1,557.80 according to the Board of Directors Meeting of the Company No.10/2017 held on November 6, 2017 which had already disclosure through the Stock Exchange of Thailand (SET) on November 13, 2017.

Since this transaction is between the Company and Link Capital I, a company having the same major shareholder with the Company which is Kendrick Global Limited (“**KG**”) who is a subsidiary company of SSG Capital Partners III, L.P. (“**SSG III**”), so this financial support is deemed as a connected transaction according to the Notification of the Capital Market Supervisory Commission No. Tor Chor 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand (SET) Re: Disclosure of Information of Listed Company Concerning the Connected Transactions B.E. 2546 (2003), the details of which are as follows:

Date of Transaction

Within February - March 2019

Transaction Parties

Finance supporter: Link Capital I, a company having the same major shareholder with the Company which is KG, in addition, KG and SSG III are major shareholder in Asia Credit Opportunities I (Mauritius) Limited which holds shares directly 24.00 percent of the Company’s paid-up capital.

Finance receiver: The Company

Description of the Transaction

The Company will enter into an amendment of credit facility agreement with Link Capital I for a short-term loan not more than 3 months in form of a secured loan with the same mortgage value to be used as working capital in the business operation and fund to purchase imported raw materials in the amount of USD 20 million or equivalent to THB 623.12 million. This short-term loan will increase liquidity and support the Company business in order to procure raw material, metal scraps from overseas for the production of the Company.

Total Value and Criteria used in determining a transaction’s total value

The Company will enter into an amendment of credit facility agreement with Link Capital I in the amount of USD 20 million or equivalent to THB 623.12 million for a period of not more than 3 months with front-end fee at 2% and interest rate at 12% per annum depending on the loans outstanding in each period of time.

Total value of transaction comprises of front-end fee and interest on the loan agreement according to the loan period which the total interest will not exceed USD 1 million or equivalent to THB 31.156 million throughout the duration of the contract.

Transaction Size: The aforementioned transaction is considered as the receipt of financial assistance. The size of the transaction is approximately 0.24 percent of the Company's Net Tangible Assets (NTA) (NTA of the Company as per the latest financial statement as of December 31, 2018 was Baht 13,210.52 million) which is less than Baht 20 million or 3 percent of the Company's Net Tangible Assets (NTA), whichever is higher. Accordingly, this transaction shall be approved by the Board of Directors and disclosed to the Stock Exchange of Thailand on a connected transaction according to the Notification of the Capital Market Supervisory Commission.

Criteria: Net tangible Asset of the Company according to the financial statement as of December 31, 2018

Financial Source for Loan Repayment

The financial source of the Company to repay Link Capital I's loan comes from its working capital and/ or new funding from outside source which is currently in process. The company expects such loan can be repaid within stipulated timeline.

Related persons and conflict of interests

The Company directors, namely, Mr. Richard Jim Yee, Mr. Sudhir Maheshwari, Mr. Andreas Rizal Vourloumis, and Mr. Amrenda Prasad Choudhary are considered as interested and/or connected directors; therefore, in order to ensure the transparency of voting procedures and to facilitate the independent judgment of other directors, those mentioned directors abstained from voting in this matter and temporarily left the Meeting during voting session.

Opinion of the Board of Directors

The Board of Directors has considered the reason and necessity and resolved that the receipt of financial assistance is reasonable and will eventually increase Company's profitability and benefit to obtain stronger financial condition of the Company. Thus, the Board of Directors has approved the receipt of financial assistance from Link Capital I in form of a secured loan for the amount of USD 20 million or equivalent to THB 623.12 million for a period of not more than 3 months at the maximum front-end fee of 2% of loan drawdown and maximum interest rate of 12% per annum. Moreover, the Board of directors has also considered the condition of this loan, which included fees, interest rate, and period of the loan, the necessity of the loan, and the current situation of the Company that cannot seek financial support from local financial institutions. According to the mentioned reasons, the Board of Director has resolved to approve the said receipt of financial assistance in order to support the liquidity of the Company temporary for 3 months from the stoppage of production as a result of the malfunction of transformer and expected that the Company will be able to resume the production within 2 weeks.

Opinion of the Audit Committee which is different from the Board of Directors' opinion

- None -