

(Unofficial Translation)

No. GSTEEL/ELCID-13/2566

15 December 2023

Subject: Reports on Connected Transaction (receiving financial assistance)

Dear: President
The Stock Exchange of Thailand

The Board of Directors' Meeting of G Steel Public Company Limited (“**the Company**”) No. 11/2566 held on 15 December 2023, where the same had been reviewed and concurred by the Company’s Audit Committee’s Meeting No. 8/2023 held on 14 December 2023 (the “**Meeting**”), have passed the resolution to approve a financial support transaction by entering into a Credit Agreement with Nippon Steel Southeast Asia Company Limited (“**NSSEA**”) which is beneficial to the Company in getting a unsecured short term loan for repayment of working capital facility from the banks, repayment of US Dollar Loan from Asia Credit Opportunities I (Mauritius) Limited (ACO I) and use for Company’s operations. 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

15 December 2023

Transaction Parties

Finance supporter: Nippon Steel Southeast Asia Company Limited (“**NSSEA**”), a company having the same major shareholder with the Company which is Nippon Steel Corporation (“**NSC**”) where NSC directly holds 10.24 percent of the Company’s paid-up capital and indirectly, through Asia Credit Opportunities I (Mauritius) Limited, holds 49.99 percent of the Company’s paid-up capital.

Finance receiver: G Steel Public Company Limited

Description of the Transaction

The Company will receive the financial assistance from NSSEA by entering into the Credit Agreement under which the Company can borrow the unsecured loan from NSSEA for the amount not over Baht 2,300 million.

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

The Company will enter into the Credit Agreement with NSSEA in the amount not over Baht 2,300 million for a tenor from 15 December 2023 to 31 July 2024 with interest rate at BOT policy interest rate + 0.18%. As of December 2023, this will be equal to 2.68% per annum.

Total value of transaction:

Total Value of the transaction comprises of interest on the loan, the amount of which is not fixed and can be gradually drawdown. It is therefore uncertain as to when and for how long the interest will be incurred. Hence, the transaction value shall be the total interest which is not exceeding Baht 38.84 million throughout the duration of the Agreement calculated at an interest rate of 2.68% per annum using current BOT policy rate.

Transaction Size:

The aforementioned transaction is considered as the receipt of financial assistance from connected person. The size of the transaction is approximately 1.62% of the Company's Net Total Assets (NTA) (NTA of the Company as per the latest financial statement as of 30 September 2023 was Baht 2,390.82 million). In addition to that, if other connected transactions with related persons of NSC in the past 6 months are included in the transaction size, it will be approximately 2.04% of NTA which is higher than 0.03% of the Company's NTA, but less than 3% of the Company's NTA. Accordingly, this transaction shall be approved by the Board of Directors and disclosed to the Stock Exchange of Thailand.

Criteria: Net Total Asset

Related persons and conflict of interests

Some of the Company's directors, namely, Mr. Hideki Ogawa, Mr. Hisato Ishizaki, Mr. Takashi Sekino, and Mr. Nobuo Okochi are considered as interested and/or connected directors; therefore, in order to ensure the transparency of voting procedures and to facilitate the independent judgement of other directors, those aforementioned 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 of the transaction and resolved that the receipt of financial assistance is reasonable and will eventually benefit the financial status of the Company. The interest rate is in line with other Commercial Banks which range from 2.65% to 2.76% per annum (average 2.68%) and much lower than the US Dollar Loan from ACO I which is 7.75% currently. The Board of Directors viewed that the Credit Agreement is necessary and provides a source of funds for the Company. Thus, the Board of Directors have approved the receipt of financial assistance from NSSEA by entering into the Credit Agreement for the maximum amount of Baht 2,300 million with a period from 15 December 2023 to 31 July 2024 and interest rate of BOT policy interest rate + 0.18% which is equal to 2.68% per annum as of December 2023.

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

- None -

Please be informed accordingly.

Yours Faithfully,

- Signature -
(Ms. Arttaya Sookto)
Company Secretary