

-Translation -

TMT-CP 019/2022

May 11, 2022

Subject : Notification of connected transaction of the office building rental (Additional)

To : The President  
The Stock Exchange of Thailand

The Board of Directors' meeting of TMT Steel Public Company Limited ("the Company") no. 2/2022, held on May 11, 2022, has passed the resolution to approve the connected transaction regarding the office building rental as per the following details;

**Approved the connected transaction**

Date, month, year when a transaction is going to be done: May 11, 2022

**Parties Involved:**

Lessee : TMT Steel Public Company Limited

Lessor : Combine Asset Company Limited

Relationship of connected persons : Combine Asset Company Limited has the same director as TMT Steel Public Company Limited, namely Mr. Komsan Tarasansombat, the authorized director of those two companies with a shareholding of 99.96% percent of Combine Asset Company Limited and one of the top ten shareholders of TMT Steel Public Company Limited with a shareholding of 7.59%<sup>1</sup> percent. He also has a relationship with the Company's directors as a son of Mr. Soon Tarasansombat and brother of Mr. Paisal Tarasansombat. (<sup>1</sup>Shareholding proportion as at closing date for the rights to attend the Annual General Meeting of Shareholders for the year 2022)

**General characteristics of the transaction:** The office building lease renewal on 131 Rama III Road, Bangkholaem Sub-district, Bangkholaem District, Bangkok with Combine Asset Company Limited, which Rama III Plant and Distribution Center of the Company is currently located. The term of lease renewal is 3 years from April 1, 2022, to March 31, 2025, with a rental rate of Baht 200,000 per month (The same rate) and the payment date due on the 5<sup>th</sup> of each month.

**Total Value of transaction :** 7,200,000 Baht (for a three-year lease contract)

**Transaction Volume :** As a short-term property rental or lease less than 3 years. Transaction volume is more than 1 million baht but less than 20 million baht or equivalent to 0.20 percent of net tangible assets (NTA) disclosed in the financial statements for the period ended December 31, 2021, which has been audited by a certified auditor. Thereafter, the Company shall propose to the Board of Director's meeting for approval and disclose to the Stock Exchange immediately. (The Management considered and approved on March 2022 ) In Addition, the transaction is a renewal every 3 years and there were no transactions with those people in the past six months.

$$\begin{aligned} \text{NTA} &= \text{total assets} - \text{total liabilities} - \text{intangible asset} - \text{minority equity} \\ &= 10,067,385,165 - 6,313,378,019 - (34,900,375 + 34,685,877) - 0 \\ &= 3,684,420,894 \end{aligned}$$

Transaction volume equivalent to 0.19 percent of net tangible assets (NTA) disclosed in the financial statements for the period ended March 31, 2022.

$$\begin{aligned} \text{NTA} &= \text{total assets} - \text{total liabilities} - \text{intangible asset} - \text{minority equity} \\ &= 10,305,472,736 - 6,430,902,494 - (37,075,442 + 38,078,833) - 0 \\ &= 3,799,415,967.00 \end{aligned}$$

**Directors having the interest / connected persons :**

1. Mr. Soon Tarasansombat Director
2. Mr. Paisal Tarasansombat Director
3. Mr. Komsan Tarasansombat Director

The directors who have conflicts of interest with this transaction were not present in the meeting and had no voting rights on this agenda.

**Opinion of the Board of Directors:** The Board of Directors has considered and agreed that the renewal of the lease for the office building is reasonable and clearly fixed the lease term and rental rate, and such rental rate is the same rate as the previous contract and lower than the market price which was appraised by Agency for Real Estate Affairs Company Limited reported on January 20, 2022, of Baht 456,800 per month or Baht 16,444,800 (for a three-year value) that will bring the highest benefits to the Company. Therefore, the Board of Directors' meeting, with the consent of the Audit Committee, has been approved to enter into such transactions.

Please be informed accordingly.

Yours sincerely,

*-Signed-*

(Mr. Paisal Tarasansombat)

Chief Executive Officer