

51 MOO 2, POOCHAO RD., BANGYAPRAK, PHRAPRADAENG, SAMUTPRAKARN 10130, THAILAND.

☎ : +66 (0) 2384-2876, 2384-3000, 2384-3040 ☎ : +66 (0) 2384-2330

✉ : center@siamsteel.com 🌐 : www.siamsteel.com, www.siamsteelgroup.com

No. SIAM 005/2019

March 18, 2019

Subject: Invitation to Annual General Meeting of Shareholders for the Year 2019

Attention: The Company's Shareholders

- Enclosure:
- 1) Registration Form required to be utilized on the Meeting date
 - 2) A copy of Minutes of the 2018 Annual General Shareholders' Meeting
 - 3) Annual Report of the Company and the Financial Statements for the fiscal year ended December 31, 2018 in CD-ROM form
 - 4) Name lists with educational background and working experience of the nominees proposed to be elected as directors of the Company to replace the directors who retire by rotation
 - 5) Qualification of Independent Director which is prescribed by the Company
 - 6) Scope and authority of subcommittee
 - 7) Information on working background and experience of the auditors
 - 8) A and B Proxy Forms (B Proxy Form is recommended as it is detailed and clear)
 - 9) Details of Independent Director (proxy for Shareholders)
 - 10) Documents or evidence showing the right to attend the Annual General Meeting of Shareholders and process of attending the Meeting
 - 11) Articles of Association of the Company related with Shareholders' Meeting.
 - 12) Map to the venue of the Shareholders' Meeting
 - 13) Request Form for 2018 Annual Report in Print

The Board of Directors of Siam Steel International Public Company Limited has resolved to convene the 2019 Annual General Shareholders' Meeting on Monday April 29, 2019 at 3.00 p.m. (Registration Time starts at 1.00 p.m.) at the Company's head office located at No. 51 Moo 2, Poochaosamingprai Rd., Bangyaprak, Phrapradaeng, Samutprakarn Province, to consider the following matters:-

Agenda Item 1 **To certify the minutes of the 2018 Annual General Shareholders' Meeting held on April 27, 2018**

Objective & Rationale

The 2018 Annual General Shareholders' Meeting held on April 27, 2018. A copy of the minutes is submitted to the Stock Exchange of Thailand, Ministry of Commerce as stipulated by laws. The minutes were accurately recorded and posted on the Company's website (www.siamsteel.com) for the Shareholders' mutual consideration and certification (Details are shown per Enclosure No.2)

Opinions of the Board of Directors The Board of Directors is of the opinion that the Shareholders should adopt such minutes.

Resolution This Agenda requires affirmative resolution with the majority of vote of the total number of votes of Shareholders attending and casting votes at the Meeting.

Agenda Item 2 To acknowledge the Company's operation results for the fiscal year 2018

Objective & Rationale To report the Company's operational results for the fiscal year 2018 as shown in the 2018 Annual Report. Such Report is submitted to the Shareholders together with the Invitation Letter to the Meeting for their acknowledgement. The resolution, therefore, is not required.

Opinions of the Board of Directors The Board of Directors is of the opinion that the Shareholders should acknowledge the Company's operational results for the fiscal year 2018.

Agenda Item 3 To consider for approval of the Financial Statements for the fiscal year ended December 31, 2018

Objective & Rationale Board of Directors has prepared the Company's financial statements for the fiscal year ended December 31, 2018, in order to be submitted to the Annual General Meeting of Shareholders for its consideration and approval in accordance with Section 112 of the Public Limited Companies Act B.E. 1992.

Opinions of the Board or Directors The Board of Directors is of the opinion that the Shareholders should approve the Company's financial statements for the fiscal year ended December 31, 2018. These have been audited by the Certified Public Accountant and reviewed by the Audit Committee, as detailed in the Annual Report (Enclosure No.3)

Resolution This Agenda requires affirmative resolution with the majority of vote of the total number of votes of Shareholders attending and casting votes at the Meeting.

Agenda Item 4 To consider for approval of the dividend payment for the Company's operation results of the fiscal year 2018

Objective & Rationale According to the audited financial statements of the Company for the fiscal year 2018, the Company reported the net profit in separate financial statement in the amount of Baht 265,227,787.36 The dividend payment policy has fixed at the minimum 40% of the net profit of separate financial statement after tax and reserve fund required by law, and such dividend payment does not significantly affect the Company's usual operation. In considering payment of dividend, operation results, financial status, work-expansion plan, etc. shall be taken into account. Moreover, such dividend payment must obtain an approval from the shareholders' meeting.

However, by virtue of Section 116 of the Public Limited Company Act B.E. 1992, the Company shall allocate a part of net profits as a reserved fund which is not less than five percent of annual net profits, less accumulated deficit brought forward (if any) until this reserved fund attains an amount not less than ten percent of the registered capital. At present, the reserve fund has completely been allocated according to the law which is 10 percent of the registered capital.

Opinions of the Board of Directors

According to the Company's operational results of the fiscal year 2018, the separate financial statement showed the net profit of Baht 265,227,787.36 and the company plans to expand in renewable energy, therefore it's necessary to use the money for investment which the net profit according to the separate financial statements, excluding profit from sales of assets and income tax equal to Baht 9,795,861.17.

So, the Board of directors was viewed as proper to propose to the Shareholders Meeting for approval of the dividend payment for the Company's operation results of the fiscal year 2018, at the rate Baht 0.01 per share.

Table of comparison of the dividends for the work performance for the year 2018 and the year 2017.

Details of dividend payment	2018	2017
1. Net profit (loss) in the Company's separate financial statement (Baht)	265,227,787.36	7,273,324
2. Net profit (loss) in the Company's separate financial statement, excluding profit from sales of assets and income tax (Baht)	9,795,861.17	
3. Number of shares	593,125,849	593,125,849
4. Amount of dividends paid per share (Baht/share)	0.01	0.01
5. Total amount of dividends paid (Baht)	5,931,258.49	5,931,258.49
6. Rates of dividend payment per net profit from operations (%)	60.55	81.55

Resolution

This Agenda requires affirmative resolution with the majority of vote of the total number of votes of Shareholders attending and casting votes at the Meeting.

Agenda Item 5 To consider for election of directors in place of those who retired by rotation

Objective & Rationale

Pursuant to Section 71 of the Public Limited Company Act B.E. 1992 and Article 19 of the Articles of Association of the Company, one-third, or the nearest number of the Board of Directors, shall retire from office in the Annual General Meeting of Shareholders each year. The retired directors may be re-elected.

The following directors will retire by rotation:

- 1) Mr. Manu Leopairote Independent Director
- 2) Mr. Sakthip Krairiksh Independent Director
- 3) Mrs. Orachorn Kunanantakul Director
- 4) Mrs. Naphaporn Hoonthanasevee Director

On its website, the Company invites all Shareholders to propose agenda and qualified candidates for a directorship from December 3, 2018 to January 16, 2019. Despite the invitation, neither agenda nor candidates were proposed.

The Nomination and Remuneration Committee therefore has undertaken the procedures of nomination by considering persons who are knowledgeable, competent, experienced and qualified as per requirements of the Public Limited Company Act B.E. 1992, Announcements of the Securities and Exchange Commission and the relevant Announcements of the Stock of Exchange of Thailand as well as the results of assessment of working performance in the positions and by duties from their previous terms. In the best interests of the Company, 4 Directors who retired by rotation are proposed to be re-elected to resume the directorship for another term, the background of whom in details together with the qualifications of Independent Directors specified by the Company are attached (Enclosures No.4 and No.5).

Moreover, qualifications of independent directors regarding shareholding prescribed by the Company are more intensive than the definition of independent directors specified by the Securities and Exchange Commission and the Stock Exchange of Thailand.

Opinions of the Board of Directors

The Board of Directors, excluding interested Directors, resolves to propose the re-election of the following 4 Directors who are required to retire by rotation for the Shareholders' Meeting's consideration since the Board of directors is of the opinion that they all have qualifications as prescribed by laws as well as knowledge, competency and experiences in relation to the operations of the Company:

- 1) Mr. Manu Leopairote Independent Director
- 2) Mr. Sakthip Krairiksh Independent Director
- 3) Mrs. Orachorn Kunanantakul Director
- 4) Mrs. Naphaporn Hoonthanasevee Director

Resolution

According to Articles of Association of the Company, the appointment of Directors requires affirmative resolution with the majority of vote of Shareholders with the following rule and procedures:

- (1) One Shareholder shall have one vote for each share;
- (2) Each Shareholder shall exercise all the votes he has under (1) to appoint one or several person (s) to be director(s), provided that he cannot divide his votes to any person to any extent.
- (3) Persons receiving the most votes are those who are elected to be directors, in descending order, to the number of directors who are to be elected. If there is a tie in the last to be elected and this exceeds the said number of directors, the presiding chairman shall have an additional casting vote.

For the conformity with the Principles of the Good Corporate Governance, the Company provides an opportunity for the Shareholders to exercise the right to vote on individual nominees by proposing the Shareholders' Meeting to cast the vote on individual basis.

Agenda Item 6 To consider fixing remuneration of directors and subcommittees for the year 2019

Objective & Rationale

To request the Shareholders' Meeting to consider fixing the remuneration of directors and subcommittees. The Nomination and Remuneration Committee has considered the remuneration of directors and subcommittees by taking into account the assigned duties and responsibilities (details of which are reflected as per Enclosure No. 6) and the operational results of the directors and subcommittees comparable to companies listed in the Stock Exchange of Thailand which are in the similar industrial field and of the similar size of business as well as overall economic conditions as follows:

Information on the remuneration of directors and subcommittees in comparison between the year 2019 and the year 2018

Details	2019	2018
<u>The Board of Directors</u>		
- monthly remuneration (per person)	Baht 20,000	Baht 20,000
- meeting allowance (per person and per number of meeting attendance)	Baht 15,000	Baht 15,000
Remarks	For the Company's non-executive directors only as the executive directors already receive the remuneration for the executive position.	
<u>Subcommittees, paid to the chairman and directors</u> (per person and per number of meeting attended)		
1. Audit Committee - meeting allowance	Baht 15,000	Baht 15,000
2. Nomination and Remuneration Committee - meeting allowance	Baht 10,000	Baht 10,000
3. Corporate Governance Committee - meeting allowance	Baht 10,000	Baht 10,000
4. Risk Management Committee - meeting allowance	Baht 10,000	Baht 10,000
* Other remuneration	-None-	-None-

Opinions of the Board of Directors

the Board of Directors is of the opinion that the Shareholders should approve the remuneration of directors and subcommittees according to the Nomination and Remuneration Committee.

Resolution

This Agenda requires affirmative resolution with not less than two-third of the total number of votes of Shareholders attending and casting votes at the Meeting provided that any shareholders who hold the Company's shares or have interest in such matter shall have no right to vote in this Agenda.

Agenda Item 7 To consider appointing auditors and fixing their remuneration for the year 2019

Objective & Rationale

Section 120 of the Public Company Act B.E.1992 requires that the Annual General Meeting of Shareholders appoint the auditors and determine their remuneration. Existing auditors are eligible for re-appointment.

In addition, as prescribed by the Notification of the Securities and Exchange Commission No. Gor Jor 39/2005 Re: Rules, conditions and procedures for disclosure of information on the issuer's financial condition and operating results (issue no. 20), the Company must ensure the rotation of the auditors if any of the auditors have performed their duties for five consecutive financial years. However, the rotation does not mean that the Company is required to engage a new auditing firm. The Company may appoint any auditors in the existing auditing firm to replace the old ones.

Opinions of the Board of Directors

The Board of Directors has considered and is of the opinion that it is proper to propose the Shareholders' meeting to appoint the auditors and fix the remuneration for the year 2019 as per the Audit Committee's recommendations based on which the Company's auditors' qualifications, experiences and expertise have been considered (details of which are shown as per Enclosure No. 7) and the remuneration for an audit has been fixed as follows:

1. Appointment of the auditors from Dharmniti Auditing Co., Ltd. as the Company's auditors as follows:

Name list of auditors	Registration No.	Number of years signing the Company financial statements
1. Miss Wannisa Ngambuathong and/or	6838	-
2. Mr. Peradate Pongsathiansak and/or	4752	-
3. Miss Thanyaphorn Tangtanopajai	9169	-

2. The total remuneration of the auditors is not exceeding Baht 2,618,000 as follows:

Particular	2019	2018
- Annual Audit Fee	Baht 840,000	Baht 1,000,000
- Fee for an audit of quarterly financial statements, totaling 3 quarter	Baht 1,778,000	Baht 1,785,000
*Other service charges	None	None
Total Amount	Baht 2,618,000	Baht 2,785,000

The proposed auditors have no relationship or have benefits with the Company, subsidiary companies, management, and major shareholders or other related persons and do not work with the same auditing firm of subsidiary companies/associated companies because such subsidiary companies/associated companies must use the same auditing firm of the overseas parent company.

Resolution

This Agenda requires affirmative resolution with the majority of vote of the total number of votes of Shareholders attending and casting votes at the Meeting.

Agenda Item 8 To consider other matters (if any)

The Share Register will be recorded for share transfer in order to determine the right to attend the 2019 Annual General Shareholders' Meeting on March 15, 2019.

You are cordially invited to attend this Meeting as per date, time and venue stated above. The registration will be opened from 1.00 p.m. on April 29, 2019 For the Shareholders who wish to attend the Meeting, please bring your identification card, or government official identification card, or driver license to evidence your right to attend the Meeting.

If you wish to appoint other person(s) to attend and vote at the Meeting, please fill out and affix the signature in either A Form Proxy or B Form Proxy (B Form is recommended as it is detailed and clear), and duly affix the stamp duty (As per the Enclosure No. 8). A proxy who is willing to attend the meeting must present a document or evidence for identification in order to attend the Shareholders' Meeting (as per the Enclosure No. 10), and deposit it with the chairman of the Meeting and/or a person designated by the chairman prior to attending the Meeting.

In addition, in case where Shareholders are foreigners, they may appoint Custodians in Thailand for share deposit and looking after shares. The appointment can be made by using C Form Proxy which can be downloaded from the Company's website and then send to the Company in advance or give it to your Proxy in order to present the same to registration officers the prior to the begin of Meeting.

For Shareholders' right and benefit, in case you are unable to attend the Meeting by yourself but wish to appoint the Company's Independent Director to vote on your behalf, please complete and duly execute the Proxy in favor of Mr. Spong Chayutsahakij or Dr. Boonwa Thampitakkul, Independent Directors who are not the interested persons in the proposed Agenda in this Meeting. The completed and executed proxy should be submitted together with the required documents to Siam Steel International Public Company Limited, Compliance & Investor Relation Section 51 Moo 2, Poochaosamingprai Rd., Bangyaprak, Phrapradaeng, Samutprakarn 10130, Thailand. We will appreciate if your proxy and required documents reach us before **April 29, 2019**.

Yours sincerely,



(Mr. Wanchai Kunanantakul)
The Chairman

Remarks:

1. To facilitate the registration, the Shareholders or Proxies are suggested to bring the Registration Form with barcode (Enclosure No.1) for registration on the Meeting Date.
2. The Shareholders can view the Invitation Letter of the Shareholder's Meeting and relevant documents on the Company's website at www.siamsteel.com from March 25, 2019 henceforth.
3. For the most benefits to the Shareholders and to maintain their rights, If you wish the Company to clarify any queries regarding the Agenda in this Meeting, please send your queries to pratya@siamsteel.com or to the Company's address No. 51 Moo 2, Poochaosamingprai Rd., Bangyaparak, Phrapradaeng, Samutprakarn 10130.
4. Any Shareholders who wish the Company to deliver the 2018 Annual Report, please complete details (as per Enclosure no.13) and send to Email: pratya@siamsteel.com via facsimile 0 2384 2327 or via post to Siam Steel International Public Company Limited, Company Secretary, 51 Moo 2, Poochaosamingprai Rd., Bangyaparak, Phrapradaeng, Samutprakarn 10130.
5. To facilitate the Shareholders who will attend the Meeting, the Company provides vans for transportation which will park at the Shell petrol station near Bearing BTS Station and depart at 1.30 p.m. For the return trip, the vans will leave the Company after the Meeting (approximately at 5.30 p.m.).
6. The Company provides stamp duties for affixing the proxy to the Proxies registering for attending the Meeting and provides snacks and beverages to treat the Shareholders and Proxies attending the Meeting. Souvenirs are however not provided.

Compliance & Investor Relation Section
Tel. 0 2384 2876, 0 2384 3000 Ext. 2409
Email: pratya@siamsteel.com