



MILL 010/2014

March 3, 2014

Subject: Dividend Payment, Capital Increase and Set date for the Annual General Meeting of Shareholder No. 1/2014
Attention: President
The Stock Exchange of Thailand
Enclosure 1. Capital Increase Report Form (F53-4)

Millcon Steel Public Company Limited ("Company") would like to inform the significant resolution of the board of directors No. 1/2014 on February 28, 2014 as follows.

1. Approve to propose the shareholder meeting to consider a dividend payment for preferred shareholders Type A, Type B and of Ordinary shares from operating profit of year 2013 in amount of Baht 131,418,243.65 deducted to Legal Reserve Baht 6,570,912.18, remaining profit Baht 124,847,331.47 which the Company divide Baht 92,090,002.54 or 70.07% of the Company's Net Profit of year 2013 as dividend, as follows:

1) Preferred shareholders Type A:

1.1 Ordinary shares dividend to preferred shareholders Type A and dividend payment's rate is 5 preferred shares Type A equally to 2 ordinary Shares (new)

1.2 Cash dividend to preferred shareholders Type A and dividend payment's rate is 0.05 Baht per 1 preferred share Type A for reserving as 10 percent of withholding tax

Cash Dividend and Ordinary Shares Dividend for Type A Shareholders, stated in 1.1 and 1.2, are summarized as follows:

Ordinary Shares Dividend (compare to cash)	0.16	Baht per share
Cash Dividend	0.05	Baht per share
Total of Dividend	0.21	Baht per share
Reserving Withholding Tax for 10%	0.021	Baht per share
Remaining of cash dividend to Type A Shareholders	0.029	Baht per share

Remark: In Case of stock dividend to preferred shareholders type A. If there is the fraction of share, the company will pay cash instead of share dividend at the rate of Baht 0.16 per share

2) Preferred share Type B:

Cash dividend paid to preferred shares Type B in the ratio of 0.20 per share. The company has 11,700,000 preferred shares Type B and calculated as cash dividend to pay shareholder Type B in amount of 2,340,000 Baht or 5 percent of capital investment which specified in the article of association of company regarding to dividend payment to preferred shareholders Type B.

3) Type C preferred Shares
Refrain from dividend payment.

4) Ordinary share :

Regarding to the article of association of company, dividend be paid to preferred shareholders by 5 percent of capital investment. For the dividend payment to preferred shareholders item 1) and item 2) mentioned above was 61,804,475.91 Baht in total amount. As a result, the company's retain earning was enough to pay dividend for ordinary shareholders in this period. The total amount of Ordinary shares of the Company is 1,682,529,257 which shall be entitled to receive dividend as follows:

4.1) Ordinary Share Dividend to ordinary shareholders, the dividend payment rate is 25 Ordinary shares for 1 Ordinary share dividend (new)

4.2) Cash dividend to ordinary shareholders dividend payment's rate is 0.002 Baht per 1 ordinary share (Old) for reserving as 10 percent of withholding tax

Cash Dividend and Ordinary Shares Dividend for Type A Shareholders, stated in 4.1 and 4.2, are summarized as follows :

Ordinary Shares Dividend (compare to cash)	0.016	Baht per share
Cash Dividend	0.002	Baht per share
Total of Dividend	0.018	Baht per share
Reserving Withholding Tax for 10%	0.0018	Baht per share
Remaining of cash dividend to Type A Shareholders	0.0002	Baht per share

Remark: In Case of stock dividend to ordinary shareholders. If there is the fraction of share, the company will pay cash instead of share dividend at the rate of Baht 0.016 per share

The Dividend to ordinary shareholders is Baht 30,285,526.63. The total of dividend to ordinary shareholder and preferred shareholders, as stated in 1) to 4) above, is Baht 92,090,002.54 or 70.07% of the Company Net Profit of year 2013.

The Company set the record date for the rights of the shareholders entitled to receive dividend on May 9, 2014 and to list the name of those shareholders in accordance with SEC act No.225 by book closing method on May 12, 2014.

2. Approve to propose the shareholder meeting to re-elect the following directors 1) Mrs. Rosalyne Amornvivat 2) Mr. Apivut Thongkam 3) Mrs. Duangkamol Sukmueng and 4) Mrs. Phatnaree Thitiariyakul who are due to retire by rotation, as the Company's directors as the same for another terms and to pay the remuneration for the directors as follows:

The Remuneration per month:

Chairman Baht 60,000 per month

Vice-Chairman Baht 25,000 per month

Director Baht 20,000 per month

Chairman of Audit Committee Baht 30,000 per month

Audit Committee Baht 25,000 per month

Meeting allowance as follows;*

Chairman Baht 10,000 per month

Vice-Chairman Baht 5,000 per month

Director Baht 5,000 per month

Remark: The allowance for the directors regarding to attend the meeting shall not exceed 8 times per year and the director of Audit Committee shall not be paid for the allowance in each meeting. Nevertheless, the director of the Nomination and Remuneration Committee shall be paid for this additional allowance in amount of 5,000 Baht per meeting with the maximum rate of 8 times per year. However, the executive director will not be paid for the allowance mentioned above

3. Approve to propose the shareholder meeting to appoint the following auditors from PricewaterhouseCooper ABAS. As the Company's Auditors.

1. Ms.Wanya	Puttasatean	CPA License No. 4387
2. Ms. Chantra	Wongsriudumporn	CPA License No. 4996

In the case that the auditor whose names appear above cannot carry out their duty,S.K. Accountant Service Co., Ltd.. is authorized to appoint another auditor of S.K. Accountant Service Co., Ltd. to perform the work. S.K. Accountant Service Co., Ltd. and the two auditors mentioned above are completely independent from the Company and have no relation/interest with the Company/subsidiaries/executives/major shareholders or connected persons.

In addition, to fix the total amount of auditing and other examination fees for the fiscal year 2014 at not to exceed Baht 2,742,000

4. Approved to propose the shareholder meeting to consider the capital reduction in amount of THB 701,102,164.40, from THB 1,839,684,267.20 to THB 1,138,582,102.80 by cancelling the Company's unissued ordinary shares in amount of 1,347,582,997 shares at the par value of THB 0.40 each and unissued preferred shares in amount of 405,172,414 shares, details as follows:

(a) The amount of 335,368,408 shares at the par value of Baht 0.40. share issued to support the conversion of warrants to buy common share (MILL-W1), expired on February 24, 2014, which

(b) The amount of 12,214,577 shares at the par value of Baht 0.40 share issued to support the conversion of warrants to buy common share which issued and allotted to directors and employees of the Company (MILL-ESOP), expired on February 24, 2014,

(c) The amount of 12 fraction ordinary Shares which remain after allocation of ordinary shares dividend on June 3, 2014,

(d) The amount of 1,000,000,000 capital increase ordinary shares at the par value of Baht 0.40 share which issued by the Annual General Shareholders Meeting 1/2556, held on May 21, 2013.

(e) The remaining amount of 405,172,414 Type C preferred shares issued by the Annual General Shareholders Meeting 1/2556, held on May 21, 2013.

The objective of shares in (d) and (e) is for support business expansion and/or new business investment and/or company's working capital and/or to payment debt and/or to be acquisition assets of TSSI

The total amount of (a)(b)(c)(d)(e) shares is 1,752,755,411 shares which equal to registered capital of Baht 701,102,164.40, The registered capital of the Company shall be reduced from Baht 1,839,684,267.20 to Baht 1,138,582,102.80.

The decreased of these registered shares excluded:

A. Share accommodating exercise right under warrant to purchase the ordinary shares in the amount of 465,900,910 shares allocated to the shareholders on a pro-rata basis (MILL-W1) and,

B. Share accommodating exercise right under issued convertible denture in the amount of 58,333,333 shares

5. Approve to propose the shareholder meeting to consider the increase of the Company's registered capital in amount of THB 654,236,255.20 from THB 1,138,582,102.80 to THB 1,792,818,358 by issuing newly ordinary shares in amount of 1,230,418,224 shares at the par value of Baht 0.40 and by issuing newly Type C. preferred shares in amount of 405,172,414 shares at the par value of Baht 0.40, details as follows:

(a) Amount up to Baht 400,000,000 by issuance and selling ordinary shares not exceeding 1,000,000,000 shares at the par value of Baht 0.40.

(b) Amount up to Baht 162,068,965.60 by issuance and selling Type C. preferred shares not exceeding 405,172,414 shares at the par value of Baht 0.40.

The objective of shares in (a) and (b) is for support business expansion and/or new business investment and/or company's working capital and/or to payment debt and/or to be acquisition assets of TSSI

(c) Amount of Baht 72,226,730.40 by issuance and selling ordinary shares in amount of 180,566,826 shares at the par value of Baht 0.40. accommodating to share dividend for preferred shareholders type A.

(d) Amount of Baht 19,940,559.20 accommodating to exercise of right under warrant (MILL-W2) according to ordinary shares dividend

As explained above, the Company will increase its registered capital from 1,138,582,102.80 to 1,792,818,358, by issuing newly ordinary shares in amount of 1,230,418,224 shares at the par value of Baht 0.40 and by issuing newly Type C. preferred shares in amount of 405,172,414 shares at the par value of Baht 0.40. The total amount of capital increase is **Baht** 654,236,255.20.

6. Approve to propose the shareholder meeting to consider the issuance preferred shares and increased ordinary shares as below:

1) Allotment of ordinary shares not exceeding 1,000,000,000 shares (One billion shares) the par value of Baht 0.40 (Baht zero point four zero) to be offered on a private placement basis to specific persons as defined in clause 24 of the notification of the Capital Market Supervisory Board No. TorChor. 28/2551 regarding the request and the permission to propose to sell newly issued share (and additional revision) in the share price of not less than market price. as defined in the Securities and Exchange Commission ("SEC.") by the Board and / or the Board of Directors will determine the duration and the offering price. Nevertheless, in the case of private placement are related person. The company shall proceed under the regulation of the Stock Exchange of Thailand on connected transactions of listed company

2) Allotment of preferred shares not exceeding 405,172,414 shares (Four hundred and five million one hundred seventy two thousand four hundred and fourteen shares) the par value of Baht 0.40 (Baht zero point four zero) to private placements. According to the definition specified in no.24 of the announcement of the Capital Market Supervisory Board (CMSB) No. TorChor. 28/2551 regarding the permission request and the permission to propose to sell newly issued share (and additional revision) in the share price of not less than market price as defined in the Securities and Exchange Commission ("SEC.") by the Board and / or the Board of Directors will determine the duration and the offering price. Nevertheless, in the case of private placement are related person. The company shall proceed under the regulation of the Stock Exchange of Thailand on connected transactions of listed company

3) Allotment of increased ordinary shares not exceeding 180,566,826 shares (One hundred and eighty million five hundred and sixty-six thousand eight hundred and twenty-six shares) at the par value of Baht 0.40 (Baht zero point four zero) accommodating to dividend payment in form of ordinary shares

4) Allotment of increased ordinary shares not exceeding 49,851,398 shares at the par value of Baht 0.40 (Baht zero point four zero) accommodating to the amendment of right under warrant for ordinary shares dividend

The right of preferred shares group C have all details below

Rights and status of Group C preferred shares

- 1) Right to obtain a dividend accrued from the Company's profits, at the rate of 5 percent per annum of the investment paid by such shareholders for each preferred share.
- 2) The preferred shares are dividend-accrued.
- 3) Right to obtain remaining capital of the Company after the Company has already paid all of its debts before holders of ordinary shares in the case of liquidation and dissolution.
- 4) Right to obtain a dividend made in a form of ordinary shares of the Company in the case where the payment of dividend is made either in form of ordinary shares of the Company and/or cash.
- 5) Voting right of 1 vote for 1 preferred share
- 6) The Company's preferred shares shall be converted to ordinary shares subject to the conditions set out by the Company.
- 7) The term of preferential right of preferred

According to 4) the new exercise adjustment is 1 warrant per 1.107 ordinary shares, exercise price 2.258 Baht. By adjustment of MILL-W2 which be adjusted according to the first date is not right on May 7, 2014, the date that the stock exchange of Thailand will post XD . However the exercise of conversion adjustment will start the conversion on June 2014 onwards.

In this regard, the Executive Committee or managing director or persons entrusted by the Executive Committee or managing director shall be authorized to determine other details relating to the allocation such as (1) to allocate, by only one allocation or multiple allocations, such newly-issued ordinary shares and newly-issued preferred shares, and to determine the offering period, offering price, payment method and other conditions relating to the allocation of such newly-issued ordinary shares and newly-issued preferred shares; (2) to negotiate, to agree, to sign other related documents or agreements, and to perform any other actions relating to the allocation of such newly-issued ordinary shares and newly-issued preferred shares; and (3) to sign any application documents, exemption requests and any other necessary evidence in relation to the allocation of newly-issued ordinary shares and newly-issued preferred shares, including to contact and file any applications, documents, exemption requests and evidence to the government authorities or any other relevant entities, to take actions on the listing of newly-issued shares with the Stock Exchange of Thailand, and to have power for any other necessary acts relating to the allocation of newly-issued ordinary shares and newly-issued preferred shares.

7. Approve to determine the date of Annual General Meeting No. 1/2014 on April 28, 2014 time 10:00 am. At Pin-Wang room Mae Nam Ramada Plaza Bangkok Hotel, 2nd floor, Chareonkrung Road, Bangkholame Bangkok 10120 for consideration as follows:

- | | |
|----------|-----------------------------------------------------------------------------------------------|
| Agenda 1 | To consider adopting the minutes of the Annual General Meeting of shareholders No. 1/2013 |
| Agenda 2 | To Acknowledge the Board of Directors' report on the year 2013 operations |
| Agenda 3 | To consider approving the Company's financial statement for the year ended December 31, 2013. |
| Agenda 4 | To consider approving the allocation of the profit and dividend payment |

- Agenda 5 To consider approving the re-election of the directors who are due to retire by rotation and fix the remuneration.
- Agenda 6 To consider appointing of certified accountant for the accounting year of 2014 and fixing the remuneration of the auditors
- Agenda 7 To consider approving the decrease of the Company's registered capital
- Agenda 8 To consider approving the amendment of Clause 4 of the Company's Memorandum of association to be in line with the reduction of the Company's registered capital
- Agenda 9 To consider approving the increase of the Company's registered capital
- Agenda 10 To consider approving the amendment of Clause 4 of the Company's Memorandum of association to be in line with the increase of the Company's registered capital
- Agenda 11 To consider approving the allocation of the newly-issued ordinary shares
- Agenda 12 To be informed the advancing progress of acquisition the asset of Thai Special Steel Industries Public Company Limited
- Agenda 13 Others (If any)

And to set the record date for the rights of the shareholders to attend the Annual General Meeting No. 1/2014 and vote on March 18, 2014 and to list the name of those shareholders in accordance with SEC act No.225 by book closing method on March 19, 2014.

Please be informed accordingly,

Best Regards,

.....
(Mrs. Phatnaree Thitiariyakul)
Director



MILL 0010/2014

Enclosure 1

March 3, 2014

(F 53-4)

**Capital Increase Report Form
Millcon Steel Public Company Limited
February 28, 2014**

We, Millcon Steel Public Company Limited (“the Company” or “MILL”), Office 52 Thaniya Plaza Building 29th floor, Silom Road, Suriyawongse, Bangrak, Bangkok 10500, hereby report the resolutions of the Board of Directors Meeting No. 1/2014 held on February 28, 2014, in respect of a capital increase and shares allotment as follows:

1. Capital increase

The meeting of the board of directors passed a resolution approving the increase of a registered capital of the Company from Baht 1,138,582,102.80 to Baht 1,792,818,358.00 by means of the issuance of 1,230,418,224 ordinary shares with a par value of 0.40 baht each and 405,172,414 preferred shares with a par value of 0.40 baht each, totaling Baht 654,236,255.20

Capital Increase	Type of Share	No. of Share (Shares)	Par value (Baht / share)	Total (Baht)
<input checked="" type="checkbox"/> specifying the purpose of utilizing proceeds	Ordinary Shares	1,230,418,224	0.40	492,167,289.60
	Preferred Shares	405,172,414	0.40	162,068,965.60
<input type="checkbox"/> General Mandate	-	-	-	-

2. Allotment of new shares

The Board of Directors' Meeting passed a resolution approving the allotment of not exceeding 1,230,418,224 ordinary shares with a par value of Baht 0.40 each, totaling Baht 492,167,289.60; of not exceeding 405,172,414 Group C. preferred shares with a par value of Baht 0.40 each, totaling Baht 162,068,965.60, the details are as follows:

2.1 Details of allotment of ordinary shares

Allotted to	Type/Number (shares)	Ratio (Old : New)	Sale price per share (Baht)	Date and time of subscription and share payment	Remark
Private placement	Not exceeding 1,000,000,00 Ordinary shares	N.A.	Not lower than Market Price Please see Remarks No. 1	Subject to Board of Directors' decision	Please see Remarks No. 2 below for further details
Private placement	Not exceeding 405,172,414 Group C. preferred shares	N.A.	Baht 2.70	Subject to Board of Directors' decision	Please see Remarks No. 2 below for further details
To support for payment of dividend to Group A. preferred shareholders	Not exceeding 113,265,656 Ordinary shares	5:2	0.40	Support for payment dividend	-
To support for payment of dividend to ordinary shareholders	Not exceeding 67,301,170 Ordinary shares	25 : 1	0.40	Support for payment dividend	-
*To support for exercise of the warrants as a result of the Company payment dividends	Not exceeding 49,851,398 Ordinary shares	1 : 107	2.258	Support for rights adjustment	-

* Nevertheless, Dividend payment in ordinary shares have to be approved from shareholder meeting by new exercise adjustment 1 warrant per 1.107 ordinary shares, exercise price 2.258 Baht. By adjustment of MILL-W2 which be adjusted according to the first date is not right on May 7, 2014, the date that the stock exchange of Thailand will post XD . However the exercise of conversion adjustment will start the conversion on June 2013 onwards.

Remarks No. 1

"Market Price" means the weighted average price not less than 90% of the price of shares of the Company in the Stock Exchange of Thailand for the past seven or fifteen consecutive business days prior to the Board of Directors resolve to propose agenda

Remarks No. 2

The Executive Committee, or the Managing Director or persons or a group of persons delegated by the Executive Committee, or the managing director, shall be authorized to consider and determine other details in relation to the shares allocation e.g., (1) each allocation of preferred shares or ordinary shares shall be made at one time or from time to time, offering period, offering price, payment of share price, conditions and other details in connection with the allocation of such preferred shares and ordinary shares, (2) to enter into negotiations, agreements, execution of relevant documents and contracts and take any action in connection with the allocation of such preferred shares and ordinary shares, (3) to file an application for approval or waiver and evidence which is necessary and relevant to the allocation of such preferred shares and ordinary shares, including to contact, submit such application, waiver, document and evidence to governmental authority or relevant authority, register such ordinary shares with the Stock Exchange of Thailand,

and shall be authorized to take any other necessary and reasonable action in connection with such allocation of such preferred shares and ordinary shares.

2.2 Action to be taken by the Company when there are fractions of shares

Case of stock dividend to preferred shareholders type A and Ordinary Shareholders. If there are the fraction of shares, shall be pay cash by the rate of Baht 0.21 per Group A. preferred share and Baht 0.018 for Ordinary share.

2.3 Remaining shares not yet allocated

2.3.1 Share reserved for the exercise of warrants to purchases ordinary share 465,900,910 shares, which are allocated to the shareholders of the company in proportion to their shareholding (MILL-W2)

2.3.2 Share reserved for the exercise of convertible debentures 58,333,333 shares

3. Schedule for shareholders meeting to approve the capital increase and the allocation of shares

The Annual General Meeting of Shareholder No. 1/2014 will be held on April 28, 2014, at 10.00 a.m. at **Ping-Wang Room, Mae Nam Ramada Plaza Hotel 2nd Floor Chareonkrung Road, Bangkholame Bangkok 10120** and arranged to specify the names of the shareholders entitled to attend the Annual General Meeting of Shareholder No. 1/2014 (Record Date) on March 18, 2014, as well as collecting the names of entitled shareholders under Section 225 of the Securities and Exchange Act B.E. 2535 (as amended) by means of share register book closure and suspension of share transfer on March 19 2014.

4. Approval of the capital increase/share allotment by relevant governmental agency and related conditions

4.1 The Ministry of Commerce: to register the increase of registered capital and paid-up capital.

4.2 The Stock Exchange of Thailand: to request approval for the newly issued ordinary shares to be listed on the Stock Exchange of Thailand.

5. Objectives of the capital increase and plans for utilizing proceeds received from the capital increase

5.1 To support investment in related business and/ or to support current business and / or to use as working capital and / or repayment of debt and / or used in the acquisition of the assets of the TSSI. Nevertheless, the value investment about Baht 3,065 million which source of investment from increase capital and/or loans from financial institutions by value may be change based condition.

5.2 To support for payment of dividends to preferred shareholders type A

5.2 To support for payment of dividends to Ordinary Shraeholders

5.4 To support for exercise of the warrants as a result of the company payment dividends is common stocks

6. Benefits which the company will receive from the capital increase and share allotment:

6.1 Promote the potential of company and investment opportunities.

- 6.2 The company has a strong financial position.
6.3 The company has increased its liquidity of the business

7. Benefits which the shareholders will receive from the capital increase and share allotment:

7.1 Dividend policy:

The policy of the Company and its subsidiary is pay a total dividend of not less than 40% of our net profit after tax and statutory reserve and various reserves as required by law. However, our board of directors may amend the dividend policy at any time to take into account the financial position and financial performance, capital investment, and any others necessary and appropriate for the operation of the company in the future.

7.2 Other

- None -

8. Schedule of action where the Board of Directors of the Company passes a resolution approving the allocation of new shares

- None -

9. Schedule of action where the Board of Directors of the company passes a resolution approving the capital increase or allotment of new shares:

Procedure	Date/Month/Year
Board of Directors' Meeting No. 1/2014	February 28, 2014
Record Date	March 18, 2014
Collecting names of entitled shareholders under Section 225	March 19, 2014
Annual General Meeting of shareholder no. 1/2014	April 28, 2014
Registration of capital increase with the Ministry of Commerce	Within 14 days from the day of shareholders meeting's resolution

The Company hereby certifies that the information contained in this report form is true and complete in all respects.

Please be informed accordingly.

Yours sincerely,

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(Mrs. Pirom Sawpayon)
Director