

24 February 2017

Subject: Board of Director approved the Proposal to the Shareholders' Meeting to consider and approve Mr. Sittichai Leeswadtrakul to make a Voluntary Partial Tender Offer

Attention: President
The Stock Exchange of Thailand

Millcon Steel Public Company Limited (the "**Company**") has received a letter of intention for making voluntary partial tender offer from Mr. Sittichai Leeswadtrakul for the ordinary and preference shares in the aggregate amount of not exceeding 1,215,919,539 shares or the percentage of not exceeding 29.99% (the "**Tendered Shares**") of the total number of paid-up ordinary and preference shares of the Company, at the offering price of Baht 1.80 for each ordinary share and Baht 1.80 for each preference share. If there are shareholders offering the ordinary and preference shares of the Company in the amount of exceeding the Tendered Shares, Mr. Sittichai Leeswadtrakul will accept the offer only for the amount of the Tendered Shares and Mr. Sittichai Leeswadtrakul will then purchase such ordinary and preference shares on a pro-rata basis, and that the voluntary partial tender offer is subject to the conditions that (i) the shareholders' meeting of the Company resolves to approve the voluntary partial tender offer to be made by Mr. Sittichai Leeswadtrakul with the votes of not less than one half of the total votes of the shareholders attending the meeting and having the rights to vote, and (ii) Mr. Sittichai Leeswadtrakul receives a waiver from the Office of the Securities and Exchange Commission (the "**SEC Office**") for making voluntary partial tender offer without making tender offer for all securities of the Company.

Reference is made to the meeting of board of directors of the Company held on 24 February 2017, the board of directors has considered a letter of intention for making voluntary partial tender offer from Mr. Sittichai Leeswadtrakul and has resolved to approve the proposal to the shareholders' meeting to consider and approve Mr. Sittichai Leeswadtrakul to make a voluntary partial tender offer to the existing shareholders of the Company in which such tender offer is subject to the waiver for making a voluntary partial tender offer without making a tender offer for all securities of the Company in accordance with the Notification of Capital Market Supervisory Board No.TorJor 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers dated 13 May 2011. The preliminary information is as follows:

(a) Details of the Person Making the Partial Tender Offer

- As of the date of the letter of intention for making voluntary partial tender offer received by the Company, Mr. Sittichai Leeswadtrakul is a Chief Executive Officer and President of the Company.
- Before making the voluntary partial tender offer: Mr. Sittichai Leeswadtrakul is a major shareholder of the Company. Mr. Sittichai Leeswadtrakul and his related persons under Section 258 of the Securities and Exchange Act B.E. 2535 (as amended) (the "**SEC Act**") (the "**Related Persons**") holding in the aggregate amount of 770,769,368 ordinary and preference shares or the percentage of 19.01% of the total number of ordinary and preference shares of the Company.
- After making the voluntary partial tender offer: If there are shareholders accepting Mr.Sittichai Leeswadtrakul's voluntary partial tender offer for the full amount, Mr.

Sittichai Leeswadtrakul and his Related Persons will hold ordinary and preference shares of the Company in the aggregate amount of 1,986,688,907 shares or the percentage of 49.00% of the total number of paid-up ordinary and preference shares of the Company and shall have the voting rights of 49.00% of the total voting rights of the Company after completion of the voluntary partial tender offer.

(b) Details of the Shares Intended to Be Offered

- Mr. Sittichai Leeswadtrakul has intention to make the voluntary partial tender offer not exceeding 1,215,919,539 shares or equivalent to 29.99% of the total number of paid-up ordinary and preference shares of the Company representing not exceeding 1,215,919,239 votes or equivalent to 29.99% of the total voting rights of the Company.

(c) Objectives of an Increase of the Shareholding Ratio in the Company

- Mr. Sittichai Leeswadtrakul has an objective to increase his investment in the Company being a long-term investment in order to receive the investment returns.

(d) Impacts on the Company and Its Shareholders from the Voluntary Partial Tender Offer

- Mr. Sittichai Leeswadtrakul has no plan to change the business objectives, business operation policy and business plan of the Company. Mr. Sittichai Leeswadtrakul will continue supporting the existing executives and will not nominate any person as the additional member of the board of directors of the Company. In addition, Mr. Sittichai Leeswadtrakul has no intention to change dividend payment policy nor delisting the Company from the Stock Exchange of Thailand, except in the case that the Company needs to comply with the applicable laws, rules and regulations being in force at that time. Furthermore, the proposed shares being acquired by means of voluntary partial tender offer will not create an increase or a significant change over the related party transactions between the Company, Mr. Sittichai Leeswadtrakul and his Related Persons.

(e) The Offering Price for Ordinary Shares and Preference Shares

- Mr. Sittichai Leeswadtrakul has offered to make a voluntary partial tender offer at the offering price of Baht 1.80 per ordinary share and Baht 1.80 per preference share in which such offering price is higher than a weighted average market price of the ordinary share and preference share during the past 15 business days before the Company has received a letter of intention for making voluntary partial tender offer from Mr. Sittichai Leeswadtrakul (from 2 February to 23 February 2017) at the price of Baht 1.60 per ordinary share. The weighted average market price of the preference share cannot be calculated due to the fact that the preference shares are not being traded on the stock exchanges. Also, the offering price is higher than the book value per share of the Company as at the end of the year 2016 (December 31, 2016) at the price of Baht 1.56 per ordinary share and at the price of Baht 1.42 Baht per share (the calculation is based on the total number of shares in the Company for both ordinary and preference shares). The additional elements shall be also taken into consideration as to whether such offering price is appropriate. In such case, the Company will appoint an independent financial advisor to provide opinions with regards to the voluntary partial tender offer and the offering price to the shareholders for further consideration after the approval of the

shareholders' meeting on the partial tender offer, subject to the conditions and period prescribed by law.

(f) Conditions on the Voluntary Partial Tender Offer

- The shareholders' meeting of the Company shall have approved Mr. Sittichai Leeswadtrakul to make the voluntary partial tender offer by a vote of not less than a half of total number of votes of the shareholders attending the meeting and having the right to vote.
- The SEC Office shall have approved Mr. Sittichai Leeswadtrakul's application for a waiver of the voluntary partial tender offer.
- In case where the number of shares tendered by the shareholders exceeds 1,215,919,539 shares, Mr. Sittichai Leeswadtrakul will purchase only 1,215,919,539 shares from all the shareholders who tender their ordinary and preference shares on a pro-rata basis.

(g) Opinions of the Board of Directors

After consideration, the Board of Directors has unanimously resolved to approve the proposal to the shareholders' meeting to consider and approve Mr. Sittichai Leeswadtrakul to make a voluntary partial tender offer to the existing shareholders of the Company without making a tender offer for all securities of the Company in the Annual General Meeting of Shareholders to be held in April 2017 since Mr. Sittichai Leeswadtrakul has no plan to change the business objectives, business operation policy and business plan of the Company, and he will also continue supporting the existing executives.

The Company shall propose to the shareholders' meeting to consider the above matter at the Annual General Meeting of Shareholders to be held in April 2017 and will further inform the Stock Exchange of Thailand of the resolutions accordingly.

Please be informed accordingly.

Yours sincerely,

(Ms. Jureerat Lapanavanich)
Director