



MILL CON STEEL INDUSTRIES PUBLIC COMPANY LIMITED

MILL 031/2011

December 29, 2011

Subject : Notification of the progress of the issuance and offering of new issued convertible debentures

Attention : The President of the Stock Exchange of Thailand

Millcon Steel Industries Public Company Limited (“the Company”) hereby report the resolutions of the Extraordinary General Meeting of Shareholders No 1/2011 on November 11, 2011 that the approval for the convertible debentures with total amount should not exceed THB 1,809,000,000 and also assign the company’s Executive Committee to have an authorized in considering the market conditions during issuing and offering the CDs in order to the highest benefits for shareholders, their authorization as following:

- (1) determine or amend any details, procedures, and conditions relating to the issue and offering of the CDs as deemed appropriate, such as the issue date, the face value, the offering price, coupon rate, calculation and procedures for coupon payments, conversion ratio, conversion period, the maturity date, redemption, or events requiring the Company to issue new shares to accommodate a change in the exercise of the conversion right; and
- (2) negotiate, enter into, or sign any agreements, applications, and any other necessary documents in relation to the issue of the convertible debentures, as well as to contact and file any applications, documents, and evidence with government authorities or any other relevant authorities in relation to the issue and offering of the CDs, and to list the ordinary shares allotted as a result of the CD conversion on the Stock Exchange of Thailand.

Regarding to the Executive Committee’s resolution to approve the issuance and offering, the newly issue Convertible Debentures to private placement is for Mr. Vorapote Umnueypol, announced as a shareholder of MILL in the proportion of 2.10 percent (as of October 25, 2011) and no relationship with the company. The detail of first issuance Convertible Debentures as bellows:

Details of Substantial Terms and Condition of 1 newly issued Convertible Debentures

Issuer	Millcon Steel Industries Public Company Limited
Allocation method	<p>The CDs will be allocated to specific investors of no more than 10 people during each 4-month period, as defined in Clause 32 (2) of the Notification of the Capital Market Supervisory Board No. TorJor 9/2552 regarding the Application and Permission to Offer for Sale Newly Issued Debentures (as amended) (“Notification No. TorJor 9/2552”), provided that such people are not connected person of the Company and the CDs cannot be transferred to connected person of the Company.</p> <p>In any case, the Company may issue and offer the CDs on one occasion or several occasions.</p>

Issue Date	December 28, 2011
Offering Size	THB 175,000,000 (One Hundred and Seventy Five Million Baht)
Term to maturity	6 years from the date on which the CDs are issued
Coupon	5% per annum
Conversion period	<p>Voluntary Conversion: The holder of the CDs has the right to convert all or part of the CDs to ordinary shares of the Company on the last business day of each month. The CDs can be converted for the first time on the first month one year after the issue date. The minimum conversion amount shall be 1,000 units, except for the month prior to the maturity date. In that month, the holder shall have the right to convert all of the CDs held by him without any minimum conversion amount being required.</p> <p>The Company will pay the holder the coupon for CDs which have been converted, in proportion, until the date prior to the conversion date (but not including the conversion date). The numbers of days in each year used for interest calculation is 365 day a year.</p> <p>Mandatory Conversion: The Company has the right to convert all or part of the CDs to ordinary shares of the Company on the last business day of each month. The CDs can be converted for the first time on the first month one year after the issue date. The minimum conversion amount shall be 10% of the total CDs issued and sold which have not been converted. If there is more than one holder, the number of CDs to be converted shall be in proportion to the units held by all holders.</p> <p>In the event that the Company exercises the aforementioned conversion right and, as a result, the holder holds less than 1,000 units, that holder has the right to convert all of the remaining part of the CDs to ordinary shares of the Company on the last business day of each month.</p> <p>In the event that the Company exercises the aforementioned conversion right, the Company will compensate the holder by paying the coupon calculated from the conversion date until the maturity date, with the discount rate of 5% per annum. The numbers of days in each year used for interest calculation is 365 day a year.</p>
Conversion price	Baht 3.00 for 1 ordinary share

Please be informed accordingly.

Yours sincerely,

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(Mrs. Pirom Sawpayon)

Director