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บริษัท สหวิริยาสตีลอินดัสตรี จำกัด (มหาชน) SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED

บริษัทหลักชั้นนำด้านนวัตกรรมและความเชื่อมั่น
Leading Innovative and Reliable Steel Company

-Translation-

No. S.E.C. 049/2019

15 August 2019

Re: Report on progress of the elimination of grounds for delisting and implementation on the Business Rehabilitation Plan for Q2/2019

Attn: President, The Stock Exchange of Thailand
Secretary-General, The Securities and Exchange Commission, Thailand

As Sahaviriya Steel Industries Public Company Limited (the "Company") has financial status that subject to possible delisting from the Stock Exchange of Thailand ("SET") and SET allowed the Company to eliminate the grounds for delisting and proceed in order to be qualified for resume trading within period specified by SET, the Company would like to report the progress of the elimination of grounds for delisting and implementation on the Business Rehabilitation Plan (the "Plan") for Q2/2019 as follows:

1. During Q2/2019, the Company had made principal and interest repayments in accordance with the Plan with the amount totaling Baht 423 million. Total debt reduction from all debt repayments since the beginning of the Plan and the 1st Debt to Equity Conversion was the sum of Baht 6,336 million. (Excluded the effect of foreign exchange rate)

As a result of the Company's ability to repay debts and the implementation of the Plan for the 1st Debt to Equity Conversion, the outstanding principal has been reduced to Baht 46,459 million with Baht 9,266 million accrued interest under the Plan. The accrued interest will be partially waived according to the condition specified in the Plan.

2. On 9 April 2019, the Company received a notification of the Official Receiver's order, dated 3 April 2019, to dismiss the application for repayment of debt in accordance with the Plan of creditor #34. However, the Creditor #34 submitted the Central Bankruptcy Court requests to extend submission period of filing an objection and the latest request was on 12 July 2019. The Court issued an order for such request granting the permission to extend the period until 19 August 2019.
3. Regarding the progress of the Company's long-term plan to eliminate of the grounds for delisting, the Company is in the process of implementing the long-term strategic plan with the goal to increase EBITDA. The strategies include raw material procurement and sales strategies, production technology and product knowledge development, as well as seeking funding to support future business expansion.
4. On 11 April 2019, the South Tees Development Corporation (STDC), a local government agency in charge of the area covering Sahaviriya Steel Industries UK Limited (SSI UK) land, issued an executive order under the United Kingdom law for Compulsory Purchase Order proceeding on many plots of land including the SSI UK's steel making plant area. In this regard, the Company filed an objection to such Compulsory Purchase Order on 9 May 2019 and SSI UK's secured creditors, as qualifying entities, later assigned their security agent to file the objection on 10 May 2019, which was beginning stage of exercising right to claim compensation under the Compulsory Purchase Order. Progress (if any) shall be further reported.



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As a result of the past performance, the Company has been able to make debt repayments continually and has total debt reduction better than the amount specified in the Plan. Moreover, it well expresses the capability of the Company as the Plan Administrator.

Please be informed accordingly.

Sincerely yours,

-Signature-

Mr. Win Viriyaprapaikit
President

