



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

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สร้างสรรค์นวัตกรรมผลิตภัณฑ์เหล็กและบริการที่มีมูลค่าเพิ่มกับลูกค้า สร้างกำไรสม่ำเสมอ สร้างผลตอบแทนแก่ผู้มีส่วนได้เสียอย่างยั่งยืน  
Innovate premium value steel products and services for customer; generate consistent profit and sustainable value for stakeholders.

A MEMBER OF SAHAVIRIYA GROUP

Ref. S.E.C. 125/2014

26 December 2014

Subject : Notification of Resolution of the Board of Directors Meeting No.14/2014

To : President  
The Stock Exchange of Thailand

Encl : Information Memorandum concerning the Connected Transaction

The Board of Directors Meeting of Sahaviriya Steel Industries Public Company Limited No.14/2014 on 26 December 2014 resolved to approve Sahaviriya Steel Industries UK Limited (SSI UK) to receive the Unsecured Loan from Prachuap Port Company Limited (PPC) for an amount up to Baht 300,000,000. The interest rate will not be exceeding 10% per annum and the repayment date shall be no later than 20 December 2015. The purpose for the loan is to enhance SSI UK's liquidity.

The loan between SSI UK and PPC is a connected transaction in the category of accepting financial assistance, under Notification of the Capital Market Supervisory Board No.TorJor 21/2551 re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand re: Disclosure of Information and Other Acts of Listed Companies concerning Connected Transactions B.E. 2546. The size of the transaction is more than 0.03% but less than 3% of net tangible assets of the Company. Therefore, an approval from the meeting of shareholders of the Company is not required. The details of the transaction are as presented in an enclosure.

Please be informed accordingly

Yours faithfully,

- Signature -

Mr.Kamol Jantima  
Director  
Authorized to sign on behalf of the Company

**Information Memorandum in relation to the Connected Transaction of  
Sahaviriya Steel Industries Public Company Limited,  
regarding the Unsecured Loan Agreement between Sahaviriya Steel Industries  
UK Limited and Prachuap Port Company Limited**

**1. Date of Transaction and Related Parties**

Sahaviriya Steel Industries UK Limited (“SSI UK”), a subsidiary of which 100% of its total paid-up shares owned by the Company, expects to enter into the Unsecured Loan Agreement by 90 days after the Board of Directors Meeting of the Company on 26 December 2014 resolved to approve SSI UK’s borrowing from Prachuap Port Company Limited (“PPC”). There will be no more than 10 loan agreements for loan drawdown, and each loan agreement is to be treated separately in so far as the schedule of repayment of principal and payment of interest charges. Total outstanding principal must not be exceeding total amount of Baht 300,000,000.

Parties

Borrower: SSI UK

Lender: PPC

Relationship with the Listed Company: PPC is a connected person of Sahaviriya Steel Industries Public Company Limited (the “Company”) as PPC and the Company has the same group of major shareholders namely Viriyaprapaikit family holding aggregate shares around 35% of total paid-up shares of the Company and around 49% of total paid-up shares of PPC. There are 4 directors holding positions as directors in both PPC and the Company who are Mr.Win Viriyaprapaikit, Mr.Piya Viriyaprapaikit, Mr.Somchai Sakulsurarat, and Mr.Kamol Jantima.

**2. General Explanation in relation to the Nature of the Transaction**

SSI UK expects to enter into the Unsecured Loan Agreement with PPC in order to borrow up to Baht 300,000,000 from PPC. Key conditions of the Unsecured Loan Agreement can be summarized as follows:

- Type: Unsecured Loan
- Interest Rate: Not exceeding 10% per annum

- Maturity Date: No later than 270 days after each loan drawdown. The last maturity date for the last loan drawdown will be no later than 20 December 2015.
- Repayment:
  - Interest payment will be paid on the loan drawdown date following borrowing period.
  - Principal repayment will be paid on the date specified on the loan agreement.
- Collateral: None

**3. Size of the Transaction, Criteria used for the Calculation, and Payment Method**

Size of the Transaction: Baht 22,191,780.82 (based on the interest rate of 10% per annum, the principal amount of Baht 300,000,000 over the borrowing period of 270 days)

Criteria used for the Calculation: Interest rate of the Unsecured Loan Agreement between SSI UK and PPC which was determined by reference to the interest rate of the finance costs of PPC plus up to 2% margin.

Payment Method: Interest payment will be paid on the loan drawdown date following borrowing period. Principal repayment will be paid on the date specified on the loan agreement.

**4. Name of Connected Person**

PPC is a connected person of the Company, as PPC and the Company have the same group of major shareholders namely Viriyaprapaikit family holding aggregate shares around 35% of total paid-up shares of the Company and around 49% of total paid-up shares of PPC. There are 4 directors holding positions as directors in both PPC and the Company who are Mr.Win Viriyaprapaikit, Mr.Piya Viriyaprapaikit, Mr.Somchai Sakulsurarat, and Mr.Kamol Jantima.

**5. Characteristics and Scope of Interest of the Connected Person when Entering into the Transaction**

PPC is a connected person of the Company, as PPC and the Company have the same group of major shareholders and 4 directors in common. The aforementioned

borrowing transaction is considered as a connected transaction in the category of accepting financial assistance. Upon the calculation, the transaction size comparing to the financial statements of the Company ending 30 September 2014 is 0.37% of net tangible assets of the Company, which is more than 0.03% but less than 3.0% of net tangible assets of the Company. Therefore, the Company has to obtain an approval from the Board of Directors Meeting and inform the Stock Exchange of Thailand of the details of the transaction.

In this regard, directors of the Company having interests in making decision to enter into the connected transaction were not allowed to attend the meeting and not entitled to vote in this agenda. Those directors are Mr.Wit Viriyaprapaikit, Mr.Piya Viriyaprapaikit, and Mr.Win Viriyaprapaikit.

**6. Conditions which may Affect Rights of Shareholders**

-None-

**7. Statement showing that the Directors having Interests in Making Decision to Enter into the Transaction and Connected Persons were not entitled to Vote**

The transaction is considered as a connected transaction in the category of accepting financial assistance, under the Notification of the Capital Market Supervisory Board No. TorJor 21/2551 re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand re: Disclosure of Information and Other Acts of Listed Companies concerning Connected Transactions B.E. 2546 (“Notification on Connected Transaction”) which requires an approval by the Board of Directors Meeting with at least half votes of all directors attending the meeting and having the rights to vote. The directors having interests in making decision to enter into the connected transaction, which are Mr.Wit Viriyaprapaikit, Mr.Piya Viriyaprapaikit, and Mr.Win Viriyaprapaikit, did not attend the meeting and were not entitled to vote in this agenda.

**8. Opinion of the Board of Directors**

The Board of Directors had an opinion that that the borrowing transaction of SSI UK from PPC, which is considered as a connected transaction, will be done in order to enhance SSI UK’s liquidity. In addition, the interest rate under the Unsecured Loan Agreement determined by reference to the rate of PPC’s finance costs plus up to 2% margin was considered reasonable. Therefore, the aforementioned borrowing transaction was reasonable and acceptable.

**9. Opinion of the Audit Committee and/or Directors of the Company which is different from the Opinion of the Board of Directors in Item 8.**

-None-