



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

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ISO 9001
ISO 14001
TIS 18001
ISO/TS 16949
ISO/IEC 17025

สร้างนวัตกรรมผลิตภัณฑ์เหล็กและบริการที่มีมูลค่าเพิ่มกับลูกค้า สร้างกำไรสม่ำเสมอ สร้างผลตอบแทนแก่ผู้มีส่วนได้เสียอย่างยั่งยืน
Innovate premium value steel products and services for customer; generate consistent profit and sustainable value for stakeholders.
A MEMBER OF SAHAVIRIYA GROUP

-Translation-

No. S.E.C. 025/2016

10 March 2016

Re: Notification of the Company's Guidelines to Remove Causes of Possible Delisting

Attn: President
The Stock Exchange of Thailand

CC: Secretary-General
The Securities and Exchange Commission, Thailand

Ref: SET's Letter no. BorJor 348/2016 dated 25 February 2016

Reference is made to the fact that Sahaviriya Steel Industries Public Company Limited (the "**Company**") submitted its financial statements for the year ended 31 December 2015, audited by an independent auditor to the Stock Exchange of Thailand ("**SET**"), showing negative shareholders' equity of Baht 36,946 million. Pursuant to SET regulations regarding Delisting of Securities, B.E. 2542, the Company may possibly be delisted. On 25 February 2016, SET announced the notification of procedures for the Company to resolve the financial status and operations (NC-Stage 1). In addition, SET had suspended the trading of the Company's securities for 30 days from 25 February 2016 to 25 March 2016 to allow the Company's management to thoroughly decide on a course of action for removal causes of possible delisting, together with the schedule for implementing the above decision for the most benefit of the Company and its shareholders and disclose information to shareholders and investors, details as stated in the referred letter.

Referring that the Company submitted a petition for Business Rehabilitation to the Central Bankruptcy Court (the "**Court**") on 1 October 2015, the Company is now in the process of Business Rehabilitation under the Bankruptcy Act. On 10 March 2016, the Court issued an order for the Company's Business Rehabilitation and appointed the Company as a Plan Preparer. The Company, as the Plan Preparer, will now start the process of preparing the Business Rehabilitation Plan (the "**Plan**") in order to ask the Court for an approval of the Plan.

As the Company is in the process of preparing the Plan, details of the Company's course of action for removal causes of possible delisting are not available for now. At present, the Company would like to notify its guidelines to remove causes of possible delisting, as well as schedule for the implementation as follows:

1. Performing positive shareholders' equity

The Company, as a Plan Preparer, is now in the process of preparing the Business Rehabilitation Plan in order to ask the Court for an approval. After the Court approves the Plan, the Company will notify information to SET and inform the progress of the capital restructuring and/or debt restructuring in accordance with the Company's ability to service debt, as well as to reduce interest burden of the Company.

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2. Getting normalized net profit from its core business

The Company would like to inform that, since the Company submitted a petition for Business Rehabilitation to the Court and the Court made an order accepting the Company's petition for Business Rehabilitation on 1 October 2015, until the Court issued an order for the Company's Business Rehabilitation and appointed the Company as a Plan Preparer on 10 March 2016, the Company had been able to carry on operations and generate income with sufficient working capital for production and sale, supported by customers and trading partners who still have confidence in the Company's business.

From today until such time when the Court issues an order approving the Plan, the Company is confident that trading partners as well as financial institutions will still have confidence in the Company's operation capability and continue to support the Company's business including raw materials supply and trade credits which will gradually enhance liquidity, operating performance, and financial position of the Company.

In the future, when the Company proceeds with the Plan as approved by the Court and reaches the debt restructuring in accordance with the Company's ability to service debt, the Company will be able to generate enough income and earnings to pay obligations to creditors, in reference to the Business Rehabilitation Plan as approved by the Court.

3. Time schedule for the implementation

After the Company submitted a petition for Business Rehabilitation to the Court and the Court made an order accepting the Company's petition for Business Rehabilitation on 1 October 2015, the Court finished the inquiry on the petition on 17 February 2016 and issued an order for the Company's Business Rehabilitation as well as appointed the Company as a Plan Preparer on 10 March 2016.

The next key step is that the Company, as a Plan Preparer, will prepare the Business Rehabilitation Plan in order to ask the Court for an approval of the Plan, which may approximately take 12 months after the Court issues an order for the Company's Business Rehabilitation, depending on the rehabilitation proceedings under the applicable law. Subsequently, the Company will carry out its business strictly following the Business Rehabilitation Plan. And, after the Business Rehabilitation has been successfully completed pursuant to the Plan, the Company will submit a request to exit the Business Rehabilitation through court proceedings.

The Company is confident that after the Company has successfully completed the criteria of the Business Rehabilitation Plan, the Company will be able to remove causes of possible delisting when the Company has positive shareholders' equity and normalized net profit from its core business.

If there is any progress regarding Business Rehabilitation, the Company will notify the Stock Exchange of Thailand accordingly.

Sincerely yours,

-Signature-

Win Viriyaprapaikit
President