

Information Memorandum on the Connected Transaction in relation to
the Approval to enter into a Credit Agreement between
G Steel Public Company Limited
and
Nippon Steel Southeast Asia Company Limited

According to, the Board of Directors' Meeting of G Steel Public Company Limited (“the Company” or “GSTEEL”) No. 11/2566 held on December 15, 2023, resolved to approve a financial support transaction by entering into a Credit Agreement with Nippon Steel Southeast Asia Company Limited (“NSSEA”) in getting an unsecured loan in an amount not exceeding THB 2,300.00 million for a tenor from December 15, 2023, and July 31, 2024 (“2023 NSSEA Credit Agreement”) with an interest rate equal to the policy interest rate of the Bank of Thailand (“Policy Interest Rate”) + 0.18 percent, totaling 2.68 percent per annum as of December 2023. The total value of the transaction calculated from the maximum interest rate over the term of the 2023 NSSEA Credit Agreement shall not exceed THB 38.84 million, representing 1.62 percent of the Company's net assets value as per the financial statements as of September 30, 2023, amounting to THB 2,390.82 million. The details of the utilization of funds from the 2023 NSSEA Credit Agreement are as follows:

No.	Utilization of funds from 2023 NSSEA Credit Agreement	THB Million ^{1/}
1	Repayment of Working Capital Facility from financial institutions	1,300.00
2	Partial prepayment of USD Loan from Asia Credit Opportunities I (Mauritius) Limited (“ACO I”) ^{2/}	872.16
3	Liquidity for Operation	127.84
	Total	2,300.00

Remark: 1/ As of December 31, 2023

2/ As of December 31, 2023, the Company has outstanding loans with ACO I as follows:

- 1) ACO I (USD) in the amount of approximately THB 500.09 million, which is the balance outstanding as on 31st December, 2023 from the original amount of THB 1,315.25 million which is owed in US dollars from debt restructuring with ACO I in 2019, transferred from the Company's trade creditors in the past. The loan will be due for repayment in 2028.
- 2) ACO I (Nirum) in the amount of approximately THB 204.10 million, which is debt restructuring with ACO I in 2021, transferred from Mr. Nirum Ngamchamnanrith who was the original creditor of this working capital loan. The loan is being repaid as per the agreement and will be fully repaid in 2025.
- 3) ACO I (Metal Inter) in the amount of approximately THB 105.65 million, which is debt restructuring with ACO I in 2021, transferred from Metal Inter Company Limited (“Metal Inter”) which was the Company's trade creditors in the past. The loan is being repaid as per the agreement and will be fully repaid in 2025.

Furthermore, the loan under the 2023 NSSEA Credit Agreement will expire on July 31, 2024, necessitating the Company to seek alternative loan facilities to repay the loan under the 2023 NSSEA Credit Agreement. However, as the Company has been suspended for trading (SP) since 2018 due to the delayed submission of audited financial statements from 2018 to the second quarter of 2019. In the past, the Company had several financial difficulties where the Company experienced liquidity issues since the year 2008, leading to insufficient capital to sustain its operations. Consequently, the Company had to stop its production of hot-rolled coil steel, its main product, which accounted for approximately 95% of its total revenue, for a period of about 2 years from May 2012 to March 2014. This problem led to the Company's liquidity shortage and inability to repay a significant amount of debts as scheduled. Over the years, the Company had to undergo several debt restructuring processes. Currently, the Company still has outstanding bonds of USD 15.5 million (excluding interest) which was defaulted in 2011 and there are no creditors presented and demanded the repayment which the Company will repay the bonds as per the available cashflows as and when the creditors claim the same. In the past years, there was the change in major shareholders and the Company is now working on improving its operational performance and has already obtained working capital from financial institutions.

From the aforementioned requirement, the Board of Directors' Meeting of the Company No. 2/2567 held on March 15, 2024, where the same had been reviewed and concurred by the Company's Audit Committee's Meeting No. 2/2024 held on March 15, 2024 (the "**Meeting**"), resolved to approve the Company to propose to the shareholders to vote for a financial support transaction by entering into a Credit Agreement with NSSEA ("**Transaction**") which is beneficial for the Company in getting an unsecured loan in an amount not exceeding THB 2,700.00 million or equivalent for a period of not exceeding 2 years to repay the existing short term loan from NSSEA and partially prepay the USD Loan from ACO I. Both NSSEA and ACO I are subsidiaries of Nippon Steel Corporation ("**NSC**"), which directly holds 10.24% of the registered paid-up capital and holds indirectly through ACO I 49.99% of the registered paid-up capital in the Company. From the said agreement, the Company can borrow the unsecured loan from NSSEA for an amount not exceeding THB 2,700.00 million for a period not exceeding 2 years from July 29, 2024 to July 28, 2026 with the highest interest rate not exceeding Policy Interest Rate + 2.50%, currently totaling 5.00% per year (Policy Interest Rate equal to 2.50% per year as of March 15, 2024) ("**2024 NSSEA Credit Agreement**").

In this regard, the decision to enter into the 2023 and 2024 NSSEA Credit Agreement is a strategy adopted by the Company, not a policy of NSC. NSC's decision to purchase GSTEEL was done while the steel industry was experiencing relatively high profitability. For the 2023 NSSEA Credit Agreement, the Company had two main objectives to utilize low-interest loans from NSSEA to: (1) repay revolving loans (Working Capital) from financial institutions to enable the Company to have additional revolving funds with financial institutions for future operations, and (2) partially prepay USD Loan from ACO I to reduce exchange rate risks and interest rates, since the interest rate is at 7.69%; as for the 2024 NSSEA Credit Agreement, the Company's primary objective was to (1) repay the

2023 NSSEA Credit Agreement which will also enable to convert from short-term to long-term loans to manage the Company's liquidity, and (2) partially prepay USD Loan from ACO I to reduce exchange rate risks and higher interest rates, since the Company currently does not have foreign exchange rate risk management for long term liabilities as the cost of long term hedging is expensive.

By using the 2023 NSSEA Credit Agreement, the Company had reduced the interest expenses (from an average interest rate of 4.69% to 2.68%) and have more revolving funds with financial institutions for future operations (from THB 1,795.86 million to THB 3,095.86 million after repayment of THB 1,300 million to the financial Institutions in December 2023). Moreover, given the improving global and Thai economic conditions, particularly in the real estate and manufacturing industries, it is anticipated that steel prices will improve. After entering into the 2024 NSSEA Credit Agreement, the Company views that it should help improve the Company's liquidity and reduce the Company's USD loan. Therefore, in the future, the Company expects improvement of business performance and the possibility of having sufficient cash flows to repay the remaining USD debt to ACO I at approximately THB 100 million, which is due in 2028. However, the Company still has other debts, such as Thai Baht loan with ACO I in the amount of approximately THB 309.75 million and liabilities from terminated rehabilitation plan and compromise in the amount of approximately THB 611.62 million, which is due between 2025 - 2028, as well as the repayment of the loan under the 2024 NSSEA Credit Agreement which is due in 2026. The Company expects that if the Company's operation improves, the Company may be able to repay the loan with the operational cash flow and/or the Company may be able refinance 2024 NSSEA Credit Agreement with new loans from financial institutions. Nonetheless, if the Company is unable to obtain additional loans with beneficial conditions from financial institutions in the future, the negotiation with NSSEA for loan renewal is also an option.

In this regard, entering to the Transaction with NSSEA will enable the Company to borrow an unsecured loan from NSSEA for the amount not exceeding THB 2,700.00 million partly to repay the existing short-term loan from NSSEA under 2023 NSSEA Credit Agreement and to partially prepay the USD Loan from ACO I.

This Transaction is classified as the connected transaction in the category of a transaction regarding offer or receipt of financial assistance since NSSEA has the same major shareholder with the Company which is NSC, pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions (including any amendments thereto) 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 the Connected Transactions B.E. 2546 (2003) (including any amendments thereto) (collectively called the "**Notifications on Connected Transaction**"). The size of transaction is approximately 12.99% of the Company's net tangible assets ("**NTA**"), calculated based on the reviewed consolidated financial statements of the Company as of December 31, 2023. In addition to that, if other connected transactions with related persons of NSC in the past 6 months are included in the transaction size, it will be approximately 15.17% of the Company's NTA which is higher than 3% of

the Company's NTA. As such, they are considered as the large connected transaction (More than 3% of NTA). Therefore, the Company shall have duties as stipulated in the Notification on Connected Transaction as follows:

- a) To prepare and disclose the information memorandum regarding the Transaction to the Stock Exchange of Thailand ("SET") pursuant to the Notifications on Connected Transaction immediately;
- b) To appoint the independent financial advisor ("IFA") to provide opinion on the Transaction pursuant to the Notifications on Connected Transaction and submit such opinion to shareholders.

In this regard, the Company has appointed Discover Management Company Limited, which is a financial advisor approved by the Securities and Exchange Commission ("SEC") to act as an IFA to provide opinions to shareholders for Transaction;

- c) To send a notice of the shareholders' meeting to shareholders no less than 14 days prior to the date of the shareholders' meeting which shall at least contain the information as stipulated in the Notifications on Connected Transaction;
- d) To hold the shareholders' meeting to approve the Transaction with the vote of not less than three-fourths of the total number of shares of the shareholders attending the meeting and having the right to vote excluding the vote of shareholders with interest.

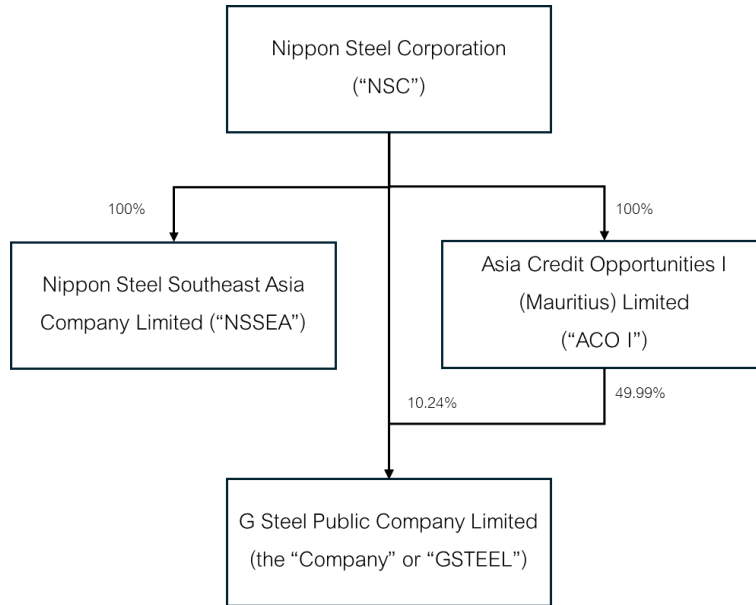
The Company hereby provides the information memorandum regarding the Transaction as follows:

1. Date of the transaction

Entering into a credit agreement not exceeding 2 years from July 29, 2024 to July 28, 2026.

2. Related Parties

Finance receiver	:	G Steel Public Company Limited
Finance supporter	:	Nippon Steel Southeast Asia Company Limited (to be changed to "Nippon Steel (Thailand) Co., Ltd." from April 1, 2024)
Relationship	:	NSSEA has the same major shareholder with the Company which is NSC where NSC directly holds 10.24% of the Company's paid-up capital and indirectly, through ACO I, holds 49.99% of the Company's paid-up capital.



3. General characteristics, type and size of the transaction

3.1 General characteristics of the transaction

The Company will receive financial assistance from NSSEA by entering into a Credit Agreement. From the said agreement, the Company can borrow the unsecured loan from NSSEA for an amount not exceeding THB 2,700.00 million for a period not exceeding 2 years from July 29, 2024 to July 28, 2026 with the highest interest rate not exceeding Policy Interest Rate + 2.50%, currently totaling 5.00% per year (Policy Interest Rate equal to 2.50% per year as of March 15, 2024).

Term Sheet of the Credit Agreement between NSSEA and GSTEEL (NSSEA Term Sheet)

Key Terms	Credit Agreement ^{1/}
Loan Type	Unsecured loan
Loan Currency	Thai Baht
Tenor of the Loan	Not exceeding 2 years from July 29, 2024 - July 28, 2026
Loan Amount	Not exceeding THB 2,700.00 million
Interest Rate	Not exceeding Policy Interest Rate + 2.50%, totaling 5.00% per year as of March 15, 2024
Prepayment Fee	None

Remarks: 1/ Covenants and other detailed terms and conditions to be finalized by the Board of Directors while finalizing the Credit Agreement. However, the amendments to the Key Terms of the credit agreement must be in line with terms specified in the NSSEA Term Sheet. The Audit Committee is fully aware of its duty to ensure that the Key Terms of the 2024 NSSEA Credit Agreement will not deviate significantly from the NSSEA Term Sheet. In the event that such significant change of the terms happens, which will impact the Company adversely, the Audit Committee will recommend to the Company's Board of Directors to convene shareholder meeting for approval of such changes.

In proposing for approval of the Transaction to the shareholders' meeting, the Company deems it appropriate to propose to the shareholders' meeting to authorize the Board of Directors of the Company to take the following actions:

- 1) to determine the covenants and other terms and conditions for the Transaction and perform any other acts related to documents.
- 2) to sign contracts and/or financial support documents and other relevant financial documents, any contracts and/or amendments or contracts and/or amendments documents as well as to approve the fees, expenses and taxes associated with the execution of such contracts and/or documents.

3.2 Transaction Size Calculation

3.2.1 Receiving financial assistance by entering into a Credit Agreement

Total value of the transaction comprises of interest on the loan. Hence, the transaction value shall be the total interest which is not exceeding THB 270.00 million throughout the duration of the agreement calculated at the highest interest rate of 5.00% per year for a period of 2 years.

The aforementioned transaction is considered as the receipt of financial assistance from connected person. The size of the transaction is approximately 12.99% of the Company's Net Tangible Assets (NTA) (NTA of the Company as per the latest financial statement as of December 31, 2023 was THB 2,078.93 million). In addition to that, if other connected transactions with related persons of NSC in the past 6 months are included in the transaction size, it will be approximately 15.17% of NTA which is higher than 3% of the Company's NTA. Accordingly, this transaction shall be approved by the Board of Directors and disclosed to the Stock Exchange of Thailand.

By calculating the transaction size according to the criteria for connected transactions, the details are as follows.

The Company's financial information

(Consolidated financial statements of the company ending on December 31, 2023)

Description	(Unit: THB Million)
Total Asset (1)	8,502.13
Non-Tangible Asset (2) ^{1/}	1.37
Total Liabilities (3)	6,421.83
Non-controlling shareholders' equity (4)	0.00
Net Tangible Asset (NTA = (1) – (2) – (3) – (4))	2,078.93
Net profit (loss) attributable to shareholders of the parent company (last 4 quarters)	(1,013.85)

Remark: 1/ Intangible assets include other intangible assets.

Details of the calculation of the size of the connected transaction

Calculation formula	Calculation details	Transaction size
Value of consideration / NTA of the Company	= THB 270.00 million / THB 2,078.93 million	12.99%

When combined with the size of related transactions during the past 6 months before the date the Board of Directors resolved to approve this Transaction, the total transaction size will be equal to 15.17% of the Company's net tangible assets. The details are as follows:

No.	Related transactions of the Company	Transaction value	Connected transaction	Date of resolution of the Board of Directors
		THB million	%	
1	Business support from G J Steel Public Company Limited	0.04	0.00	November 29, 2023
2	Receipt of financial assistance from NSSEA (2023 NSSEA Credit Agreement)	38.84	1.62	December 15, 2023
3	Renewal of Cash Management Service Agreement	11.60	0.56	February 22, 2024
4	Transaction	270.00	12.99	March 15, 2024
Total		320.48	15.17	

Therefore, in entering into the Transaction, the Company has duties to take various actions as follows:

- a) To prepare and disclose the information memorandum regarding the Transaction to the SET pursuant to the Notifications on Connected Transaction immediately;
- b) To appoint the IFA to provide opinion on the Transaction pursuant to the Notifications on Connected Transaction and submit such opinion to shareholders.

In this regard, the Company has appointed Discover Management Company Limited, which is a financial advisor approved by the SEC to act as an IFA to provide opinions to shareholders for Transaction;

- c) To send a notice of the shareholders' meeting to shareholders no less than 14 days prior to the date of the shareholders' meeting which shall at least contain the information as stipulated in the Notifications on Connected Transaction;
- d) To hold the shareholders' meeting to approve the Transaction with the vote of not less than three-fourths of the total number of shares of the shareholders attending the meeting and having the right to vote excluding the vote of shareholders with interest.

4. Nature and Extent of Interests of the Connected Persons in respect of Entering into the Transaction

NSSEA has the same major shareholder with the Company which is NSC where NSC directly holds 10.24% of the Company's paid-up capital and indirectly, through ACO I, holds 49.99% of the Company's paid-up capital.

5. Plan after receipt of financial assistance

Company will get an unsecured loan to repay a short-term loan from NSSEA amounting to THB 2,300.00 million and to partially prepay USD Loan from ACO I amounting to THB 400.00 million.

6. Directors Having an interest or Being Connected Persons Not Attending the Meeting and Not Entitled to Vote

Some of the Company's directors, namely, Mr. Hideki Ogawa, Mr. Hisato Ishizaki, Mr. Takashi Sekino, and Mr. Nobuo Okochi are considered as interested and/or connected directors. Therefore, in order to ensure the transparency of voting procedures and to facilitate the independent judgement of other directors, those aforementioned directors abstained from voting in this matter and temporarily left the Meeting during voting session.

7. Shareholders Having an interest or Being Connected Persons Not Attending the Meeting and Not Entitled to Vote

The shareholders who have interest are NSC which directly holds 10.24% of the Company's paid-up capital and ACO I, a subsidiary of NSC, who holds 49.99% of the Company's paid-up capital. They are considered as interested and/or connected shareholders and shall have no rights to vote in the Company's shareholders meeting in this agenda (based on the latest closing register as of February 19, 2024).

Shareholder	Number of shares	Percent
1. Asia Credit Opportunities I (Mauritius) Limited	14,461,489,473	49.99
2. Nippon Steel Corporation	2,963,182,785	10.24
Total	17,424,672,258	60.23

8. Expected Benefits of the Transaction

By entering into this Transaction, the Company will obtain an amount not exceeding THB 2,700.00 million to repay an amount of THB 2,300.00 million under the 2023 NSSEA Credit Agreement and partially prepay USD Loan amounting to THB 400.00 million which is at current interest rate of 7.69% thereby saving THB 10.76 million per year and will additionally reduce the risk of foreign exchange volatility.

9. Conditions of the Transaction

Entering into this Transaction is considered as the large connected transaction according to the Notification on Connected Transaction. Therefore, the Company shall have duties to hold the shareholders' meeting to approve the Transaction with the vote of not less than three-fourths of the total number of shares of the shareholders attending

the meeting and having the right to vote excluding the vote of shareholders with interest and prepare and disclose an information memorandum on such transaction. Currently, NSSEA does not have any other conditions precedent for entering into the transaction and the Key Terms of the 2024 NSSEA Credit Agreement are as detailed in Section 3.1.

10. Estimated timeline for entering into the Transaction

Action	Estimated schedule ^{1/}
Request for approval of the Transaction from the Company's shareholder meeting	Within April 2024
Negotiation of the terms and conditions of the 2024 NSSEA Credit Agreement completed.	It is anticipated that the process will be completed by July 2024, which is around 3 months from the approval obtained at the Company's shareholder meeting.
Execution and signing of the 2024 NSSEA Credit Agreement.	Within July 2024
Disbursement of funds according to the 2024 NSSEA Credit Agreement and repayment of the 2023 NSSEA Credit Agreement and part of the USD loan to ACO I.	Before 31 July 2024

Remark: 1/ The aforementioned schedule is an initial estimate and subject to change.

11. Opinion of the Board of Directors regarding Entering into the Transaction

The Board of Directors has considered the reason and necessity of the transaction and resolved that the receipt of financial assistance is reasonable and will eventually benefit the financial status of the Company. The interest rate is lower than the median of MOR (Minimum Overdraft Rate) of 10 financial institutions in Thailand, including Bangkok Bank, Krung Thai Bank, Kasikorn Bank, Siam Commercial Bank, Bank of Ayudhya, TMBThanachart Bank, TISCO Bank, Kiatnakin Phatra Bank, CIMB Thai Bank, and Land and House Bank which is in the range of 7.52% to 8.75% per year (the median is 7.72% per year) and much lower than the USD Loan from ACO I which is 7.69% currently and will additionally reduce the risk of foreign exchange volatility. The Board of Directors viewed that the Credit Agreement is necessary and provides a source of funds for the Company. Thus, the Board of Directors have resolved to approve the Company to propose to the shareholders' meeting to consider and approve a financial support transaction by entering into a Credit Agreement with NSSEA for an amount not exceeding THB 2,700.00 million for period of not exceeding 2 years from July 29, 2024 to July 28, 2026 and the highest interest rate not exceeding Policy Interest Rate + 2.50%, currently totaling 5.00% per year (Policy Interest Rate equal to 2.50% per year as of March 15, 2024)

12. Opinions of the Audit Committee and/or the Company's directors which is different from the opinion of the Company's Board of Directors in Clause 11) above.

The Audit Committee recognizes the necessity of entering into the Transaction with a related party as the Company is unable to obtain unsecured loans from other sources to repay the debt under the 2023 NSSEA Credit Agreement. Furthermore, considering the interest rates and Key Terms of the 2024 NSSEA Credit Agreement (unsecured loan), it is deemed to be the condition that benefits the Company as other sources may probably have a much higher interest rate than the interest rate of 2024 NSSEA Credit Agreement and might require some collaterals to secure the loan. However, the Audit Committee is fully aware of its duty to ensure that the Key Terms of the 2024 NSSEA Credit Agreement will not deviate significantly from the NSSEA Term Sheet. In the event that such significant change of the terms happens, which will impact the Company adversely, the Audit Committee will recommend to the Company's Board of Directors to convene shareholder meeting for approval of such changes.

Please be informed accordingly.

Best regards
G Steel Public Company Limited

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Authorized Director

Information Memorandum on the Connected Transaction in relation to Receiving Financial Support (Account 2)

The Board of Directors' Meeting of G Steel Public Company Limited (“the Company” or “GSTEEL”) No. 2/2567 held on March 15, 2024, where the same had been reviewed and concurred by the Company’s Audit Committee’s Meeting No. 2/2024 held on March 15, 2024 (the “Meeting”), resolved to approve the Company to propose to the shareholders’ meeting to consider and approve a financial support transaction by entering into a Credit Agreement with Nippon Steel Southeast Asia Company Limited (“NSSEA”) (“Transaction”) (Details appear in **Attachment 6**)

In this regard, the Company has prepared information in relation to Receiving Financial Support (Account 2) which is important for shareholders' decision making. The details are as follows:

1. Information disclosed that pursuant the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions (including any amendments thereto) 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 the Connected Transactions B.E. 2546 (2003) (including any amendments thereto) (collectively called the “Notifications on Connected Transaction”) (Account 1)

Please consider the details shown in the Company's information, as listed below:

- 1) Information Memorandum on the Connected Transaction in relation to the Approval to enter into a Credit Agreement between G Steel Public Company Limited and Nippon Steel Southeast Asia Company Limited (**Attachment 6**)
2. **Responsibilities of the Board of Directors regarding the information in the documents provided to shareholders**
The Board of Directors of the Company has carefully reviewed the information in this document and hereby certifies that the information contained herein is accurate, complete, and not misleading, does not materially misrepresent any important facts, and does not omit any information that should be informed in important matters.
3. **Acknowledgement of Scope within the Stipulated Agreement and Details of Credit Agreement Terms**
The Board of Directors of the Company hereby acknowledges that it has been granted the authority to act upon the resolutions passed by the shareholders' meeting:

Receiving Financial Support (Account 2) - GSTEEL

- 1) to determine the covenants and other terms and conditions for the Transaction and perform any other acts related to documents.
 - 2) to sign contracts and/or financial support documents and other relevant financial documents, any contracts and/or amendments or contracts and/or amendments documents as well as to approve the fees, expenses and taxes associated with the execution of such contracts and/or documents. Moreover, any changes in terms and conditions shall not contravene the Term Sheet of the Credit Agreement between NSSEA and GSTEEL as in Information Memorandum on the Connected Transaction in relation to the Approval to enter into a Credit Agreement between G Steel Public Company Limited and Nippon Steel Southeast Asia Company Limited (Attachment 6)
4. **Report of the independent financial advisor providing opinions on the Transaction, qualifications of the independent financial advisor, shareholding and relationship of the independent financial advisor with the Company, consent of the independent financial advisor to publish opinions, and date of comment**
- 4.1. **Report of the independent financial advisor**
Please consider the details in the independent financial advisor's opinion report on the Connected Transaction in relation to Receiving Financial Support. (Attachment 7)
- 4.2. **Qualifications of the Independent Financial Advisor**
Discover Management Company Limited, which has been appointed as the independent financial advisor of the Company and is an approved financial advisor by the Securities and Exchange Commission (“SEC”) to provide opinions to the Company's shareholders regarding reasonableness and benefits of receiving financial support.
- 4.3. **Shareholding and relationship of the independent financial advisor with the Company**
Discover Management Company Limited does not hold shares in the Company, nor does it have any other relationship with the Company.
- 4.4. **Consent of the independent financial advisor to publish opinions**

Discover Management Company Limited consents to the publication of the opinion report of the independent financial advisor.

4.5. Date of Comment

April 4, 2024

5. Liabilities of the Company

As of December 31, 2023, the Company has the following liabilities:

No.	Liability Type	Total Outstanding (THB Million)	Short-term Outstanding (THB Million)	Long-term Outstanding (THB Million)
1	Short-term borrowings from financial institutions	1,100.00	1,100.00	-
2	Trade account payables	129.26	129.26	-
3	Other payables and accrued expenses	904.45	323.08	581.36
4	Liabilities from terminated rehabilitation plan and compromise	611.62	189.76	421.86
5	Long-term borrowing from related party	204.10	47.10	157.00
6	Current portion of debentures	533.43	533.43	-
7	Lease liabilities	3.38	2.74	0.63
8	Short-term borrowings from related party	2,300.00	2,300.00	-
9	Borrowing from other party	3.85	3.85	-
	Total	5,790.09	4,629.23	1,160.86

5.1. Short-term Borrowings from Financial Institutions

	Consolidated/Separate Financial Statements			
	Interest Rates (% p.a.)		In THB Million	
	2023	2022	2023	2022
Short-term borrowings - Baht currency	2.65 and 2.76	1.40 and 1.51	1,100	2,400

As at December 31, 2023 and 2022, the Company had uncommitted and unsecured short-term borrowings from various local financial institutions which are repayable on demand.

Receiving Financial Support (Account 2) - GSTEEL

Movements of short-term borrowings from financial institutions during the year ended December 31, 2023 were as follows:

	Consolidated/Separate Financial Statements (In THB Million)
Short-term borrowings from financial institutions	
As at January 1, 2023	2,400
Additions	800
Repayments	(2,100)
As at December 31, 2023	<u>1,100</u>

5.2. Debentures

As at December 31, 2023 and 2022, the outstanding balances of the Company's debentures were amounting to USD 15.51 million and bore interest at the rate of 3% per annum and was unsecured, which was matured in October 2015. On January 9, 2012, the Company received notice letter from bondholder's representative that the Company defaulted to pay debentures' interest expense which was due on December 30, 2011. However, up to present, the Company has not been called to redeem such matured debentures.

The movements of debentures during the years ended December 31, 2023 and 2022 were as follows:

	Consolidated/Separate Financial Statements (in THB Million)	
	<u>2023</u>	<u>2022</u>
As at January 1	539	521
Exchange rate adjustments	(6)	18
At December 31	<u>533</u>	<u>539</u>

5.3. Liabilities from Terminated Rehabilitation Plan and Compromise

Receiving Financial Support (Account 2) - GSTEEL

The movements of liabilities from terminated rehabilitation plan and compromise for the years ended December 31, 2023 and 2022 were as follows:

	Consolidated/Separate Financial Statements (in THB Million)	
	2023	2022
At January 1	555	722
Repayments	(108)	(164)
Transfer from provision for unsettled debts under arbitral award	174	-
Gain from repayment of liabilities	-	(3)
Write-back	(9)	-
At December 31	612	555

Liabilities from terminated rehabilitation plan

Liabilities from terminated rehabilitation plan of the Company were due to be paid in year 2018 but fell into default. Accordingly, the Company recorded accrued interest at default rate from the date of default as specified in the rehabilitation plan and presented the outstanding liabilities from terminated rehabilitation plan as at December 31, 2023 and 2022 as current liabilities in the separate and consolidated statements of financial position.

Liabilities from compromise - Other parties

The Company entered into various compromise agreements with various creditors. These compromise agreements with are repayable in monthly installments and bear interest at rate as specified in the agreements.

Such liabilities from compromise were guaranteed by certain mortgaged land of the Company and pledged G J Steel's shares and personal assets of the Company's director and 2 related parties.

On January 20, 2021, the Company entered into the Settlement Agreement and Termination Fee Restructuring Agreement with a creditor (former finance supporter) with the effective date on March 1, 2020. Under the agreements, the Company committed to pay quarterly installments of the settled debts of THB 283.1 million and termination fee of THB 100 million plus interest at the rate of 6% p.a. as specified in the agreements starting from

Receiving Financial Support (Account 2) - GSTEEL

June 1, 2021 and ending on December 1, 2025. However, there are unsettled debts claimed from such creditor totalling THB 266.3 million and advance payment claimed by the Company from such creditor of THB 68 million. Both parties agreed to finalise the unsettled amount through the Arbitration Process which the creditor has filed a claim with the Thai Arbitration Institute, the Office of the Judiciary on March 19, 2021.

On August 17, 2022, the Company received arbitral award dated August 5, 2022, which the Arbitral panel ordered the Company to pay the unsettled debts claimed from the creditor totalling THB 266.1 million plus interest at the rate of 6% per annum until the completion of repayment, and all of the Company's counterclaims shall be dismissed. Hence, the management considered to set up provision loss on unsettled debts under arbitral award up to December 31, 2022 totalling THB 310 million in the consolidated and separate statements of financial position as at December 31, 2022 and recorded as a part of "Other expenses" in the consolidated and separate statements of comprehensive income for the year ended December 31, 2022. In this regard, the Company made partial payments for such provision in accordance with the repayment schedule specified in the Settlement Agreement and the Company reserved right of further appeal according to the Company's letter dated September 1, 2022 being sent to such creditor. As at December 31, 2022, the partial payments for such provision amounted to THB 97 million, were recorded as advance payments for unsettled debts under arbitral award as a part of "Other current assets" in the consolidated and separate statements of financial position as at December 31, 2022.

During the year 2023, the Company recorded additional provision for unsettled debts under arbitration award of THB 12 million, which recorded as "Other expenses" in the consolidated and separate statements of comprehensive income for the year ended December 31, 2023 and also made the additional payment for such provision of THB 51 million.

On September 26, 2023, the Civil Court ordered to dismiss the request to revoke the arbitral award issue dated August 17, 2022.

Subsequently on January 19, 2024, the Company's management has decided not to submit an appeal and accepted all debts plus interest claimed from the creditor. Therefore, as at December 31, 2023, the Company has written off advances to supplier with allowance for impairment loss amounting to THB 68 million and offsetted all advance payments for unsettled debts under arbitral award with provision for unsettled debts under arbitral award totalling THB 148 million. In addition, the Company made reclassification for all the outstanding balance of provision for unsettled debts under arbitral award amounting to THB 174 million to record as a part of "Liabilities from compromise" in the consolidated and separate statements of financial position as at December 31, 2023.

The transactions relating to unsettled debts under arbitral award as at December 31, 2023 and December 31, 2022 were as follows:

	Consolidated/Separate Financial Statements (In THB Million)	
	2023	2022
Advance payments for unsettled debts under arbitral award		
As at January 1	97	-
Addition	51	97
Offset advance payments for provision for unsettled debts under arbitral award	(148)	-
As at December 31	<u>-</u>	<u>97</u>
Provision for unsettled debts under arbitration award		
As at January 1	310	-
Addition	12	310
Offset advance payments for unsettled debts under arbitral award	(148)	-
Transfer to liabilities from compromise	(174)	-
As at December 31	<u>-</u>	<u>310</u>
Classification of provision for unsettled debts under arbitration award:		
Current	-	137
Non-current	-	173
Total	<u>-</u>	<u>310</u>

Receiving Financial Support (Account 2) - GSTEEL

5.4. Borrowings from Related Parties - Net

	Consolidated/Separate Financial Statements (In THB Million)	
	2023	2022
Short-term borrowing from NSSEA	2,300	-
Long-term borrowing from ACO I		
- Portion due within one year	47	47
- Portion due after one year	157	204
Net	204	251

5.5. Significant agreements with related parties

1) Credit Agreement - Foreign related company

During the year 2022, the Company has fully repaid the amount of principal of borrowings from a foreign related company and related accrued interest expense.

In March 2023, the Board of Directors approved to enter into the security release and discharge agreement and also approved the release of land mortgage with a related party. At the present, the Company has terminated such credit facilities.

2) Credit Agreement - Local related company

On December 15, 2023, the Company entered into a Credit Agreement with a local related company, whereby, such related company will provide loan credit facility of THB 2,300 million as financial assistance. The repayment of such drawdown will be made on the maturity date and the interest will be charged at the policy rate announced by the Bank of Thailand plus 0.18% per annum. The credit facility will mature on July 31, 2024.

3) Cash Management Service Agreement

Receiving Financial Support (Account 2) - GSTEEL

On September 9, 2022, the Company entered into a Cash Management Service Agreement with a local related company, whereby such related company will provide loan credit facility of THB 400 million to supply fund for the cash flow to the Company in case of insufficient funds in the Company's bank accounts as specified in the agreement at the end of any business day. The repayment of such drawdown will be made on the beginning of the following business day and the interest will be charged at the rate agreed in the agreement. The credit facility will be matured on March 31, 2023.

Subsequently on June 29, 2023, the Board of Directors resolved to approve the renewal of such agreement for one more year which will be matured on March 31, 2024.

4) Loan Agreement

Long-term borrowings from Asia Credit Opportunities I (Mauritius) Limited amounting to THB 314 million represented borrowings which were assigned from creditors to Asia Credit Opportunities I (Mauritius) Limited according to Transfer Notice dated December 17, 2018. Such borrowings were repayable in various amount as specified in the agreements ending within February and June 2019 and bear interest at the rate of 15% per annum (default rate). The Company is responsible for withholding income tax as specified in agreement. Subsequently on May 19, 2021, the Company entered to Debt Restructuring Agreement to extend the repayment period up to December 1, 2025 and reduce interest rate to 6% per annum.

On December 1, 2023, the Company entered into Amendment Agreement to Debt Restructuring Agreement to extend the repayment of accrued interest to be June 30, 2024 with no additional interest as a result of this deferment.

5) Debt Restructuring Agreement

On November 28, 2019, the Company entered into a Debt Restructuring Agreement and a Debt Amendment Agreement with Asia Credit Opportunities I (Mauritius) Limited ("ACO I"). The outstanding principal USD 37.49 million, the Company shall repay to ACO I in one bullet payment on the Final Repayment Date (the date falling the 9th anniversary of the date of the Agreement) with 3 years grace period on cash payments of interest, charging an interest at the rate of LIBOR plus 2.10% per annum.

6) Compromise Agreement

On July 31, 2019, the Company entered into a compromise agreement with Superior Overseas (Thailand) Co., Ltd., which included repayment of remaining debt THB 146 million within 9 years from March 31, 2023 to December 1, 2028. Interest will be calculated on remaining principal of THB 59 million with the rate of MLR-2% per annum. The Company will receive grace period for 3 years and start to repay principal and interest from the 4th year (starting from December 2023). However, the Company has to pay all principal and interest within the 9th years, the maturity period. Hence, such liabilities was presented as non-current liabilities in full amount in the consolidated and separate statements of financial position as at December 31, 2022 since there was no schedule to pay the installment within next one year.

Subsequently on May 2, 2023, the Company entered into Addendum to Compromise Agreement with Superior Overseas (Thailand) Company Limited to amend the repayment schedule of remaining principal debt amounting to THB 146 million and deferred accrued interest (up to December 1, 2022) amounting THB 6 million to be paid in 24 quarterly equal installments at THB 6.3 million per quarter starting from March 31, 2023 until December 1, 2028. Interest rate for interest bearing principal is at the rate of MLR-2% per annum and shall be repaid on quarterly basis starting from March 31, 2023. Such addendum was effective on March 31, 2023.

5.6. Commitment and contingent liabilities

- a) On May 2, 2019, the Company entered into agreement to purchase natural gas with a local company. The Company committed to pay the natural gas depend on monthly charges based on consumption. The agreement expired on May 31, 2020. Accordingly, the Company and the seller agreed to extend the period of such agreement while waiting for the new agreement to be signed. Subsequently on June 30, 2022, the Company entered into agreement to purchase natural gas which shall be effective until June 30, 2025. The Company commits to pay the natural gas depend on monthly charges based on consumption. However, the Company still has to pay for Demand Charge in each month to the seller in the case if the Company stop using natural gas.
- b) On March 26, 1997, the Company entered into a supply agreement to purchase oxygen, argon and nitrogen. The Company committed to pay purchase oxygen, argon and nitrogen based on minimum quantity as specified in the agreement.

- c) On July 16, 2015, the Company entered into an amended and restated energy services agreement (“ESA”) with the electricity supply company to purchase electricity (replaced the previous ESA dated August 19, 2008). The agreement shall continue in effect until the earliest of December 29, 2035 and a termination of the agreement by mutual agreement.

The Company commits to pay energy service based on minimum quantity under the agreement and the Company shall provide the guarantee for payment of THB 60 million to such electricity supply company. Up to the present, the Company still not deliver such guarantee.

- d) On June 1, 2019, the Company entered into a service agreement with a local company to render services for slag handling and process scrap for the period of 5 years and shall be automatically renewed for another one year unless either party gives to the other party written notice of its intention not to renew this agreement at least 6 months prior to the expiry of the initial period or any renewed period thereof.

The Company recorded service for such agreement for the each of the years ended December 31, 2023 and 2022 amounted to THB 41 million and THB 79 million, respectively.

- e) On November 22, 2023, the Company entered into a supply agreement to purchase raw water with a local company. The agreement shall be effective for the period of 10 years from the start date of water purchase on May 1, 2024 and shall be automatically renewed for another 5 years unless either party gives to the other party written notice of its intention not to renew this agreement at least 12 months prior to the expiry of the initial period or any renewed period thereof.

The Company commits to purchase raw water based on minimum quantity as specified in the agreement and shall pay a water usage fee amounted to THB 2.2 million within 30 days from the date of signing the agreement.

6. Business information

6.1. Information on the nature of business operations and business trends of the Company

6.1.1. General information of the Company

Name	G Steel Public Company Limited (“GSTEEL”)
Business Type	Public Limited Company
Nature of Business	The Company is the producer and distributor of hot rolled coil and slab. Its products serve as raw materials for such downstream industries as cold rolled coils, galvanized steel, steel pipe, structural steel products for construction, LPG container, automobile, electrical appliance as well as steel furniture industries.
Sector	Industrial products
Address	88 PASO Tower, 18 th Floor, Silom Road, Suriyawong, Bangrak, Bangkok 10500
Registration number	0107538000746
Registered capital	THB 158,059,755,140.00
Paid-up capital	THB 144,643,827,160.00
Paid-up shares	28,928,765,432 ordinary shares
Par value (per share)	THB 5.00

Source: Company

6.1.2. Nature of business

G Steel Public Company Limited runs a business of producing and selling hot-rolled steel sheet in coils (or hot-rolled coils) as main products as per customers' orders. The Company's main products are used directly in construction works, water irrigation and civil engineering, and used as substrates or raw materials for downstream industries, such as steel sheet fabrication industry, e.g. making pipes, tubes and structural shapes for uses in construction, other downstream industries for making oil drums, gas cylinders, general industrial equipment or parts, etc.

The Company's hot-rolled coil plant has deployed state-of-the-art technologies that perfectly and efficiently integrate melting, casting and rolling processes in one plant, or known as "Compact Mini Mill", which consists of melting technology with Electric Arc Furnace (EAF), Continuous Casting Machine technology and Hot Strip Mill in tandem continuously throughout all the said processes.

The Company's production process, in brief, begins from taking ferrous scraps and pig iron to melt in the EAF to make liquid steel at 1,600 degrees Celsius, then refining the quality of liquid steel with ferro-alloys and other substances to meet the requirements of the standard or customer's specification, and casting the refined liquid steel into the continuous casting machine to make steel slabs of 100 mm thickness, and hot-rolled to reduce the thickness down to the range of 1.0 - 13.0 mm as per the customer's order.

The Company's plant is the first in Thailand and one of a few plants in the world that can make as thin as 1.0 mm hot-rolled sheet. The said production process is thoroughly continuous and takes just 3 hours and a half to finish.

The Company's hot-rolled coil plant has a capacity of 1.5 million tons per year that meets the various product mixes by customers' orders. Our hot-rolled coil products are made to comply with the Thai industrial standards (TIS), and also international and foreign standards, for instances, Japanese standards (JIS), American or the U.S. standards (ASTM and SAE), European standards (EN), Malaysian standards (MS) etc.,

6.1.3. Business trends of the Company

Thailand's 2023 steel industry situation

From statistical information obtained from the Iron and Steel Institute of Thailand (ISIT), the volume of finished steel production in Thailand from January to December 2023 totaled 6.60 million tons, decreased 7.00% compared to the previous year (2022). If categorized by product groups, long steel products represent 4.56 million tons, decreased 1.67% compared to the prior year whilst the production volume of flat steel products stood at 2.04 million tons, decreased 17.07% compared to the prior year. The most produced product belongs to cold rolled sheet where, in 2022, it totaled 2.00 million tons, decreased 7.98%, followed by hot rolled sheet and coil at 1.89 million tons, decreased 18.18% year on year and coated steel, at 1.68 million tons, decreased 3.36% year on year.

Total Apparent Finished Steel (Unit: Tons)	2022	2023	% Change
Production	7,099,238	6,602,026	-7.00%
Import	10,780,695	11,206,898	3.95%
Export	1,487,192	1,478,118	-0.61%
Consumption	16,392,741	16,330,806	-0.38%

Long Product Finished Steel Consumption (Unit: Tons)	2022	2023	% Change
Production	4,639,908	4,562,569	-1.67%
Import	2,498,583	2,631,107	5.30%
Export	972,970	1,001,504	2.93%
Consumption	6,165,521	6,192,172	0.43%

Flat Product Finished Steel Consumption (Unit: Tons)	2022	2023	% Change
Production	2,459,330	2,039,458	-17.07%
Import	8,282,112	8,575,791	3.55%
Export	514,222	476,614	-7.31%
Consumption	10,227,220	10,138,635	-0.87%

Source: Iron and Steel Institute of Thailand, by Steel Business Intelligence

The finished steel consumption in Thailand in 2023 stood at 16.33 million tons, decreased 0.38% year on year. If categorized by product group, long steel products increased 0.43% compared to the prior year, to 6.19 million tons whereas the consumption of flat steel products decreased 0.87% compared to the prior year, to 10.14 million tons. The most consumed steel category is hot rolled flat product, at 5.83 million tons followed by coated steel at 4.76 million tons and cold rolled at 3.22 million tons respectively.

Import of finished steel into Thailand in 2023 stood at 11.21 million tons, increased 3.95% over the prior year. The highest imported product is hot rolled steel flat product at 3.82 million tons followed by coated steel at 3.18 million tons and cold rolled steel at 1.33 million tons respectively. The ratio of imported steel consumption versus local steel consumption is at 68.62% against 31.38%, reflecting that Thailand still heavily relies on imported steel.

Thailand exported steel products 1.48 million tons in 2023, decreased 0.61% year on year. The most exported steel products are structural steel, at 310,161 tons followed by seamless pipe, at 306,296 tons.

Hot rolled steel flat product situation in Thailand in 2023

There is no upstream iron and steel industry in Thailand which starts with the melting of iron ore. As such, the structure of Thailand's iron and steel industry begins at the middle stream by melting steel scraps using electrical arc furnace (EAF) of local manufacturers. From there, the outputs are sent to the downstream production facilities, consisting of long steel products, for example, bar, hot-rolled section, wire rod, cold-drawn bar, steel wire, seamless pipes etc. and flat steel products, for example, hot rolled plate, hot rolled sheet, cold rolled sheet, coated, cold-formed section, welded pipe etc. From there, the output is distributed to connected industry comprising users of steel products. As for the state of hot rolled steel sheet industry in Thailand, the statistical information obtained from ISIT i.e. production volume, import volume, export volume and consumption volume during January to December 2023 reveal the followings.

The local production volume of hot rolled steel, coil and non-coil, in 2023 totaled 2.04 million tons, decreased 17.07% over the prior year. It consists of hot rolled sheet and coil at 1.89 million tons, decrease 18.18% whereas the production of hot rolled plate remained stable at 149,951 tons.

Total Hot Roll (Unit: Tons) (Excluding Stainless Steel)	2022	2023	% Change
Production	2,459,330	2,039,458	-17.07%
Import	3,416,602	3,585,765	4.95%
Export	24,311	24,592	1.16%
Consumption	5,851,621	5,600,631	-4.29%

Total Hot Roll Plate Thickness > 3 mm. (Unit: Tons) (Excluding Stainless Steel)	2022	2023	% Change
Production	149,945	149,951	0.00%
Import	293,117	207,643	-29.16%
Export	3,518	8,089	129.93%
Consumption	439,544	349,505	-20.48%

Total Hot Roll Coil & Sheet Thickness < 3 mm. (Unit: Tons) (Excluding Stainless Steel)	2022	2023	% Change
Production	2,309,386	1,889,506	-18.18%
Import	3,123,485	3,378,122	8.15%
Export	20,793	16,503	-20.63%
Consumption	5,412,078	5,251,125	-2.97%

Source: Iron and Steel Institute of Thailand, by Steel Business Intelligence

The local consumption of hot rolled steel, both coil and sheet in 2023, stood at 5.60 million tons, decreased 4.29% consisting of HR sheet and coil of 5.25 million tons, decreased 2.97% and HR plate 349,505 tons, decreased 20.48%.

Import of hot rolled steel in 2023, both coil and sheet, increased 4.95%, to 3.59 million tons divided into hot rolled sheet and coil of 3.38 million tons, increased 8.15% and hot rolled plate of 207,643 tons, decreased 29.16%.

Export of hot rolled steel in 2023, both coil and sheet, stood at 24,592 tons, decreased 1.16% compared to the prior year, divided into hot rolled sheet and coil of 16,503 tons, decreased 20.63% from the same period last year and hot rolled plate of 8,089 tons, increasing by 129.93% from last year.

6.2. Summary of Key Components in the Financial Report

6.2.1. Consolidated statement of financial position

Components	December 31, 2021		December 31, 2022		December 31, 2023	
	THB million	%	THB million	%	THB million	%
Assets						
Current assets						
Cash and cash equivalents	419.02	3.40	764.69	7.38	522.83	6.15
Short-term investment in trading security	12.27	0.10	8.70	0.08	4.24	0.05
Trade account receivables - net	3.26	0.03	46.08	0.44	25.04	0.29
Inventories - net	1,949.04	15.80	1,925.93	18.60	1,170.80	13.77
Other current assets - net	284.07	2.30	288.84	2.79	120.30	1.41
Total Current Assets	2,667.66	21.62	3,034.25	29.30	1,843.21	21.68
Non-Current Assets						
Other long-term investment	1,179.64	9.56	842.60	8.14	505.56	5.95

Receiving Financial Support (Account 2) - GSTEEL

Components	December 31, 2021		December 31, 2022		December 31, 2023	
	THB million	%	THB million	%	THB million	%
Property, plant and equipment - net	8,123.12	65.83	6,192.52	59.79	5,871.50	69.06
Other intangible assets - net	0.99	0.01	1.00	0.01	1.37	0.02
Other non-current assets - net	368.12	2.98	286.39	2.77	280.50	3.30
Total Non-Current Assets	9,671.87	78.38	7,322.50	70.70	6,658.92	78.32
Total Assets	12,339.53	100.00	10,356.75	100.00	8,502.13	100.00
Liabilities						
Current Liabilities						
Short-term borrowings from financial institutions	-	-	2,400.00	23.17	1,100.00	12.94
Trade account payables	135.77	1.10	327.79	3.16	129.26	1.52
Other payables and accrued expenses	441.80	3.58	399.07	3.85	323.08	3.80
Advances received from customers	70.36	0.57	32.12	0.31	75.82	0.89
Accrued tax expense	106.75	0.87	-	-	-	-
Accrued interest expense	1,214.01	9.84	447.90	4.32	315.07	3.71
Current portion of liabilities from terminated rehabilitation plan and compromise	212.60	1.72	160.36	1.55	189.76	2.23
Current portion of long-term borrowing from related party	47.10	0.38	47.10	0.45	47.10	0.55
Current portion of debentures	521.11	4.22	538.80	5.20	533.43	6.27
Current portion of lease liabilities	2.78	0.02	2.97	0.03	2.74	0.03
Current portion of provision for unsettled debts under arbitral award	-	-	137.54	1.33	-	-
Short-term borrowings from related party	347.55	2.82	-	-	2,300.00	27.05
Borrowing from other party	3.85	0.03	3.85	0.04	3.85	0.05
Other current liabilities	35.87	0.29	26.66	0.26	45.55	0.54
Total Current Liabilities	3,139.55	25.44	4,524.16	43.68	5,065.66	59.58
Non-Current Liabilities						
Other payables and accrued expenses	1,433.23	11.61	1,407.92	13.59	581.36	6.84
Accrued interest expense	128.51	1.04	104.41	1.01	84.37	0.99
Liabilities from terminated rehabilitation plan and compromise - net	509.30	4.13	395.00	3.81	421.86	4.96

Receiving Financial Support (Account 2) - GSTEEL

Components	December 31, 2021		December 31, 2022		December 31, 2023	
	THB million	%	THB million	%	THB million	%
Long-term borrowing from related party - net	1,245.67	10.09	204.10	1.97	157.00	1.85
Lease liabilities - net	1.26	0.01	3.38	0.03	0.63	0.01
Provision for unsettled debts under arbitral award - net	-	-	172.97	1.67	-	-
Non-current provision for employee retirement benefit	103.08	0.84	106.38	1.03	110.94	1.30
Total Non-Current Liabilities	3,421.06	27.72	2,394.16	23.12	1,356.17	15.95
Total Liabilities	6,560.61	53.17	6,918.32	66.80	6,421.83	75.53
Shareholders' Equity						
Share capital						
Authorized share capital	158,059.76	1,280.92	158,059.76	1,526.15	158,059.76	1,859.06
Issued and paid-up share capital	144,643.83	1,172.20	144,643.83	1,396.61	144,643.83	1,701.27
Additional (discount) paid in capital	(116,361.27)	(943.00)	(116,361.27)	(1,123.53)	(116,361.27)	(1,368.61)
Premium on capital reduction	206.31	1.67	206.31	1.99	206.31	2.43
Retained earnings (deficit)						
Appropriated for legal reserve	763.98	6.19	763.98	7.38	763.98	8.99
Deficit	(21,784.14)	(176.54)	(23,787.60)	(229.68)	(24,808.69)	(291.79)
Other components of equity	(1,689.78)	(13.69)	(2,026.82)	(19.57)	(2,363.86)	(27.80)
Equity attributable to owners of the parent - net	5,778.92	46.83	3,438.43	33.20	2,080.29	24.47
Non-controlling interests	0.00	0.00	0.00	0.00	0.00	0.00
Shareholders' Equity - Net	5,778.92	46.83	3,438.43	33.20	2,080.30	24.47
Total Liabilities and Shareholders' Equity	12,339.53	100.00	10,356.75	100.00	8,502.13	100.00

Source: Company

Receiving Financial Support (Account 2) - GSTEEL

6.2.2. Consolidated statement of comprehensive income

Components	12-Month Period December 31, 2021		12-Month Period December 31, 2022		12-Month Period December 31, 2023	
	THB million	%	THB million	%	THB million	%
Revenues						
Revenue from sales - net	15,813.88	98.45	14,940.95	99.42	10,765.79	97.73
Gain from write-back the expired legal prescription of liabilities - net	197.23	1.23	-	-	143.78	1.31
Gain on foreign exchange - net	-	-	-	-	15.38	0.14
Other income	51.85	0.32	86.95	0.58	91.10	0.83
Total Revenues	16,062.96	100.00	15,027.90	100.00	11,016.05	100.00
Expenses						
Cost of sales						
Cost of goods sold	12,973.71	80.77	14,002.01	93.17	11,023.66	100.07
Idle cost	87.70	0.55	124.93	0.83	296.81	2.69
Loss on decline in value of inventories (reversal)	0.97	0.01	72.49	0.48	(33.79)	(0.31)
Total Cost of Sales	13,062.39	81.32	14,199.42	94.49	11,286.68	102.46
Selling expenses	163.60	1.02	149.41	0.99	130.26	1.18
Administrative expenses	403.02	2.51	241.56	1.61	353.46	3.21
Loss on confirmed purchase orders for undelivered raw materials	-	-	-	-	20.81	0.19
Loss on foreign exchange - net	522.87	3.26	220.01	1.46	-	-
Other expenses	1.34	0.01	1,874.92	12.48	11.67	0.11
Finance costs	477.86	2.97	310.43	2.07	227.02	2.06
Total Expenses	14,631.08	91.09	16,995.75	113.09	12,029.91	109.20
Gain (Loss) before tax	1,431.88	8.91	(1,967.85)	(13.09)	(1,013.85)	(9.20)
Tax expense	(106.76)	(0.66)	(35.60)	(0.24)	-	-
Gain (Loss) for the year	1,325.12	8.25	(2,003.46)	(13.33)	(1,013.85)	(9.20)

Source: Company

6.2.3. Consolidated cash flow statement

Components	12-Month Period December 31, 2021	12-Month Period December 31, 2022	12-Month Period December 31, 2023
Net cash provided by (used in) operating activities	1,654.87	616.05	(607.72)
Net cash provided by (used in) investing activities	(188.20)	(44.20)	(136.68)
Net cash provided by (used in) financing activities	(1,380.95)	(226.20)	502.55
Net increase (decrease) in cash and cash equivalents	85.72	345.65	(241.86)
Cash and cash equivalents, at beginning of year	330.77	419.02	764.69
Effect of exchange rate changes on cash and cash equivalents held in foreign currencies	2.53	0.01	(0.00)
Cash and cash equivalents, at end of year	419.02	764.69	522.83

Source: Company

6.2.4. Performance of the Company

Revenue from sale

Year 2021

The Company reported revenue from sales of THB 15,814 million which increased by THB 6,500 million mainly due to increase in selling price by 10,581 THB per ton or 66% while sales volume increase by 15 k Mt or 3% compared to last year.

Year 2022

The Company reported revenue from sales of THB 14,941 million which decreased by THB 873 million mainly due to the decrease in sales volume by 12% compared to last year.

Year 2023

The Company reported revenue from sales of THB 10,766 million which decreased by THB 4,175 million mainly due to the decrease in sales volume by 13% and decrease in the selling prices by 17% compared to Y2022.

Operating Results

Year 2021

The Company reported a gross profit of THB 2,751 million, significantly improving from last year which saw a gross profit of THB 11 million. This resulted mainly due to the increase in selling price resulting from a global uptrend in the HRC prices and improvement in Raw Material mix.

The Company reported a net profit of THB 1,323 million compared to net loss of THB 551 million last year, an increase by THB 1,874 million. The consolidated net profit for the year 2021 was recorded at THB 1,325 million compared to the reported net loss of THB 600 million last year, an increase by THB 1,925 million mainly due to the increase in selling price.

Year 2022

The gross profit of the Company reduced by THB 2,010 million compared to 2021 mainly due to reduction in metal spread (margin between selling price and metal cost) and increase in conversion cost mainly due to increase of sub raw materials price, electricity price as well as natural gas price.

The consolidated net loss was recorded at THB 2,003 million compared with net profit THB 1,325 million last year, a decrease by THB 3,329 million mainly as explained above in addition to Impairment loss on assets, foreign exchange loss and Provision for unsettled debts and impairment of advance to supplier under arbitral award as per explanation below.

Year 2023

The Gross Profit of the Company decreased by THB 1,262 million compared to Y2022 mainly due to a decrease in sales volume & selling price while the decrease in cost of goods sold was lower than the decrease in selling price, thus squeezing the margins.

The Consolidated Net Loss for the year at THB 1,014 million was lower than the Net Loss of THB 2,003 million for Y2022 by THB 990 million mainly due to one off expenses on account of Impairment loss on unusable machines held for sale amounting to THB 1,497 million in Y2022.

Selling Expenses

Year 2021

The Company recorded selling expenses of THB 164 million, which increased by THB 16 million compared to last year due to increase in sales volume and increased transportation cost resulting from the increase of oil prices.

Year 2022

Company recorded selling expense of THB 149 million, which decreased by THB 14 million compared to last year due to a decrease in sales volume.

Year 2023

The Company recorded Selling Expense of THB 130 million during the year, which decreased by THB 19 million compared to Y2022 due to the decrease in sales volume.

Administrative Expenses

Year 2021

Administrative expenses of 2021 increase by THB 168 million from 2020 mainly due to higher charges on account of incentive program while 2020 decrease from 2019 by THB 143 million mainly came from the termination of Financial Advisory fees and several cost reduction initiatives taken to make the Company more competitive in the long run.

Year 2022

Administrative expenses Y2022 decreased by THB 162 million from Y2021 mainly due to reduction in incentives due to expiration of management incentive plan implemented in 2021 while the expenses in Y2021 increase by THB 168 million from 2020 mainly due to higher charges on account of incentive program.

Year 2023

The Company recorded Administrative Expenses of THB 355 million, which increased by THB 116 million compared to last year mainly due to additional waste management expenses and consultant fees.

Net gain on foreign exchange rate

Year 2021

The Company reported a net loss on foreign exchange of THB 523 million due to the depreciation of the Thai Baht versus the US dollar from 30.2068 THB/USD on December 30, 2020 to 33.5929 THB/USD on December 30, 2021.

Year 2022

The Company reported a net loss on foreign exchange of THB 220 million due to the depreciation of the Thai Baht versus the US dollar from 33.59 THB/USD on December 30, 2021 to 34.73 THB/USD on December 30, 2022.

Year 2023

The Company reported a Net gain on foreign exchange of THB 15 million due to the appreciation of the Thai Baht versus the US dollar from 34.73 THB/USD on December 31, 2022 to 34.38 THB/USD on December 31, 2023.

Gains and losses from other non-recurring items

Year 2021

Gain from write-back the expired legal prescription of liabilities

The Company has recorded a write off of the unclaimed liabilities that have expired the legal prescription timeline by law and recorded as gain from write-back the expired legal prescription of liabilities by THB 197 million.

Year 2022

Provision for unsettled debts under arbitral award& Allowance for impairment on advances to supplier

The Company recorded Provision for unsettled debts under arbitral award & Allowance for impairment on advances to supplier under other expenses of THB 378 million due to Arbitration Award against the Company in the ongoing case against one creditor of the Company. The Company has appealed against such Arbitral Award.

Allowance for impairment of unusable machines held for sale

The Company recorded Allowance for impairment of unusable machines held for sale of THB 1,497 million in Y2022 since the Company decided not to continue with the commissioning of the existing Pickling & Oiling line.

Year 2023

The Company recorded other expenses of THB 12 million compared to THB 1,875 million last year, which decreased by THB 1,863 million. Last year the company recorded two one off items i.e. allowance for impairment of unusable machines held for sale of THB 1,497 million and THB 379 million due to Arbitration Award against the Company in the case against one creditor of the Company.

Finance cost

Year 2021

The Company recorded finance cost of THB 478 million for year 2021 and THB 621 million for 2020, a decrease of THB 143 million due to write-off of the accrued interest that exceeded the time limit of the legal prescription of debts. The Company also repaid short term loan USD 37.1 million which helped in the reduction in interest expense.

Year 2022

The Company recorded finance cost of THB 310 million for Y2022 compared to THB 478 million for Y2021, a decrease of THB 167 million mainly due to the repayment of short-term borrowings and long-term borrowings by using Facilities from financial Institutes at much lower rate of interest which helped in the reduction in interest expense

Year 2023

The Company recorded finance cost of THB 227 million for Y2023 compared to THB 310 million for Y2022, a decrease of THB 83 million mainly due to the repayment of short-term and long-term borrowings at higher interest rates by obtaining cheaper loans from Related party and quarterly payments of interest-bearing liabilities from terminated rehabilitation plan and compromise agreement.

6.2.5. **Statement of financial position**

Total Assets

Year 2021

As of December 31, 2021, the consolidated total assets amounted to THB 12,340 million, which increased by THB 1,351 million or 12% from year ended 2020. Out of the total assets, Current Assets amounted to THB 2,668 million or 22% of total assets, which increased by THB 847 million or 47% mainly due to an increase in Inventory by THB 715 million and Cash and cash equivalents by THB 88 million. Non-current assets amounted to THB 9,672 million or 78% of total assets, which increased by THB 503 million or 5% from year ended 2020 mainly due to the increase in Other long-term investment due to changes in the fair value of security in G J Steel as explained above and decreased in Machinery & Equipment from depreciation.

Year 2022

As of December 31, 2022, the consolidated total assets amounted to THB 10,357 million, which decreased by THB 1,983 million or 16% from year ended 2021. Out of the total assets, Current Assets amounted to THB 3,034 million or 29% of total assets, which increased by THB 367 million or 14% mainly due to increase in cash and cash equivalents by THB 346 million. Non-current assets amounted to THB 7,323 million or 71% of total assets, which decreased by THB 2,349 million or 24% from year ended 2021 mainly due to the decrease in Machinery & Equipment due to Allowance for impairment of unusable machines held for sale and depreciation and decrease in Other long-term investment resulting from the decrease of G J Steel share price.

Year 2023

As of December 31, 2023, the consolidated total assets amounted to THB 8,502 million, which decreased by THB 1,855 million or 18% from year ended 2022. Out of the Total Assets, Current Assets amounted to THB 1,843 million or 22% of total assets, which decreased by THB 1,191 million or 39% mainly due to a decrease in inventory by THB 755 million and decrease in cash and cash equivalents by THB 242 million. Non-current assets amounted to THB 6,659 million or 78% of total assets, which decreased by THB 664 million or 9% from year ended 2022 mainly due to the decrease in Other long-term investment resulting from the decrease in value of Investment in G J Steel and decrease in Machinery & Equipment due to depreciation.

Inventories

Year 2021

Value of Inventories in the consolidated Financial Statement amounted to THB 1,949 million or 16% of total assets, which increased by THB 715 million or 58% from year ended 2020 due to the increase in raw materials and finished goods.

On November 1 and 6, 2017, the Company paid USD 2 million (approximately THB 68 million) to a financial supporter. However, the raw materials (scrap steel) have not been transferred as yet from control yard and the Company has recorded the payment as advance payment for raw materials at transaction date.

On January 20, 2021, the Company has entered into Settlement Agreement with the Financial Supporter, whereby such advance payment, which had outstanding balance as at December 31, 2021 and 2020 of THB 68 million will be settled through the Arbitration Process. The Thai Arbitration Institute and both parties

have determined the date of investigation creditors' witness on March 14, 18, 23 and 28, 2022 and determined the date for investigation of the Company's witness on March 31, April 1, 4 and 8, 2022.

Year 2022

Value of Inventories in the consolidated Financial Statement amounted to THB 1,926 million or 19% of total assets, which decreased by THB 23 million or 1% from year ended 2021 due to the decrease in raw materials and partly offset by the increase in finished goods and spare parts.

Year 2023

Value of Inventories in the consolidated Financial Statement amounted to THB 1,171 million or 14% of total assets, which decreased by THB 755 million or 39% from year ended 2022 due to a decrease in finished goods and raw materials, which are part of management's effort to reduce inventories. However, part of this reduction has been offset by an increase in necessary maintenance equipment to ensure a decrease in delays caused by damaged machinery.

Total liabilities

Year 2021

Total liabilities in the consolidated Financial Statement as of December 31, 2021 amounted to THB 6,561 million, which decreased by THB 769 million or 10% from year ended 2020 mainly due to decrease in short-term borrowings from related parties and other payables and accrued expenses.

Consolidated current liabilities decreased THB 1,416 million due to:

- Short-term borrowings from related parties decreased by THB 1,086 million due to the repayment by the Company.
- Other payables and accrued expenses decreased by THB 443 million due to the repayment and restructuring of debts with a creditor and reclassification of part of the liabilities to noncurrent liabilities.
- Current portion of long-term borrowings from related parties decreased by THB 267 million due to the repayment and restructuring of debts with a creditor and reclassification of part of the liabilities to non-current liabilities.

Consolidated non-current liabilities increased THB 648 million derived from:

- Long-term borrowings from related parties increased by THB 359 million due to reclassification from current liabilities as explained above and depreciation of THB leading to increase in the USD denominated liabilities.
- Liabilities under rehabilitation plan and compromise agreement decreased THB 139 million mainly due to repayment.
- Other payables and accrued expenses increased THB 301 million due to reclassification from current liabilities as explained above and depreciation of THB leading to increase in the USD denominated liabilities.

Year 2022

Total liabilities in the consolidated Financial Statement as at December 31, 2022 amounted to THB 6,918 million, which increased by THB 358 million or 5% from year ended 2021 mainly due to the increase in Short-term loans from financial institution, provision for unsettled debts under arbitral award and partly offset by the decrease in short-term borrowings from related parties, accrued interest expenses, long-term borrowings from related parties, Liabilities from terminated rehabilitation plan and compromise agreement as detailed below.

Consolidated current liabilities increased THB 1,385 million due to:

- Short-term loans from financial institutions increased by THB 2,400 million which was mainly used to repay high-cost old debt and accrued interest.
- Short-term borrowings from related parties decreased by THB 348 million due to repayment.
- Other payables and accrued expenses decreased by THB 43 million mainly due to repayment.
- Income tax payable decreased by THB 107 million due to payment of the tax dues.
- Accrued interest expenses decreased by THB 766 million mainly due to repayment.

Consolidated non-current liabilities decreased THB 1,027 million derived from:

- Long-term borrowings from related parties decreased by THB 1,042 million mainly due to repayment.
- Liabilities under rehabilitation plan and compromise agreement decreased THB 114 million mainly due to repayment.
- Provision for unsettled debts under arbitral award increased as explained above.

Year 2023

Total Liabilities in the consolidated Financial Statement as of December 31, 2023 amounted to THB 6,422 million, which decreased by THB 496 million or 7% from year ended 2022 mainly due to the decrease in other payables and accrued expenses, accrued interest expenses and provision for unsettled debts under arbitral award.

Consolidated Current liabilities increased THB 542 million mainly due to:

- Short term borrowings from related parties increased by THB 2,300 million which was mainly use for repayment of short-term borrowings from financial institution, other payables and accrued expenses and accrued interest expenses.
- Short-term borrowings from financial institution decreased by THB 1,300 million due to repayment by using the short-term borrowings from related party as stated above.
- Other payables and accrued expenses decreased by THB 76 million and accrued interest expenses decreased by THB 133 million mainly due to repayment.

Consolidated non-current liabilities decreased THB 1,038 million mainly due to:

- Other payables and accrued expenses decreased by THB 827 million mainly due to repayment.
- Provision for unsettled debts under arbitral award decreased by THB 173 million mainly due to its reclassification to liability under rehabilitation plan and compromise agreement and repayment.
- Long-term borrowings from related parties decreased THB 47 million mainly due to repayment.

Shareholders' equity

Year 2021

As of December 31, 2021, the Consolidated Financial Statement recorded shareholders' equity of THB 5,779 million which increased by THB 2,120 million from last year due to net profit THB 1,325 million and Gain on change in fair value of equity security designated at fair value through other comprehensive income THB 794 million on account of G J Steel investment.

Year 2022

As of December 31, 2022, the Consolidated Financial Statement recorded shareholders' equity of THB 3,438 million which decreased by THB 2,340 million from last year due to net loss THB 2,003 million and Loss on change in fair value of equity security designated at fair value through other comprehensive income THB 337 million on account of G J Steel investment.

Year 2023

As of December 31, 2023, the Consolidated Financial Statement recorded shareholders' equity of THB 2,080 million which decreased by THB 1,358 million from last year due to Net Loss of THB 1,014 million, Loss due to change in fair value of equity security designated at fair value through other comprehensive income of THB 337 million on account of G J Steel investment and Actuarial losses on defined employee benefit plans THB 7 million.

6.2.6. Asset Management Efficiency

Year 2021

As of December 31, 2021, the Consolidated cash and cash equivalent balance was THB 419 million, which increased by THB 88 million from the year ended 2020. Cash flow of each activity of year 2021 is as follow:

- Net cash flows provided by operating activities THB 1,655 million was higher than last year which posted cash flow provided by operating activities of THB 403 million.
- Net cash flows used in investing activities was THB 188 million. This mainly came from Cash flow used in Purchases of property, plant and equipment of the Company.
- Net cash flows used in financing activities THB 1,381 million. Mainly from the loan repayment, finance costs paid and repayment of liabilities from terminated rehabilitation plan and compromise agreement.

Year 2022

As of December 31, 2022, the Consolidated cash and cash equivalent balance was THB 765 million, which increased by THB 346 million from year ended 2021. Cash flow of each activity of year 2022 is as follow:

- Net cash flows provided by operating activities THB 616 million was lower than last year which posted cash flow provided by operating activities of THB 1,655 million.
- Net cash flows used in investing activities was THB 44 million which was used in Purchases of property, plant and equipment of the Company.
- Net cash flows used in financing activities was THB 226 million mainly from repayment of short-term borrowings from related party, repayment of long-term borrowing from related parties, finance costs paid, repayment of liabilities from terminated rehabilitation plan and compromise agreement and partly offset by borrowing from financial institution.

Year 2023

As of December 31, 2023, the Consolidated cash and cash equivalent balance was THB 523 million, which decreased by THB 242 million from the year ended 2022.

- Net cash flows used in operating activities is THB 608 million, compared to net cash provided by operating activities of THB 616 million last year.
- Net cash flows used in investing activities stood at THB 137 million, compared to THB 44 million last year, which was used to purchase land, buildings and equipment of the Company.
- Net cash flows provided by financing activities is THB 503 million, mainly due to short-term borrowings from related businesses and to short-term borrowings from financial institutions. It is partially offset by repayments of short-term from financial institutions, repayments of short-term borrowings from related businesses, repayments of debts resulting from the terminated rehabilitation plan, compromise agreement, financial costs and repayments of long-term borrowings from related businesses.

6.3. Risk factors which may affect the Company's profits.

Risk factors involved in the Company's business that may have a significant effect on the return on investment and ways to prevent risks can be summarized as follows.

6.3.1. Risks arising from Production, Transportation and Scrap Purchasing

Production risks involving procurement and repair of spare machinery to replace worn out machinery.

Due to the unique characteristics of large machines, risk factors occur when the plant carries out repair arrangements or orders a replacement machine as time is extremely important. Therefore, the maintenance schedule and plan on procuring the new replacement machine must be on time so that the production is not interrupted. If it is necessary to stop production, it must be for the shortest period of time.

Risks arising from domestic scrap procurement

Domestic scrap is the main raw material for production. It accounts for about 80% of all major raw materials used in production. The proportion of its use depends on the scrap procurement process and the amount of scrap available in the country. The company has planned to acquire more good quality scrap by continuously expanding the domestic scrap distributors and procurement base. The company

plans to maintain the proportion of domestic scrap at 80% of the main raw materials in production so that there is a regular supply for scrap used in production. Purchasing foreign scrap would take a longer time to process and there is price uncertainty from foreign exchange rates causing the production cost to fluctuate. Therefore, the use of more domestic scrap increases the certainty in terms of quantity and price.

The risks of goods delivery to customers

To deliver the goods to customers, the Company employs third-party transportation services. In order to maintain a sufficient volume of transport vehicles and be able to deliver the products to customers in full as scheduled with a higher delivery rate and be able to control the delivery cost, the company then entered into a long-term contract with transportation agencies by specifying transportation rates for each period of oil prices that have fluctuated. If the transportation company is unable to deliver the goods to the customer or the product is damaged during transportation, the Company shall be entitled to reimburse the value of damage from the transportation company.

Purchasing of scrap and raw iron from abroad (Import Scrap and Pig Iron)

The main raw material for production is pig iron purchased from abroad and steel scrap procured both domestically and internationally. In the purchase of main raw materials from abroad, the company must plan for orders carefully to avoid problems with insufficiency of raw materials for use in production. Due to uncertainty of transportation, the volume and the prices of raw materials are constantly moving according to the world market conditions. Therefore, the company closely follows the movements of the world iron and steel market and coordinates with the production department in order to plan for procurement to ensure sufficient raw materials for continuous production.

In addition, the company has specified appropriate and concise conditions for the claim and compensation in the raw material purchase agreement in the event that the Company is receiving inferior raw materials, or the quality of the raw materials does not meet the agreed condition in order to minimize the damage.

6.3.2. Marketing and Distribution Risks

Risk from market share gain by imported products

According to the statistics of imported steel products, domestic HRC manufacturers currently supply only 43% of the total demand while the remaining 57% of the supply is imported; especially imports from China which has a very high influence on production and pricing in the market. Therefore, it is a challenge that the Company will have to face in the fight to regain its market share occupied by foreign substitutes.

Risks from the fluctuation of product demand and price arising from a downward business cycle

Some downstream industries using the Company's products such as steel pipe industry and construction industry, such as infrastructure construction projects, are characterized by fluctuations in the business cycle. As a result, the demand and product prices of the Company fluctuate accordingly. This could affect the Company's future profits during business downturns.

Hot-rolled coils are widely used in other downstream industries such as cold-rolled steel industry, automobile industry, galvanized steel and steel plates used in various industries. Therefore, the Company expects to be able to produce other types of value-added products with support from the parent company abroad. The Company plans to develop higher quality products, diversify and expand its customer base and increase the volume of exports to foreign countries.

The Company supports government policies that promote the domestic steel industry which will help reduce the company's risks at the same time. As a result, there should be less imported hot-rolled steel coils and the price of hot-rolled steel coils would stabilize at an appropriate level.

Though the Company has no control over the difference between the selling price and the cost of production. However, it monitors the raw material costs, both in terms of quantity and pricing, compared to the orders received from customers. The Company also takes into consideration the impact of rising raw materials prices in 2023 which will inevitably affect the cost of hot-rolled steel production in 2024.

6.3.3. Financial Risks

Foreign exchange volatility risks

The Company purchases raw materials (both steel scrap and pig iron) and also a few items of sub raw materials from abroad causing expenditures in foreign currency while it earns most of its sales in Thai Baht currency.

The Company has reduced purchasing of main raw materials from abroad which also helps in reducing the impact of foreign currency fluctuations. The Company will consider hedging the forex transactions on a case-to-case basis by using the foreign exchange facility obtained from local commercial banks after considering the cost benefit.

Risks in providing credit to customers

The Company's normal sales terms granted to the customers are cash advance and credit not over 3 working days for domestic sales, and cash advance and letter of credit at sight for export sales. The Company analyzes the performance and financial status of new customers before granting a credit limit. The financial status of each customer is reviewed on a periodic basis to confirm their credit limit.

Financial liquidity risks

The Company maintains and reviews its monthly financial projection and cash flow projection to regularly monitor the financial status. The Company has obtained credit facility from commercial banks and entered into a cash management agreement with a local related company to supply fund for the cash flow to the Company in case of insufficient funds in the Company's bank accounts. The Company has also entered into a credit agreement with a local related company for a revolving credit facility.

Risks of default on payment of debt, fee, interest under the loan agreement with creditors

The Company has negotiated various debt settlement plans with creditors including installments, debt conversion and moratoriums so as to avoid defaults. The Company will closely monitor its cash flows and ensure that regular payments are made for these negotiated installments. Depending on the cash flow position, the Company will prepay and settle the old debts which will also help to reduce the interest burden of the Company. In future, the Company will continue to monitor the cash flows to avoid such risk.

6.3.4. Environmental and personnel risks

Production risks that may cause pollution

The Company engages in the production of hot rolled coils including melting, casting and rolling processes which may cause pollution in terms of dust contaminants in the air, heavy metals that may contaminate the water, the temperature of the processed water and the noise level that may exceed the standard value. The Company has provided an air pollution prevention system to trap the dust before releasing into the atmosphere. There is a cooling tower water treatment system to treat heavy metals that may contaminate the cooling tower system effluent. The company has used the wastewater to spray over the hot steel slag where the water would evaporate into the atmosphere. It has also planted tree fences to prevent dust and noise around the factory which is in line with current environmental laws and regulations.

The Company maintains its pollution treatment machinery in proper condition otherwise due to the deterioration of the machinery, the work efficiency decreases which may cause the pollution to escape to the outside environment and may cause damage or impact on the community or the environment which will increase the cost of the company to renovate and restore the environment for the community. The company may need to add a pollution monitoring and control system to comply with potentially more stringent laws or regulations in the future resulting in increased costs which includes the costs that may arise from being prosecuted if the company is unable to reduce the pollution that occurs. Ultimately, it may affect the business, financial condition and future performance of the Company.

Therefore, the Company hires a company that specializes in the environmental issues to conduct factory environmental quality audits every six months according to the EIA measures and presented the audit report to the Office of Natural Resources and Environmental Policy and Planning, Department of Industrial Works, The Industrial Estate Authority of Thailand and the Department of Primary Industries and Mines on an ongoing basis. In addition, the Company has also been certified with ISO 14001 environmental quality standards. Therefore, the Company is confident that it will not face any problems in this regard.

Business operation risks that may cause insecurity to employees

The Company operates the business that is considered as a heavy industry. As a result, the employees of the company may be exposed to hazards arising from the forging, casting, rolling processes and loading and unloading of heavy materials. This may result in the Company incurring additional costs

from being prosecuted by the injured persons, including the expenses incurred from fines which may affect the business financial status and future performance of the company.

However, the company has prepared an emergency plan and safety measures for safety while working to meet the standards accepted by government agencies and related private sectors. It is also certified to the Standard Occupational Health Management (ISO 45001) to prevent or reduce the risk of accidents and impact on the health of workers while working. From historical data, it was found that the accident statistics of the company since the establishment of the factory are low. Moreover, there has never been a case of complaint or claim for compensation or reimbursement under employee violation at all.

6.3.5. Risks related to public policy and the relevant regulations

Risk management by using Anti-dumping and Countervailing measures under the Anti- Dumping and Countervailing Act, B.E. 2542 and (No.2) B.E. 2562

Hot Rolled Steel Industry is a basic commodity for the development of the country and there are many large manufacturers around the world. Therefore, under intense competition in the free trade world especially during the ongoing economic downturn for many years, the producers are struggling to survive and cannot exporting the excess products to foreign countries since export selling price is much cheaper than local selling price. As a result, the market price mechanism in importing countries has been distorted. In other words, it destroys the market of domestic industry and leads to unfair competition. Therefore, anti-dumping policy is an important measure to help mitigate the damage of the domestic steel industry and create fair trade for all parties.

It is found that few importers have made efforts to evade the anti-dumping measures to avoid having to pay anti-dumping duties in addition to regular import duties which makes the enforcement measures ineffective and inefficient.

For this reason, the Government by the Department of Foreign Trade has proposed the following amendments of this law to be more efficient and effective in enforcing it.

- Expand the scope and prevent the circumvention of anti-dumping and countervailing measures.
- Increase measures to control the collection of anti-dumping duties and countervailing measures to be more effective.

- Legislation on adoption of sub-laws for countervailing measures.

In this regard, the revision of Anti-Dumping and Countervailing Act (No.2) B.E. 2562 has added the above provisions and was announced in the Government Gazette on 22 May 2019 and coming into effect on 18 November 2019 which will help prevent the import of hot rolled steel products that circumvent the anti-dumping and countervailing measures and will also help alleviate damage from termination of Safeguard measures for hot-rolled steel flat products with alloy as well.

For Thailand, the Government by the Ministry of Commerce has implemented anti-dumping measures for hot-rolled steel flat products as follows:

- Extension for enforcement of Anti-dumping measures for hot-rolled steel products imported from 14 countries for a period of 5 years, effective from June 9, 2021 to June 8, 2026.
- Anti-dumping measures for hot-rolled steel products originating from the Socialist Republic of Vietnam and the Arab Republic of Egypt for a period of 5 years, effective from December 1, 2021 to November 30, 2026.
- Extension for enforcement of Anti-dumping measures for hot-rolled coils and non-rolled steel products originating from the Federal Republic of Brazil, Islamic Republic of Iran and the Republic of Turkey for a further period of 5 years, effective from June 2, 2023 to June 1, 2028.
- Extension for enforcement of Anti-dumping measures for hot-rolled steel flat products originating from the People's Republic of China and Malaysia for a further period of 5 years, effective from July 11, 2023 to July 10, 2028.
- On September 15, 2023, the Department of Foreign Trade issued an announcement in the Royal Gazette to initiate the investigation on anti-dumping circumvention in the case of hot rolled steel sheets in coils and not in coils which originates from the People's Republic of China to extend the imposition of anti-dumping duty on imports of hot rolled alloy steel in coils and not in coils originating from the People's Republic of China
- Extension for enforcement of Anti-dumping measures for boron-added hot-rolled steel products originating from the People's Republic of China for a further period of further 5 years, effective from December 13, 2018 to December 12, 2023. And on December 4, 2023, the Department of Foreign

Trade issued an announcement in the Royal Gazette to open a review of the necessity of applying anti-dumping duties and the duty payment collateral shall be collected during the review at the rate originally specified from December 13, 2023 for a period not exceeding 1 year.

The implementation of such Anti-dumping measures by the Government can help alleviate the trade problems arising from the dumping actions by few countries. As a result, the hot-rolled steel industry still can continue to move forward. In addition, the company has cooperated with other domestic manufacturers in following up on the dumping situation that may occur from other countries or in other ways continually to deter or prevent unfair trade from dumping that may occur on the hot- rolled steel market in Thailand.

Risks from price control by the government

Hot-rolled steel product is one of many items monitored and controlled by the Ministry of Commerce. In practice, it tracks the volume and price movements of domestic products. The company also cooperated with the Department of Internal Trade to provide information on products and prices. Therefore, the company has low risk that the price increase may be inhibited if the domestic selling price rises rapidly or in case the Ministry of Commerce applies price fixation measure for consumer goods or commodities.

However, when the Company needs to raise prices to the required level, it does so in line with in relation to raw material cost, production cost and international selling prices.

6.3.6. General Risks

Risks of inability to operate due to uncontrollable factors

The Company's business may be at risk from several uncontrollable factors such as sabotage, natural disasters, industrial accidents, terrorism, machinery malfunctions, other technical problems and epidemics.

Although each of the above factors may be uncontrollable, the company is confident in prevention and correction of these problems from causing significant loss of income by providing regularly trainings and knowledge on how to safely operate the machine tools to its employees. In addition, the company has a security system running by its own staff and it also employs an efficient security company to supervise

and monitor strictly 24 hours a day. In 2023, more than 40 additional CCTV cameras were installed in various risky spots both in the working areas and around the factory fences. Moreover, the company has an insurance policy that covers the loss or damage of property in specific cases. In terms of labor relations, the Company has set up a committee comprising members from employees and the employer. Apart from this, the Corporate Social Responsibility Committee, CSR, is the representative to take care of the welfare of employees in a proper and fair manner.

In the event of COVID-19 outbreak, the Company has taken several proactive measures in risk management, such as raising awareness of self-protection among employees, providing alternative vaccines to all employees, regular random checking of infection among high-risk employees and contractors including planning for a replacement of personnel in the event an infected person is found in the workplace, etc.

Corruption Risks

The Company has announced an anti-corruption policy on November 13, 2017 with an emphasis on anti-corruption actions as well as supporting and promoting personnel at all levels to have an awareness of anti-corruption and all forms of corruption. The Board of Directors has established a policy on prevention and anti-corruption (Anti-Corruption and Anti-Bribery Policy) to supervise operations in accordance with the law and regulations (Corporate Compliance Policy) which is in line with the practices set out in the business ethics for executives and employees.

Moreover, the company has joined the Thai Private Sector Collective Action Coalition Against Corruption (CAC) project which demonstrates its commitment and determination to combat all forms of corruption. In this regard, the anti-corruption policy has been established by defining responsibility and appropriate practice guidelines for the prevention of corruption in all activities. The policy has been communicated to directors, executives, employees as well as internal and external stakeholders to be a common practice guideline for conducting business with transparency and fairness.

In addition, the Company has assigned the Risk Management Committee to assess, analyze and define measures for managing the risks of the business and corruption, including a good internal control system and regular effective audits.

6.4. List of the Board of Directors and the top 10 shareholders as of the record date for entitlement to the shares of the Company

6.4.1. List of the Company's Board of Directors, information as of March 1, 2024

Name	Position
1. Mr. Christopher Michael Nacson	Chairman of the Board of Directors, Chairman of the Audit Committee, and Independent Director
2. Mr. Somchai Wangwattanapanich	Independent Director and Audit Committee Member
3. Mr. Nobuo Okochi	Director and Authorized Director
4. Mr. Takashi Sekino	Director and Authorized Director
5. Khunying Patama Leeswadtrakul	Director and Authorized Director
6. Mr. Chainarong Monthienvichienchai	Independent Director and Audit Committee Member
7. Mr. Hideki Ogawa	Director and Authorized Director
8. Mr. Hisato Ishizaki	Director
9. Mr. Bantoon Juicharearn	Director, Chief Executive Officer, Authorized Director, and Chairman of the Management Committee

Source: Company

6.4.2. List of the top 10 major shareholders according to the latest shareholder register as of February 19, 2024

No.	Name of shareholders	Number Shares	% of paid-up capital
1.	NIPPON STEEL CORPORATION Group ^{1/}	17,424,672,258	60.23
2.	UOB KAY HIAN PRIVATE LIMITED	2,168,239,536	7.50
3.	SUPERIOR OVERSEAS (THAILAND) CO., LTD.	2,025,246,897	7.00
4.	Mr. Nirum Ngamchamnanrith	444,682,520	1.54
5.	Mr. Taweechat Jurangkul	432,208,900	1.49
6.	Khunying Patama Leeswadtrakul	403,412,980	1.40
7.	Miss Supinya Leeswattrakul	403,212,000	1.39
8.	Miss Sarunya Leeswattrakul	403,000,000	1.39
9.	Miss Suwimada Leeswattrakul	402,929,106	1.39
10.	Mr. Nattapol Jurangkul	402,878,400	1.39
11.	Other shareholders	4,418,282,835	15.27
Total		28,928,765,432	100.00

Receiving Financial Support (Account 2) - GSTEEL

Remarks:

1/ List of shareholders of NIPPON STEEL CORPORATION group;

No.	Name of shareholders	Number Shares	% of paid-up capital
1.	ASIA CREDIT OPPORTUNITIES I (MAURITIUS) LIMITED	14,461,489,473	49.99
2.	NIPPON STEEL CORPORATION	2,963,182,785	10.24
	Total	17,424,672,258	60.23

Source: Company

6.4.3. Related Transactions

The Company has transactions with person who may have conflict of interest. Related transactions are transactions with the shareholders including its affiliates and/or the management of the Company, and the related parties can be summarized as follows:

No.	Name of Company and Person who may have Conflict of Interest	Nature of Relationships
1	Siam Professional Holdings Co., Ltd. ("SPH")	Subsidiary, 99.99% shareholding
2	GS Securities Holdings Co., Ltd.	Subsidiary, common directors, 99.99% shareholding
3	G J Steel Public Company Limited ("GJSTEEL")	Common shareholders and directors (with the Company), 9.45% shareholding by the Company and its subsidiary
4	Nippon Steel Corporation ("NSC")	Indirect ultimate shareholder
5	Asia Credit Opportunities I (Mauritius) Limited ("ACO I")	Major shareholder and subsidiary of NSC
6	Link Capital I (Mauritius) Limited ("Link Capital I")	Subsidiary of NSC
7	Synergy Strategic Solutions Management DMCC ("Synergy")	Common directors with the Company until February 17, 2022
8	Nippon Steel Trading Corporation ("NST")	Subsidiary of NSC
9	Nippon Steel Southeast Asia Co., Ltd. ("NSSEA")	Subsidiary of NSC
10	Nippon Steel Trading (Thailand) Co., Ltd. ("NSTTH")	Subsidiary of NSC
11	NS-Siam United Steel Co., Ltd. ("NS-SUS")	Subsidiary of NSC

Receiving Financial Support (Account 2) - GSTEEL

No.	Name of Company and Person who may have Conflict of Interest	Nature of Relationships
12	NS BlueScope (Thailand) Limited	Associate of NSC
13	Asia Metal Public Company Limited	Common shareholder with the Company
14	Superior Overseas (Thailand) Co., Ltd.	Related party of the shareholder of the Company
15	Thai Nippon Steel Engineering & Construction Corporation Co., Ltd.	Subsidiary of NSC
16	Siam Nippon Steel Logistics Co., Ltd.	Subsidiary of NSC
17	Krosaki Harima Corporation	Subsidiary of NSC
18	Thai NS Solutions Co., Ltd. ("TNSS")	Subsidiary of NSC
19	Nippon Steel Hardfacing (Thailand) Co., Ltd. ("NSHT")	Associate of NSC
20	Mr. Veerachai Suteerachai	Director of related company

Source: Company

Related Transactions from 2021 to 2023 as detailed below:

Name of Company and Person who may have Conflict of Interest	The Company	Characteristics of the Transactions	Size of Transaction/Balance (THB Million)			Necessity and Justification of the Item
			2021	2022	2023	
G J STEEL PCL	GSTEEL	<u>Purchase of raw material and finished goods</u>	1	62	-	The purchase of finished goods was necessary due to limitation of production to meet customer's requirement and deadline. Meanwhile, the purchase of raw material was required for a short time to serve the production line. This transaction is comparative with the market price and hence, the management is of the opinion that this transaction was beneficial for the Company and justified.
ACO I	GSTEEL	<u>Financial costs</u>	76	95	130	ACO I had bought the Company's debts from several creditors during 2017-2018 and some transactions were entered into Debt Restructuring Agreements as approved by the Board of Director's Meeting in November 2019. Furthermore, 2 Debt Restructuring Agreements were approved by the Board of Director's Meeting in May 2021. In December 2023, the Company had repaid the accrued interest expenses and partly prepaid the principal for other payable.
		<u>Other payable</u>	1,415	1,432	606	
		<u>Short-term loan</u>	47	47	47	
		<u>Long-term loan - net</u>	251	204	157	
		<u>Accrued interest expenses</u>	241	275	115	
		<u>Gain from debt restructuring</u>	9	-	-	
Link Capital I	GSTEEL	<u>Financial costs</u>	352	152	-	These transactions were approved by the Company's Board of Director's Meeting after consideration by Audit Committee and was announced through SET on 18 April 2019. The purpose of these loans were for repayment of the Company's debts, for the Company's working capital and for purchase of raw material.
		<u>Short-term loan</u>	348	-	-	
		<u>Long-term loan – net</u>	995	-	-	
		<u>Accrued interest expenses</u>	818	-	-	

Name of Company and Person who may have Conflict of Interest	The Company	Characteristics of the Transactions	Size of Transaction/Balance (THB Million)			Necessity and Justification of the Item
			2021	2022	2023	
						During the year 2022, the Company had fully repaid the borrowing amount and accrued interest expenses. The management is of the opinion that such transactions were necessary and justified at the time of entering the same.
Synergy	GSTEEL	<u>Other payable</u>	48	-	-	The management is of the opinion that such transactions were under the terms and conditions of the Business Advisory Agreement which was terminated on June 30, 2022.
NSC	GSTEEL	<u>Other payable</u>	-	-	1	This transaction is under the terms and conditions of Technical Service Framework Agreement to improve the production and reduce the power consumption. This transaction is in the normal course of business with general commercial conditions. Based on the comparison with external service provider, NSC has provided better terms. Hence, the management is of the opinion that this transaction was beneficial for the Company.
NST	GSTEEL	<u>Purchase of raw material</u> <u>Account payable</u>	- -	290 1	53 -	This transaction is in the normal course of business with general commercial conditions for purchase of raw material which was required for steel production. Based on the comparison with external suppliers, NST has provided better terms. Hence, the management is of the opinion that this transaction was beneficial for the Company and justified.
NSSEA	GSTEEL	<u>Financial costs</u> <u>Other expense</u>	- -	- 3	2 -	The management is of the opinion that such transactions were necessary and justified. In December 2023, the Company has

Name of Company and Person who may have Conflict of Interest	The Company	Characteristics of the Transactions	Size of Transaction/Balance (THB Million)			Necessity and Justification of the Item
			2021	2022	2023	
		<u>Short-term loan</u> <u>Accrued interest expenses</u>	-	-	2,300 2	received short-term credit facility amount of THB 2,300 million as financial assistance and the interest rate is charged at the policy rate announce by the Bank of Thailand plus 0.18% per annum. The credit facility will mature on July 31, 2024. This transaction was approved by the Board of Director's Meeting.
NSTTH	GSTEEL	<u>Sales of finished goods</u>	-	68	101	This transaction is in the normal course of business with general commercial conditions for indirect export of the Company's finished goods. Based on the comparison with external customers, NSTTH has provided better terms. Hence, the management is of the opinion that this transaction was beneficial for the Company and justified.
NS-SUS	GSTEEL	<u>Other expense</u>	-	2	2	This transaction is to support the normal business with general commercial conditions for services provided by NS-SUS. Based on the comparison with external service providers, NS-SUS has provided better terms. Hence, the management is of the opinion that this transaction was beneficial for the Company and justified.
Asia Metal Public Company Limited	GSTEEL	<u>Sales of finished goods</u> <u>Advance received from customer</u>	49 1	- 1	- 1	This transaction is in the normal course of business with general commercial conditions. Hence, the management is of the opinion that this transaction was beneficial for the Company and justified.

Name of Company and Person who may have Conflict of Interest	The Company	Characteristics of the Transactions	Size of Transaction/Balance (THB Million)			Necessity and Justification of the Item
			2021	2022	2023	
Superior Overseas (Thailand) Co., Ltd.	GSTEEL	<u>Financial costs</u> <u>Accrued interest expenses</u> <u>Liabilities from compromise agreement</u>	2 4 146	2 6 146	3 6 128	<p>This transaction was under Compromise Agreement dated 31 July 2019 which was approved by the Board of Director's Meeting.</p> <p>This restructuring was required due to the Company's cash flow shortage. The management is of the opinion that this transaction was beneficial for the Company and justified.</p>
Krosaki Harima Corporation	GSTEEL	<u>Purchase of sub-raw material & operating consumable</u>	-	-	1	This transaction is in the normal course of business with general commercial conditions for supplies provided by the Related Party. Based on the comparison with external suppliers, Related Party has provided better terms. Hence, the management is of the opinion that this transaction was beneficial for the Company and justified.
NSHT	GSTEEL	<u>Other expense</u>	-	-	2	This transaction is in the normal course of business with general commercial conditions for service provided by NSHT. Based on the comparison with external service providers, NSHT has provided better terms. Hence, the management is of the opinion that this transaction was beneficial for the Company and justified.
Mr. Veerachai Suteerachai	GSTEEL	<u>Gain from repayment of liabilities from compromise</u>	9	-	-	The management is of the opinion that such transaction was under the normal business terms and conditions and justified.
SPH	GSTEEL	<u>Loan to subsidiaries</u> <u>Allowance for impairment losses</u> <u>Accrued interest income</u>	7 (7) 1	7 (7) 1	7 (7) 1	This transaction is in the normal course of business with general commercial conditions and justified.

Name of Company and Person who may have Conflict of Interest	The Company	Characteristics of the Transactions	Size of Transaction/Balance (THB Million)			Necessity and Justification of the Item
			2021	2022	2023	
		<u>Allowance for impairment losses</u>	(1)	(1)	(1)	
GS Securities Holdings Co., Ltd.	GSTEEL	<u>Bad debt</u>	-	-	2	This transaction is in the normal course of business with general commercial conditions and justified.
		<u>Accrued interest expenses</u>	2	2	2	
		<u>Advance to subsidiary</u>	4	6	6	
		<u>Allowance for impairment losses</u>	(2)	(2)	(4)	

6.5. Other information that may have a significant impact on investors' decisions.

-None –

7. Ongoing significant cases or claims

In the third quarter of 2017, the Company had raw materials (scrap steel) which was lost and which may be considered misappropriated, fraud or stolen. Estimated preliminary damage cost was approximately THB 88 million for which the Company had fully set provision. Later, in the fourth quarter of 2017, the Company prepared yearly stock count of its goods and raw materials as at December 31, 2017 and found that quantity of the Company's raw materials (scrap steel) lost from the stock amounted to THB 92 million. Therefore, the Company set up additional in allowance for loss on raw materials amounting to THB 4 million in the fourth quarter of 2017. Presently, the matter is under the investigation process of police officers in order to conclude the final offence and damage for further filing a legal lawsuit. However, the Company's management assured that the Company does not have any more damage.

The Company received a letter dated April 4, 2022 from Rayong Provincial Probation Office informing the Company to meet with the probation officer at Rayong Provincial Probation Office in order to clarify the facts about the circumstances of the case as well as damages and mitigation. The Rayong Provincial Public Prosecutor has charged one Defendant based on several offences of under the Weights and Measures Act B.E. 2542 (1999) as amended, the Ministerial Regulations and the Rules and Procedures for Registration of Personal Marks B.E. 2546 dated October 10, 2003. The public prosecutor also requested the court to confiscate all the property in dispute and to order the defendant to make repayment to the Company. In this respect, the Company has replied to the Rayong Provincial Public Prosecutor and the Rayong Provincial Probation Office that the damage to the Company is THB 92 million. The Company has also reported that there is also loss on account of scrap kept at the Company area which is the property of third party.

On May 10, 2022, the Rayong Provincial Court rendered the judgment that the Defendant has committed the offences and shall be imprisoned for a term of 2 years and shall repay the money to the injured person (the Company) in the amount of THB 174 million. Subsequently, on September 8, 2022, the Defendant has submitted an appeal to the Rayong Provincial Court. On April 27, 2023, the Appeal Court had judgment

that the Defendant has committed the offences and shall be imprisoned for a term of 2 years and shall repay the money to the injured person (the Company) in the amount of THB 174 million, reaffirmed the verdict of the Court of the First Instance then the case was finalized on June 29, 2023.

On January 27, 2023, the Company received the letter from Rayong Prosecutor's Office. The letter is to inform that Rayong Provincial Prosecutor has filed a lawsuit against the second defendant and his group for the offences under the Weights and Measures Act B.E. 2542 and embezzlement; and the Company, as an injured person under Section 44/1 of the Criminal Procedure Code, has the right to claim compensation for injury caused to its property.

On March 15, 2023, the second defendant and his group confessed and the court therefore terminated the examination of witnesses and issued a verdict on that date, ordering the defendant for 2 years in prison. On July 12, 2023, the second defendant and his group submitted the appeal to the Rayong Provincial Court. Subsequently on January 9, 2024, the Appeal Court has judgment that the Defendant has committed the offences and shall be imprisoned for a term of 2 years and shall repay the money to the injured person (the Company) in the amount of THB 174 million, reaffirmed the verdict of the Court of the First Instance then the case was finalized on December 13, 2023.

On April 4, 2023, the Company received the Letter from Rayong Prosecutor's Office. The letter is to inform that Rayong Provincial Prosecutor has filed a lawsuit against the third defendant and her group for the offences under the Weights and Measures Act B.E. 2542 and embezzlement; and the Company, as an injured person under Section 44/1 of the Criminal Procedure Codey, has the right to claim compensation for injury caused to its property. The date for witness examination which shall be held in May 2024.

8. Benefits or transactions related to the Company involving directors, executives, and shareholders holding direct or indirect ownership of 10% or more. Specify the nature of the transactions or benefits

The Company does not have any transactions related to directors and executives. However, the Company has transactions related to shareholders holding direct or indirect shares of 10 percent or more, namely NSC and ACO I. NSC holds directly in the Company 10.24 percent of the registered paid-up capital and holds indirectly in the Company 49.99 percent of the registered paid-up capital through ACO I.

Please consider the information in item 6.4.3 regarding related party transactions.

9. Summary of the significant contracts' key points over the past two years

Contract	Contract party with the Company	Details	Start date - end date of contract
Credit Agreement - Local related company	NSSEA	The Company entered into a Credit Agreement with NSSEA, whereby, NSSEA will provide loan credit facility of THB 2,300 million as financial assistance.	December 15, 2023 – July 31, 2024
Cash Management Service Agreement	NSSEA	The Company entered into a Cash Management Service Agreement with NSSEA, whereby NSSEA will provide loan credit facility of THB 400 million to supply fund for the cash flow to the Company in case of insufficient funds in the Company's bank accounts as specified in the agreement	April 1, 2023 – March 31, 2024
Debt Restructuring Agreement and a Debt Amendment Agreement	ACO I	The Company entered into a Debt Restructuring Agreement and a Debt Amendment Agreement with ACO I. The outstanding principal USD 37.49 million, the Company shall repay to ACO I in one bullet payment on the Final Repayment Date (the date falling the 9th anniversary of the date of the Agreement)	November 28, 2019 - November 28, 2028
Debt Restructuring Agreement	ACO I	Debt restructuring for a loan of THB 314 million to extend the repayment period until December 1, 2025, and reduce the interest rate to 6% per annum.	March 1, 2020 – December 1, 2025
Addendum to Compromise Agreement	Superior Overseas (Thailand) Company Limited ("Superior Overseas")	The Company entered into Addendum to Compromise Agreement with Superior Overseas to amend the repayment schedule of remaining principal debt amounting to THB 146 million and deferred accrued interest (up to December 1, 2022) amounting THB 6 million.	March 31, 2023 – December 1, 2028

Source: Company

10. **Shareholders Having an interest or Being Connected Persons Not Attending the Meeting and Not Entitled to Vote**

The shareholders who have interest are NSC which directly holds 10.24% of the Company's paid-up capital and ACO I, a subsidiary of NSC, who holds 49.99% of the Company's paid-up capital. They are considered as interested and/or connected shareholders and shall have no rights to vote in the Company's shareholders meeting in this agenda (based on the latest closing register as of February 19, 2024).

Shareholder	Number of shares	Percent
1. Asia Credit Opportunities I (Mauritius) Limited	14,461,489,473	49.99
2. Nippon Steel Corporation	2,963,182,785	10.24
Total	17,424,672,258	60.23

11. **Opinion of the Board of Directors regarding agreeing to enter into the Transaction to receive financial support that indicate reasonableness and the highest benefit to the Company, compared to entering into a transaction with an independent third party.**

Please consider the details shown in the Company's information as follows:

- 1) Information Memorandum on the Connected Transaction in relation to the Approval to enter into a Credit Agreement between G Steel Public Company Limited and Nippon Steel Southeast Asia Company Limited ([Attachment 6](#))

12. **Opinions of the Audit Committee and/or the Company's directors which is different from the opinion of the Company's Board of Directors in Clause 11**

Please consider the details shown in the Company's information as follows:

- 1) Information Memorandum on the Connected Transaction in relation to the Approval to enter into a Credit Agreement between G Steel Public Company Limited and Nippon Steel Southeast Asia Company Limited ([Attachment 6](#))

13. Proxy Form for Shareholders to Vote, along with Nominations for at Least 1 Audit Committee Member to be Appointed as Proxy by Shareholders.

Details of the proxy form and information of the audit committee that the Company nominates for shareholders to appoint as proxies appear in the accompanying documents for the 2024 Annual General Meeting of Shareholders (**Attachment 15**).

Best regards

G Steel Public Company Limited

The authorized signatory committee