

SIAM 017/2009

October 15, 2009

To: Shareholders of Siam Steel International Public Company Limited

Re: Invitation to Annual General Meeting of Shareholders No.1/2009

- Enclosure:
- 1) A copy of Minutes of the Annual General Meeting of shareholders No.1/2008
 - 2) Annual Report, including a copy of the Balance Sheet, Profit and Loss Statements, and Auditor's Report for the fiscal year ending June 30, 2009
 - 3) Name lists with educational background and working experience of the nominees proposed to be elected as directors of the Company to replace the directors who retire by rotation.
 - 4) Details of the Company's auditor.
 - 5) Information in respect of the proposed amendment to the Company's Objects.
 - 6) Information in respect of the proposed amendment to the Articles of Association.
 - 7) Educational background, working experience of Independent Director and Definition of Independent Director
 - 8) Proxy Forms, details of Independent Director (proxy for Shareholders)
 - 9) Process of attending the Annual General Meeting of Shareholders No.1/2009
 - 10) Documents or evidence showing an identity of the shareholder or a representative of the shareholder entitled to attend the Meeting.
 - 11) Articles of Association of the Company related with Shareholders' Meeting.
 - 12) Map to the venue of the Shareholders' Meeting

The Board of Directors' Meeting of Siam Steel International Public Company Limited has resolved to convene the Annual General Meeting of Shareholders No.1/2009 on October 30, 2009 at 3.00 p.m. at the Company's head office located at No. 51 Moo 2, Poochaosamingprai Road, Tambol Bangyaparak, Amphur Phrapradaeng, Samutprakarn Province, to consider the following matters:-

Agenda Item 1 **To certify the minutes of the Annual General Shareholders' Meeting No. 1/2008 held on October 30, 2008**

Rationale: The 2008 Annual General Meeting of Shareholders was held on October 30, 2008. A copy of the Minutes is attached as Enclosure No.1. The minutes was accurately recorded and posted on the Company's web site (www.furnituressystem.com)

Opinion of the Board The Board of Directors is of the opinion that the Shareholders should adopt such minutes.

Pursuant to the law, this matter requires affirmative resolution with a majority vote of the total number of votes of Shareholders attending and casting votes at the Meeting.

Agenda Item 2 **To acknowledge the business operational result for the year 2008/2009 and the Company's plan for the next year.**

Rationale: To report for the Company's operational result for the year 2008/2009 and next year projected plan of the Board.

Opinion of the Board: The Shareholders should acknowledge the report of the results of operations of the Company for the Year 2008/2009.

Agenda Item 3 **To consider the approval for the Financial Statements of the fiscal year period from July 1, 2008 to June 30, 2009.**

Rationale: The Board has had the Company's audited financial statements of the fiscal period from July 1, 2008 to June 30, 2009 prepared in order to be submitted to the Annual General Meeting of Shareholders for its consideration and approval in accordance with section 112 of the Public Limited Companies Act B.E. 2535 (1992)

Opinion of the Board: Agree to propose for the approval of the Financial Statements of the fiscal period from July 1, 2008 to June 30, 2009. These have been audited by the Company's Auditor and reviewed by the Audit Committee, as detailed in the Annual Report (Enclosure No.2)

Pursuant to the law, this matter requires affirmative resolution of a majority vote of the total number of votes of Shareholders attending and casting votes at the Meeting.

Agenda Item 4 **To consider the allocation of net profit for legal reserves and dividend payment for year 2008/2009 for business operational results.**

Rationale: According to the audited financial statements of the Company for the financial year ended June 30, 2009, the Company reported net profits of Baht 44,767,155.51. The dividend payment policy has fixed at the minimum 40 % of net profit of separate financial statement after tax and reserve fund required by law.

However, by virtue of Section 116 of the Public Limited Company Act B.E. 2535, the Company shall allocate not less than five per cent of its annual net profit less the accumulated losses brought forward (if any) to a reserve fund until this fund attains an amount not less than ten per cent of the registered capital.

Opinion of the Board The Board of Directors is of the opinion that the Shareholders should approve the dividend payment for the year 2008/2009 operating results starting from July 1, 2008 to June 30, 2009 to the Shareholders in the amount of Baht 23,725,033.96 which can be calculated as dividend payment at Baht 0.04 per share. The payment of dividend will be made on November 30, 2009.

As the legal reserves have been fully maintained, it is not required to allocate the appropriation of net profit as reserve in this year.

The share register will be recorded for share transfer in order to determine the right to receive the dividend on November 9, 2009. Also, November 10, 2009 will be the book-closing date on which the shareholder list as specified in section 225 of the Security Act shall be complied.

This right of the Company is uncertain because it requires the approval from the Shareholders Meeting before.

Table of comparison of the dividends from 2007/2008 to 2008/2009

Details of dividend payment	2008/2009	2007/2008
1. Annual net profit (Separate F/S)	44,767,155.51	260,150,017.33
2. Number of the Company's issued shares	593,125,849	593,125,849
3. Amount of dividend per share	0.04	0.18
4. Total amount of dividends paid	23,725,033.96	106,762,652.82
5. Percentage of the annual net profit (%)	53.00	41.04

Pursuant to the law, this matter requires affirmative resolution of a majority vote of the total number of votes of Shareholders attending and casting votes at the Meeting.

Agenda Item 5 **To consider the election of new directors in place of the retired directors by rotation and their remuneration for the year 2009/2010**

Rationale: Pursuant to Section 71 of the Public Limited Company Act B.E. 2535 and Article 19 of the Articles of Association of the Company, one-third, or the nearest number, of the Board of Directors, shall retire from office each year. The retired directors may be re-elected.

The following directors will retire by rotation with effect from the date of the 1/2009 AGM:

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|--------------------------------|------------------------------|
| 1) Mr.Manu Leopairote, | 2) Mr.Wanchai Kunanantakul, |
| 3) Mr.Surasak Kunanantakul and | 4) Mr.Sittichai Kunanantakul |

The selection of persons to serve on the Board of Directors of the Company is not made through the procedures of the Nominating Committee because the Company does not have a Nominating Committee. The selection process is at the discretion of the Board meeting, which will select suitable candidates whose qualifications meet the requirements provided under the Public Company Act and the notifications of the Securities and Exchange Commission and the Stock Exchange of Thailand.

The Company does not have the Remuneration Committee to consider and determine directors' remuneration. However, the Board determines director's remuneration on the basis of the Company's operating results in the previous year and by comparing how the other operators in the same industry remunerate their directors.

Opinion of the Board (exclusive of Nominated Directors)

The Board of Directors is of the opinion that the Shareholders should re-elect the above directors who retire by rotation to resume their positions because they are qualified according to the applicable laws. Furthermore, they have broad knowledge and experience which are beneficial to the Company.

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|------------------------------|---|
| 1. Mr.Manu Leopairote | (Independent Director and
Chairman of the Audit Committee) |
| 2. Mr.Wanchai Kunanantakul | (President) |
| 3. Mr.Surasak Kunanantakul | (Vice President) |
| 4. Mr.Sittichai Kunanantakul | (Director) |

To facilitate the Shareholders to make decision, we summarize the qualifications of the candidates which are sent to the Shareholders with this Invitation Letter (Enclosure No.3).

Pursuant to the Company's Articles of Association, this matter requires affirmative resolution of a majority vote of the total number of votes of shareholders who attend the Meeting with the following rules and procedures.

- (1) One shareholder shall have one vote for each share;
- (2) Each shareholder shall exercise all the votes he has under (1) to appoint one or several person(s) to be director(s), provided that he cannot divide his votes to any person to any extent;

- (3) Persons receiving the most votes are those who are elected to be directors, in descending order, to the number of directors who are to be elected. If there is a tie in the last to be elected and this exceeds the said number of directors, the presiding chairman shall have an additional casting vote.

In compliance with the Principles of the Good Corporate Governance, the Company provides an opportunity for the shareholders to vote on individual nominees by proposing the Shareholders' Meeting to cast the vote on individual basis.

Furthermore, the Board of Directors to propose to the Annual general Shareholders' Meeting to determine the remuneration for the year 2009/2010 to the directors who are not the Management and Audit Committee as follows:-

- Directors who are not the Management and Audit Committee will receive the meeting allowance at Baht 25,000.-/person/time.

Pursuant to the law, this matter requires affirmative resolution of not less than two-thirds of the total number of votes of shareholders attending the Meeting. However, any director who is also a shareholder of the Company and has interest in this matter shall have no right to vote.

Agenda Item 6

To consider the appointment of auditor and fixing his remuneration for the year 2009/2010

Rationale:

Section 120 of the Public Company Act B.E.2535 requires that the Annual General Meeting of Shareholders appoint the auditors and determine their remuneration. Existing auditors are eligible for re-appointment.

In addition, as prescribed by the Notification of the Securities and Exchange Commission No. Gor Jor 39/2548 Re:Rules, conditions and procedures for disclosure of information on the issuer's financial condition and operating results (issue no. 20), the Company must ensure the rotation of the auditors if any of the auditors have performed their duties for five consecutive financial years. However, the rotation does not mean that the Company is required to engage a new auditing firm. The Company may appoint any auditors in the existing auditing firm to replace the old ones.

The Audit Committee recommends that the Meeting approve appointing Mr.Sumalee Chokdeeanant holding licence No.3322 , who has not yet sign the Company's financial statement, from Grant Thornton Ltd. as the

Company's auditors for the financial year 2009/2010. Because Mr.Somckid Tiatrapul holding licence No.2785 from Grant Thornton Ltd, who have been appointed as the Company's auditor for five consecutive financial years is due to be changed in conformity with the said regulation. The auditors' annual remuneration is at not more than Baht 1,870,000.-

The past auditor remuneration record is as below:

(Unit: Baht)

Audit fee	Year 2009/2010	Year 2008/2009
1) Audit fee for the Company	1,870,000.-	1,870,000.-
2) Other service	-	-
Total audit fee	1,870,000.-	1,870,000.-

To facilitate the Shareholders to make decision, the details of Company's auditors are attached herewith (Enclosure No. 4).

Opinion of the Board

The Board of Directors concurs with the proposal of the Audit Committee and is of the opinion that the Shareholders should appoint Mrs. Sumalee Chokdeeanant, a certified public accountant No. 3322 of Grant Thornton Limited be the Company's auditor for 2009/2010 with remuneration of not exceed Baht 1,870,000.-

The proposed auditors have no relationship or have benefits with the Company, subsidiary companies, management, and major shareholders, or other related persons.

Pursuant to the law, this matter requires affirmative resolution of a majority vote of the total number of votes of Shareholders attending and casting votes at the Meeting.

Agenda Item 7

To consider approving the amendment to Article 3 of the Company's Memorandum of Association, Company's Objective.

Rationale:

Because the company has plans to increase more and more channels of doing business. However, the objectives registered in the Ministry of Commerce. Not cover the content, so the Board of Directors therefore proposes that the shareholders consider and approval of the amendment Clause 3 of the Memorandum of Association, and the amendment to the Company's Objects with the details as follows:

1. To consider the amendment of company's memorandum of association to Clauses 3.

Existing Article: “Company’s Objective has 28 objects clauses”

New Article: “Company’s Objective has 42 objects clauses”

2. To consider an amendment to Clauses 1, 2, 4, 6, 7, 9, 19, & 27 of the Company’s Objects with the details as follows:

Clause 1. Previous terms contain the following.

“To carry on the business of factory manufacturing furniture, tables, cabinets, chairs, safes, armament cabinets, grandstand seats, collapsed grandstands, ballot boxes, polling booths, containers, movable office booths, compact toilets, bicycles, metal sheets, oil tanks, office equipment and to operate sawmills”

Amended terms shall read:

“To carry on the business of factory manufacturing furniture, tables, cabinets, chairs, safes, armament cabinets, grandstand seats, collapsed grandstands, ballot boxes, polling booths, containers, movable office booths, compact toilets, bicycles, metal sheets, oil tanks, water tanks for agriculture, water-supply tanks and all kinds of water tanks including equipment related thereto and to operate the factory manufacturing office equipment, plastic goods, pottery, ceramics and glazed ware; to operate rice mill, sawmill, and planing and impregnating timber plants; to operate factory manufacturing door and window panels, iron and machine works, silos, barns for storing agricultural products including all equipment related thereto, metal castings and machine latches.”

Clause 2. Previous terms contain the following.

“To carry on the business of trading in furniture, tables, cabinets, chairs, safe, armament cabinets, grandstand seats, collapsed grandstands, ballot boxes, polling booths, containers, movable office booths, compact toilets, motorcycles, automobiles, machinery, motors, labour-saving devices, electronic devices, electrical appliances and all equipment related thereto.”

Amended terms shall read:

“To carry on the business of trading in furniture, tables, cabinets, chairs, safe, armament cabinets, grandstand seats, collapsed grandstands, ballot boxes, polling booths, containers, movable office booths, compact toilets,

motorcycles, automobiles, machinery, motors, labour-saving devices, electronic devices, electrical appliances, water tanks for agriculture, water-supply tanks and all kinds of water tanks including equipment related thereto, silos, barns for storing agricultural products including equipment related thereto, mechanical devices, vehicles, electric generators, water-pumps, wastewater treatment machines, garbage disposal machines, milk making machine home fittings, home furnishings, glassware, kitchen utensils, cleaning rooms, science and language laboratories, durable articles of all kinds, air conditioners, heaters, metal ware, copperware, brassware, glazed ware, sanitary fittings, all types of workman's tools, building decorations, electric equipment, water-supply equipment including spare parts and accessories for the aforesaid goods.”

Clause 4. Previous terms contain the following.

“To carry on the business of trading in coolers, refrigerators, engine oils, petrol, lubricants, greases, gas, and oxygen.”

Amended terms shall read:

“To carry on the business of trading in coolers, refrigerators, refrigerators, engine oils, petrol, lubricants, greases, gas, oxygen and other products generating power and gasoline service stations.”

Clause 6. Previous terms contain the following.

“To carry on the business of trading in papers, stationery, printed forms, printed books, educational materials and office equipment.”

Amended terms shall read:

“To carry on the business of trading in papers, stationery, printed forms, printed books, educational materials and office equipment, audiovisual aids, computers, all kinds of data processing and gathering devices, including relevant equipment and spare parts for the aforesaid goods.”

Clause 7. Previous terms contain the following.

“To carry on the business of trading in rice, minerals, resins, woods, jutes, cottons, kapoks, laces, fruits and farming products.”

Amended terms shall read:

“To carry on the business of trading in rice, minerals, resins, woods, jutes, cottons, kapoks, laces, fruits, garden plants, farm plants, forest products, medicinal herbs, cigarettes, tobaccos, including agricultural products of all kinds.”

Clause 9. Previous terms contain the following.

“To carry on the business of hire of manufacturing goods including bidding for sale of goods in accordance with the objects, for any person, body of persons, juristic persons, government agencies and state enterprises within or outside Thailand.”

Amended terms shall read:

“To carry on the business of hire of manufacturing goods and bidding or tender for sale of goods and hire of work in accordance with all of the objects, for any person, body of persons, juristic persons, government agencies and state enterprises within or outside Thailand.”

Clause 19. Previous terms contain the following.

“To undertake a service business providing guarantees for persons who enter or depart the country in accordance with the laws on immigration and taxation”

Amended terms shall read:

“To undertake a service business providing guarantees for debt, liability or performance of the contractual obligations of other persons, including the guarantee for persons who enter or depart the country in accordance with the laws on immigration, taxation and other laws.”

Clause 27. Previous terms contain the following.

“To become a partner with limited liability in a limited partnership or a shareholder in a limited company and a public limited company notwithstanding those aforementioned have the same or similar objects.”

Amended terms shall read:

“To become a partner with limited liability in a limited partnership or a shareholder in a limited company and a public limited company as well as to join in investments, joint ventures with any person, body of persons, juristic persons, government agencies and state enterprises, within or outside the Kingdom, for the company’s benefits notwithstanding those aforementioned have the same or similar objects to those of the Company.”

3. To consider addition of the Company’s objects being Clauses 29-42 with the details as follows:

Clause 29. To carry on a contracting business for constructing, sub-contracting, sub-contracting out, concessions in all kinds of structures, including buildings, commercial buildings, residential buildings, condominiums, operation places, governmental places, roads, entertainment complexes, factories, warehouses, silos, barns for storing agricultural products including equipment related thereto, airports, tunnels, dams, reservoirs, water supply tunnels, waterside banks, drains, water-supply tubes, water-supply systems, gas pipes, any tubes regarding construction, piling electric posts for wiring up both high voltage and internal building electric lines, electric systems, civil engineering works, all other construction works, including land development works, control of works pursuant to laws and regulations related to construction occupations in all kinds and all categories of works, and undertaking for designs, decorations, modifications, calculation of such building or structure construction within or outside the Kingdom.

Clause 30. To carry on the business of automobile assembly works, automobile body builders, rubber-tire manufacture and retreating factories, rubber-tire moulding factories, iron sheet factory, glass factories, jute pressing factories, vegetable oil decoction factories, silo factories, sugar-mills, ice making factories, ready meal factories, beverages factories, liquor distilleries, cigarette factories, spinning factories, textile factory, textile dyeing and printing factories, gunny-bag factories, paper factories, printing houses, printing and publishing books service, printing and publishing books for sale and newspaper publishing.

Clause 31. To undertake the service business of analysis, testing and calibration in chemical properties, mechanical physics and biological science of materials including tools and measures in industries for any

person, body of persons, juristic persons, government agencies and state enterprises for using the information in any operation, and repairing, maintenance, inspection, lubricating and spraying rust-proof liquid, for all kinds of vehicles, including setting up, inspection, repairing the loss prevention equipment in all kinds.

Clause 32. To issue or offering to sell securities in kinds of shares, debentures, bills of exchange, unit trust, warrants entitled to purchase debentures, warrants entitled to purchase unit trusts or securities or any other instruments according to the laws related to securities and stock exchange or any other laws, to shareholders, general people and any person.

Clause 33. To carry on the business of investment in concession projects and rights in business operations granted by the government, government agencies, government sectors or state enterprises, including conducting project management, construction of public utilities as well as transportation businesses and mining businesses.

Clause 34. To carry on the business of warehousing pursuant to the customs laws regarding general bonded warehouses and undertaking the service business for customs brokers pursuant to the customs laws.

Clause 35. To process customs clearance for import, export and transportation of goods and being able to arrange for insurance of goods, which ought to be done, according to the warehouse agreement, including being the customs broker pursuant to the law on customs.

Clause 36. To carry on the business of trading in textiles, synthetic fabric textiles, yarn, elastic yarn, nylon, synthetic fibres, elastic thread, garments, bedclothes, ready-made clothes, wearing apparel and accessories, socks, tights, leather goods, shoes, bags, cosmetics, beauty aids and accessories, other consumer goods, fabrics, sports equipment.

Clause 37. To carry on the business of trading in beverages, water, mineral water, liquor, beer, fresh food, dried food, ready meal, tinned seafood, canned food, food seasoning, sauces, sugar, vegetable oil, animal food and other consumables.

Clause 38. To carry on the business of trading in medicines, medicines for the curing of disease in humans and animals, pharmaceutical products, chemical substances, medical and pharmaceutical equipment, fertilizers,

herbicides and pesticides, all kinds of growth agents for plants and animals, medical supplies, medical and pharmacy instruments, scientific instruments and equipment.

Clause 39. To carry on the business of trading in plastics, or other similar materials, either in raw form or processed into articles.

Clause 40. To carry on the business of trading in latex, crude rubber sheet, or other kinds of rubber, that are produced by or derived from any part of the rubber tree, including synthetic rubber and synthetic versions of the said materials or goods made by scientific means.

Clause 41. To carry on the business of hotels, restaurants, bars, night-clubs, bowling alleys, cinema theatres and other kinds of theatres for entertainment, vacation resorts, sports fields, swimming pools, private hospitals, clinic, patient treatment, teaching and training in academic matters regarding medical and health-care.

Clause 42. To carry on the business of guided tours including all kinds of businesses involved with guided tours, and commercial photography, the development, printing and enlargement of photographs, including the same for documents.

The details of amendment to the Company's Objects are as appeared in Enclosure No.5

Opinion of the Board: The Board of Directors deems it appropriate to propose the amendment to Article 3 of the Company's Memorandum of Association, Company's Objective.

Pursuant to the law, the meeting of shareholders has passed a resolution by not less than three-fourths of the total votes of the shareholders attending the meeting present and qualified to voted.

Agenda Item 8 To consider for approval of the amendment to Article 9 of Article of Association of the Company regarding the share repurchases.

Rationale: In compliance with the Notification of the Board of Governors of the Stock Exchange of Thailand on respect of disclosure of information and other acts of a listed company in the case that a list company repurchase their own shares and disposes of such repurchased shares, 2001 in clause 3/1 " The

repurchase of shares of a listed company shall require an approval of its shareholders, except where the amount of repurchase of those shares is not in excess of 10 percent of the paid-up capital, a listed company may prescribe in the articles of association of the listed company that it shall be the authority of the board of directors of the listed company to approve such repurchase of shares.” (Added March 22, 2002 & November 19, 2008)

Opinion of the Board: The board of Directors deems it appropriate to propose the amendment to chapter 2 Article 9 of the Article of Association of the Company in respect of share repurchases in order to comply with the Notification of the Stock Exchange of Thailand as shown in Enclosure No. 6

Pursuant to the law, the meeting of shareholders has passed a resolution by not less than three-fourths of the total votes of the shareholders attending the meeting present and qualified to voted.

Agenda Item 9 To acknowledge the appointment of Independent Director.

Rationale: For the shareholders to acknowledge the appointment Mr. Boonwa Thampitakkul as Independent Director. The details of educational background and working experience of such Independent Director are as appeared in Enclosure No.7. So, the Company have 4 Independent Directors as follows:-

1. Mr. Manu Leopairote Independent Director and
Chairman of the Audit Committee
2. Mr. Supong Chayutsahakij Independent Director and
Audit Committee Member
3. Mr. Lec Sisoravit Independent Director and
Audit Committee Member
4. Mr. Boonwa Thampitakkul. Independent Director

Opinion of the Board: The Meeting should acknowledge the appointment of Independent Director.

Agenda Item 10. **Other business (if any)**

According to Section 105 of the Public Limited Company Act B.E.2535, any shareholders of the Company may raise the additional agenda of the Annual General Meeting of the Shareholders. However, they shall hold

shares amounting to not less than one-third of the outstanding issued shares capital of the Company.

The Share Register will be recorded for share transfer in order to determine the right to attend the Annual General Shareholders' Meeting No. 1/2009 on September 16, 2009. Also, September 17, 2009 will be the book-closing date on which the shareholder list as specified in section 225 of the Security Act shall be complied.

You are cordially invited to attend this Meeting as per date, time and venue stated above. The registration will be opened from 2.00 p.m. For the Shareholders who wish to attend the Meeting, please bring your identification card, or government official identification card, or driver license to evidence your right to attend the Meeting.

If you wish to appoint a person to attend and vote at the Meeting on your behalf, please complete and duly execute the enclosed proxy. The duly completed and executed proxy, affixed with the stamp duty, must be deposited with the Chairman of the Meeting and/or the person designated by the Chairman prior to the proxy attending the Meeting provided that the proxy shall bring the documents of identification to verify his right to attend the Meeting. The details of evidence of identification are as appeared in Enclosure No.8

For Shareholders' right and benefit, in case you are unable to attend the Meeting by yourself but wish to appoint the Company's Independent Director to vote on your behalf, please complete and duly execute the Proxy in favor of Mr. Maun Leopaiprote, Independent Director and the Audit Committee Member. The completed and executed proxy should be submitted together with the required documents or evidence to Siam Steel International Public Company Limited, Company, Legal Department, 51 Moo 2, Poochaosamingprai Road, Bangyaparak, Phrapradaeng, Samutprakarn 10130, Thailand. We will appreciate if your proxy and required documents reach us before **October 29, 2009** in order to minimize processing time when your proxy arrives at the Meeting.

Yours sincerely,

(Wanchai Kunanantakul)
President