

Information Memorandum

Description, Terms and Conditions of Derivative Warrants

<u>Offering Method</u>	Direct Listing
<u>Credit Rating of Issuer</u>	A By TRIS Rating Co., Ltd.
<u>Registrar/DW Agent</u>	Thailand Securities Depository Co.,Ltd.
<u>Exercise of DW</u>	Automatic Exercise
<u>Exercise Expense charged by Issuer</u>	- None - (note: this excludes any exercise expense which may be charged by the broker of the Holder)

Exercise Procedure

1. Net Cash Settlement Amount = Cash Settlement Amount - Exercise Expense Charged by Issuer By;
 - In case of Call Warrant and Underlying Asset is Stock:
Cash Settlement Amount = (Settlement Price - Exercise Price) X Exercise Ratio
 - In case of Put Warrant and Underlying Asset is Stock:
Cash Settlement Amount = (Exercise Price - Settlement Price) X Exercise Ratio
 - In case of Call Warrant and Underlying Asset is Index:
Cash Settlement Amount = (Settlement Price - Exercise Price) X Multiplier
 - In case of Put Warrant and Underlying Asset is Index:
Cash Settlement Amount = (Exercise Price - Settlement Price) X Multiplier
2. Any DW will be automatically exercised if the Net Cash Settlement Amount on the Automatic Exercise Date is greater than zero (without notice being given to the Holders). The Issuer will pay to the Holders the Net Cash Settlement Amount (if any) with procedure defined in Terms and Conditions. The Holders can deny the exercise of DW by informing their broker in accordance with procedures stipulated by their broker.
3. In case there is no any automatically exercised as specified in Clause 2 above, all duties of the Issuer and all right of the Holders in connection with such DW will be terminated.
4. The Issuer will request SET to suspend the sale and purchase trading of DW for 3 business days consecutively until Maturity Date.

Settlement Procedure

If Automatic Exercise occurs, Issuer will proceed as follows,

1. If there is no Market Disruption Event, the Issuer will pay the Net Cash Settlement to the Holder's bank account or issue a crossed cheque to the registered Holder on the Automatic Exercise Date and send the cheque by registered mail within **5** business days following Automatic Exercise Date
2. If there is a Market Disruption Event,
 - 2.1. If the Market Disruption Event occurs before or on the Last Trading Date and ends within **30** days after Last Trading Date, the Settlement Price shall be the Closing Price or the Index Settlement Price of the Underlying Asset (as the case may be) on the first trading day after the Market Disruption Event ends.
 - 2.2. If the Market Disruption Event occurs on or before the Last Trading Date and ends not less than **30** days after Last Trading Date,
 - 1) The Issuer shall announce the Fair Value of the Underlying Asset within **20** days of **30** days after the Last Trading Date
 - 2) The Issuer shall use the Fair Value of the Underlying Asset calculated by a Financial Advisor approved by the SEC which is made not more than **50** days before the date that the Issuer informs the Fair Value. The Fair Value of Underlying Asset shall be deemed to be the Settlement Price.

The Issuer shall pay the Net Cash Settlement (if any) to the Holder's bank account or send a crossed cheque to the registered Holder on the Automatic Exercise Date and send by registered mail within **9** business days following the day that the Issuer determines the Fair Value or the Settlement Price.

The Issuer will announce the Book Closing Date 14 days prior to the Book Closing Date through the SET Information disclosure System.

Adjustment of Exercise Ratio and Exercise Price

- Stock DW

The Issuer shall adjust the Exercise Ratio and/or the Exercise Price ("Adjustment") during the term of the DW if any of

the following events occur:

- a) The Underlying Company offers to sell its newly issued ordinary shares to existing shareholders with the net price per ordinary shares lower than 100 percent of the closing price of ordinary shares of the Underlying Company on the last trading day before the first day the SET posts the XR sign. The adjustment of the exercise price and the exercise ratio shall be immediately effective from the day the shares go ex-rights, defined as the day the SET posts the XR sign in cases where the new shares are offered to existing shareholders;
- b) The Underlying Company pays out all or part of its dividends in the form of ordinary shares to its shareholders. The adjustment of the exercise price and the exercise ratio shall be immediately effective from the first day the shares go ex-dividend, defined as the day the SET posts the XD sign;
- c) The Underlying Company pays a cash dividend to its shareholders. The adjustment of the exercise price and the exercise ratio shall be immediately effective from the first day the shares go ex-dividend, defined as the day the SET posts the XD sign;
- d) The Underlying Company changes the par value of its shares as a result of a split or consolidation of its issued shares. The adjustment of the exercise price and the exercise ratio shall be immediately effective from the date that the change in par value takes place;
- e) Merger or Consolidation, if it is announced that the Underlying Company is to or may (1) merge or consolidate with or into any other corporation (including becoming, by agreement or otherwise, a subsidiary of or controlled by any person or corporation) except where the Underlying Company is the surviving corporation in a merger or; (2) sell or transfer all or substantially all of its assets. The last trading day of ordinary shares of the Underlying Company will be the Maturity Date of DW. The Issuer shall announce the notification following the SET Information Discloser's regulation.
- f) The calculation of the adjustment of the exercise price and the exercise ratio in accordance with a) through e) are independent of each other. In cases where these events occur simultaneously from Issuance Date to the Last Trade Date, the calculation shall be conducted in the manner of a series as announced by the Underlying Company

For the calculation of the right adjustment, the adjusted exercise price is rounded to 3 decimal points. And, the adjusted exercise ratio is rounded to 5 decimal points.

- g) In all cases other than a) through e) the Issuer shall consider and if necessary make adjustment to the exercise price and/or exercise ratio fairly and shall not unfairly reduce the Holders' rights or benefits. The Issuer's decision shall be final and the Issuer shall inform the details of any adjustment to the SET and to the relevant regulators immediately.
- h) Where there are any relevant corporate or other events not mentioned in a) through e), the Issuer shall fairly consider and make adjustment to the exercise price and/or exercise ratio. There shall be no adjustment in any other case.

- **Index DW**

The Issuer shall not adjust the Multiplier and/or Exercise Price of DW, except in any significant event which materially affect the Holder, and in order to mitigate any effect to DW from such event or to protect the Holder from any damage which will be incurred, the Issuer shall consider the proper method for the adjustment of the Multiplier and/or Exercise Price with the notification of such adjustment and effective date. However, such adjustment shall not subordinate any rights and benefits of the Holder. In addition, the Issuer shall inform the details of any adjustment to the Holder as specify by SET and relevant regulators.

Events and Consequences of Default

- a) The Issuer significantly fails to settle the cash or the Underlying Assets as stated in the Terms and Conditions, and the failure continues for a period of not less than 7 days, except in any case where the failure is caused by the delay or error of cash transfer system or Underlying Asset settlement system; or
- b) The Issuer significantly fails to perform any of its obligations under the Terms and Conditions of DW and the failure continues over a period of 15 days after the Holder has notified the Issuer, requesting it to perform its obligations under the Terms and Conditions of DW; or
- c) All property or major properties of the Issuer are seized by a creditor and the seizure continues over a period of 7 days; or
- d) The Issuer fails to pay a debt of not less than 100,000,000 Baht or its equivalent in another currency. Where the failure is due to (1) The Issuer fails to pay a debt to a creditor within the specified time or (2) The debt becomes due before the original due date because an event of default has occurred.

Any of the above events of default must be significant in terms of the ability of the Issuer to pay its debts, and the failure must continue for at least 7 days; or

- e) The Annual General Meeting of the Issuer approves the dissolution of the company. Except in the case of the dissolution for the purpose of to a merger, where a continuing entity effectively assumes all of the DW obligations of the Issuer; or
- f) Upon initiation of proceeding on the business rehabilitation with the DW Issuer or requesting the Court of competent jurisdiction adjudging the DW Issuer to be bankrupt under the relevant laws or winding up, dissolution by order or any resolution of the DW Issuer under the law or by seizure of the DW Issuer's assets by judgment and by such proceeding, judgment, order or resolution has not been cancel or revoke within 60 days commencing from the initiation of such proceeding or order thereof.

If any of the events of default shown in a), b), c) or d) above occur, the Issuer must hold a Meeting of DW holders (The Meeting) in accordance with its obligations under the Terms and Conditions of the DW whereas;

- 1) The Meeting may approve the default of the Issuer. Hence, the DW shall be immediately exercised from the date of the Meeting whereby the Closing Price or the Index Settlement Price of the Underlying Asset(as the case may be) on the date of the Meeting is used as the Settlement Price. If the Closing Price or the Index Settlement Price of the Underlying Asset(as the case may be) on the date of the meeting cannot be assigned, then the most recent the Closing Price or the Index Settlement Price of the Underlying Asset(as the case may be)on the date of the meeting shall be used as the Settlement Price. The Cash Settlement amount shall be delivered to the holders of DW; or
- 2) The Meeting may approve other appropriate resolutions relating to the default.

If any of the events of default shown in e) or f) above occur, the Issuer shall immediately be considered to be in default. Hence, the DW shall be immediately exercised from the date of the event described in e) or f). the Closing Price or the Index Settlement Price of the Underlying Asset(as the case may be) on the date of the event described in e) or f) shall be used as the Settlement Price. If the Closing Price or the Index Settlement Price of the Underlying Asset(as the case may be) on the date of the event described in e) or f) cannot be assigned, then the most recent Closing Price or Index Settlement Price of the Underlying Asset(as the case may be) on the date of the event described in e) or f) shall be used as the Settlement Price. The Cash Settlement amount shall be delivered to the holders of DW.

Transfer Restriction

None

Market Maker

KGI Securities (Thailand) PLC. (KGI)

Market Maker Obligation

In case of DW which registered in SET, the Market Maker will provide bid and offer price spread, bid quantity, offer quantity and trading hours as according to its Terms and Conditions. And, the Market Maker will not be required to provide bid and offer prices if

1. There is Market Disruption Event
2. SET temporarily prohibits trading of the Underlying Asset and/or DW for any reason
3. The Market Maker does not hold enough DW to perform its obligation
4. The DW price is lower than the price specified in its Terms and Conditions
5. 14 Business Days or less before the Maturity date
6. Other events that the market is reasonably considered to be abnormal
7. In case of event of default under the Terms and Conditions
8. Other cases which the Market Maker will disclose via the SET

Distribution of DW

The Issuer will distribute the amount of DW for at least 20 million baht or for not less than 50 percent of the listed DW, excluded the amount of DW held by the Issuer and Market Maker, within 3 months after the first trading date or within the maturity date depending on which date come first.

Paid Up Capital

1,991,763,130 Baht

Location of Issuer

173 Asia Centre Building, 8th, 9th, 10th, 11th Floor, South Sathorn Road,

Thungmahamek sub-district, Sathorn district, Bangkok, 10120

Tel 02 658 8888

Website: www.kgiworld.co.th, www.thaiwarrant.com**Type of Business and Nature of Operation**

- 1) Securities Broking Business
- 2) Securities Dealer Business
- 3) Investment Banking Business
- 4) Fixed Income Business

- 5) Private Repo Business
- 6) Selling Agent of Unit Trust Business
- 7) Futures Business
- 8) Securities Borrowing and Lending Business
- 9) OTC Derivative Business
- 10) Derivative Warrants Business

Financial Statement of Issuer Investors can download latest Financial Statement of Issuer from www.set.or.th or www.kgieworld.co.th

Prepared by KGI Securities (Thailand) PLC. (KGI)

Any investment in DW carries with its certain risks. Investor should carefully read the Terms and Conditions of DW, which is attachment of DW Filing documents (DW-Base, DW-Supplement and DW-Feature) from www.sec.or.th and www.thaiwarrant.com