

(UNOFFICIAL TRANSLATION)

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**Notification of the Securities and Exchange Commission  
No. KorChor. 17/2551  
Re: Determination of Definitions in Notifications relating to  
Issuance and Offer for Sale of Securities**

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By virtue of Section 14 of the Securities and Exchange Act B.E. 2535 (1992) as amended by the Securities and Exchange Act (No.4) B.E. 2551 (2008) which contain certain provisions in relation to restriction of right and liberty of persons which Section 29, in conjunction with Section 33, Section 34, Section 41, Section 43, Section 44 and Section 64 of the Constitution of the Kingdom of Thailand, so permit by virtue of law, the Securities and Exchange Commission hereby issues the following regulations:

**Clause 1.** Except where otherwise specified, the definitions determined in this Notification, the Notifications of the Securities and Exchange Commission or the Notifications of the Capital Market Supervisory Board shall apply, in which the rules are prescribed on the following matters:

- (1) application for and approval of offer for sale of newly issued securities;
- (2) exemption from filing of the registration statement for offer for sale of securities;
- (3) filing of the registration statement for offer for sale of securities;
- (4) disclosure of information relating to financial condition and operating results of an issuing company;
- (5) subscription, underwriting and allocation of newly issued securities.

**Clause 2.** In this Notification and the forms attached to the Notifications under Clause 1:

- (1) “securities” means shares or warrants;
- (2) “warrants” means share warrants, transferable subscription rights or derivative warrants;
- (3) “underlying shares” means newly issued shares provided for the exercise of rights under share warrants;
- (4) “institutional investors” means:
  - (a) commercial banks;
  - (b) finance companies;

(c) securities companies for management of proprietary portfolios or private funds or investment projects established under laws governing finance business, securities business and credit foncier business;

(d) credit foncier companies;

(e) insurance companies;

(f) government units and state enterprises under laws governing budgetary procedures or any other juristic persons established under specific laws;

(g) Bank of Thailand;

(h) international financial institutions;

(i) Financial Institutions Development Fund;

(j) Government Pension Fund;

(k) provident funds;

(l) mutual funds;

(m) foreign investors with the same characteristics as investors under (a) to (l), *mutatis mutandis*;

(5) “exercise of rights under warrants” means the exercise of rights to purchase shares under share warrants, the exercise of rights to purchase shares under transferable subscription rights or the exercise of rights under derivative warrants, as the case may be;

(6) “registration statement” means the registration statement for offer for sale of securities;

(7) “company” means a limited company, a public limited company and a juristic person under specific laws;

(8) “listed company” means a company whose shares are listed on the Stock Exchange of Thailand;

(9) “juristic person under specific laws” means a juristic persons established under specific laws for the purpose of business undertaking;

(10) “parent company” means:

(a) a company which holds shares of the securities issuer more than fifty percent of the total number of shares with voting rights of the securities issuer;

(b) a company which holds shares of the company under (a) more than fifty percent of the total number of shares with voting rights of such company;

(c) a company which holds shares in all downward levels beginning with the company which holds shares of the company under (b) provided that the shareholding in each level exceeds fifty percent of the total number of shares with voting rights of the company being held;

(d) a company which holds shares of the securities issuer, whether directly or indirectly, in an aggregate number of more than fifty percent of the total number of shares with voting rights of such securities issuer;

The shareholding of the company under (a), (b), (c) or (d) shall include those shares held by related persons.

(11) “subsidiary company” means:

(a) a company whose shares are held by the securities issuer more than fifty percent of the total number of shares with voting rights of such company;

(b) a company whose shares are held by the company under (a) more than fifty percent of the total number of shares with voting rights of such company;

(c) a company whose shares are held in all upward levels beginning with the company whose shares are held by the company under (b) provided that the shareholding in each level exceeds fifty percent of the total number of shares with voting rights of the company being held;

(d) a company whose shares are held by the securities issuer or the company under (a), (b), or (c), whether directly or indirectly, in an aggregate number of more than fifty percent of the total number of shares with voting rights of the company being held;

(e) a company in which the securities issuer or the company under (a), (b), (c), or (d) has controlling power in determining financial policies and operational matters of the company in order to gain benefits from business activities of the company;

The shareholding of the securities issuer or the company under (a), (b), (c) or (d) shall include those shares held by related persons.

(12) "same level subsidiary company" means two or more subsidiary companies under the same parent company regardless of being in which level;

(13) "associated company" means:

(a) a company whose shares are held by the securities issuer or the subsidiary company in an aggregate number of more than twenty percent but not exceeding fifty percent of the total number of shares with voting rights of the company being held;

(b) a company in which the securities issuer or the subsidiary company has power to participate in making decisions on financial policies and operational matters of the company but not insomuch as to have control over such policies and not deemed as subsidiary company or joint venture;

The shareholding of the securities issuer or the subsidiary company shall include those shares held by related persons.

(14) "related person" means a person or a partnership having relationship with a person in any of the following manners:

(a) a spouse of such person;

(b) a minor child of such person;

(c) an ordinary partnership in which such person or the person under (a) or (b) is a partner;

(d) a limited partnership in which such person or the person under (a) or (b) is a partner with unlimited liabilities or a partner with limited liabilities holding shares in an aggregate number of more than thirty percent of the total number of shares of such limited partnership;

(e) a limited company or a public limited company in which such person or the person under (a) or (b) or the partnership under (c) or (d) holds shares in an aggregate number of more than thirty percent of the total paid-up shares of such company;

(f) a juristic person in which such person has managing power in his position as representative of juristic person;

(15) "person who may have conflict of interest" means

(a) an executive of the securities issuer;

(b) a major shareholder of the securities issuer;

(c) a controlling person of the securities issuer;

(d) a person having relationship by blood, marriage or legal registration with the person under (a), (b), or (c) which includes father, mother, spouse, sibling, child or spouse of child;

(e) any juristic person in which the person under (a), (b), or (c) holds shares or has controlling power or any other interest, whether directly or indirectly, in a significant manner;

(16)“executive” means a director, a manager, or the next four executives succeeding the manager, a person holding equivalent position to the fourth executive, including a person holding the position of manager or equivalent in accounting or finance departments;

(17)“major shareholder” means a person holding shares of the securities issuer more than ten percent of the total number of shares with voting rights of the securities issuer including shares held by related persons;

(18)“controlling person” means a shareholder or any other person who by behavior has influence over policy making, management or operation of the company in a significant manner, whether as a result of being a shareholder or authorized under an agreement or any other matter, especially a person falling under any of the following characteristics:

(a) a person who has voting rights, whether directly or indirectly, more than twenty five percent of the total number of shares with voting rights of the company;

(b) a person who by behavior can take control over appointment or removal from office of a director of such company;

(c) a person who by behavior can take control over a person responsible for policy making, management or operation of the company to follow his order in policy making, management or operation of the company;

(d) a person who by behavior takes part in the company’s operation or has responsibility for the company’s operation as executive, including a person who holds the position with the same authority as such person of the company;

(19)“internal person of issuer of underlying shares” means an internal person of the issuer of underlying shares under the Notification relating to application for and approval of offer for sale of newly issued derivative warrants;

(20)“underlying shares” means underlying shares under the Notification relating to application for and approval of offer for sale of newly issued derivative warrants;

(21)“consolidated financial statements” means consolidated financial statements of the securities issuer and the subsidiary company;

(22)“electronic data” means statements which are created, submitted, received, maintained or processed by electronic means.

**Clause 3.** In the case where any Notification of the Securities and Exchange Commission, Notification of the Capital Market Supervisory Board or Notification of the Office of the Securities and Exchange Commission permits the use of definitions prescribed in the Notification of the Securities and Exchange Commission governing filing and exemption from filing of registration statement for offer for sale of securities prior to the date

on which this Notification comes into force, such shall mean the permission for the use of definitions prescribed in this Notification.

**Clause 4.** This Notification shall come into force as from 15 December 2008.

Notified this 15<sup>th</sup> day of December 2008.

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(Vijit Supinit)  
Chairman  
Securities and Exchange Commission

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**Remark:** The rationale for issuing this Notification is to determine the definitions mutually used in the notifications relating to issuance and offer for sale of equity securities.