

REGULATIONS OF THE STOCK EXCHANGE OF THAILAND

Re: Listing of Securities on the Market for Alternative Investment, 2003

By virtue of the second paragraph (1) of Section 170 of the Securities and Exchange Act B.E. 2535 (A.D. 1992), the Board of Governors of the Stock Exchange of Thailand, with the approval of the Securities and Exchange Commission, hereby issues the following regulations:

1. These Regulations shall come into force on April 1, 2003.

2. The followings shall be repealed:

(1) The Regulations of the Stock Exchange of Thailand Re: Listing of Securities on the Market for Alternative Investment, B.E. 2544 (2001) dated January 22, 2001.

(2) The Regulations of the Stock Exchange of Thailand Re: Listing of Securities on the Market for Alternative Investment (No. 2), B.E. 2544 (2001) dated November 23, 2001.

(3) The Regulations of the Stock Exchange of Thailand Re: Listing of Securities on the Market for Alternative Investment (No. 3), B.E. 2545 (2002) dated August 20, 2002.

3. In these Regulations:

(1) “Exchange” means the Stock Exchange of Thailand;

* (2) “Board” means the Board of Governors of the Exchange, provided that in case where the Manager of the Market for Alternative Investment is delegated to perform duties on behalf of the Board of Governors of the Exchange according to these Regulations, this term shall include the Manager of the Market for Alternative Investment so delegated, with the exclusion of the provisions in Clause 17, Clause 18, Clause 19, Clause 24, Clause 24/1 and Clause 32/4

*(*Amended February 20, 2008)*

(3) “Office” means the Office of the Securities and Exchange Commission;

* (4) “the Notification of the Capital Market Supervisory Board” means the Notification of the Capital Market Supervisory Board governing the applying for an approval and approval for the offering of newly issued shares;

*(*Amended February 25, 2009)*

(5) “listed securities” means the securities listed or authorized for trade on the Exchange;

(6) “listed company” means a company of which ordinary shares are listed on the Exchange and are specified by the Exchange for trading on the Market for Alternative Investment; and

(7) the terms “subsidiary company”, “applicant”, “management”, “person with controlling power”, “related persons”, “major shareholders”, “persons taking part in management” and “small shareholders of ordinary shares” shall have the meanings as prescribed in the Regulations of the Exchange Re: Listing of Ordinary Shares or Preferred Shares as Listed Securities.

CHAPTER 1

Qualifications of Securities

4. The securities for which an application for listing may be filed with the Exchange shall have the following qualifications:

(1) Ordinary shares:

(a) have a par value not less than that prescribed by the law relating to limited public companies, and have been fully paid-up;

(b) are of bearer type;

(c) are not subject to restrictions on transfer of ordinary shares, unless the restrictions are in accordance with laws and are included in the articles of association of the company.

(2) Preferred shares:

(a) have a par value not less than that prescribed by the law relating to limited public company, and have been fully paid-up;

(b) are of bearer type;

(c) are not subject to restrictions on transfer of preferred shares, unless the restrictions are in accordance with laws and are included in the articles of association of the company.

(3) Transferable subscription rights:

(a) are of bearer type;

(b) are not subject to restrictions on transfer of rights, unless the restrictions are in accordance with laws and are included in the articles of association of the company;

(c) have the exercise ratio equivalent to 1 unit per 1 ordinary share or preferred share;

(d) have the trading period on the Exchange not less than 7 business days.

(4) Debentures and convertible debentures:

*(a) are debentures of which the Office has granted approval for public offering or right issue, specifically where the applicant must proceed in

accordance with the Notifications of the Capital Market Supervisory Board which are applicable thereto;

*(*Amended February 25, 2009)*

(b) are of bearer type;

(c) are not subject to restrictions on transfer of debentures, unless the restrictions are in accordance with laws and are included in the articles of association of the company.

(5) Warrants on ordinary shares or preferred shares or debentures:

* (a) are warrants of which the Office has granted approval for public offering or right issue, specifically where the applicant must proceed in accordance with the Notifications of the Capital Market Supervisory Board which are applicable thereto;

*(*Amended February 25, 2009)*

(b) are of bearer type;

(c) are not subject to restrictions on transfer of warrants, unless the restrictions are in accordance with laws and are included in the articles of association of the company.

CHAPTER 2 Qualifications of Applicant

Division 1 Applicants Engaged in Medium-Sized Enterprises

5. An applicant who will file an application for listing of ordinary shares under Division 1 of Chapter 2 shall have the following qualifications:

(1) Status:
is a public limited company or juristic person established by specific law.

* (2) Paid-up capital:
has paid-up capital only in respect of ordinary shares in an amount not less than Baht 20 million but lower than Baht 300 million.

*(*Amended November 29, 2004)*

(3) Distribution of small shareholdings:

(a) has not less than 300 small shareholders of ordinary shares.

(b) The aggregate number of shares held by the small ordinary shareholders under (a) must not be less than 20 per cent of the paid-up capital, and each of those small ordinary shareholders must hold not less than 1 board lot of shares as prescribed by the Exchange for the trading of ordinary shares.

(c) There shall be relaxation granted on the calculation of the number of shareholders under (a) and the shareholding ratio under (b) for the portion held by mutual funds or investment projects approved in accordance with applicable law, by counting 10 small shareholders of ordinary shares per every 1 per cent of the ordinary shares held by the mutual funds or investment projects approved in accordance with the laws, provided that the total number shall not exceed 100 shareholders.

(4) Public offering:

(a) The accumulated number of shares already offered for sale must not be less than 15 per cent of the paid-up capital.

(b) The shares must be offered for sale through underwriters.

(c) For the shares to be offered for sale, application for approval must have been made and approval have already been granted by the Office except where the applicant is a juristic person established under a specific law.

* (5) Operational results:

The operational results must be in accordance with the following criteria, and the operation under the management of most executives in the same group must have been continued for not less than 1 year prior to the submission of an application:

(a) The operational results must have existed for net profit in the latest year and there shall be less than 2 years prior to the submission of an application, and there shall be accumulated net profit in the period prior to the submission of an application; or

* (b) The operational results must have existed for not less than 1 year prior to the submission of an application, and the total value of ordinary shares based on market capitalization must not be less than Baht 1,000 million. The value of ordinary shares based on market capitalization shall be determined as follows:

(b.1) In case that the applicant files an application with the Exchange within 1 year from the last day of public offering of its shares, the public offering price shall apply.

(b.2) In case that the applicant files an application with the Exchange after 1 year from the last day of public offering of its shares, the fair value determined by a financial advisor shall apply.

*(*Amended February 20, 2008)*

In case that the applicant is the result of the merger of businesses, or restructuring of business, or consolidation of businesses, the Exchange may consider including the continuous operational results if the applicant has the same group of shareholders and has operated business under the management of most executives in the same group prior to the merger of businesses, restructuring of business or consolidation of businesses.

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*(*Repealed February 20, 2008)*

The aforesaid net profit shall mean the net profit after tax derived from the ordinary course of business operations under the financial statements audited or reviewed, as the case may be, by an auditor in accordance with the financial statements or consolidated financial statements (if any) of the applicant.

*(*Amended November 29, 2004)*

***(6) Financial condition:**

There shall be the shareholders' equity not less than Baht 20 million.

*(*Amended November 29, 2004)*

***(7) Management**

(a) The management and any persons who have controlling power shall possess the following qualifications:

(a.1) not being a person who possesses any characteristics prohibited under the Notifications of the Securities Exchange Commission governing the regulations related to the Management of the issuer.

(a.2) not being a person who violates any regulations, rules, notifications, orders, Board's resolutions, or listing agreement made with the Exchange as well as circulars to which the adherence is required by the Exchange, and such act may severely affect the rights and benefits or the decision of shareholders and investors, or the change in price of securities.

**** (b)** The scope of power and duties of the board of the company shall be clearly prescribed and, in case that the board of the company delegates its power to the manager or other people to perform on behalf of the board of the company in any case, the delegation of powers shall comply with the rules prescribed in the Notifications of the Capital Market Supervisory Board.

*(*Amended June 9, 2008)*

*(*Amended February 25, 2009)*

***(8) Internal audit and control:**

(a) There shall be procured good corporate governance system by having the following persons to supervise the application's operations in order to meet the standards and ensure pursuit of proper direction.

(a.1) independent directors shall have the composition and qualifications as specified in the Notifications of the Capital Market Supervisory Board.

(a.2) members of the audit committee shall have the composition qualifications and scope of work as specified by the Exchange.

The applicant shall prepare and submit the list of names and scope of work of the audit committee to the Exchange in the form prescribed by the Exchange.

(b) There shall be an established internal control system under the rules prescribed by the Notification of the SEC.

(*Amended February 25, 2009)

* (9) Conflict of interest:

There shall be no conflict of interest according to the criteria specified in the Notifications of the Capital Market Supervisory Board.

(*Amended February 25, 2009)

(10) Articles of Association:

The articles of association of the company and the subsidiary company shall consist of the complete stipulations according to the criteria specified in the Notification of the SEC.

(11) Financial Statements and Auditor:

* (a) There shall be financial statements which possess the features in accordance with the criteria specified in the Notification of the Capital Market Supervisory Board;

(*Amended February 25, 2009)

(b) The auditor of the applicant must be approved by the Office.

* (12) Provident fund:

A provident fund shall be set up in accordance with the law on provident funds.

(*Added November 29, 2004)

Division 2

Applicants Undertaking Business by Shareholding (Holding Company)

6. In this Division:

“undertaking business by shareholding” means the undertaking of business to generate income mainly by the holding of shares in other companies with no material self-undertaking of business.

“core company” means a company in which the applicant holds shares not less than 75 per cent of the total voting shares of the said company, except in case of necessity with relaxation from the Exchange.

7. In case where an applicant that undertakes business by shareholding will file an application for listing ordinary shares, it shall have the following qualifications

(1) It shall have the qualifications under Clause 5 except the qualifications concerning operational results.

(2) The majority of its management has been the majority of the management of the core company and has continuously managed the core company for not less than 1 year before the filing of an application, except where the applicant is the

financial institution which the regulatory agency has otherwise specified the rules concerning the management.

(3) It shall be able to show that it has the power to manage and control the business of the core company.

(4) It shall hold shares in the core company throughout the period it is a listed company. The core company may be replaced after a period of 3 years from the first trading day on the Exchange.

8. The core company whose shares are held by the applicant shall have the following qualifications:

***(1)** It shall have the qualifications under Clause 5, except the qualifications concerning status of the applicant, distribution of small shareholdings and Audit Committee, in the consideration of qualifications.

*(*Amended November 29, 2004)*

(2) It shall not have the status of a listed company.; and

(3) It shall have its own main business operation.

9. In considering the net profit under this Chapter, the Exchange shall make its consideration from the net profit under the financial statements of the core company.

In case that the core company has consolidated financial statements, the net profit pursuant to the consolidated financial statements of the core company shall be considered instead.

10. In case that a listed company changes its manner of undertaking business to undertaking business by shareholding which may materially affect the shareholders, the Exchange may require such listed company to file an application to the Exchange for consideration as if a new application were filed.

11. In case that a listed company has established a company which undertakes business by shareholding for supporting the adjustment of shareholding structure of the listed company whereby the new company has filed with the Exchange an application for listing its securities as listed securities in lieu of the securities of the listed company, and the listed company has filed an application for delisting its securities from listed securities, the Exchange may consider approving the securities of the new company as listed securities in lieu of the former listed securities.

CHAPTER 3

Filing of Application and Consideration for Approval of Securities

Division 1

Filing of Application

12. The applicant shall file an application for listing all the ordinary shares issued.

13. In applying for listing preferred shares, debentures, convertible debentures, and warrants on ordinary shares or preferred shares or debentures, the

applicant shall file a listing application simultaneously with or after the filing of an application to list ordinary shares as listed securities.

In applying for listing transferable subscription rights, the applicant shall file a listing application after the filing of an application to list ordinary shares as listed securities.

14. The applicant shall file an application for listing preferred shares having the same qualifications that are issued in the entirety and whenever such securities are issued.

The applicant shall file an application for listing all the debentures, convertible debentures and warrants on ordinary shares or preferred shares or debentures that are issued in each category for listing, but needs not file an application for listing every time such securities are issued.

15. The applicant may not file an application to list securities which are not ordinary shares as listed securities while the applicant's ordinary shares are being subject to prohibition of buying or selling of listed securities owing to any of the following causes on the part of the applicant:

(1) During the remedial process for grounds of delisting ordinary shares after a notice thereof from the Exchange;

(2) During the process according to a reorganization plan under the law relating to bankruptcy; or

(3) There is an operation which severely affects the rights and benefits of shareholders.

16. An applicant who is fully qualified under these Regulations, or an applicant who possesses all other qualifications under these Regulations except that relating to distribution of small shareholdings, may file an application for approval of ordinary shares which are fully qualified according to Clause 4 as listed securities.

17. An applicant who is required to distribute small shareholdings in order to make itself fully qualified shall complete such distribution within 6 months from the date on which the Exchange notifies the applicant of the result of consideration on listing of the ordinary shares.

Where there is necessary cause on ground of which the distribution of small shareholdings cannot be completed within the prescribed period, the applicant shall submit to the Board a written notification for an extension of time together with explanation of the reasons therefore not less than 7 days prior to the expiry date of such period.

Where necessary and appropriate, the Board may give an extension of period of time for the distribution of shareholdings as requested under the second paragraph for a period no longer than 6 months from the expiry date under the first paragraph.

18. If there is an event or change which materially affects the operation of the applicant during the extension of the period of time under Clause 17, the Board may

consider qualifications of the securities and of the applicant as if the Board were considering a new application for listing securities.

19. Upon occurrence of any of the following events, the Exchange may require the applicant who fails to possess the qualification on distribution of small shareholdings to file a new application for listing ordinary shares:

(1) The applicant is unable to distribute small shareholdings within the period under Clause 17;

(2) The Board considers it appropriate not to give an extension of time for the distribution of small shareholdings; or

(3) The qualifications of the applicant after the distribution of small shareholdings under Clause 17 have materially changed, which results in the applicant being not fully qualified under these Regulations.

20. The applicant shall file an application and other documents required by the Exchange, and pay a fee for filing an application.

* In filing an application for listing warrants on ordinary shares or preferred shares or debentures for offering to existing shareholders according to shareholding ratio, The applicant shall disclose the prospectus, form of confirmation of warrant's qualifications and complying with applicable Notifications of the Capital Market Supervisory Board and other information as prescribed by the Exchange through the Exchange's ELCID (Electronic Company Information Disclosure) or any other system as specified by the Exchange.

(*Added February 25,2009)

21. In filing a listing application, the applicant shall procure that the application is jointly prepared by a financial advisor having the qualifications and scope of work as specified by the Exchange.

Division 2 Consideration for Approval of Securities

22. During consideration of the application, if the applicant wishes to amend any information or documents which have been filed with the Exchange, the applicant must submit a request for amendment stating clearly the differences and reasons. If the Board determines that the proposed amendments are material, the Board may consider such amendments to be a new listing application.

23. In considering the application, the Exchange may instruct the applicant to make any additional statements and submit any additional documents or evidence within such specified period of time as it deems appropriate.

24. In the consideration of the applications and granting of approval of securities, the Board may delegate the Manager of the Market for Alternative Investment to perform duties of considering the qualifications of the securities and the applicants and to approve the applied securities as listed securities when it is considered that such securities meet accurate qualifications according to the rules, conditions and procedures under these Regulations. The approval of other securities which are not ordinary shares shall be granted simultaneously with or after the approval of ordinary shares as listed securities.

***24/1.** In the event that after due consideration the Board sees that ordering listing approval of the application's securities as listed securities will be beneficial to the capital market, the Board may grant relaxation on the qualifications of the applicant with respect to the following numerical or quantitative criteria for consideration of the application and ordering listing approval of ordinary shares or preferred shares under Clause 24:

- (1) paid up capital pursuant to Clause 5(2);
- (2) distribution of small shareholding pursuant to Clause 5(3) (a) and (b);
- (3) public offering pursuant to Clause 5(4) (a);
- (4) operation result pursuant to Clause 5(5);
- (5) financial condition pursuant to Clause 5(6);

In the granting of relaxation under paragraph one, the Board must disclose the information about the relaxed qualifications of the applicant to the public.

*(*Added February 20, 2008)*

25. During the consideration of an application by the Board, the management or major shareholders of the applicant, and all of their respective related persons shall not purchase or sell the ordinary shares applied for listing. The applicant shall notify the Exchange if there is such a purchase or sale or if there is any suspicion that a purchase or sale of such ordinary shares by the said persons may occur.

The Board may refuse to consider the listing application of the applicant if there is a purchase or sale of ordinary shares of a person referred to in the first paragraph.

26. The Board shall complete its consideration of the listing application within 7 days from the date of receiving complete and correct documents and evidence from the applicant.

In calculation of time under the first paragraph, the period of time between the date on which the applicant submits a request to amend information or documents under Clause 22 or the date on which the Exchange gives instruction under Clause 23 through the date on which the Exchange receives correct and complete information or documents shall not be counted.

27. Before the Board approves ordinary shares of an applicant as listed securities, the applicant shall prohibit the persons designated by the Board from selling shares and securities issued for sale in accordance with the rules and procedures as specified by the Board.

In case that the said persons acquire securities convertible into shares from the applicant, or acquire securities from the conversion of those securities during the said prohibition period, the applicant shall also prohibit those persons from selling such securities.

28. The applicant shall sign a listing agreement with the Exchange before the Board approves the ordinary shares as listed securities. The Board may also prescribe conditions as it considers appropriate.

The agreement shall be signed by the directors authorized to sign to bind the applicant with approval of its board of directors.

***29.** The trading of the listed securities under these Regulations shall commence within 2 business days from the date on which the Board approves such securities as listed securities, except that where there is any necessity which makes it inappropriate to trade those listed securities on the Exchange within such period of time, the President may otherwise prescribe the commencement date of trading.

(Amended June 9, 2004)*

30. The applicant shall pay fees for listing at the rates and within the time specified by the Exchange.

31. In case that a listed company registers its capital increase, an application for listing ordinary shares or preferred shares in the increased capital, which have same qualifications as the ordinary shares or preferred shares that have been listed, shall be filed.

Consideration of application for listing securities in the increased capital shall be in accordance with the rules, conditions and procedures prescribed by the Exchange.

***32.** In case that a listed company increases its capital and such capital increase shall result in the listed company having paid-up capital only in respect of its ordinary shares not less than Baht 300 million, it is entitled to a rate reduction on net profit deriving from business of listed company under the Revenue Code as follows :

(1) Before accounting period of B.E. 2008 , it shall be deemed that the ordinary shares of such listed company are listed securities under the regulations of the Exchange governing approval of ordinary shares or preferred shares as listed securities within accounting period of B.E. 2008

(2) Starting from accounting period of B.E. 2008 , it shall be deemed that the ordinary shares of such listed company are listed securities under the regulations of the Exchange governing approval of ordinary shares or preferred shares as listed securities on the commencement date of subsequent accounting period after the listed company has paid-up capital only in respect of ordinary shares in the amount not less than Baht 300 million.

When the ordinary shares under the first paragraph become listed securities under the regulations of the Exchange governing approval of ordinary shares or preferred shares as listed securities, it shall be deemed that the securities of other types which have already been listed securities are the listed securities of such listed company according to the regulations of the Exchange governing approval of ordinary shares or preferred shares as listed securities on the same day.

*(*Amended November 3, 2008)*

***32/1** (-)

*(*Repealed November 3, 2008)*

***32/2.** The ordinary shares which are listed securities under Clause 32 shall be traded on the Market of Alternative Investment.

*(*Amended November 3, 2008)*

***32/3.** A listed company whose securities are listed securities under the regulations of the Exchange governing listing of ordinary shares or preferred shares as listed securities, and are traded on the Market for Alternative Investment, must pay an annual fee for the approval of listed securities, in accordance with the regulations of the Exchange governing the schedule of fees for listing of securities on the Market for Alternative Investment.

*(*Amended November 5, 2007)*

***32/4.** In the event that a listed company is fully qualified under the regulations of the Exchange governing the listing of ordinary shares or preferred shares as listed securities, such listed company may file an application requesting that the Board designate its ordinary shares as listed securities traded on the Stock Exchange of Thailand (SET).

***32/5.** In the event that a listed company has its ordinary shares listed as listed securities traded on the Stock Exchange of Thailand (SET), such listed company may file an application for listing its ordinary as listed securities traded on the Market for Alternative Investment (mai) under these Regulations. The Board may consider such application as if it were a new listing application, and may waive the following qualifications and conditions.

- (1) the requirement to have a paid-up capital in respect to the ordinary shares in an amount of not less than Baht 300 million under Clause 5(2);
- (2) the distribution of small shareholdings under Clause 5(3);
- (3) the public offering of shares under Clause 5(4);
- (4) the requirement for an applicant to have a financial advisor jointly prepare its application under Clause 21; and
- (5) the prohibition from selling shares and securities during the period prescribed under Clause 27.

If the period of prohibition from selling shares and securities, which is applicable to the persons who are subject to such prohibition of a listed company under the first paragraph, pursuant to the regulations of the Exchange governing the prohibition of management or shareholders and related persons from selling shares and securities within a specified period, remains unexpired, such period of prohibition from selling shares and securities shall remain in effect until its expiry in accordance with the aforesaid regulations of the Exchange.

The Exchange will waive an initial listing fee under the regulations of the Exchange governing the schedule of fees for listing of securities as listed securities on the Market for Alternative Investment (mai) to a listed company under the first paragraph.

When the ordinary shares of a listed company under the first paragraph become listed securities traded on the Market for Alternative Investment (mai), other types of its securities which are listed securities shall also be deemed to be the listed securities traded on the Market for Alternative Investment (mai) under these Regulations on the same day.

*(*Amended December 12, 2007)*

33. To accomplish the objective of these Regulations, the Exchange shall be empowered to prescribe the procedural guidelines or rules on maintenance of status.

CHAPTER 4 Rules of Practice Regarding Approval of Securities

34. The rules of practice regarding approval of securities in the following aspects shall be observed in accordance with the rules, conditions and procedures under the regulations of the Exchange which are applicable to listed companies pursuant to the Regulations of the Exchange Re: Listing of Ordinary Shares or Preferred Shares as Listed Securities, except in cases where there have been prescribed the rules, conditions and procedures specifically for the listed companies under these Regulations:

- (1) Qualifications and scope of work of an audit committee;
- (2) Qualifications and scope of work of a financial advisor;
- (3) Prohibition of the management or shareholders and related persons from selling shares and securities within a specified period;
- (4) Listing of ordinary shares or preferred shares in the portion of increased capital as listed securities; and
- (5) Maintenance of status as listed company.

CHAPTER 5 Miscellaneous

35. A listed company shall strictly comply with the law relating to securities and exchange, regulations, rules, notifications, Board resolutions, or the listing agreement as well as circulars of the Exchange.

36. A listed company shall designate the Exchange or a third person approved by the Exchange to act as its listed securities registrar.

CHAPTER 6 Transitional Provisions

37. The regulations of the Exchange governing schedule of fees for listing securities on the Market for Alternative Investment issued by virtue of the Regulations of the Stock Exchange of Thailand under Clause 2(1) shall remain in full force and effect until the new rules, conditions and procedures with respect thereto have been issued.

38. The regulations of the Exchange governing independent directors of listed companies on the Market for Alternative Investment issued by virtue of the Regulations of the Stock Exchange of Thailand under Clause 2(1) shall remain applicable to the listed companies which have been listed companies before the date on which these Regulations come into effect and have not yet appointed an audit committee.

(Tor.Mor./Ror.01-00)

The listed companies under the first paragraph shall completely appoint an audit committee within 3 years from the commencement date of trading of their ordinary shares on the Exchange.

Notified on this 24th day of March 2003.

(Signed) Chavalit Thanachanan

(Mr. Chavalit Thanachanan)
Chairman of the Board
The Stock Exchange of Thailand

Note: Transitory Provision under the Regulation of the Stock Exchange of Thailand Re: Listing of Securities on the Market for Alternative Investment (No. 6) 2008 dated February 20, 2008

*Clause 5 (5) paragraph three of the Regulation of the Stock Exchange of Thailand Re: Listing of Securities on the Market for Alternative Investment 2001 dated March 24, 2003, as amended by the Regulation of the Stock Exchange of Thailand Re: Listing of Securities on the Market for Alternative Investment (No. 3) 2004 dated November 29, 2004 shall still apply to the applicant who has submitted the application to the Exchange for the listing of ordinary shares, and the Stock Exchange has given an acknowledgement reply letter to the applicant before February 25, 2008.

(*Amended February 20, 2008)