

## Information Memorandum

### Terms and Conditions of Derivative Warrants

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<b>Offering Method</b>	Direct Listing
<b>Credit Rating</b>	AA(thai) by Fitch Ratings
<b>Registrar and Warrants Agent</b>	Thailand Securities Depository Company Limited
<b>Exercise of DW</b>	Automatic Exercise
<b>Exercise Expense charged by Issuer</b>	None

#### Exercise Procedure

1. Cash Settlement Amount means cash settlement amount per one unit of DW, which can be calculated as follows,

- In the case that the Underlying Asset of Derivative Warrants is a stock ("Stock DW")

Derivative Call warrants can be calculated from the difference between Settlement Price and Exercise Price (Settlement Price-Exercise Price) multiplied by Exercise Ratio

(Cash Settlement Amount = (Settlement Price-Exercise Price) x Exercise Ratio)

Derivative Put warrants can be calculated from the difference between Exercise Price and Settlement Price (Exercise Price-Settlement Price) multiplied by Exercise Ratio

(Cash Settlement Amount = (Exercise Price-Settlement Price) x Exercise Ratio)

- In the case that the Underlying Asset of Derivative Warrants is an index ("Index DW")

Derivative Call warrants can be calculated from the difference between Settlement Price and Exercise Price (Settlement Price-Exercise Price) multiplied by Multiplier

(Cash Settlement Amount = (Settlement Price-Exercise Price) x Multiplier)

Derivative Put warrants can be calculated from the difference between Exercise Price and Settlement Price (Exercise Price-Settlement Price) multiplied by Multiplier

(Cash Settlement Amount = (Exercise Price-Settlement Price) x Multiplier)

2. The Net Cash Settlement Amount is Cash Settlement Amount deducted by Exercise Expense (if any).
3. On the Exercise Date, if The Net Cash Settlement Amount is greater than zero, DW will be automatically exercised without notice being given to the holders. The issuer shall pay Net Cash Settlement Amount to the holders as stated in the term of DW.
4. Holders can deny the exercise of DW by informing their broker. Then the holders need to follow the procedure of their broker.

5. The DW Issuer may request the SET to suspend the trading of the DWs during three (3) Business Days before Maturity Date (including Maturity Date) in order to determine the right to exercise DW of holder.

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

### **Exercise and Settlement Procedure of Derivative Warrants**

When Automatic Exercise occurs, Issuer will proceed as follows,

1. If there is no Market Disruption Event, Issuer will pay Net Cash Settlement Amount in cash to holders' bank account or issue a crossed cheque to the registered holder on Automatic Exercise Date and send the cheque by registered mail within 5 business days following Automatic Exercise Date.
2. In case of Market Disruption Event,
  - 1) If Market Disruption Event occurs before or on Last Trading Date and ends within 30 days after Last Trading Date, Settlement Price shall be the closing price of the Underlying Asset on the first trading day after the Market Disruption Event ends.
  - 2) In case the Event occurs on or before the Last Trading Date and does not end within thirty (30) days from the Last Trading Date,
    - 2.1) Issuer shall announce the fair value of Underlying Asset within 20 days of 30 days after the Last Trading Date.
    - 2.2) The Issuer shall use the fair value of the Underlying Securities calculated by an independent financial advisor approved by the SEC Office, which is made not more than 50 days before the date that the Issuer announces the fair value. The fair value of Underlying Securities shall be deemed to be the Settlement Price.

The DW Issuer shall pay the Net Cash Settlement Amount (if any) to the DW Holders by way of a direct transfer into the DW Holders' bank accounts, or by issuing a Crossed Check payable to the DW Holders whose names are listed in the Register of DW Holders on the Automatic Exercise Date and which is sent to them by registered mail, within 9 business days from the date on which the Fair Value is announced or the Settlement Price is available, as the case may be.

### **Adjustment of Exercise Ratio and Exercise Price (Stock DW)**

The Issuer shall adjust the Exercise Price and Exercise Ratio ("Adjustment") when any of the following events occur:

- a) Issuance of new ordinary shares to existing shareholders  
The Underlying Company offers to sell its new ordinary shares to existing shareholders, in which the net price per share of the new ordinary shares is less than 100% of the closing price of the last business day prior to the day the SET posts the XR sign. The Adjustment of Exercise Price and Exercise Ratio shall be immediately effective from the day in which the shareholders are precluded to subscribe for additional shares (the first day the SET posts the XR sign).
- b) Stock dividend payment

The Underlying Company pays out all or part of its dividend in the form of ordinary shares to its shareholders. The Adjustment of Exercise Price and Exercise Ratio shall be immediately effective from the day in which the shareholders are precluded to receive stock dividend (the first day the SET posts the XD sign).

c) Cash dividend

The underlying company pays out cash dividend to its shareholders. The adjustment of Exercise Price and 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) Stock split or reverse stock split

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 Exercise Price and Exercise Ratio shall be immediately effective from the date that the change in par value takes place.

e) Merger and acquisition

The underlying company announce that it will or may 1) merge, consolidate, amalgamation or restructuring except when the underlying company effectively continue to proceed its business or 2) liquidate or transfer all property or major properties. The Last Trading date of the Underlying Asset will be the Maturity Date of DW, and Issuer shall immediately inform the details to holders as well as disclose the details according to the rule of the Exchange.

The holders still is eligible to the rights specified in the Terms and Conditions of DWs. The issuer shall follow the procedure specified in the Terms and Conditions for the interest of the holders.

f) The calculation of the Adjustment of Exercise Price and Exercise Ratio in accordance with (a) through (e) are independent of each other and shall be conducted in accordance with the chronology of events which happened since the Issue Date till the Last Trading Date. In case where these events simultaneously occur, the calculation shall be conducted in the manner of series announced by the Underlying Company. The calculation of the Adjustment of Exercise Price will be rounded to the nearest 3 decimal points and the calculation of the Adjustment of Exercise Ratio will be rounded to the nearest 5 decimal points.

g) If there is an event which causes the DW Holders to lose the rights and benefits that they are entitled to, and such event is not included under Clause (a) to (e), the DW Issuer shall determine the Adjustment of the Exercise Price and/or Exercise Ratio in a fair manner without prejudice to the rights of the DW Holders. Such determination will be final. The DW Issuer shall also disclose information relating to the Adjustment in accordance with the rules of the Exchange and the relevant authorities.

h) Except those stated in (a) through (e) or other cases where the Issuer sees as appropriate, there shall be no Adjustment in any other case.

## **Adjustment of Multiplier and Exercise Price (Index DW)**

The issuer shall not adjust the Multiplier and Exercise Price of Index DW, except that there is any significant event that causes material impact to the holders. The issuer will consider using a reasonable and fair method to adjust the Multiplier and/or Exercise Price. Such immediate adjustment will not subordinate any rights and benefits of the holders but to reduce the impact and damage from such events. This adjustment is to include the adjustment date of the Multiplier and/or Exercise Price and effective date.

The issuer will notify the holders according to the rule and method of SET and other relevant regulators.

## **Event and Consequences of default**

The occurrence of any of the following events shall constitute an event of default (the "Event of Default")

- a) The Issuer fails to settle the cash or Underlying Securities as stated under the Terms and Conditions and the failure persists over a period of 7 consecutive business days, except in any case where the failure arises from the delay or disruption of the payment system or securities settlement system; or
- b) The Issuer fails to perform any of its obligations under the Terms and Conditions, which have significant negative impact on the holders' rights, and the failure continues over a period of 15 consecutive days after the holder has made the written notification to the Issuer, requesting it to perform its obligations under the Terms and Conditions; or
- c) All or major assets of the Issuer are subject to seizure or attachment by creditors for over a period of 7 consecutive business days; or
- d) Issuer fails to pay a debt of not less than 100,000,000 Baht or its equivalent in another currency as  
1) Issuer does not pay such debt within the existing due date or within the extended due date allowed by creditors or 2) creditors prematurely call to pay such debt according to the creditors' right on the event of default in related contractual agreement. However, such failure must have significant negative impact on the Issuer's ability to repay the debt regarding DW and the failure persists over a period of 7 consecutive business days; or
- e) The Annual General Meeting of Issuer approves the dissolution of the company except the dissolution for purposes pursuant to a merger, consolidation, amalgamation or restructuring where a continuing entity effectively assumes all DW related obligations of Issuer; or
- f) Final decree or order is made or issued by a court of competent jurisdiction adjudging Issuer to be bankrupt or insolvent, or approving a petition seeking with respect to the Issuer a decree of commencement of rehabilitation procedure or adjustment under the bankruptcy laws of Thailand, or for the winding-up, dissolution or liquidation of the Issuer, or approving the confiscation of the issuer, and such decree or order is not withdrawn within 60 days from the day the decree or order is made.

If any of the Event of Default shown in a), b), c) or d) occurs, Issuer must hold a Meeting of DW holders ("Meeting") in accordance with its obligations under the Terms and Conditions of the DW whereas;

- 1) The Meeting may approve the default of Issuer. Hence, the DW shall be immediately exercised from the date of Meeting whereby the closing price of the Underlying Asset on the date of Meeting is used as the Settlement Price. If the closing price of the Underlying Asset on the date of Meeting cannot be assigned, then the most recent closing price of the Underlying Asset on the date of Meeting shall be

- used as the Settlement Price. The Settlement Price will be compared to the Exercise Price for the calculation of the Cash Settlement amount which shall be delivered to all unexercised DW holders; or
- 2) The Meeting may approve other appropriate resolutions relating to the default. If any of the Event of Default shown in (e) or (f) occurs, the Issuer shall immediately be considered to be in default. Hence, the Derivative Warrants shall be immediately exercised from the date of the event described in (e) or (f). The closing price of the Underlying Securities or the Underlying Index (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 of the Underlying Securities on the date of the event described in (e) or (f) cannot be assigned, then the most recent closing price of the Underlying Securities prior to the date of the event described in (e) or (f) shall be used as the Settlement Price. The Settlement Price will be compared to the Exercise Price for the calculation of the Cash Settlement amount which shall be delivered to all unexercised DW holders.

**Transfer Restriction** None

### **Market Maker Obligation**

Upon listing, the Market Maker will provide bid and offer with spreads no more than 10 ticks and at a minimum quantity of 20,000 units for not less than 80% of trading hours of the Exchange. However, the Market Maker will not be required to provide bid and offer prices if:

- 1) There is Market Disruption Event.
- 2) The Exchange temporarily prohibits trading of Underlying Asset or temporarily discontinues the calculation of the Underlying Index (as the case may be) and/or suspends trading of the DW for any reason.
- 3) The Market Maker does not hold enough DW to fulfill its duty.
- 4) The DW price is lower than 0.05 baht.
- 5) Up to 14 business days before the Maturity Date.
- 6) Other events that the market is reasonably considered to be abnormal.
- 7) The issuer fails to satisfy its obligations as stated in the Event of Default specified in the Terms and Conditions.
- 8) Other cases which the Market Maker will disclose via the Exchange.

### **Distribution of Derivative Warrants**

The issuer will distribute the amount of Derivative Warrants for at least 20 million baht or for not less than 50 percent of the listed Derivative Warrants, excluding the amount of Derivative Warrants held by the Issuer and the Market Maker. The process will take place no longer than 3 months after the first trading date on SET or within the tenure period of the Derivative Warrants.

### **Information of Issuer**

**Paid Up Capital** 500,009,385 Baht

**Location of Issuer** KASIKORNBANK Building, 1<sup>st</sup>,3<sup>rd</sup>,11<sup>th</sup> and 19<sup>th</sup> Floor  
400/22 Phahon Yothin Road, Samsen Nai Sub-District, Phaya Thai  
District, Bangkok 10400,Thailand.  
Tel 02-696-0000  
Fax 02-696-0099  
Website [www.kasikornsecurities.com](http://www.kasikornsecurities.com)

### **Type of Business and Nature of Operation**

1. Securities brokerage business
2. Securities underwriting business
3. Dealing of Debt Securities business
4. Securities Borrowing and Lending (Principal Only) business
5. Securities Dealing business
6. Investment Advisory Services business
7. Derivatives Advisor business
8. Derivatives Dealing business
9. Derivatives Broker business

**Financial Statement of Issuer**

Investors can download latest Financial Statement of Issuer from [www.set.or.th](http://www.set.or.th) or [www.kasikornsecurities.com](http://www.kasikornsecurities.com)

**Prepared by**

Kasikorn Securities Public Company Limited

Any investment in DW carries with its certain risks. Investor should carefully read DW information and related risk before invest in DW, all information can be found in the Term and Conditions of DW, which is attachment of DW Filing (Form 69-DW-full) from [www.sec.or.th](http://www.sec.or.th).