



# บริษัท ไทยซูการ์ เทอร์มิเนล จำกัด (มหาชน)

THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED

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Ref. 107/2008

August 29, 2008

Subject Resolutions of BOD to increase the registered capital and issuance of warrants

To The Director and Manager

The Stock Exchange of Thailand

Thai Sugar Terminal Public Company Limited (the Company) has held the Board of Directors' Meeting No.9/2008 on Friday 29 August, 2008. The resolutions' details are as follows:

1. Approved to cancel the issuance of warrants to purchase ordinary shares of the Company ("the warrants") in the amount not exceeding 60,000,000 units and offer entirely to the existing shareholders of the Company at the ratio of 2 existing shares to 1 unit of warrant at the offer price of 0 Baht (zero Baht) which was approved by the Extraordinary Shareholders' Meeting No. 1/2008 dated May 28, 2008 to change the fund raising method by issue and offer new ordinary shares to sale to existing shareholders in proportion of shareholding in the Company. The Company will use the utilizing proceeds for its working capital and to invest in it subsidiary's shares to operate their project.

2. Approved to decrease of the Company's registered capital from Baht 180,000,000 to Baht 120,000,000 by abandoning the registered shares not being sold and amendment to Clause 4 of the Memorandum of Association to be consistent with registered capital decrease by repealing the existing particulars and replacing them with the followings :

"Clause 4. Registered Capital	120,000,000	Baht	(One Hundred Twenty Million Baht)
Divided into	120,000,000	Shares	(One Hundred Twenty Million Shares)
With a par value of	1	Baht each	(One Baht)
Divided into			
Ordinary shares of	120,000,000	Shares	(One Hundred Twenty Million Shares)
Preferred shares of	-	Shares	( - )"

3. Approved to Increase of the Company's registered capital from Baht 120,000,000 to Baht 300,000,000 by issuing 180,000,000 ordinary shares for capital increase at par value of Baht 1 each, amounting Baht 180,000,000 and amendment to Clause 4 of the Memorandum of Association to be consistent with registered capital increase by repealing the existing particulars and replacing them with the followings :

"Clause 4. Registered Capital	300,000,000	Baht	(Three Hundred Million Baht)
Divided into	300,000,000	Shares	(Three Hundred Million Shares)
With a par value of	1	Baht each	(One Baht)
Divided into			
Ordinary shares of	300,000,000	Shares	(Three Hundred Million Shares)
Preferred shares of	-	Shares	( - )"



4. Approved the issuance of warrants to purchase ordinary shares of the Company (“the warrants”) in the amount not exceeding 60,000,000 units and offer entirely to the existing shareholders of the Company at the ratio of 4 existing shares to 1 unit of warrant (any fraction of shares, if any, shall be deleted), at the offer price of 0 Baht (zero Baht). In this regard, the Preliminary Significant Features of the said warrants as well as the request for approval for delegation of authority appears in Attachment 1. The Company will operate the process of the issuance of warrants after the issuance and offer new ordinary shares to sale to existing shareholders at the amount of 120,000,000 shares in proportion of 1:1 (old:new) shareholding in the Company has already been managed.

5. The Meeting consider and approve the allocation of 180,000,000 capital-increase ordinary shares at a par value of Baht 1 each details are as follow :

5.1 the 120,000,000 new ordinary shares at a par value of Baht 1 each will be sold to existing shareholders at the amount of 120,000,000 shares in proportion 1:1 (old:new) of shareholding in the company.

5.2 the 60,000,000 new ordinary shares at a par value of Baht 1 each to support the exercise of the warrants of the company.

6. Approved the allocation of the capital – increase ordinary shares. If at the end of the exercise period of item 5.1 and 5.2 , for whatever reasons, resulting the ordinary shares allocated to support the exercise of the warrants remained, the remaining shares shall be allocated to offer to specific investors not exceeding 35 persons and/or the Institutional Investors pursuant to the relevant notifications of the Securities and Exchange Commission. The Shareholders’ Meeting shall grant the authority to the Board of Directors, the Authorized Director(s), or other persons delegated by the Board of Directors or the Authorized Director(s) to act as follows:

- (1) To offer for sale or to sell the remaining ordinary shares, in whole or in part, in one tranche or in several tranches from time to time;
- (2) To prescribe and/or change the details or conditions concerning the offering for sale or the sale of shares, such as the price, period, method and other details and conditions concerning the offering or sale of those ordinary shares;
- (3) To proceed with all necessary or relevant acts and things in order to accomplish the allocation, offering or sale of the ordinary shares remained from the exercise of warrants.

7. To set the Extraordinary Shareholders’ Meeting No. 2/2008 on October 16, 2008 on 11:00 a.m. at Conference Room, 90, Moo 1, Soi. Siamsoi, Poochaosmingprai Road, Samrongklang, Prapradang, Samutprakarn Province at 10 a.m. for the following agendas:

Agenda 1 : To approve the Minutes of EGM #1/2008 dated May 28, 2008.

Agenda 2 : To consider and approve the cancellation of the issuance of warrants to purchase ordinary shares, offering to the existing shareholders which had been approved by the shareholders of EGM #1/2008 dated May 28, 2008.



Agenda 3 : To consider and approve an decrease of the Company's registered capital from Baht 180,000,00 to Baht 120,000,00 and and amendment to Clause 4 of the Memorandum of Association to be consistent with registered capital decrease.

Agenda 4 : To consider and approve an increase of the Company's registered capital from Baht 120,000,00 to Baht 300,000,00 and and amendment to Clause 4 of the Memorandum of Association to be consistent with registered capital increase.

Agenda 5 : To consider and approve the issuance of warrants to purchase ordinary shares, offering to the existing shareholders

Agenda 6 : To consider and approve the allocation of the capital-increase ordinary shares.

Agenda 7 : To consider and approve the allocation of capital – increase ordinary shares in case there are ordinary shares remained from the exercises.

Agenda 8 : Other issues (if any)

8. In addition, the Board of Directors decided the closing date of the share register book (XM) on September 26, 2008 at 12.00 P.M. until the shareholder meeting has been duly convened.

Please be informed accordingly.

Yours sincerely,

Mr. Prapas Chutimavoraphand  
Managing Director



(F 53-4)

## Capital Increase Report Form

**Thai Sugar Terminal Public Company Limited**

**August 29, 2008**

We, Thai Sugar Terminal Public Company Limited (“TSTE” or “Company”) would like to report the resolution of Board of Director meeting no.9/2008, held on August 29, 2008 in respect of a capital increase as follows:

### 1. Increase of Capital

The meeting of the Board of Directors passed a resolution approving the increase of a registered capital of the Company from Baht 120 million to Baht 300 million by means of the issuance of 180 million ordinary shares with par value of Baht 1 each, totaling Baht 180 million

### 2. Allotment of new shares

The meeting of the Board of Directors passed a resolution approving the allotment of 180 million ordinary shares with par value of Baht 1 each, totaling Baht 180 million, the details of which are as follows:

#### 2.1 Detail of allotment

Allotted to	Number of shares	Ratio (old : new)	Selling price per share (Baht)	Subscription	Note
Old Shareholders	120,000,000	1: 1	1	Note 1	-
To reserve for the exercise of the warrant offered to existing shareholders	Not Exceed 60 million shares	4 ordinary shares to 1 unit of warrant	-	-	Note 2

Note 1 : Board of Directors will consider and disclose the subscription right to buy new ordinary share and closing date of the share registry book later.

Note 2 : The meeting of the Board of Directors passed a resolution approving the allotment of 60 million ordinary share, the detail of which are as follows:

Issuer : Thai Sugar Terminal Public Company Limited  
Name : Warrants of Thai Sugar Terminal Public Company Limited No. 1 (TSTE-W1)  
Type : Named and transferable  
Offering and Issuance Amounts : Not exceeding 60,000,000 units  
Allocation Method : Allocate to the existing shareholders of the Company whose names



appear in the share register book on the closing date for right to receive the warrants, the date of which the Board of Directors, the authorized directors or the persons who are authorized by the Board of Directors or the authorized directors will determined after acceptance of SEC's approval. The allocation will be at the ratio of 4 shares to 1 unit of warrant. (Calculated from 240,000,000 shares at par value of Baht 1 each after the allotted to existing shareholders at the amount of 120,000,000 shares in proportion 1:1 (old : new) of shareholding in the company and assume that all of the shareholders use their rights)

In case of any fraction of shares remaining after the allocation of warrants, all fractions of shares shall be deleted.

Offering price per unit : Baht -0-

Term of Warrants : 3 years from the issuance date.

Exercise Period and Condition of Exercise : The warrant holders may exercise their right for the first-time exercise after 1 year period from the issuance date (the first-time exercise date). The exercise date of warrants is the last business day of March, June, September, and December after the first-time exercise date throughout the term of warrants (the exercise date). The last-time exercise date is the date which the warrants reach 3 years from the issuance date.

In the case the exercise date is the Company's holiday, the exercise date shall be adjusted to be on the next business day.

In the case the last-time exercise date is the Company's holiday, the last-time exercise date shall be adjusted to be on the last business day prior to that last-time exercise date.

In any case, the last-time exercise date must have at least 15 days prior for the warrant holders to indicate their intent to exercise the right. The Board of Directors, the authorized directors or the persons who are authorized by the Board of Directors or authorized directors will further determine the first-time exercise date and the last-time exercise date.

After exercise period, if there are any warrants remaining, the Company will cancel the said remaining warrants

Exercise Price : Baht 2.50 per share (unless the exercise price is adjusted under rights adjustment).



Secondary Market of Warrants : The Company will list the warrants on the Stock Exchange of Thailand (SET).

Secondary market of the Reserved Shares : The Company will list the ordinary shares on the Stock Exchange of Thailand (SET).

Dilution Effect : 1. Shareholding and Control Dilution

As the offer of warrants is a right issue, therefore no dilution effect to the shareholding or voting rights of the shareholders. In the case of the exercise of warrant to purchase new shares is made by the entire non-existing shareholders, the existing shareholders' ownership will be reduced equivalent to 20% of the existing interest. (Calculated from the 240,000,000 shares at par value of Baht 1 each after the allotted to existing shareholders at the amount of 120,000,000 shares in proportion 1:1 (old : new) of shareholding in the company and assume that all of the shareholders use their rights)

2. Price Dilution

The effect to the market share price of the Company due to the issuance and offering of the warrants to existing shareholders will be effected because the exercise price is lower than the market price.

Formula to calculate the effect of price dilution

$$\frac{(P_o - P_n) \times Q_n}{(Q_o + Q_n) \times P_o}$$

$P_o$  = 4.07 Baht per share, derived from the weighted average of the share price in 15 days before company's board of meeting

$P_n$  = the Exercise Price, 2.50 Baht per share

$Q_o$  = the Existing share, 240.0 million shares

$Q_n$  = the new share from warrant exercise, 60 million share

The Price Dilution Effect to existing shareholders will be 7.70%

(Calculated from the 240,000,000 shares at par value of Baht 1 each after the allotted to existing shareholders at the amount of 120,000,000 shares in proportion 1:1 (old : new) of shareholding in the company and assume that all of the shareholders use their rights)

3. Earnings Per Share Dilution (EPS Dilution)

The effect on the earnings per share due to the issuance and offering of the warrants to the existing shareholders will make earnings per share of the Company decrease by 20% when compared with



earnings per share for year 2007 ended 31 December 2007 at 39 million Baht or equivalent to 0.26 Baht per share. (Calculated from the 240,000,000 shares at par value of Baht 1 each after the allotted to existing shareholders at the amount of 120,000,000 shares in proportion 1:1 (old : new) of shareholding in the company and assume that all of the shareholders use their rights)

2.2 The Company's plan in case where there is a fraction of shares remaining

In case of any fraction of shares remaining after the allocation of warrant, any fraction of shares shall be deleted

2.3 The number of shares remaining from the allotment

- None -

### **3. Schedule for shareholders meeting to approve the capital increase /allotment**

The Extraordinary Shareholder Meeting No.2 is scheduled to be held on 16 October, 2008 at 11.00 a.m. at Conference Room, 90, Moo 1, Soi. Siamsilo, Poochaosamingprai Road, Samrongklang, Prapradang, Samutprakarn Province. The shareholders registra book will be closed for attending this meeting on September 26, 2008 at 12.00 p.m., until the shareholders meeting has been duly convened.

### **4. Approval of the share allotment by relevant governmental agency and conditions thereto (if any)**

The Company will apply for approval of the issuance and offering of the warrants to existing shareholders of the Company according to the Notification of the Securities and Exchange Commission No. KorJor. 13/2547 re: Application for approval and Approval for the offering of newly-issued Warrants and reserved shares from the Office of the Securities and Exchange Commission and will further request the SET to accept the ordinary shares from the exercise of the warrants as listed securities under the relevant rules and regulations.

### **5. Objectives of the capital increase**

The Company will use the utilizing proceeds for its working capital and to invest in it subsidiary's shares to expand their project.

### **6. Benefits which the company will receive from the share allotment**

To support and strengthen the business as working capital and expand the subsidiary's business.

### **7. Benefits which the shareholders will receive from the share allotment**

The Company specifies the dividend policy at minimum 50% of earnings after tax with no impact on normal business operation of the Company and subscribers of new shares issued will be entitles to receive dividends from it's operations.

### **8. Other details necessary for shareholders to approve the share allotment**

- None -

### **9. Schedule of action where the board of directors of the Company passes a resolution approving the capital increase and allotment of new shares**



Item	Date
1. The Board of Director's meeting approve the capital increase	August 29, 2008
2. The company reports the Board's resolution to the SET	August 29, 2008
3. The closed of the shareholders registra book for attending extraordinary shareholder's meeting	September 26, 2008
4. The extraordinary general meeting of shareholder	October 16, 2008
5. The company reports the shareholder's meeting resolution to the SET	October 16, 2008

The Company hereby certifies that the information contained in this report form is true and complete in all respects.

Signed.....  
(Mr. Prapas Chutimavoraphand)

ManagingDirector

Signed.....  
(Mr.Pong Chinthammit)  
Deputy Managing Director

## **Attachment 1**



- Name : Warrants of Thai Sugar Terminal Public Company Limited No. 1
- Type : in name certificated form and transferable
- Offering and Issuance Amounts : not exceeding 60,000,000 units
- Issuance Date : Within 6 months after the acceptance of SEC's approval or within the time frame permitted by the SEC which must not exceed 12 months after the SEC's approval.
- Term of Warrants : 3 years from the issuance date.
- Offering price per units : Baht – 0 -
- Allocation Method : Allocate to the existing shareholders of the Company whose names appear in the share register book on the closing date for right to receive the warrants, the date of which the Board of Directors, the authorized directors or the persons who are authorized by the Board of Directors or the authorized directors will determined after acceptance of SEC's approval. The allocation will be at the ratio of 4 shares to 1 unit of warrant. (Calculated from the 240,000,000 shares at par value of Baht 1 each after the allotted to existing shareholders at the amount of 120,000,000 shares in proportion 1:1 (old : new) of shareholding in the company and assume that all of the shareholders use their rights)
- In case of any fraction of shares remaining after the allocation of warrants, all fractions of shares shall be deleted.
- Numbers of Ordinary Shares Allocated to Accommodate the Exercise of the Warrants : 60,000,000 shares (par value of Baht 1 per share) or 25 percent of paid up shares of the Company (240,000,000 shares) as of 31 December 2007. (Calculated from the 240,000,000 shares at par value of Baht 1 each after the allotted to existing shareholders at the amount of 120,000,000 shares in proportion 1:1 (old : new) of shareholding in the company and assume that all of the shareholders use their rights)
- Exercise Ratio : 1 unit of warrant for 1 ordinary share, unless the exercise ratio is adjusted under the conditions of the rights adjustment.
- Exercise Price : Baht 2.50 per share (unless the exercise price is adjusted under rights adjustment).
- Offering Period : Within 6 months after the acceptance of SEC's approval or within the time frame permitted by the SEC which must not exceed 12 months after the SEC's approval.
- Exercise Period and Condition of Exercise : The warrant holders may exercise their right for the first-time exercise after 1 year period from the issuance date (the first-time exercise date). The exercise date of warrants is the last business day of March, June, September, and December after the first-time exercise date throughout the term of warrants (the exercise date). The last-



time exercise date is the date which the warrants reach 3 years from the issuance date.

In the case the exercise date is the Company's holiday, the exercise date shall be adjusted to be on the next business day.

In the case the last-time exercise date is the Company's holiday, the last-time exercise date shall be adjusted to be on the last business day prior to that last-time exercise date.

In any case, the last-time exercise date must have at least 15 days prior for the warrant holders to indicate their intent to exercise the right.

The Board of Directors, the authorized directors or the persons who are authorized by the Board of Directors or authorized directors will further determine the first-time exercise date and the last-time exercise date.

Secondary Market of Warrants :

The Company will list the warrants on the Stock Exchange of Thailand (SET).

Secondary market of the Exercised Shares :

The Company will list the ordinary shares on the Stock Exchange of Thailand (SET).

Dilution Effect :

1. Control Dilution

As the offer of warrants is a right issue, therefore no dilution effect to the shareholding or voting rights of the shareholders. In the case of the exercise of warrant to purchase new shares is made by the entire non-existing shareholders, the existing shareholders' ownership will be reduced equivalent to 20% of the existing interest. (Calculated from the 240,000,000 shares at par value of Baht 1 each after the allotted to existing shareholders at the amount of 120,000,000 shares in proportion 1:1 (old : new) of shareholding in the company and assume that all of the shareholders use their rights)

2. Price Dilution

The effect to the market share price of the Company due to the issuance and offering of the warrants to existing shareholders will be effected because the exercise price is lower than the market price.

Formula to calculate the effect of price dilution

$$( (Po - Pn) \times Qn ) / ( (Qo + Qn) \times Po )$$

Po = 4.07 Baht per share, derived from the weighted average of the share price in 15 days before company's board of meeting

Pn = the Exercise Price, 2.50 Baht per share

Qo = the Existing share, 240.0 million shares

Qn = the new share from warrant exercise, 60 million share



The Price Dilution Effect to existing shareholders will be 7.70%  
(Calculated from the 240,000,000 shares at par value of Baht 1 each after the allotted to existing shareholders at the amount of 120,000,000 shares in proportion 1:1 (old : new) of shareholding in the company and assume that all of the shareholders use their rights)

### 3. Earnings Per Share Dilution (EPS Dilution)

The effect on the earnings due to the issuance and offering of the warrants to the existing shareholders will make earnings per share of the Company decrease by 20% when compared with earnings per share for year 2007 ended 31 December 2007 at 39 million Baht or equivalent to 0.26 Baht per share. . (Calculated from the 240,000,000 shares at par value of Baht 1 each after the allotted to existing shareholders at the amount of 120,000,000 shares in proportion 1:1 (old : new) of shareholding in the company and assume that all of the shareholders use their rights)

#### Criteria to Adjust Rights in Warrant: :

The Company will adjust the exercise price and the exercise ratio as per the occurrence of event as stated in the Notification of the SEC No. Gor Jor 13/2547 re: Application for approval and approval to offering the Warrants and the shares accommodated the exercise of Warrants dated February 9, 2004 (as amended).

The Company will also adjust the exercise price and the exercise ratio when the Company pays cash dividend above the rate of 80 percent of profit after tax and legal reserve requirement of the consolidated financial statement of the Company for the operation of any accounting period throughout the terms of warrants.

Others : The terms, conditions, amount, and any necessary and appropriate details related to the issuance and offering of warrants including reasons to issue new shares to accommodate changes in rights exercise and/or exercise ratio, offering period, and issuance date, will be determined by the Board of Directors, the authorized directors or the persons who are authorized by the Board of Directors or the authorized directors according to their consideration.

In addition, the Board of Directors, the authorized directors or the persons who are authorized by the Board of Directors or the authorized directors will have the power to sign any applications documents and any other necessary evidence in relation to the issue of warrants as well as contact and file any applications, documents and evidence to the government authority or any relevant authority in relation to the issue, offer and listing of warrants in the SET including process any other matters related to the issuance of warrants.



The Board of Directors, the authorized directors or the persons who are authorized by the Board of Directors or the authorized directors will also have the power to consider not processing the issuance and offering of warrants, canceling the issuance and offering of warrants or requesting the extension of time with the SEC for the issuance of the warrants where it is deemed best or most appropriate according to the condition of the economy, money market, and capital market, as the case may be.