

Tor 5/2556

7 March 2013

Subject Notification of increased capital, dividend payment, issue warrant No.1, change of the Record date and share registry book closing

Attention: President
The Stock Exchange of Thailand

Reference: The Company Letter number Tor 3/2013 as of 28 February 2013

Attachment: 1. Summary of preliminary information concerning warrant No.1 (LOXLEY-W) to be offered to existing shareholders and general investors
2. Capital Increase Report Form

As the Board of Directors of Loxley Public Company Limited ("the Company"), at the meeting held on March 7, 2013, passed the additional resolutions due to the Company meeting held on 28 February, 2013.

The additional resolutions are as follows:

1) Approved and agreed to propose in the forthcoming Annual General Meeting of Shareholder 2013 to distribute the additional dividend payment by ordinary shares not exceeding in total of 100 million shares with a par value of THB 1 each, in the ratio of 20 current shares per 1 dividend shares, or not exceeding in total of THB 100 million, or equivalent to THB 0.05 per share. In case that any shareholder holds the indivisible share remaining after such allocation, the dividend shall be paid by cash THB 0.05 per share) which in the combination of the cash dividend payment of THB 0.10 per share, the cash dividend shall be paid at the rate of THB 0.15 per share. All dividends shall be deducted for the withholding tax at the rate stipulated by law.

The name of shareholders (Record Date) who are entitled to have right to attend the Annual General Meeting 2013 and who are entitled to receive the share dividend and cash dividend shall be change from to be specified Monday March 18, 2013 to Friday March 22, 2013 and the date which the name of shareholders who are entitled shall be gathered in according with the Securities and Stock Exchange Act, Section 225 by closing the share registration book will be change from Tuesday March 19, 2013 to Monday March 25, 2013. The stock dividend and cash dividend payment shall be made within 1 month from the approval of the Annual General Meeting.

2) Approved and agreed to propose in the forthcoming Annual General Meeting of Shareholder 2013 to issue and offer the sale of ordinary shares not exceeding 165,000,000 shares with a par value of THB 1 each to general investors. (Public Offering) The offering price is not less than par value.

The Board of Directors and/or managing director and/or the authorized persons has the authority to set the offering price and other details, which are necessary for offering the sale of ordinary shares to general investors. The Company will set the offering price of the sale of ordinary shares later.

3) Approved and agreed to propose in the forthcoming Annual General Meeting of Shareholder 2013 to issue LOXLEY-W in the amount not exceeding 66,250,000 units as follows:

1) LOXLEY-W in the amount not exceeding 25,000,000 units to be allotted to existing shareholders who are entitled to stock dividends at the ratio of 4:1 (4 stock dividends to 1 unit of LOXLEY-W or equivalent to 80 existing shares to 1 warrant unit) (any fraction will be discarded). The offering price of LOXLEY-W is THB 0 per unit.

2) LOXLEY-W in the amount not exceed 41,250,000 units to be allotted to general investors who subscribe for newly issued ordinary shares at the ratio of 4:1 (4 new shares to 1 unit of LOXLEY-W) (any fraction will be discarded). The offering price of LOXLEY-W is THB 0 per unit.

The Board of Directors and/or managing director and/or the authorized persons has the authority to set the details and other conditions of LOXLEY-W to be offered including to proceed as necessary related to the issue and offer LOXLEY-W, which includes but not limited to contact and send any necessary document related to issue and offer of LOXLEY-W.

4) Approved and agreed to propose in the forthcoming Annual General Meeting of Shareholder 2013 to increase the registered capital from THB 2,000,000,000 to THB 2,331,250,000 by issuing new ordinary shares of 331,250,000 shares with the par value of THB 1 each with the objective as follows:

1. The proceeds from capital increase will be used to expand business both domestically and internationally
2. To support the stock dividend
3. To reserve for exercising LOXLEY-W
4. To use as a working capital of the Company or investment in subsidiaries
5. To increase the liquidity of the Company's stock

5) Approved and agreed to amend the Memorandum Association to compliance with the increase of registered capital

From "No 4.	Registered Capital	THB 2,000,000,000 (Two Thousand million Baht)
	Divided into	
	Common Stocks	2,000,000,000 Shares (Two Thousand million shares)
To "No 4.	Registered Capital	THB 2,331,250,000 (Two Thousand three hundred and thirty one million and twenty five hundred thousand Baht)
	Divided into	

Common Stocks 2,331,250,000 Shares (Two Thousand three hundred and thirty one million and twenty five hundred thousand shares)

The authorized person assigned by Board of Directors will be register the Memorandum Association at Department of Business Development has the power to amend the words or any other process to comply with the order of registrar.

6) Approved and agreed to propose in the forthcoming Annual General Meeting of Shareholder 2013 to allot the newly issued shares as follows:

6.1) Ordinary shares not exceeding 100,000,000 shares with the par value of THB 1 each to be allotted to support stock dividend

6.2) Ordinary shares not exceeding 25,000,000 shares with the par value of THB 1 each to be reserved for exercising LOXLEY-W, which is allotted to existing shareholder who are entitled to stock dividend.

6.3) Ordinary shares not exceeding 165,000,000 shares with the par value of THB 1 each to offer to general shareholders (The offering price is not less than par value).

6.4) Ordinary shares not exceeding 41,250,000 shares with the par value of THB 1 each to be reserved for exercising LOXLEY-W, which is allotted to general shareholders who subscribe for newly issued shares, according to 6.3).

7) Approved to set up Annual General Meeting 2013 and approved to change the date, which the name of shareholders (Record Date) who are entitled to have right to attend the Annual General Meeting 2013 and who are entitled to receive the share dividend and cash dividend from to be specified Monday March 18, 2013 to Friday March 22, 2013 and the date which the name of shareholders who are entitled shall be gathered in according with the Securities and Stock Exchange Act, Section 225 by closing the share registration book will be change from Tuesday March 19, 2013 to Monday March 25, 2013. The agenda for the meeting is as follows:

- Agenda 1 To certify the minutes of the annual general meeting of shareholders for 2012
- Agenda 2 To acknowledge the report of operating results of the Company during 2012
- Agenda 3 To consider and approve the audited Balance Sheet and Profit and Loss Statement for the year ended 31 December 2012
- Agenda 4 To consider and approve the profit allocation as legal reserves and the dividend payment for the Company's operation of 2012
- Agenda 5 To consider and approve the issuance and offering the sale of ordinary shares not exceeding 165,000,000 shares to general investors (Public Offering)
- Agenda 6 To consider and approve the issuance and offering of sale of warrant #1 (LOXLEY-W) in the amount not exceeding 66,250,000 units

- Agenda 7 To consider and approve the capital increase of Baht 331,250,000, from the old registered capital of Baht 2,000,000,000 to the new registered capital of Baht 2,331,250,000, by issuing new ordinary shares of 331,250,000 shares with the par value of Baht 1 each
- Agenda 8 To consider and approve the amendment of Clause 4 of the Company's Memorandum of Association to compliance with the increase of registered capital
- Agenda 9 To consider and approve the newly issue share allotment
- Agenda 10 To consider and elect directors to replace those retiring by rotation
- Agenda 11 To consider and approve the compensation for the directors of 2013
- Agenda 12 To consider and appoint auditors and fix their remuneration for year 2013
- Agenda 13 To consider other businesses (if any)

Please be informed accordingly

Yours Sincerely,

(Mr. Pichai Mooputtarak)
Company Secretary

Summary preliminary information concerning Warrant No.1 (LOXLEY-W) to be allocated to existing shareholders and general investors

1. The preliminary detail of warrant No. 1 (LOXLEY-W)

Subject	Detail
1. Type and Category	Warrant to purchase new ordinary shares of the Company No.1 (LOXLEY-W). The Warrants are specified name and transferable.
2. No. of Warrant	Not exceed 66,250,000 units
3. No. of shares reserve for exercising LOXLEY-W	66,250,000 shares accounted for 3.31% of total paid up capital of 2,000,000,000 shares as of March 15, 2013
4. Maturity	3 Years from issue date of warrant
5. Offering Price	THB 0 per unit
6. Distribution Method	<p>1) LOXLEY-W in the amount not exceeding 25,000,000 units to be allotted to existing shareholders who are entitled to receive stock dividends at the ratio of 4:1 (4 stock dividends to 1 unit of LOXLEY-W or equivalent to 80 existing shares to 1 warrant unit) (any fraction will be discarded).</p> <p>2) LOXLEY-W in the amount not exceeding 41,250,000 units to be allotted to general investors who subscribe for newly issued ordinary shares at the ratio of 4:1 (4 new shares to 1 unit of LOXLEY-W) (any fraction will be discarded).</p>
7. Exercise Ratio	1 unit of warrant has the right to purchase 1 new ordinary share subjected to change in accordance with the condition for adjustment
8. Exercise Price	7.00 Baht per share subjected to change in accordance with the condition for adjustment
9. Exercise Period	<p>On the last business day of March, June, September, and December throughout the tenor of LOXLEY-W</p> <p>The last exercise date shall be the date which is the 3rd anniversary from the issuance and offering date of LOXLEY-W. In case the last exercise date is not a business day of the Company, the last exercise date shall be changed to the last business day of the Company prior to the maturity date of LOXLEY-W.</p>
10. Submission Period	Warrant holders who wish to exercise their rights to purchase ordinary shares of the company can submit the intention form on every company's business day within 7 days before each of the exercise date. Except the last exercise date, warrant holders can submit the intention form within 15 days before the last exercise date.

Subject	Detail
11. Adjustment of Right of the warrants	<p>The Company will adjust the exercise price and/or the exercise ratio, upon the incurrence of the following events with the aim to protect the warrant holders' benefit</p> <ol style="list-style-type: none"> 1. The change to the par value resulting from the amalgamation or division of share 2. The new offering of share at the low price 3. When the company offers convertible bond or warrant at low price 4. When the company pays partial or whole dividend by issuing new shares to shareholders 5. When the company pays dividend in exceeding of the rate that specified in the term and condition of warrant adjustment 6. Any other similar event to those of clause 1 to 5 which results in the warrant holder are considered less benefit
12. Issue Date	Within 1 year after the approval from the shareholder meeting offer LOXLEY-W
13. Secondary market for the warrants	The company shall list the warrants on the Stock Exchange of Thailand (SET)
14. Secondary market for the exercised ordinary shares	The company shall list the exercised ordinary shares on the Stock Exchange of Thailand (SET)

2. Effects on the existing shareholders

The abbreviations have definitions as follows,

When Q_o = Total paid-up shares, which are 2,000 million shares as of March 15, 2012

Q_D = The number of shares increased from the stock dividends, which are 100 million shares

Q_{WE} = The number of shares reserved for the exercise of LOXLEY-W, which are issued and offer to existing shareholders who are entitled to the stock dividend, which are 25 million shares

Q_{PO} = The number of shares increased from the subscription of general investors, which is 165 million shares (It is assumed that the general investors will fully subscribe the newly issued shares.)

Q_{WN} = The number of shares reserved for the exercise of LOXLEY-W, which are issued and offer to general investors in the amount of 41.25 million shares

1) Control Dilution

The control dilution from the issuing securities can be separated into 2 cases as follows,

1. In case that the existing shareholder, who receive stock dividend and warrant to purchase new ordinary shares of LOXLEY-W, do not exercise the warrant. On the other hand, the person who is not the existing shareholder of the Company fully exercises the warrant from the aforementioned warrant.

$$\text{Control Dilution} = (Q_{WE} + Q_{PO} + Q_{WN}) / (Q_o + Q_D + Q_{WE} + Q_{PO} + Q_{WN})$$

$$\begin{aligned}\text{Therefore, Control Dilution} &= (25 + 165 + 41.25) / (2,000 + 100 + 25 + 165 + 41.25) \\ &= 9.92\%\end{aligned}$$

2. In case that the existing shareholder, who receive stock dividend and warrant to purchase new ordinary shares of LOXLEY-W, do fully exercise the aforementioned warrant.

$$\text{Control Dilution} = (Q_{PO} + Q_{WN}) / (Q_O + Q_D + Q_{WE} + Q_{PO} + Q_{WN})$$

$$\begin{aligned}\text{Therefore, Control Dilution} &= (165 + 41.25) / (2,000 + 100 + 25 + 165 + 41.25) \\ &= 8.85\%\end{aligned}$$

2) Earnings Dilution

$$\text{Earnings Dilution} = (\text{EPS}_O - \text{EPS}_N) / \text{EPS}_O$$

The net profit is based on the net income of the parent company from consolidated financial statement, which is 526.06 million Baht

$$\begin{aligned}\text{EPS}_O &= \text{Net Income} / Q_O \\ &= 526.06 / 2,000 \\ &= 0.26 \text{ Baht per share}\end{aligned}$$

$$\begin{aligned}\text{EPS}_N &= \text{Net Income} / (Q_O + Q_D + Q_{WE} + Q_{PO} + Q_{WN}) \\ &= 526.06 / (2,000 + 100 + 25 + 165 + 41.25) \\ &= 0.23 \text{ Baht per share}\end{aligned}$$

$$\begin{aligned}\text{Earnings Dilution} &= (\text{EPS}_O - \text{EPS}_N) / \text{EPS}_O \\ &= (0.26 - 0.23) / (0.26) \\ &= 14.21\%\end{aligned}$$

3) Price Dilution

$$\text{Price Dilution} = (P_O - P_N) / P_O$$

When P_O = The market price before the offering at 6.46 Baht per share, which is the weighted average market price of the company that is trading in the SET (15 consecutive days of the market price before Board of Directors meeting on March 7, 2013)

P_N = The market price after the offering = [(market price before the offering x paid up shares) + (exercise price of LOXLEY-W x total number of shares reserved for the exercise of LOXLEY-W)] / (paid up shares + total number of shares reserved for the exercise of LOXLEY-W + total number of shares increased from the stock dividends)

$$\begin{aligned}P_N &= [(6.46 \times 2,000) + (7 \times 66.25)] / (2,000 + 66.25 + 100) \\ &= 6.18 \text{ Baht per share}\end{aligned}$$

$$\text{Price Dilution} = 4.36\%$$

However, this issuance and offer the sale of ordinary shares will be offering via public offering (PO), which has not designated the PO price yet. Therefore, if the PO price has a discount from the market price, then the company will face additional price dilution.

Capital Increase Report Form

Loxley Public Company Limited

7 March 2013

Loxley Public Company Limited (“the Company”) hereby reports of the resolution of the Board of Directors’ Meeting No 3/2013, held on March 7, 2013 in respect of capital increase and share allotment as follows:

1) Capital Increase

The meeting of the Board of Directors passed a resolution approving the increase of the Company’s registered capital from THB 2,000,000,000 to THB 2,331,250,000 by issuing 331,250,000 ordinary shares with par value of THB 1 each, totaling THB 331,250,000 by specifying the purpose of utilizing proceeds

2) Allotment of the newly issued ordinary shares:

The meeting of the Board of Directors passed a resolution approving the allotment of 331,250,000 ordinary shares with the par value of THB 1 each, totaling THB 331,250,000, the details are as follows:

2.1) Detail of Allotment by specifying the purpose of utilizing proceeds

Allotted to	Number of shares (shares)	Ratio	Selling price per share (Baht)	Subscription and payment period
1) To pay stock dividend to existing shareholders	100,000,000	20 existing shares to 1 stock dividend	-	To reserve for stock dividend
2) To offer to general investors (Public Offering: PO)	165,000,000	-	To be determined by the Board of Directors and/or Managing Director and/or authorized person later	To be determined after receiving the approval from the office of SEC

Allotted to	Number of shares (shares)	Ratio	Selling price per share (Baht)	Subscription and payment period
3) To reserve for exercise of the LOXLEY-W allocated to existing shareholders who are entitled to stock dividend	Not exceed 25,000,000 shares	4 stocks dividend to 1 warrant unit	THB 0 with the exercise price of THB 7 and the exercise ratio of 1 unit of warrant to 1 new ordinary share	To be determined after receiving the approval from Annual General Meeting of Shareholder 2013
4) To reserve for exercise of the LOXLEY-W allocated to general investors who subscribe newly issued ordinary shares	Not exceed 41,250,000 shares	4 newly issued shares to 1 unit of warrant		

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

In case that any shareholder holds the indivisible share remaining after stock dividend allocation, the dividend shall be paid by cash.

In case that there is any fraction from the allotment of warrant, any fraction of warrant will be discarded.

2.3) The number of shares which have not been allotted

- None -

3) Schedule for the shareholders' meeting for the approval of capital increase and allotment

The Annual General Meeting of Shareholders 2013 is scheduled on April 29, 2013 at 2 pm at the Grand Ballroom, 4th Floor, Montien Riverside Hotel, No. 372 Rama 3 Road, Bangkok, Bangkok. The names of shareholders to attend Annual General Meeting 2013 will be specified on March 22, 2013 and, by the section 225 in Securities and Exchange Act, the names of shareholders will be compiled by closing the shareholders register book on March 25, 2013.

4) Approval of the capital increase/ share allotment by relevant governmental agency and condition of such approval

The Company requires approval from the Office of the SEC for the issuance and sales of new ordinary shares and warrants to general investors after the shareholders meeting approved doing so.

5) Objectives of the capital increase and plans for utilizing proceeds received from the capital increase

5.1) To pay dividend to existing shareholder in order to be the reward of their investment by issuing the stock dividend instead of cash dividend

5.2) The proceeds from capital increase will be used to expand business both domestically and internationally

5.3) To use as a working capital of the Company and investment in subsidiaries

6) Benefits which the Company will receive from the capital increase/share allotment

6.1) To increase the liquidity of the Company's stock

6.2) The proceeds from capital increase will be used to expand business both domestically

6.3) To enhance the Company's financial flexibility as it will obtain additional source of fund in expanding business from warrant exercising

7) Benefits which shareholders will receive from the capital increase/share allotment

7.1) The Company has a policy to pay dividends of not less than 40 % of net profits after taxes and all reserves as required by law from the non-consolidated financial statement of the Company, except the Company needs capital to expand its business. The dividend payment shall be approved by the Shareholders' Meeting.

7.2) The existing shareholders who are entitled to stock dividend and the subscribers of new shares issued will be entitled to receive dividends from the Company's business operation starting from the period that the new shares are traded in the stock exchange onward. Existing shareholders who receive the warrants allotment will have the rights to exercise the warrants and receive dividends in the future in accordance with the Company's dividend policy.

8) Other details necessary for shareholders to approve the capital increase/share allotment

- None -

9) Schedule of action if the board of directors passes a resolution approving the capital increase or allotment of new shares

Process	Date
The date the Board of Directors approved the capital increase and share allotment	March 7, 2013
The date to determine shareholders who have the rights to attend the Annual General Meeting of Shareholders 2013 (Record Date)	March 22, 2013
The date of closing shareholder register book to collect the name of shareholders who have the rights to attend the Annual General Meeting of Shareholders 2013	March 25, 2013
The date of the Annual General Meeting of Shareholders 2013	April 29, 2013
Registration of the resolution on capital increase and allotment with the Ministry of Commerce	Within 14 days after the date of shareholder's meeting

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

Signed _____ Authorized director

(_____)

Signed _____ Authorized director

(_____)