

# **TENDER OFFER**

**OF**



**Bangkok Steel Industry Public Company Limited**

**By**

**Promsri Property Co., Ltd.**

**Tender Offer Preparer and Tender Offer Agent**



**BFIT Securities Public Company Limited**

(Translation)

*"The English translation of this document is prepared solely for reference for non-Thai shareholders of the company. It should neither be relied upon as the definitive nor an official document of the company. The Thai version is the definitive and official document and shall prevail in all respects in the event of any inconsistency with the English translation"*

December 2, 2008

Re: Tender Offer for the securities of Bangkok Steel Industry Plc. (Form 247-4)

To: Secretary-General           The Securities and Exchange Commission  
President                         The Stock Exchange of Thailand  
Shareholders                 Bangkok Steel Industry Plc.

The shareholders' discussion meeting no. 1/2008 held on April 11, 2008 passed a resolution approving the delisting of Bangkok Steel Industry Plc. ("the Company" or "BSI") 's ordinary shares from the Stock Exchange of Thailand ("SET"). Later on November 26, 2008, Promsri Property Co., Ltd. filed an application for the acquisition of the securities of the Company for business takeover (Form 247-3) to the Office of the Securities and Exchange Commission ("SEC") and submitted a copy of which to the SET.

We, Promsri Property Co., Ltd., would like to submit a tender offer for BSI's shares (Form 247-4) to the SEC for consideration of our tender offer pursuant to the Notification of the Securities and Exchange Commission No. KorJor.53/2545 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers.

This is submitted for your consideration.

Yours sincerely,

Promsri Property Co., Ltd.

Mr. Surachart Vorakitkanjanakul

(Mr. Surachart Vorakitkanjanakul)

Director

Mr. Vichian Lertphokhanont

(Mr. Vichian Lertphokhanont)

Director

Company seal

**Tender Offer**  
**Bangkok Steel Industry Public Company Limited**

Content

	Page	
<b>Part 1</b>	<b>Summary of Tender Offer</b>	1
<b>Part 2</b>	<b>Details of the Offeror</b>	
	1. Details of the Offeror	1
	2. Details of Financial Advisor	7
	3. Details of Other Advisor	7
	4. Relationship between the Offeror including its related companies and the company, Major shareholders or directors of the company	7
	5. Other relevant information for the shareholders' decision making	8
<b>Part 3</b>	<b>Details of the Company</b>	
	1. Information on the company	1
	2. Business plan after the business takeover	7
<b>Part 4</b>	<b>Additional details of the Offer</b>	
	1. Offer Acceptance Procedure	1
	2. Purchase Procedure	3
	3. Settlement and Payment Procedures	4
	4. Rights of securities holders who have expressed their intention to tender their securities	5
	5. Conditions for revocation of the intention to tender shares	5
	6. Determination of the Tender Offer Price	7
	7. Acquisition of securities prior to the Tender Offer	9
<b>Part 5</b>	<b>Certification of information</b>	
<b>Attachment 1</b>	Confirmation of Funds	
<b>Attachment 2</b>	Confirmation intention not to sell shares	
<b>Attachment 3</b>	Evaluation of fair value of the company	
<b>Attachment 4</b>	Documents for acceptance and revocation of tender offer	
<b>Attachment 5</b>	Documents for acceptance and revocation for tender offer for NVDR	

We, Promsri Property Co., Ltd. ("the Offeror"), hereby offer to purchase the securities of Bangkok Steel Industry Public Company Limited ("the Company" or "BSI") as follows:

### Part 1

#### Significant Elements of the Tender Offer

**1. Date of the tender offer submission**

December 2, 2008

**2. Name of the Offeror**

Name: Promsri Property Co., Ltd. ("the Offeror")

Address: 39 Soi Sukhumvit 49, Sukhumvit Road, Khlongton Nua, Watthana, Bangkok 10110

**3. Name of the Tender Offer Preparer**

Name: BFIT Securities Plc.

Address: 191 Silom Complex Tower, 14 A Fl. and 16 Fl., Silom Road, Silom, Bangrak  
Bangkok 10500

**4. Objectives of the tender offer**

The tender offer is purposed for delisting of BSI's ordinary shares from the Stock Exchange of Thailand ("SET"). At present, such ordinary shares fall within the purview of being delisted from the SET as its shareholders' equity is below nil, and the auditor has not expressed opinion on the Company's financial statements for three straight years.

On April 11, 2008, the shareholders' discussion meeting no. 1/2008 passed a resolution approving the delisting of the Company's ordinary shares from the SET. On November 26, 2008, the SET approved such voluntary delisting on condition that the Offeror, i.e. Promsri Property Co., Ltd. shall make a tender offer to buy the securities from the existing shareholders in general in accordance with the Notification of the Securities and Exchange Commission No. KorJor.53/2545 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers dated November 18, 2002. The maximum tender offer period is 45 business days.

**5. Type and class of the securities to be purchased**

BSI currently has a total of 160,000,000 issued and paid-up ordinary shares. The Offeror and the person under Section 258 of the Securities and Exchange Act B.E. 2535 (2002) of the Offeror hold 21,910,347 shares or 13.69% of the total issued and paid-up shares of the Company. The Offeror has been informed by the Company's shareholders (excluding the Offeror and the person under Section 258 of the Securities and Exchange Act B.E. 2535 (2002) of the Offeror that the shareholders have no intention to sell the whole share portion held by them in this tender offer, amounting to 100,894,247 shares representing 63.06% of the Company's total issued and paid-up shares (as detailed in Attachment 2). Therefore, the Offeror will make a tender offer for 37,195,406 ordinary shares of the Company or 23.25 % of the total issued and paid-up shares.

**6. Offering price**

The offering price of the ordinary share is Bt. 8.25 (eight baht and twenty-five satang) per share. The Offerees are subject to a brokerage fee of 0.25% of the offering price and value added tax (VAT) of 7% of the brokerage fee. Therefore, the net price received by the offerees will be Bt. 8.22793 (eight point double two seven nine three baht) for each ordinary share. Such offering price is:

- Final offer which may not be changed unless falling within the conditions stated in Clause 8.  
 Non-final offer and may be changed by the Offeror.

In case the offeree is a juristic person not operating business in Thailand and having domicile in the country having no double taxation avoidance agreement with Thailand under the provisions of the Revenue Code, the tender offer agent has the duty to deduct withholding tax of 15% of the difference between the offering price and the securities cost, thereby the offeree must inform the tender offer agent of the cost of such securities with presentation of the confirmation of securities cost form (Attachment 4 and Attachment 5 for NVDR). In case no securities cost is indicated or no confirmation of securities cost form is presented by the offeree, the tender offer agent will deduct the withholding tax by tax calculation based on the offering price to be received by the offeree in full.

**7. Tender offer period**

The tender offer period will cover 45 business days from December 4, 2008 to February 11, 2009 during the hours of 9.00 a.m. to 4.30 p.m. Such tender offer period is:

- Final period which may not be extended unless falling within the conditions stated in Clause 8.  
 Non-final period and may be extended by the Offeror.

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**8. Conditions for change in the tender offer**

- ( ) None
- (✓) Conditions of change in the tender offer are as follows:
- (✓) The Offeror may reduce the offering price or extend the tender offer period if there is any event having a material adverse effect on the Company's status or assets occurs during the tender offer period.
- (✓) The Offeror may change the offer or extend the tender offer period to compete with any other person who has submitted a tender offer for securities of the Company during the tender offer period

**9. Conditions for cancellation of the tender offer (if any)**

The Offeror may cancel the tender offer subject to any of the following events:

- 9.1 Any event or action occurring after the submission of the tender offer application to the Office of Securities and Exchange Commission ("the SEC") but before the end of the tender offer period, which has or may have a material adverse effect on the Company's status or assets, and where such event or action is not the result of the Offeror's actions or of actions under the responsibility of the Offeror, or
- 9.2 Any other event that results in the termination of the application for delisting of securities from the SET.

**10. The period when the securities holders may cancel their intention**

The Offerees may cancel their acceptance of the tender offer on business days from December 4, 2008 to January 6, 2009 during the hours of 9.00 a.m. to 4.30 p.m., by informing such intention at the tender offer agent's head office.

**11. Allocation of purchase in case tendered amount is greater or smaller than offered amount (in case of partial tender offer in accordance with Chapter 5 of the SEC Notification no. KorJor.53/2545**

-None-

**12. Sources of funds to finance the tender offer**

BSI currently has a total of 160,000,000 issued and paid-up ordinary shares. The Offeror and the person under Section 258 of the Securities and Exchange Act B.E. 2535 (2002) of the Offeror holds 21,910,347 shares or 13.69% of the total issued and paid-up shares of the Company. The

Offeror has been informed by the Company's shareholders (excluding the Offeror and the person under Section 258 of the Securities and Exchange Act B.E. 2535 (2002) of the Offeror that the shareholders have no intention to sell the whole share portion held by them in this tender offer, amounting to 100,894,247 shares representing 63.06% of the Company's total issued and paid-up shares. Therefore, the Offeror will make a tender offer for 37,195,406 ordinary shares of the Company or 23.25% of the total issued and paid-up shares at the price of Bt. 8.25 per share, hence a total offering price of Bt. 306,862,099.50 (In case every shareholder has intention to sell all his shares.) Source of funds will come from the Offeror's fund itself which has deposited at the Bank; thereby the Offeror has presented the confirmation letter of source of funds for the tender offer. (Attachment 1)

BFIT Securities Plc., as the Tender Offer Preparer, has considered the source of funds for the tender offer for the securities of the shareholders in general and viewed that the Offeror has adequate source of funds for making the tender offer with the Offeror having presented the confirmation letter of source of funds for the tender offer in the amount of Bt. 318,994,237.14 (Three hundred eighteen million nine hundred ninety-four thousand two hundred thirty seven baht and fourteen satang).

However, if the shareholders who earlier intended not to sell the securities pursuant to clause 5 have changed their intention and would like to accept the tender offer, the Offeror also has credit lines available from financial institutions to take up all the shares.

### 13. Tender Offer Agent

Name	BFIT Securities Public Company Limited
Address	191 Silom Complex Building 14 <sup>th</sup> Room A and 16 <sup>th</sup> Silom Road, Silom Bangruak Bangkok 10500
Telephone	0-2200-2104-5
Facsimile	0-2632-1789
Payment date	February 16, 2009

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## Part 2

### Information on the Offeror

#### 1. Details of the Offeror

##### 1.1 General information

Name:	Promsri Property Co., Ltd.
Address:	39 Soi Sukhumvit 49, Sukhumvit Road, Khlongton Nua, Wattana, Bangkok 10110
Telephone	0-2662-1560-70
Fax	0-2260-5269
ISIN No.	0105533036899

##### 1.2 Business information and other details

###### (1) Nature of business

Promsri Property Co., Ltd. ("the Offeror") is a juristic person of the limited company category. It was set up on March 29, 1990 to operate property development business of the serviced apartment type. At present, the Offeror is running a serviced apartment named City Resort on Sukhumvit 39 Road. It is a 26-story building situated at 181/9 Sukhumvit 39 Road, Khlongton Nua, Wattana, Bangkok 10110. And as of July 20, 2008, the Offeror was a shareholder of the Economic Intellect Co., Ltd. which has a paid-up capital 4 million baht representing 99.98% of registered capital and paid-up capital of Economic Intellect Co., Ltd. The nature business is a legal consultant and advisor.

As of March 21, 2008, the Offeror was a shareholder of the Company holding 15,574,147 shares or 9.73% of the Company's total issued and paid-up shares. Meantime, Trans Asia Pacific Co., Ltd., which is a person in the same group as the Offeror as per the objective of Section 246 and Section 247 (person under Section 258) held 6,336,200 shares or 3.96% of the Company's issued and paid-up shares. Hence, the Offeror and the person under Section 258 of the Offeror combinedly hold 21,910,347 shares or 13.69% of the Company's issued and paid-up shares.

###### (2) Issued and paid-up capital

As of April 29, 2008, the Offeror had the total issued and paid-up capital of Bt. 3,000,000, divided into 30,000 ordinary shares each of Bt. 100.



## (3) Shareholders and major shareholders of Offeror

(3.1) List of shareholders of Promsri Property Co., Ltd. as of April 29, 2008 are as follows:

Name	No. of Shares	% of the total issued share capital
1. Siam Aroon Property Co., Ltd.	20,000	66.67
2. Trans Asia Pacific Co., Ltd.	9,994	33.31
3. Mr. Pheeraphol Setpakdee	1	0.00
4. Mrs. Wantana Thongthai	1	0.00
5. Ms. Sawangchit Laohathai	1	0.00
6. Ms. Kanya Pathomburana	1	0.00
7. Mr. Surachati Vorakijkanjikul	1	0.00
8. Mr. Vichien Lertpakanont	1	0.00
Total	30,000	100.00

(3.1.1) List of shareholders of Siam Aroon Property Co., Ltd. as of April 30, 2008 are as follows:

Name	No. of Shares	% of the total issued share capital
1. Trans Asia Pacific Co., Ltd.	2,797,500	72.29
2. Siam Aroon Plaza Co., Ltd.	950,000	24.55
3. Mr. Suwaphol Suvaruchiporn	30,600	0.79
4. Mrs. Wantana Thongthai	30,600	0.79
5. Mr. Aron Tangtrongsakdi	30,600	0.79
6. Mr. Sawangthum Laohathai	30,500	0.79
7. Ms. Sawangchit Laohathai	100	0.00
8. Ms. Sangchit Laohathai	100	0.00
Total	3,870,000	100.00

(3.1.2) List of shareholders of Trans Asia Pacific Co., Ltd. as of April 29, 2008 are as follows:

Name	No. of Shares	% of the total issued share capital
1. N. K. L Co., Ltd.	2,300,000	30.67
2. Metrophos Co., Ltd.	1,550,000	20.67
3. Sainamtip Property Co., Ltd.	1,350,000	18.00
4. Prajeanlarp Co., Ltd.	1,300,000	17.33
5. Treemit Marketing Co., Ltd.	750,000	10.00
6. Ms. Sawangchit Laohathai	62,502	0.83
7. Mrs. Wantana Thongthai	62,499	0.83
8. Mr. Aron Tangtrongsakdi	62,499	0.83
9. Mr. Suwaphol Suvaruchiporn	62,499	0.83
10. Mr. Pheeraphol Setpakdee	1	0.00
Total	7,500,000	100.00

(3.1.3) List of shareholders of N. K. L. Co., Ltd. as of April 28, 2008 are as follows:

Name	No. of Shares	% of the total issued share capital
1. Sainamtip Property Co., Ltd.	5,600,000	56.00
2. Prajeanlarp Co., Ltd.	1,970,000	19.70
3. Treemit Marketing Co., Ltd.	1,000,000	10.00
4. Metrophos Co., Ltd.	642,500	6.43
5. Trans Asia Pacific Co., Ltd.	600,000	6.00
6. Land Development Co., Ltd.	187,494	1.87
7. Mr. Worathep Setthapark	6	0.00
Total	10,000,000	100.00

(3.1.4) List of shareholders of Metrophos Co., Ltd. as of April 28, 2008 are as follows:

Name	No. of Shares	% of the total issued share capital
1. Metro Co., Ltd.	3,720,000	74.40
2. Prajeanlarp Co., Ltd.	525,000	10.50
3. Sainamtip Property Co., Ltd.	350,000	7.00
4. Treemit Marketing Co., Ltd.	200,000	4.00
5. N. K. L. Co., Ltd.	150,000	3.00
6. Trans Asia Pacific Co., Ltd.	45,000	0.90
7. Mr. Sawangthum Laohathai	2,999	0.06
6. Mrs. Wantana Thongthai	2,999	0.06
9. Mr. Aron Tangtrongsakdi	2,499	0.05
10. Mr. Suwaphol Suvaruchiporn	1,000	0.02
11. Mrs. Khema Wisutthiwatthanakorn	500	0.01
12. Mr. Worathep Setthapark	1	0.00
13. Mr. Surachati Vorakijkanjkul	1	0.00
14. Ms. Kanya Pathomburana	1	0.00
Total	5,000,000	100.00

(3.1.5) List of shareholders of Sainamtip Property Co., Ltd. as of April 29, 2008 are as follows:

Name	No. of Shares	% of the total issued share capital
1. Trans Asia Pacific Co., Ltd.	4,016,000	40.16
2. N. K. L. Co., Ltd.	2,216,000	22.16
3. Prajeanlarp Co., Ltd.	1,450,000	14.50
4. Metrophos Co., Ltd.	1,250,000	12.50
5. Treemit Marketing Co., Ltd.	1,000,000	10.00
6. Tanyachai Wattana Co., Ltd.	32,000	0.32
7. Bangkok Steel Industry PLC.	19,994	0.20
8. Poo Daeng Co., Ltd.	16,000	0.16
9. Mr. Suthep Kidsawad	1	0.00
10. Ms. Sangchit Laohathai	1	0.00
11. Mr. Chol Anukulkij	1	0.00
12. Ms. Kanya Pathomburana	1	0.00
13. Mr. Surachati Vorakijkanjikul	1	0.00
14. Mrs. Pakinee Surabenjaphol	1	0.00
Total	10,000,000	100.00

(3.1.6) List of shareholders of Prajeanlarp Co., Ltd. as of April 29, 2008 are as follows:

Name	No. of Shares	% of the total issued share capital
1. Ratchasima Steel Product Co., Ltd.	4,997,600	99.95
2. Mr. Prasert Tangtrongsakdi	800	0.02
3. Ms. Sujit Laohathai	800	0.02
4. Mr. Sanpit Sethpornpong	548	0.01
5. Mr. Prasert Tangtrongsakdi	249	0.00
6. Mr. Sumit Sethpornpong	1	0.00
7. Mrs. Wantana Thongthai	1	0.00
8. Mr. Suvij Suvaruchiporn	1	0.00
Total	5,000,000	100.00

(3.1.7) List of shareholders of Treemit Marketing as of April 21, 2008 are as follows:

Name	No. of Shares	% of the total issued share capital
1. Trans Asia Pacific Co., Ltd.	100,000	16.67
2. N. K. L. Co., Ltd.	100,000	16.67
3. Metrophos Co., Ltd.	100,000	16.67
4. Tanyachai Wattana Co., Ltd.	100,000	16.67
5. Poo Daeng Co., Ltd.	100,000	16.67
6. Bangkok Steel Industry PLC.	99,995	16.67
7. Mr. Suvij Suvaruchiporn	2	0.00
8. Mr. Plengsak Prakardpesaj	1	0.00
9. Mr. Kris Khemathum	1	0.00
10. Mr. Charn Taparugassanagorn	1	0.00
Total	600,000	100.00

(3.1.8) List of shareholders of Siam Aroon Plaza as of April 29, 2008 are as follows:

Name	No. of Shares	% of the total issued share capital
1. Siam Aroon Development Co., Ltd.	1,092,500	54.63
2. Aroon Nakorn Co., Ltd.	902,500	45.13
3. Mr. Sawang Laohathai	1,000	0.05
4. Mr. Sumit Sethpompong	1,000	0.05
5. Mr. Prasert Tangtrongsakdi	1,000	0.05
6. Mr. Suvij Suvaruchiporn	1,000	0.05
7. Mr. Kris Khemathum	500	0.03
8. Mr. Sathien Archavaniyut	500	0.03
Total	2,000,000	100.00

## (3.2) Person under section 258 and shareholders under Offeror's authorized

Name	No. of Shares	% of the total issued share capital	% of the total voting rights
Trans Asia Pacific Co., Ltd.	6,336,200	3.96	3.96

## (4) List of Directors as of September 4, 2008 are as follows:

Name	Position
1. Mr. Pheeraphol Setpakdee	Director
2. Mr. Wantana Thongthai	Director
3. Ms. Sawangchit Laohathai	Director
4. Ms. Kanya Pathomburana	Director
5. Mr. Suchati Vorakijkanjkul	Director
6. Mr. Vichien Lertpakanont	Director

For the binding of the company, two of directors jointly sign together with the company's seal.

## (5) Summary financial status and operation result of Promsri Property Co., Ltd. in the past 3 years, December 31, 2005 thru December 31, 2007.

Unit: Thousand Baht

	2005	2006	2007
Total assets	680,465.30	708,053.94	719,851.99
Total liabilities	596,688.52	590,922.84	573,270.01
Shareholders' equity	83,776.78	117,131.09	146,581.98
Registered capital	3,000.00	3,000.00	3,000.00
Total revenue	130,105.81	161,624.73	155,794.95
Total expenses	77,193.40	82,117.58	83,044.31
Net profit	29,968.60	33.35	29,450.89
Earning per share (Baht/Share)	998.95	1,111.81	981.70
Dividend per share (Baht/Share)	none	none	none
Book value (Baht/Share)	2,792.56	3,904.37	4,886.07

Remark Financial statement for 2005 thru 2007 were audited by Mr. Piboon Pattharodom of Patharathum Co., Ltd. which is not in the SEC auditor list.

## (6) Contingent liabilities with material aspect as per notes to financial statements examined by the auditor

-None-

(7) Past record of criminal offence

- None –

(8) Legal dispute not yet finalized

- None -

## 2. Information on the tender offer preparer

Name: BFIT Securities Plc.  
Address: 191 Silom Complex Tower, 14 A Fl. and 16 Fl., Silom Road, Silom,  
Bangrak Bangkok 10500  
Telephone: 0-2200-2104-5  
Fax 0-2632-1789

## 3. Information on other advisors

-None-

## 4. Relationship between the Offeror and BSI or BSI's major shareholders or directors

4.1 Summary of a contract/agreement/memorandum of understanding made by the Offeror prior to submission of the tender offer for the purpose of buying and selling BSI's securities

- None -

4.2 Shareholding, either direct or indirect, by the Offeror or its authorized persons in BSI or BSI's major shareholders

At present, the Offeror is a shareholder of the Company holding 15,574,147 shares and having voting right at the shareholders' meeting in the same manner as other ordinary shareholders in all respects, representing 9.73% of the total voting shares of the Company. The person in the same group as the Offeror and the person under Section 258 has shareholding and voting right in the Company as detailed in 5.1 herein.

4.3 Shareholding, either direct or indirect, by BSI or its major shareholders or directors in the Offeror (in case of juristic person)

At present, the Company is an indirect shareholder through its major shareholders, i.e. Treemit Marketing Co., Ltd. and Metrofoss Co., Ltd., both being shareholders of Trans Asia Pacific Co., Ltd., which is a major shareholder of the Offeror (as detailed in 1.2 (3)).

4.4 Other relationships

The Offeror has cross-holding with the Company and the major shareholders but the Offeror has not made any related transaction with the Company.

## 5. Other relevant information to support the securities holders' decision-making

### 5.1 Securities held by the Offeror before making the tender offer

#### 5.1.1 Shares

Name	Type of shares	Number of shares	As % of total number of paid-up shares	As % of total voting rights
I. The Offeror Promsri Property Co., Ltd.	Ordinary shares	15,574,147	9.73	9.73
II. Person in the same group as the Offeror	None			
III. Person under Section 258 of persons in I and II 1. Trans Asia Pacific Co., Ltd.	Ordinary shares	6,336,200	3.96	3.96
IV. Other agreements that lead to additional share acquisition of the persons in I - III	None			
	Total	21,910,347	13.69	13.69

#### 5.1.2 Convertible securities

- None -

### 5.2 Source of funds for share acquisition by the Offeror

BSI currently has a total of 160,000,000 issued and paid-up ordinary shares. The Offeror and the person under Section 258 of the Securities and Exchange Act B.E. 2535 (2002) of the Offeror holds 21,910,347 shares or 13.69% of the total issued and paid-up shares of the Company. The Offeror has been informed by the Company's shareholders (excluding the Offeror and the person under Section 258 of the Securities and Exchange Act B.E. 2535 (2002) of the Offeror that the shareholders have no intention to sell the whole share portion held by them in this tender offer, amounting to 100,894,247 shares representing 63.06% of the Company's total issued and paid-up shares. Therefore, the Offeror will make a tender offer for 37,195,406 ordinary shares of the Company or 23.25% of the total issued and paid-up shares at the price of Bt. 8.25 per share, hence a total offering price of Bt. 306,862,099.50 (In case every shareholders has intention to sell all his shares). Source of funds will come from the Offeror's fund itself which has deposited at the Bank, thereby the Offeror has presented the confirmation letter of source of funds for the tender offer. (Attachment 1).

BFIT Securities Plc., as the Tender Offer Preparer, has considered the source of funds for the tender offer for the securities of the shareholders in general and viewed that the Offeror has adequate source of funds for making the tender offer with the Offeror having presented the confirmation letter of source of funds for the tender offer in the amount of Bt. 318,994,237.14 (Three hundred eighteen million nine hundred ninety-four thousand two hundred thirty seven baht and fourteen satang).

However, if the share portion intended to be sold by the offerees is higher than the expected portion, the Offeror has a plan to request a loan from the Bank in order to take up such share portion.

### **5.3 Share sale plan**

The Offeror has no intention to sell a significant amount of BSI's shares within a 12 months period from the end of the offer period, except for the case that the Offeror has to undergo a shareholding restructure, thereby the Offeror may sell or transfer the shares to the major shareholders or the person under Section 258 of the SEC Act B.E. 2535 (2002) or in case the Offeror is obliged to comply with any legal and regulatory requirements then in force.

### **5.4 Other essential information**

This tender offer is purposed for the voluntary delisting of the Company's securities from the SET. Thus, after the delisting, there will be such significant impacts as (1) The shareholders will no longer have the secondary market for the share trading, hence a sharp drop in the share liquidity, (2) The shareholders who are individuals will not be exempted from tax on capital gains, (3) The Company is no longer duty-bound to disclose information pursuant to the regulations of the SET, hence less disclosure of the information on the Company's operations and operating results to the shareholders, and (4) The making of share acquisition or disposal transactions, and connected transactions between the Company and related parties is not required to perform in accordance with the notifications of the capital market.



**Part 3**

**Details of the Company**

**1. Information on the Business**

**1.1 Nature of Business Operation**

Bangkok Steel Industry Public Company Limited (“Company” or “BSI”) established on December 17, 1964 with the initial registered capital of 70 million baht and transformed into a public company on May 16, 1994. Now, BSI’s head office is located at 205 United Flour Mill Building, 7<sup>th</sup> Floor Rajawongse Road, Chakkawad, Sampantawongse, Bangkok 10100. The factory 1 located at Poochaosmingprai Road, Samutprakarn Province which manufactures steel bars, galvanized steel and pre-painted galvanized steel. The factory 2 located at Amphur wangnoi, Ayudhya Province which provides steel fabrication, service of steel structure and steel products on the customer demand.

BSI manufactures reinforced steel bars, both steel round bars and deformed bars, galvanized steel sheets, pre-painted galvanized steel sheets, steel fabrication, service of steel structure and steel products on the customer demand such as cranes for factories, machinery, etc.

The company’s group consists of 13 subsidiaries (reference from financial statement as at June 30, 2008) as follows:

**1. Treemit Marketing Co., Ltd. (TM)**

Nature of Business	:	Distributor of steel bar and galvanized iron steel
Registered capital	:	60 Million Baht
Date of Establishment	:	April 4, 1983
Company’s direct shareholding	:	16.67
Company’s indirect shareholding	:	3.71
Related companies’ shareholding	:	48.72
Total percent	:	69.10

**2. Ratchasima Steel Product Co., Ltd. (RSM)**

Nature of Business	:	Producer of steel bar and galvanized iron steel
Registered capital	:	20,000 Million Baht
Date of Establishment	:	July 26, 1995
Company’s direct shareholding	:	40.00
Company’s indirect shareholding	:	4.91
Related companies’ shareholding	:	55.09
Total percent	:	100.00

3. **Sainamtip Property Co., Ltd. (SNP) – Ceased operation**

Nature of Business	:	Selling and renting condominium
Registered capital	:	1,000 Million Baht
Date of Establishment	:	November 27, 1985
Company's direct shareholding	:	0.20
Company's indirect shareholding	:	14.88
Related companies' shareholding	:	84.46
Total percent	:	99.54

4. **Tokyo Supermarket Co., Ltd. (TYS) – Ceased operation**

Nature of Business	:	Supermarket
Registered capital	:	1 Million Bath
Date of Establishment	:	March 28, 1995
Company's shareholding	:	99.94

5. **BSG-Korat Co., Ltd. (BSG) – has not operated**

Nature of Business	:	Producer of galvanized iron steel
Registered capital	:	1 Million Baht
Date of Establishment	:	July 26, 1995
Company's shareholding	:	99.93

6. **BSI Wire Products Co., Ltd. (BSI-W) – has not operated**

Nature of Business	:	Producer of wire rod
Registered capital	:	1 Million Baht
Date of Establishment	:	November 27, 1995
Company's shareholding	:	99.93

7. **BNN Co., Ltd. (BNN) – has not operated**

Nature of Business	:	Service
Registered capital	:	1 Million Baht
Date of Establishment	:	July 4, 1996
Company's shareholding	:	99.93

8. **Bangkok Steel Industry Trading Co., Ltd. (BST)**

- Changed the name from BNN Trading Co., Ltd. on June 5, 2006 and has not operated.

Nature of Business	:	Distributor of steel bar and galvanized iron steel
Registered capital	:	1 Million Baht
Date of Establishment	:	August 15, 1996
Company's shareholding	:	99.93

9. N. K. L Co., Ltd. (NKL) - Ceased operation

Nature of Business	:	General wholesaler and retailer
Registered capital	:	1,000 Million Baht
Date of Establishment	:	May 29, 1987
Company's shareholding	:	-
Company's indirect shareholding	:	12.11
Related companies' shareholding	:	86.02
Total percent	:	98.13

10. Universal Enterprise Co., Ltd. (SKT) - Ceased operation

Nature of Business	:	Condominium Renting
Registered capital	:	500 Million Baht
Date of Establishment	:	March 26, 1970
Company's shareholding	:	-
Company's indirect shareholding	:	43.11
Related companies' shareholding	:	52.89
Total percent	:	96.00

11. Prajeanlarp Co., Ltd. (PL)

Nature of Business	:	Distributor of agricultural fertilizer
Registered capital	:	500 Million Baht
Date of Establishment	:	April 18, 1988
Company's shareholding	:	-
Company's indirect shareholding	:	44.88
Related companies' shareholding	:	55.07
Total percent	:	99.95

12. Dechalarp Co., Ltd. (DCR) - Ceased operation

Nature of Business	:	Land Developer
Registered capital	:	30 Million Baht
Date of Establishment	:	November 11, 1991
Company's shareholding	:	-
Company's indirect shareholding	:	44.46
Related companies' shareholding	:	54.54
Total percent	:	99.00

**13. Asian Wire Products Co., Ltd. (AWP)**

Nature of Business	: Producer and distributor of wire rod and iron wire
Registered capital	: 120 Million Baht
Date of Establishment	: March 16, 2004
Company's shareholding	: -
Company's indirect shareholding	: -
Related companies' shareholding	: 100.00
Total percent	: 100.00

Remark : The shareholding ratio is referred from the financial statement as at June 30, 2008

Revenue structure of the company's group during the past 3 years were as follows:

(Unit : Million Baht)

Product / Service	Operated by	% of Co. direct shareholding	2005		2006		2007		6-Mth. of 2008	
			Revenue	%	Revenue	%	Revenue	%	Revenue	%
1. Producer of steel bar and galvanized iron steel	Bangkok Steel Industry Plc.-BSI		913	7.63	1,009	10.21	960	7.93	693	8.44
2. Producer of steel bar and galvanized iron steel	Rachasima Steel Products - RSM	40.00	334	2.79	217	2.20	305	2.52	28	0.34
3. Producer of wire rod	Asian Wire Products - AWP	-	-	-	18	0.18	25	0.21	44	0.54
4. Distributor of BSI, RSM, AWP	Treemit Marketing - TM	16.67	10,042	83.92	8,419	85.22	10,600	87.52	7,333	89.29
5. Others			677	5.66	216	2.19	221	1.82	114	1.39
Total			11,966	100.00	9,879	100.00	12,111	100.00	8,212	100.00

Source: Disclosure of Annual Information (Form 56-1) As at December 31, 2007

Notes: Revenues are not included the related trading transactions as most products of the company, RSM and AWP are sold thru TM.

**1.2 Summary of Financial status and operating result**

Unit: Thousand Baht

Separate Financial Statement	2005	2006	2007	6 Months as at June 30, 2008
Total assets	15,544,952	9,265,182	7,097,552	6,693,777
Total liabilities	19,873,121	21,104,951	12,948,053	12,964,564
Shareholders' equity	(4,328,169)	(11,839,768)	(5,850,501)	(6,270,787)
Registered capital	4,000,000	4,000,000	4,000,000	4,000,000
Paid-up capital	1,600,000	1,600,000	1,600,000	1,600,000
Total revenues	9,315,907	7,507,942	9,394,348	5,933,701
Total cost of sales	8,657,010	7,108,188	8,696,266	5,307,135
Selling and administrative	254,258	237,527	253,807	147,622

Separate Financial Statement	2005	2006	2007	6 Months as at June 30, 2008
expenses				
Net profit	313,802	2,453,671	(129,180)	609,304
Earning (Loss) per share (Baht/Share)	1.96	15.34	(0.81)	3.81
Diluted earning per share (if any)	-	(17.35) <sup>1</sup>	-	-
Dividend per share	-	-	-	-
Book value per share	(2.71)	(7.40)	(3.66)	(3.92)
The weighted average share capital (Unit : Share)	160,000,000	160,000,000	160,000,000	160,000,000

Unit: Thousand Baht

Consolidated Financial Statement	2005	2006	2007	6 Months as at June 30, 2008
Total assets	17,307,593	13,660,122	13,601,322	13,377,301
Total liabilities	24,891,989	18,009,307	17,646,895	18,106,715
Shareholders' equity	(7,584,396)	(4,349,185)	(4,045,573)	(4,729,414)
Registered capital	4,000,000	4,000,000	4,000,000	4,000,000
Paid-up capital	1,600,000	1,600,000	1,600,000	1,600,000
Total revenues	12,475,647	10,177,695	12,241,343	8,211,765
Total cost of sales	11,319,049	9,705,730	11,189,168	7,293,902
Selling and administrative expenses	467,975	495,968	453,806	260,216
Net profit	445,603	2,453,671	230,494	540,024
Earning (Loss) per share	3.66	20.16	1.89	4.44
Diluted earning per share (if any)	-	(17.15) <sup>2</sup>	-	-
Dividend per share	-	-	-	-
Book value per share	(62.31)	(35.73)	(33.23)	(38.85)
The weighted average share capital (Unit : Share)	121,730,000	121,730,000	121,730,000	121,730,000

Remark Additional details of financial statement can be reviewed at the SEC's website ([www.sec.or.th](http://www.sec.or.th)) or SET's website ([www.set.or.th](http://www.set.or.th))

<sup>1</sup> According to the separate financial statement in 2006, there is an extraordinary item which is gains on debt reduction under the rehabilitation plan amounted of Baht 5,229,152,210. Hence, in 2006, the company recorded net loss from normal business operations in an amount of Baht 2,775,481,505 or net loss per share from normal business operations Baht 17.31.

<sup>2</sup> According to the consolidated financial statement in 2006, there is an extraordinary item which is gains on debt reduction under the rehabilitation plan amounted of Baht 5,198,242,434. Hence, in 2006, the company recorded net loss from normal business operations in an amount of Baht 2,744,571,729 or net loss per share from normal business operations Baht 17.15.

### 1.3 Shareholders' Structure

(1) Top 10 major shareholders as of March 21, 2008

Item	Name	No. of shares	% of the total issued share capital	% of the total voting rights
1.	Treemit Marketing Co., Ltd.	38,270,306	23.92	23.92
2.	Metrophos Co., Ltd.	21,947,540	13.72	13.72
3.	Metro 21 Co., Ltd.	16,176,919	10.11	10.11
4.	Promsri Property Co., Ltd.	15,574,147	9.73	9.73
5.	Bangkok Bank Public Company Limited	7,079,220	4.42	4.42
6.	United Flour Mill Public Company Limited	6,580,592	4.11	4.11
7.	Trans Asia Pacific Co., Ltd.	6,336,200	3.96	3.96
8.	Metro Co., Ltd.	6,279,620	3.92	3.92
9.	Ms. Sawangchit Laohathai	5,220,400	3.26	3.26
10.	UNIVERSAL INVESTMENTS OVERSEAS LTD.	4,331,200	2.71	2.71
11.	Others	32,203,856	20.13	20.13
	Total	160,000,000	100.00	100.00

Source: The stock exchange of Thailand

(2) Expected shareholders' structure after tender offer

Shareholders' structure after tender offer, if shareholders sell all their shares as specified in

the tender offer, the shareholders' structure is as follows:

Item	Name	No. of shares	% of the total issued share capital	% of the total voting rights
1.	Promsri Property Co., Ltd.	52,769,553	32.98	32.98
2.	Treemit Marketing Co., Ltd.	38,270,306	23.92	23.92
3.	Metrophos Co., Ltd.	21,947,540	13.72	13.72
4.	Metro 21 Co., Ltd.	16,176,919	10.11	10.11
5.	United Flour Mill Public Company Limited	6,580,592	4.11	4.11
6.	Trans Asia Pacific Co., Ltd.	6,336,200	3.96	3.96
7.	Metro Co., Ltd.	6,279,620	3.92	3.92
8.	Ms. Sawangchit Laohathai	5,220,400	3.26	3.26
9.	Others	6,418,870	4.02	4.02
	Total	160,000,000	100.00	100.00

#### 1.4 Board of Directors

(1) The Board of Directors as of August 20, 2008, before the tender offer :

	Name	Position
1.	Mr. Chaoyong Boapetch	Director
2.	Mr. Barirak Jiwawiroj	Director
3.	Mr. Pichet Kamnuanrit	Director
4.	Mr. Somkid Wangchertchoowong	Director

(2) The Board of Directors after the tender offer

	Name	Position
1.	Mr. Chaoyong Boapetch	Director
2.	Mr. Barirak Jiwawiroj	Director
3.	Mr. Pichet Kamnuanrit	Director
4.	Mr. Somkid Wangchertchoowong	Director

#### 1.5 Highest and lowest prices of the shares of the Company in each quarter during the past 3 years

-None-

## 2. Business Plan After the Business Takeover

### 2.1 Status of the Company

On April 11, 2008, the Shareholders' Meeting No. 1/2008 approved the delisting of the Company's securities from the Stock Exchange of Thailand (SET). After completion of the tender offer, the Company will proceed with the delisting of its securities but its business operation will continue.

### 2.2 Business Administration Policy and Plan

The Offeror has no plan to make any material change in regard to the business policy, disposal of the core assets of the Company, or change of the objective in the business operation of the Company over the 12-month period from the end of the tender offer period. As the Company is during the rehabilitation process, the Offeror will not be allowed to take any actions until completion of the rehabilitation plan in 2010.

### 2.3 Related Party Transactions

The Company currently has connected transaction with the Offeror and persons pursuant to Section 258. However, such connected transaction was made in line with the general business condition and/or financial status of the business, and disclosed in the note to financial statements of the Company in accordance with the notifications of the SET and the SEC, taking into account the reasonableness of the transaction and interest of the Company. Nonetheless, after the takeover in the next 12 months, the Offeror or persons under Section 258 has other connected transactions with the Company, such transactions will be made in accordance with the regulations of the Company and the provisions of the Public Company Act B.E. 2535 (1992), depending on the resolution of the Board of Directors' meeting or the shareholders' meeting as the case may be.

Part 4  
Additional Details of the Tender Offer

1. **Tender Offer Acceptance Procedure**

To accept the Tender Offer, the Offeree shall:

1.1. Fill correctly, completely and clearly in the "Tender Offer Acceptance Form of the Securities of Bangkok Steel Industry Public Company Limited" in accordance with **Annex 4 A.2** for the ordinary shares and with **Annex 5 B.2** for NVDRs, and to also affix the signature of the Tender Offeree thereon.

1.2. Enclose appropriate documents as follows:

(1) **In case of share certificates**, the share certificates are endorsed by signature in blank in the column headed "signature of the transferor" on the back in respect of the number of shares tendered and enclosing therewith 2 copies of the duly signed documents mentioned in Clause 1.2 (3) or 1.2 (4) below. The documents must be submitted before January 6, 2009.

(2) **In case of scripless shares deposited with Thailand Securities Depository Co., Ltd.**, (hereinafter called "TSD"), the Offeree must enclose a transfer instruction for the transfer of scripless shares tendered into the following accounts of the Tender Offer Agent:

- For a Thai shareholder  
"บมจ. บีพีทเพื่อเทนเดอร์"  
Account number 027-000000014-4
- For a foreign shareholder and a holder of NVDR  
"Bfitsec For Tender Offer"  
Account number 027-000000014-4

(3) Where the Offeree is an individual, the documents required are as follows:

- For a Thai individual, a certified copy of the Identification Card, Civil Servant Identification Card or State Enterprise Employee Card; in case of the Civil Servant Identification Card or State Enterprise Employee Card, a certified copy of his/her house registration is also required.
- For a foreign individual, a certified copy of his/her Alien Certificate or passport.

(4) Where the Offeree is a juristic person, the documents required are as follows:

- For a Thai juristic person, a copy of the affidavit issued by the Ministry of Commerce not more than three months prior to the last day of the tender offer period certified by authorized signatory(ies) of the juristic person and affixed with a company seal (if any) together with a certified copy of each of the documents set out in Clause 1.2 (3) of the authorized signatory(ies).



- For a foreign juristic person, a copy of the certificate of incorporation and the affidavit issued by an authorized officer of the juristic person or a regulatory body of the country where the juristic person is domiciled, which certifies the name of the juristic person, the person(s) authorized to bind the juristic person, head office location and any condition to the power of such authorized person(s) to bind the juristic person (which must have been issued not more than three months prior to the last day of the tender offer period); all of such documents must be certified by the authorized signatory(ies) of the juristic person; and a certified copy of each of the documents set out in Clause 1.2 (3) of the person(s) authorized to bind the juristic person; all of the foregoing documents must be certified by the notary public and then authenticated by an official of the Thai Embassy or the Thai Consulate in the country where the documents were prepared or authenticated.

**(5) Foreign Juristic Person who is not operating a business in Thailand**

- The Offeree is require to declare the details of the cost basis of the tendered shares for withholding tax purposes by completing and submitting a Confirmation of Securities Cost Form in accordance with Annex 4 A.4 for ordinary shares and Annex 5 B.4 for NVDRs. If the Offeree fails to declare the cost basis of the tendered shares, the Tender Offer Agent will determine amount of withholding tax based on entire proceeds of the sale of shares receivable by the Offeree.

**(6) In the case where the Tender Offeree cannot submit the Tender Offer Acceptance Form by itself, the documents required are the power of attorney appointing the authorized representative affixed with Baht 30 stamp duty and a certified copy of evidence of the grantor of power and the authorized representative as set out in Clause 1.2 (3) or Clause1.2. (4).**

Should there be any questions regarding the Tender Offer Acceptance Procedure, please contact:

Mr. Chaiyasit Jaturaphisanukul or Mr. Sumritchai Thangharat or Mr. Udom Tilkanan  
Investment Banking Department  
BFIT Securities Plc.  
191 Silom Complex Tower, 16 Fl., Silom Road, Bangrak, Bangkok 10500  
Tel. 0-2200-2219, 0-2200-2220, 0-2200-2549  
Fax 0-2632-1789

### 1.3. Submission of the Tender Offer Acceptance Form

#### (1) Share Certificates

Tender Offeree shall submit the completed the Tender Offer Acceptance Form, together with the above specified documents to:

Ms.Chonticha Viyanak or Ms. Busara Duangdeesan
Operation Services Department
BFIT Securities Plc.
191 Silom Complex Tower, 16 Fl., Silom Road, Bangrak, Bangkok 10500
Tel.        0-2200-2104-5
Fax        0-2632-1789

(The Tender Offer Agent shall not accept any documents in connection with this Tender Offer submitted by mail.)

#### (2) Sripless Shares

In case the Offeror has deposited shares with TSD through a brokerage company that the Offeror has an account with, such broker shall provide the service of gathering and delivering the Tender Offer Acceptance Form to the Tender Offer Agent. In this regard, the Tender Offeree can submit the Tender Offer Acceptance Form and the required documents at his/her broker.

#### (3) NVDRs

The Tender Offeree shall comply with the Tender Offer Acceptance Procedures for NVDRs in accordance with Annex B.2 of Thai NVDR Company Limited.

**Note:** All NVDR holders are required to submit the Tender Offer Acceptance Form at least 2 business days before the last day of the Tender Offer period.

## 2. Procedure for the purchase of securities

All tendered securities will be purchased in accordance with the procedures specified in Part 4, except in case of tender offer cancellation as specified in Clause 9 of Part 1.

### 3. Settlement and payment procedure

BFIT Securities Plc., the Tender Offer Agent, will make payment to the Offeree on **the third business day after the last date of the tender offer period**, which will fall on February 16, 2009. The Offeree can choose the method of receiving payment as specified in the Tender Offer Acceptance Form as follows:

#### 3.1. Automatic transfer through bank

The account must be a savings or current account opened with **Siam Commercial Bank Public Company Limited (SCB)** only. The name of the account holder must be the same as that of the Offeree stated in the Tender Offer Acceptance Form. The Offeree must also provide **either a certified copy of the first page of the savings deposit pass book which shows the account name and account number or a certified copy of the current account statement.**

The Offeror will receive the transfer by 14.00 hrs. on February 16, 2009, the third business day following the last date of the tender offer period. In any cases where the Tender Offer Agent fails to transfer the money to the said account, the Tender Offer Agent reserves the right to make payment by cheque. The Tender Offer Agent will inform the Offeror of receiving the said cheque as specified in Clause 3.2.1.

For convenience, it is recommended that the Offeree choose to receive payment by automatic transfer through **SCB**. There is no transfer fee or any other service charge.

If the Offeree prefers to receive a bank cheque, the cheque will be issued by **SCB, Witthayu Branch**. An around 15-day clearing period will normally be required for the Offeree residing outside Bangkok.

#### 3.2. Cheque

##### 3.2.1. Collection by the Offeree

The Offeree may choose to collect a cheque at BFIT Securities Plc. at the address specified in Clause 1.3 from February 16, 2009 (working hours) from 9.00 a.m. to 4.30 p.m. If the Offeree or his/her authorized representative fails to collect the cheque by March 6, 2009 (**14 business days from the payment date**), the Tender Offer Agent will send the cheque via registered mail to the address specified in the Tender Offer Acceptance Form within 45 days after the payment date.)

In case where the Offeree wishes to have his/her representative collect the cheque, the Offeree shall submit the power of attorney appointing him/her authorized

representative affixed with Baht 10 stamp duty and a certified copy of the documents set out in Clause 1.2 (3) or 1.2 (4) of the securities holder and the authorized representative

### **3.2.2. Sending by registered mail to the address stated in the Tender Offer Acceptance Form**

If the Offeree chooses to have the cheque being sent by registered mail, the Tender Offer Agent will arrange the sending by registered mail to the address stated in the Tender Offer Acceptance Form. In this regard, the Offeree may receive the cheque later than 3 days after the last day of the tender offer period.

**Note:** In case of share certificate, the Tender Offer Agent will make payment to the Offeree on condition that the share certificate has been verified and accepted for deposit by TSD. In case of rejection by TSD, payment will not be made, and the Offeree will be notified to collect the share certificate back from the Tender Offer Agent as soon as possible.

## **4. Rights of securities holders who have expressed their intention to tender their securities before the end of the tender offer period**

The Offeror, through the Tender Offer Agent, will make payment to the Offerees for all securities tendered on the **third business day following the last date of the tender offer period**, which payment date falls on February 16, 2009 in accordance with the payment method selected by the Offerees as described in Clause 3 above.

## **5. Conditions for Cancellation of the Intention to Tender**

### **5.1. The last day to cancel the intention to tender**

The Offeree can cancel the intention to tender on every business day from 9.00 hrs. to 16.30 hrs. from December 4, 2008 to January 6, 2009. The Offeree or his/her authorized representative must process the cancellation by himself/herself at the place and according to the procedure in Clause 1.3 (1) only.

### **5.2. Cancellation procedure**

5.2.1. To correctly, completely and clearly fill in the "Tender Offer Cancellation Form" in accordance with **Annex 4 A.6** for ordinary shares and **Annex 5 B.6** for NVDR and to sign the name of the person canceling the Tender Offer; and

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5.2.2. Attachments required are as follows:

- (1) Evidence of receipt of share certificate / transfer of scripless shares via TDS and the Tender Offer Acceptance Form
- (2) **Where Offeree is Individual**
  - **For a Thai Individual**, a certified copy of the Identification Card or Civil Servant Identification Card or State Enterprise Employee Card. In the case of Civil Servant Identification Card or State Enterprise Employee Card, a certified copy of House Registration is also required.
  - **For Foreign Individual**, a certified copy of Alien Certificate or Passport.
- (3) **Where the Offeree is Juristic Person**
  - **For a Thai Juristic Person**, a copy of the Affidavit issued by the Ministry of Commerce with a tenor of not over 3 months prior to the last day of the Tender Offer period certified by authorized signatory(ies) on behalf of Juristic Person; and affixed with a company seal (if any) with a certified copy of each documents set out as specified in Clause 5.2.2 (2) of authorized signatory(ies).
  - **For a foreign juristic person**, a copy of the certificate of incorporation and the affidavit issued by an authorized officer of the juristic person or a regulatory body of the country where the juristic person is domiciled, which certifies the name of the juristic person, the person(s) authorized to bind the juristic person, head office location and any condition to the power of such authorized person(s) to bind the juristic person (which must have been issued not more than 3 months prior to the last day of the tender offer period); all of such documents must be certified by the authorized signatory(ies) of the juristic person; and a certified copy of each of the documents set out in Clause 5.2.2 (2) of the person(s) authorized to bind the juristic person; all of the foregoing documents must be certified by the notary public or any other authorized agency in the country where the documents were prepared and then authenticated by an official of the Thai Embassy or the Thai Consulate in the country where the documents were prepared.
- (4) In the case where the Tender Offeree is represented by an authorized representative, the power of attorney shall be required affixed with Baht 30 duty

stamp. A certified copy of the evidence under Clause 5.2.2 (2) and Clause 5.2.2 (3) of the grantor of power and the authorized representative shall be necessary.

5.2.3. Submit the completed Tender Offer Cancellation Form and the required documents as specified in Clause 5.2.2 to

Ms.Chonticha Viyanak or Ms. Busara Duangdeesan Operation Services Department BFIT Securities Plc. 191 Silom Complex Tower, 16 Fl., Silom Road, Bangrak, Bangkok 10500 Tel. 0-2200-2104-5 Fax 0-2632-1789
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5.2.4. Upon full receipt of the Tender Offer Cancellation Form and the required documents as determined in Clause 5.2.2 within the cancellation period, the Tender Offer Agent shall take the following actions:

- **Share Certificates:** The Offeree making cancellation shall complete and sign the Tender Offer Cancellation Form, and submit together with the required documents set out in Clause 5.2.2. The Tender Offer Agent will return the Share Certificates to the Offeree making cancellation or its authorized representative within the business day following the submission date of the Tender Offer Cancellation Form.
- **Scripless Shares (for transferring shares to the Offeree's broker account):** There is share transfer fee of Baht 50 per item. In this regard, the Tender Offer Agent will transfer the shares via TSD into Offeree's broker account as specified in the Tender Offer Cancellation Form within the business day following the submission date of the Tender Offer Cancellation Form by the Offeree or his/her authorized representative.

**Note:** The Tender Offeree making cancellation shall receive shares only in the form in which such shares were tendered, and cannot request for a change the form of shares.

## 6. Determination of the offering price

### 6.1. Method of offering price determination

The offering price of ordinary shares is Baht 8.25 per share. The Shareholders' Meeting No. 1/2008 on April 11, 2008 gave approval for the said offering price and the delisting of the Company's securities from the SET.

However, to delist the ordinary shares from the SET, the Offeror must calculate the price based on the Notification No. Kor Jor.53/2545 Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers dated November 18, which requires that the offer price must not be less than the highest price derived from the following method:

6.1.1 The highest price at which the tender offeror or persons pursuant to Section 258 of the tender offeror has obtained the ordinary shares or preferred shares during the period of 90 days prior to submission of the tender offer to the Office of the SEC.

The Offeror or persons pursuant to Section 258 of the Offeror had not acquired shares within 90 days before the tender offer submission date.

6.1.2 The weighted average market price of share during the five business days before the date on which the Board of Directors resolved to propose the delisting of securities to the shareholders' meeting, or the date on which the shareholders' meeting approved the delisting of securities from the SET, whenever is earlier.

There was no sale or purchase of shares during the five business days before the date on which the Board of Directors resolved to propose the delisting of securities to the shareholders' meeting, or the date on which the shareholders' meeting approved the delisting of securities from the SET, whenever is earlier.

6.1.3 Net asset value of the Company calculated using the adjusted book value approach to reflect the latest value of assets and liabilities of the Company.

According to the evaluation of net asset value which uses the adjusted book value (adjusted shareholding portion by company) as of June 30, 2008, then adjusts with the gain from debt restructuring and contingent liabilities for evaluating the share price. Details of the calculation are as follows:

Unit : Bt. million

Item	Amount
(1) Shareholders' equity as of June 30, 2008	(6,012.89)
(2) Add Earnings from the debt restructuring	8,038.42
(3) Less Insurance liabilities	(206.00)

(4) Less Delict liability (from beginning to the date of the rehabilitation order by the court)	(863.00)
(5) Net book value after adjustment	956.53
Total number of shares sold (million shares)	160.00
<b>Net asset value after adjustment (Bt. per share)</b>	<b>5.98</b>

Note: Liabilities on trademark delict (from the date of the court's order to present) are not included in the calculation as the case is under investigation.

(1) Shareholders' equity of the company adjusted as at June 30, 2008

The major shareholders in the audited consolidated financial statements as at June 30, 2008 is worth -11,730.95 million baht; this is the consolidation of financial status and operating results of all related companies. If the shareholders' equity is adjusted to remain only company's by deducting the cost of ordinary shares and operational performance of the related companies, the shareholders' equity of the company will be equivalent to -6,012.89 million baht.

(2) Gain from debt reduction in the restructuring plan

If the company is able to settle debt with financial institutions according to the settlement schedule in the business restructuring plan, the company will be released from debt for the approximate amount of 10,290 million baht in the year 2010. If so, the company will record the gain from debt reduction in the restructuring plan with the whole amount in 2010. Since the gain from reduction of debt in the restructuring plan is the gain to be incurred in the future, the financial advisor, therefore, brought the mentioned gain and adjusted it to the present value with the discounted rate of 11.60% per year (Details attached in the attachment 3). The present value of gain from debt reduction in the restructuring plan will be equivalent to 8,038.42 million baht. However, the company was unable to settle the principal and interest in the restructuring plan within the payment period in the third quarter of 2008. Currently, the company's plan administrator has requested for the extension of the settlement date of the principal and interest in the restructuring plan both in the third and fourth quarters of 2008 with the Thai Assets Management Corporation. This will risk the company in not receiving gain from debt reduction in the restructuring plan.

(3) Guaranteed obligation

The company has guaranteed the borrowing loans from financial institutions for UMC International Corporation and Siam Aroon Development Co., Ltd. for the amount of 4,582.25 million baht. According to the plan, the mentioned financial institutions will receive



repayment for the approximate amount of 206 million baht. The official receiver has considered releasing the mentioned obligation but the stated financial institution creditors have filed an appeal to object the order of the official receiver with the Central Bankruptcy Court. Later on December 17, 2007, the Central Bankruptcy Court issued an order to amend the official receiver's order and allow the financial institutions the right to have the debt settlement for the value of 3,760.99 million baht. Currently, the company has been processing the petition to object the order of the Central Bankruptcy Court with the Supreme Court. Therefore, as at June 30, 2008, the company has not recorded the estimation of the mentioned contingent liability due to the uncertainty of the court's consideration. Therefore, the company has brought the mentioned guaranteed obligation accordingly to the consideration of the Central Bankruptcy Court that ordered the financial institutions to receive settlement from the company's guarantee for the amount approximate 206 million baht, to adjust with the book value of the company in order to reflect the value of the company's net assets.

(4) The infringement of the trademark

Metro Co., Ltd. and Trans Asia-Pacific Co., Ltd. have filed the application to receive performance for the infringement obligation for the trademark of "Ox" from November 1, 2000 to December 22, 2003 for the amount of 11,470 million baht. The restructuring plan stipulated that the mentioned two creditors receive the settlement of 863.19 million baht and the official receiver has the verdict to confirm the application to receive performance. The company, thus, lodged an appeal to object the official receiver's order to the Central Bankruptcy Court. Later on December 17, 2007, the Central Bankruptcy Court dismissed the motion of the company's objection and let both creditors receive debt settlement for the infringement of trademark for the total amount of 11,470 million baht, an equivalent to the obligation to receive performance in the restructuring plan. On February 14, 2008, the company filed the petition to the Supreme Court to request the court to reconsider the case. Currently, the case has been under the appealing process for the order of the Central Bankruptcy Court. As of June 30, 2008, the company has not recorded the projection of contingent liability from the mentioned infringement of patent right because the case has not come to an end and also the company is still unable to estimate the obligation value that has to settle. Furthermore, the company uses the above mentioned trademark continually as of from December 22, 2003 till now. Consequently, this will primarily bring the infringement obligation of patent right incurred during November 1, 2000 to December 22, 2003 that the company has to settle according to the restructuring plan for the amount of 863.19 million baht to adjust with the book value of the company. However, the

appraisal of the company's net asset has not brought the cost of patent right of the trademarks since December 22, 2003 till the present to adjust as the case is still under examination.

6.1.4 The fair value of the Company's ordinary share valued by the financial advisor

The fair value of the Company's ordinary share valued by the financial advisor using the discounted cash flow approach, which is an appropriate method, is Bt. 5.98 per share. This method reflects the current cash flow taking into account the Company's business operation and profitability in the future. (Please see details of the calculation in Annex 3.)

**Summary of the tender offer price for the ordinary shares of Bangkok Steel Industry Plc. calculated based on the criteria of the tender offer price for delisting of securities**

Unit: Bt. per share

Criteria	Tender Offer Price
1. The highest price at which the tender offeror has obtained the ordinary shares during the period of 90 days	N/A
2 The weighted average market price of share during the five business days	N/A
3. Net asset value of the Company	5.98
4. Fair value of the Company's ordinary share valued by the financial advisor	5.98

6.2. The highest price at which the Offeror or the persons pursuant to Section 258 has acquired during the period of 90 days before the submission of the tender offer to the SEC  
- N/A -

7. Acquisition of securities prior to the tender offer (applicable only to the case of partial tender offer in accordance with Chapter 5 of the Notification of the SEC No. KorJor. 53/2545)  
- N/A -

Part 5

Certification of the Information

I hereby certify that:

- (1) We are committed to execute this tender offer.
- (2) The offering price in this tender offer has been determined in accordance with the provision of the Notification of the SEC No. KorJor. 53/2545.
- (3) We have full intention to proceed with the plan which we have indicated in this tender offer.
- (4) All information contained in this tender offer is correct and accurate with no misleading information, and no concealment is made on any material information which should be disclosed.

Promsri Property Company Limited

*Mr. Surachart Vorakitkarnjanakul*

(Mr. Surachart Vorakitkarnjanakul)

Director

*Mr. Vichian Lertphokhanont*

(Mr. Vichian Lertphokhanont)

Director

Company seal

We, as the Tender Offer Preparer, have complied with requirements as set out in the Notification of the SEC re: approval for financial advisors and a scope of work and hereby certify that:

- (1) we have reviewed and consider that the information about the Offeror disclosed in the tender offer is accurate and complete, and there is no information that may lead other persons to misunderstanding in any material respect, as well as no concealment is made of any material information which should be disclosed.
- (2) we have reviewed the financial evidence and consider that the Offeror can fulfill the obligations under the above tender offer;
- (3) we have reviewed the business policy and plan of the Company as stated in Clause 2 of Part 3 regarding details of the Company and consider that;
  - (a) the Offeror can comply with the policies and plans of business operations as mentioned;
  - (b) the assumptions for making the policies and plans of business operations have been prepared reasonably; and
  - (c) the effects on the Company or the securities holders are clearly and adequately explained;
- (4) from examination of evidence on the acquisition of the Company's securities by the Offeror or persons prescribed under Section 258 during the 90 days before the date of submission of the tender offer and the offering price, there is no cause to believe that the offering price made is inconsistent with the SEC's Notification No. Kor Jor. 53/2545; and
- (5) we have carefully and prudently studied and reviewed the completeness and accuracy of the information contained in this tender offer and view that the information is complete and correct and that there is no information contained herein that may lead other persons to misunderstanding in material aspects and no concealment is made on any material information which should be disclosed.

BFIT Securities Public Company Limited

*Mr. Thanakrit Uasanguankul*

(Mr. Thanakrit Uasanguankul)

Managing Director

Authorized Representative