

THAI TELCO HOLDINGS LIMITED

(Incorporated in Thailand with limited liability)

and

GOLDMAN SACHS (SINGAPORE) PTE

(Company Registration Number: 198602165W)

(Incorporated in Singapore with limited liability)

for and on behalf of

TELENOR ASIA PTE LTD

(Company Registration Number: 199705695G)

(Incorporated in Singapore with limited liability)

**MANDATORY UNCONDITIONAL OFFER FOR TOTAL ACCESS COMMUNICATION PUBLIC
COMPANY LIMITED PURSUANT TO THE CHAIN PRINCIPLE RULE IN NOTE 6 TO RULE 14.1 OF
THE SINGAPORE CODE ON TAKE-OVERS AND MERGERS**

1. Introduction

Thai Telco Holdings Limited ("**Thai Telco**"), acting on its own, and Goldman Sachs (Singapore) Pte ("**Goldman Sachs**"), acting for and on behalf of Telenor Asia Pte Ltd ("**Telenor Asia**", and together with Thai Telco, the "**Offerors**"), wish to announce that the Offerors will make a mandatory unconditional cash offer (the "**Chain Principle Offer**") to acquire all the ordinary shares of Thai Baht ("**THB**") 10.00 each ("**Shares**") in the share capital of Total Access Communication Public Company Limited ("**TAC**" or the "**Company**") in issue and to be issued pursuant to the valid conversion of the Convertible Bonds (as defined in paragraph 7 below), other than those already owned, controlled or agreed to be acquired by the Offerors or any party acting in concert with them.

United Communication Industry Public Company Limited ("**UCOM**"), a company registered as a public company with limited liability in Thailand and listed on The Stock Exchange of Thailand ("**SET**"), holds 41.64 per cent. of the entire issued share capital of TAC as at 7 March 2005 (being the reference date stated in the 2004 Annual Report of TAC for the year ended 31 December 2004).

As at the date of this Announcement, the interests that Thai Telco and its concert parties (including Telenor Asia) hold or have agreed to acquire in UCOM¹ are as follows:

	Number of shares of UCOM	%
Thai Telco	173,331,750	39.88
Telenor Asia	108,000,000	24.85

¹ In this Announcement, the issued and paid-up share capital of UCOM used is THB 4,346,682,070, comprising 434,668,207 ordinary shares with par value of THB 10.00 each.

As at the date of this Announcement, the interests that Telenor Asia and its concert parties (including UCOM) hold in TAC are as follows:

	Number of Shares	%
UCOM	197,538,593	41.64
Telenor Asia	142,024,800	29.94

2. Background to the Chain Principle Offer

- (a) Thai Telco today notified the Securities and Exchange Commission, Thailand (“**SEC**”) that it had purchased 173,331,750 issued shares in the share capital of UCOM pursuant to an agreement (the “**SPA**”) it entered into today. Subsequent to entering into the SPA, Thai Telco purchased 173,331,750 issued shares in the share capital of UCOM, representing approximately 39.88 per cent. of the existing issued and paid-up share capital of UCOM, at the price of THB 53 per share. Pursuant to the Securities and Exchange Act of Thailand, 1992 as amended (the “**SEAT**”) and the Notification of the Securities and Exchange Commission Re: Rules, Conditions and Procedures for Acquisition of Securities for Takeovers notified on 18 November 2002, Thai Telco will make a mandatory general offer for the remaining shares of UCOM not owned by Thai Telco at a price of THB 53 per share. As a result of the purchase of the shares of UCOM under the SPA, Thai Telco and parties acting in concert with it will acquire statutory control of UCOM and consequently TAC for the purposes of the Singapore Code on Take-overs and Mergers (the “**Code**”).
- (b) A copy of the Form 246-2 notification submitted by Thai Telco to the SEC in relation to the purchase of the shares of UCOM under the SPA is attached to this announcement and will also be available from the website of <http://www.sec.or.th>.
- (c) Under Note 6 to Rule 14.1 of the Code, where a person acquires statutory control of a company (which need not be a company to which the Code applies) and thereby acquires or consolidates effective control (as defined in the Code) of a second company because the first company itself holds, either directly or indirectly, a controlling interest in the second company, such person may be required to make an offer for the second company under Rule 14.1 of the Code.
- (d) Pursuant to the SPA entered into by Thai Telco and in compliance with Note 6 to Rule 14.1 of the Code, Thai Telco and Telenor Asia are making the Chain Principle Offer to acquire all the Shares not already owned, controlled or agreed to be acquired by the Offerors or any party acting in concert with them.

3. Regulations of the Bank of Thailand

- (a) Any party who wishes to remit THB or any foreign currency out of Thailand into other countries is subject to the Exchange Control Act of Thailand and regulations promulgated by the Bank of Thailand (“**BOT**”) and such party will need to obtain the prior approval of the BOT or where applicable a commercial bank authorised by the BOT before it can remit THB or any foreign currency out of Thailand. Pursuant to the Exchange Control Act and the BOT regulations, Thai Telco is not permitted to remit

THB or any foreign currency out of Thailand for the purposes of making payment to the shareholders of TAC who do not have registered addresses in Thailand and who decide to accept the Chain Principle Offer. Accordingly, Thai Telco will make the offer for all Shares held by the shareholders of TAC whose registered addresses are in Thailand as shown in the register of members of TAC (the “**TAC Local Shares**”) and Telenor Asia will make the offer for all Shares held by the shareholders of TAC whose registered addresses are not in Thailand as shown in the register of members of TAC, including the Shares which are registered in the name of The Central Depository (Pte) Limited (“**CDP**”)²(the “**TAC Foreign Shares**”).

- (b) Accordingly, Thai Telco, on its own, and Goldman Sachs, for and on behalf of Telenor Asia, wish to announce the making of the Chain Principle Offer for the TAC Local Shares by Thai Telco and the making of the Chain Principle Offer for the TAC Foreign Shares by Telenor Asia.

4. The Chain Principle Offer

- (a) Thai Telco will make the Chain Principle Offer for all the TAC Local Shares not already owned, controlled or agreed to be acquired by the Offerors or any party acting in concert with them (the “**Local Offer Shares**”), in accordance with Section 139 of the Securities and Futures Act, Chapter 289 (the “**SFA**”) and the Code.

Telenor Asia will make the Chain Principle Offer for all the TAC Foreign Shares not already owned, controlled or agreed to be acquired by the Offerors or any party acting in concert with them (the “**Foreign Offer Shares**”), in accordance with Section 139 of the SFA and the Code.

The Chain Principle Offer will also be extended to all Shares issued pursuant to the valid conversion of the Convertible Bonds prior to the close of the Chain Principle Offer.

The Chain Principle Offer will **not** be made for the Shares owned, controlled or agreed to be acquired by the Offerors or any party acting in concert with them. Accordingly, the Chain Principle Offer will not be made for the Shares held by UCOM or Telenor Asia.

- (b) The Chain Principle Offer will be on the following basis:

For each Foreign Offer Share: US\$3.1465 in cash

For each Local Offer Share: THB 129.0544 in cash

- (c) In compliance with Note 3 to Rule 14.3 of the Code, the offer price for each Foreign Offer Share (the “**Offer Price**”) has been determined based on the simple average of the daily highest and lowest traded prices of the Shares³ on the Singapore Exchange

² As at 7 March 2005 (being the reference date stated in the 2004 Annual Report of TAC for the year ended 31 December 2004), 89,155,229 Shares, representing 18.79 per cent. of the existing issued and paid-up share capital of TAC, are deposited with the CDP and may be traded on the Main Board of the SGX-ST. The Shares held by Telenor Asia (representing 29.94 per cent. of the issued and paid-up share capital of TAC), which if deposited with the CDP will be tradeable on the SGX-ST, have as at the date of this Announcement been withdrawn from the CDP and are held by Telenor Asia’s nominee.

³ The traded prices of TAC are obtained from Datastream, an independent data service provider.

Securities Trading Limited (“**SGX-ST**”) during the period commencing on (and including) 22 September 2005 and ending on (and including) 19 October 2005, being 20 trading days prior to the date of this Announcement (the “**Relevant Period**”).

Due to the exchange control restrictions of the BOT, the Offer Price for the Local Offer Shares will be made by Thai Telco in THB. The Offer Price for the Local Offer Shares has been determined based on the simple average of the highest and lowest traded prices of the Shares on the SGX-ST for each trading day during the Relevant Period, as converted to THB using the Reference Exchange Rate for that trading day. The “**Reference Exchange Rate**” is the average interbank exchange rate of US\$ to THB published daily by the BOT on its website at www.bot.or.th.

Pursuant to the SEAT, only a securities company licensed by the SEC (a “**Licensed Broker**”) can act as the tender offer agent and intermediary in making payments of the Offer Price to the holders of the Local Offer Shares in Thailand. Pursuant to BOT regulations, a Licensed Broker is prohibited from opening and maintaining a US\$ bank account in Thailand for deposit of US\$ except in certain limited circumstances where such funds are intended for use in a transaction which satisfies the conditions of the BOT. As the making of payments in respect of the Local Offer Shares does not qualify as such a transaction, all US\$ funds remitted to the Licensed Broker for the purposes of making payment to the holders of the Local Offer Shares who accept the Chain Principle Offer will be required by the BOT to be converted to THB. As such, the Offer Price for the Local Offer Shares will be made by Thai Telco in THB.

- (d) The Offer Price represents:
- (i) a premium of approximately 12.38 per cent. over the closing price of US\$2.8000 per Share as quoted on the SGX-ST on the date falling one day prior to the date of this Announcement;
 - (ii) a premium of approximately 0.38 per cent. over the average closing price of approximately US\$3.1347 per Share for the last 30 trading days up to and including the date falling one day prior to the date of this Announcement; and
 - (iii) a premium of approximately 2.52 per cent. over the average closing price of approximately US\$3.0692 per Share for the six months up to and including the date falling one day prior to the date of this Announcement.
- (e) The Local Offer Shares and Foreign Offer Shares (collectively, the “**Offer Shares**”) will be acquired (i) fully paid; (ii) free from all liens, equities, charges, encumbrances, rights of pre-emption and any other third party rights or interests of any nature whatsoever; and (iii) together with all rights, benefits and entitlements attached thereto as at the date of this Announcement and hereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by TAC on or after the date of this Announcement.

5. Unconditional Offer

The Chain Principle Offer is unconditional in all respects.

6. Overseas Shareholders

The availability of the Chain Principle Offer to Shareholders whose addresses are outside Singapore and Thailand as shown in the register of members of TAC or, as the case may be, in the records of the CDP ("**Overseas TAC Shareholders**") may be affected by the laws of the relevant overseas jurisdictions. Accordingly, Shareholders should inform themselves about and observe any applicable legal requirements. Further details in relation to the Overseas TAC Shareholders will be contained in the Offer Document.

Where there are potential restrictions on sending the Offer Document to any overseas jurisdictions, the Offerors and Goldman Sachs reserve the right not to send the Offer Document to such overseas jurisdictions. The Offerors will make available to any such affected Overseas TAC Shareholder copies of the Offer Document at such locations in Thailand or Singapore and in such manner as may be announced from time to time by the Offerors.

7. Convertible Bonds

Based on information set out in the 2004 Annual Report of TAC for the year ended 31 December 2004 and an offering circular of TAC dated 17 May 1996, TAC had issued US\$200,000,000 aggregate principal amount of convertible bonds due 2006 (the "**Convertible Bonds**"). The Convertible Bonds pay interest at the rate of 2 per cent. per annum. Under the terms of the Convertible Bonds, bondholders may at any time from 10 July 1996 up to and including 30 April 2006 convert the Convertible Bonds into Shares at the conversion rate of 95.24 Shares for every US\$1,000 principal amount of the Convertible Bonds (equivalent to a conversion price of US\$10.50 per Share). As at 31 December 2004 and 2003, the outstanding Convertible Bonds comprise US\$1,500,000.

As the Convertible Bonds fall within the ambit of Rule 19 of the Code, an appropriate offer, in compliance with the provisions of the Code, will be made for the Convertible Bonds (the "**Convertible Bonds Offer**"), details of which will be announced in due course.

8. Description of the Offerors

Thai Telco is a company incorporated in Thailand on 13 October 2005. Its principal activity is that of an investment holding company. As at 20 October 2005, it has an issued share capital of THB 400,000,000 and a paid up share capital of THB 400,000,000. The directors of Thai Telco are Mr Sribhumi Sukhanetr, Mr Knut Borgen, Mr Gunnar Johan Bertelsen, Mr Christian Storm and Mr. Somyod Suteerapornchai. Telenor Asia holds 49 per cent. of the issued share capital of Thai Telco. The remaining shares of Thai Telco are held by Thai nationals and Thai entities which include Mr Boonchai Bencharongkul and Finansia Plc. The Chairman of Thai Telco is Mr Sribhumi Sukhanetr.

Telenor Asia is a company incorporated in the Republic of Singapore on 15 August 1997 and Telenor Asia's ultimate holding company is Telenor ASA, which is Norway's largest

telecommunications provider with a market capitalisation of NOK 92,155 million⁴ as at 19 October 2005. Telenor Asia is a holding company with shareholding interests in several telecommunications companies in Asia. Telenor Asia has an issued and paid-up share capital of S\$402,719,800 as at 20 October 2005. The directors of Telenor Asia are Mr Ragnar Korsæth and Mr Christian Storm.

9. Description of TAC

TAC, operating under "DTAC" brand, was founded in August 1989 to provide wireless telecommunication services in 800 Mhz and 1800 MHz frequency bands in Thailand under a 27-year "Built-Transfer-Operate" concession granted by CAT Telecom Public Company Limited (formerly known as Communications Authority of Thailand). As at 7 March 2005, the major shareholders of TAC are UCOM, Telenor Asia and TOT Public Company Limited.

10. Rationale for the Chain Principle Offer

The Chain Principle Offer is being made in order to comply with Note 6 to Rule 14.1 of the Code. The Chain Principle Offer is in line with the strategy of Telenor ASA to gain greater financial exposure to TAC and to drive the strategic and operational direction of TAC.

11. The Offerors' Intentions in relation to TAC

It is the intention of the Offerors that TAC continues with its existing activities. Accordingly, the Offerors currently have no intention of making any major changes relating to the business of TAC (including any redeployment of fixed assets) nor any changes relating to the continued employment of the employees of TAC and its subsidiaries, other than in TAC's ordinary course of business.

The Offerors, through their investment in UCOM, intend to assume an increased role in the management and on the board of directors of TAC.

12. Disclosures

- (a) As at the date of this Announcement, the Offerors have the following holdings of Shares:
 - (i) Telenor Asia owns 142,024,800 Shares, representing 29.94 per cent. of the issued and paid-up share capital of TAC;
 - (ii) following the acquisition of the 173,331,750 issued shares in the share capital of UCOM pursuant to the SPA, Thai Telco is deemed to have an interest in 197,538,593 Shares, representing 41.64 per cent. of the issued and paid-up share capital of TAC.
- (b) Save as disclosed in this Announcement, none of (i) the Offerors and their respective Directors and (ii) Telenor ASA, which is the ultimate holding company of Telenor Asia and its Directors (aa) owns, controls or has agreed to acquire any Shares or any Convertible Bonds as at the date of this Announcement, (bb) has dealt for value in any

⁴ The market capitalisation of Telenor ASA is derived from the website of the Oslo Stock Exchange at www.osse.no on 19 October 2005.

Shares or any Convertible Bonds during the six-month period immediately preceding the date of this Announcement or (cc) has received any irrevocable undertaking from any party to accept or reject the Chain Principle Offer or the Convertible Bonds Offer as of the date at this Announcement.

- (c) In the interests of confidentiality, the Offerors have not made enquiries in respect of certain other parties who are or may be deemed to be acting in concert with the Offerors in connection with the Chain Principle Offer. Further enquiries will be made of such persons and the relevant disclosures will be made in due course and in the Offer Document (as defined below).

13. Confirmation of the Securities Industry Council

The Securities Industry Council has confirmed, in a letter to Telenor Asia dated 23 September 2005, *inter alia*, that TAC is subject to the Code. Accordingly, the Chain Principle Offer is being made by the Offerors subject to and in accordance with the Code.

Shareholders should note that TAC is not subject to the tender offer rules promulgated under the SEAT as amended as the Shares are not listed on the SET.

14. Confirmation of Financial Resources

Goldman Sachs confirms that sufficient financial resources are available to the Offerors to satisfy full acceptance of the Chain Principle Offer and the Convertible Bonds Offer by the holders of the Offer Shares and the holders of the Convertible Bonds, respectively.

15. Offer Document

The formal document, setting out the terms and conditions of the Chain Principle Offer and the Convertible Bonds Offer and enclosing the appropriate form(s) of acceptance of the Chain Principle Offer (the “**Offer Document**”), will be despatched to holders of Offer Shares and holders of the Convertible Bonds not earlier than 14 days and not later than 21 days from the date of this Announcement.

16. Responsibility Statement

The Directors of the Offerors have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted from published or publicly available sources (including, without limitation, in relation to TAC and its subsidiaries and associated companies), the sole responsibility of the Directors of the Offerors have been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

Issued by

THAI TELCO HOLDINGS LIMITED

and

GOLDMAN SACHS (SINGAPORE) PTE

for and on behalf of

TELENOR ASIA PTE LTD

20 October 2005

Singapore

Report of the Acquisition or Disposition of Securities in a Business

Company United Communication Industry Plc Stock Code, (if any) UCOM

Date of filing the report 20 October 2005 Date of acquisition or disposition 20 October 2005

1 This is a report of: ☒ acquisition ☐ disposition

2 The purpose of this report is:

- ☒ to comply with Section 246 of the Securities and Exchange Act B.E. 2535 (1992)
- ☐ to amend or to supplement the previous report filed on _____
- ☐ to report the acquisition of shares in a business in a number which results in an obligation to make a tender offer for all of the securities of that business
- (in the case of a chain principle, please skip all sections except 4, 9 and 10)

3 Type of securities acquired or disposed of:

- ☒ Shares
- ☒ ordinary shares
- ☐ preference shares voting right per share: _____ vote(s)
- ☐ Convertible securities
- ☐ share warrants exercise ratio per unit: _____ share(s)
- ☐ transferable subscription rights exercise ratio per unit: _____ share(s)
- ☐ convertible debentures conversion ratio per unit: _____ share(s)
- ☐ others (please specify) exercise ratio per unit: _____ share(s)

4 Information about the person(s) who has acquired or disposed of the securities:

Name Thai Telco Holdings Limited

Address 21/125-128, South Sathorn Road, Thungmakamek Sub district,
Sathorn District, Bangkok Metropolis

Telephone 02-677-3379 Fax 02-677-4691

Contact person Mr.Knut Borgen Telephone 02-677-3360

Fax - e-mail -

Name of the person who files this report Mr.Knut Borgen

Telephone 02-677-3360 Fax -

Relationship with the person(s) who has acquired or disposed of the securities Authorized Director

e-mail -

5 Details of the acquisition or disposition

Shares: include ordinary shares and preference shares. (If preference shares with less than one vote per share are issued by the business, please specify the voting rights in the brackets under the number of shares and specify the percentage of total voting rights of the business in the brackets under the percentage of the total number of issued shares)

Name of person/juristic entity	Type of Securities	Shares held prior to acquisition/disposition		Shares acquired or disposed of		Shares held after acquisition/disposition	
		Number (shares)	% ¹	Number (shares)	% ¹	Number (shares)	% ¹
Person(s) who has acquired or disposed of the shares	Ordinary Shares						
Total Telco Holdings Limited		0	0	173,331,750	39.88	173,331,750	39.88
Person(s) in the same group as those who have acquired or disposed of the shares							
1. -		-	-	-	-	-	-
2. -		-	-	-	-	-	-
Related parties, specified in § 258, of each person in the same group							
1. -		-	-	-	-	-	-
2. -		-	-	-	-	-	-
Total							

Convertible Securities: include share warrants, transferable subscription rights, convertible debentures and other convertible securities. (If the convertible securities so acquired or disposed of are exercisable or convertible into preference shares with less than one vote per share, please specify the voting rights in the brackets under the number of shares and specify the percentage of total voting rights of the business in the brackets under the percentage of the total number of issued shares)

Name of person/juristic entity	Securities	Securities held prior to acquisition/disposition ²			Securities acquired or disposed of ³			Securities held after acquisition/disposition ⁴		
	Type	Issue	Units	Amount of underlying shares	% ⁵	Units	Amount of underlying shares	% ⁵	Units	Amount of underlying shares
Person(s) who has acquired or disposed of the securities										
Person(s) in the same group as those who have acquired or disposed of the securities										
1. -										
2. -										
Related parties, specified in § 258, of each person in the same group										
1. -										
2. -										
Total										

¹ Percentage of securities shall be calculated based on the total number of issued shares.

² Provide information of all types and issues of convertible securities held.

³ If the obligation to file this report results from an acquisition or disposition of several types of convertible securities, information on all types and issues of convertible securities acquired or disposed of may be provided in the same report.

⁴ See footnote 2

⁵ See footnote 1

- 6 Specify the highest price paid by the acquirer, or any related party specified in Section 258, during the period of 90 days prior to the date of this acquisition:

Baht 53 per unit, which was the price for securities acquired on 20 October 2005

- 7 Means of the acquisition or disposition of securities

(/) through the Stock Exchange of Thailand (BIG LOT from Mr.Boonchai Bencharongkul, Mr.Vichai Bencharongkul, Mrs.Vanna Chirakitti)

() purchased from/disposed to (specify the name of the seller or the buyer, if known)

() other⁶ (please specify) _____

- 8 In the case of a chain principle, please indicate the name(s) of each juristic person(s) at each level of the chain principle, through to the business, including their respective voting rights percentage at each such level, and indicate the percentage of the shareholding and voting rights of each such juristic person, and any person specified in Section 258, in the business.

Relationship of each juristic person in the chain principle				Shareholding of (I) in the business (if any)		
Relationship of each juristic person	(I) Name of person/ entity which holds shares	(II) Name of entity whose shares are held	Nature of control relationship which results in the chain principle ⁷	Number of Shares	Percentage of shares, based on the total issued shares of the business	Percentage of voting rights, based on the total voting rights of the business
(a) Immediate holding entity						
(b) Intermediate entity from (a)						
(c) Intermediate entity from (b)						
(d)						
(e)						
Total						


⁶ such as through a rights offering or conversion rights under convertible securities, or the disposition of shares to the tender offeror, etc.

⁷ Explain the nature of control in the juristic person(s) in which shares are held, such as percentage of shareholding and voting rights, or the majority board representation in such juristic person(s).

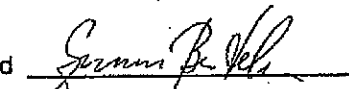
9 If the acquisition results in its shareholding reaching or exceeding the trigger points at which a tender offer for all securities of the business is required to be made pursuant to the Notification of the Securities and Exchange Commission Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (Takeover Rules), the acquirer:

- ☒ will make a tender offer for all of the securities in the business.
- ☐ will reduce its shareholding in the business below the relevant trigger point in accordance with the procedures set out in the Takeover Rules and will abstain from the exercise of voting rights in the business for that portion of shares to be disposed of.
- ☐ will reduce its shareholding or controlling interest in any juristic person in the chain principle in accordance with the procedures set out in the Takeover Rules and will abstain from the exercise of voting rights in the business for that portion of shares held in excess of the relevant trigger point (in the case of a chain principle).
- ☐ has received a waiver of the requirement to make a tender offer from the Securities and Exchange Commission
 - ☐ under SEC letter No. _____ dated _____
 - ☐ by a resolution of the shareholders' meeting dated _____
- ☐ has received a waiver of the requirement to make a tender offer for all securities of the business on the grounds that (please specify) _____

Signed


(Mr. Knut Borgen)

Signed


(Mr. Gunnar Bertelsen)

Reporting Person/Entity

Explanations

- 1 One report of the acquisition or disposition of securities in a business is required to be prepared for each type of securities, except where there is an acquisition or disposition of various types of convertible securities on the same date resulting in an obligation to file a report of the acquisition or disposition; in such case, the acquisition or disposition of all types of convertible securities shall be reported in the same Form 246-2.
- 2 The percentage holding of the securities shall be calculated in accordance with the following procedures:
 - (a) where the securities to be reported are shares:

$$\frac{\text{The total number of shares held} \times 100}{\text{The total number of issued shares of the business}}$$

- (b) where the securities to be reported are convertible securities:

$$\frac{\text{The total number of shares to be acquired if rights under all convertible securities held are exercised} \times 100}{\text{The total number of issued shares of the business}}$$

Example

Company A has a total issued share capital of 1 million and a total issued warrant issue of 50,000 warrants with an exercise ratio of 1 warrant to 1 share and 2,000 convertible debentures with a conversion ratio of 1 convertible debenture to 40 shares.

Mr. Kor holds 45,000 shares and 9,000 warrants of Company A.

If he further acquires another 5,000 shares, 2,000 warrants and 1,000 convertible debentures, then:

$$\therefore \text{The percentage of holding of shares in Company A acquired/held by Mr. Kor:} = \frac{(5,000 + 45,000) \times 100}{1,000,000} = 5\%$$

$$\therefore \text{The percentage of holding of shares to be acquired if rights under all types of convertible securities acquired/held by Mr. Kor are exercised:} \\ = \frac{[(9,000 \times 1) + (2,000 \times 1) + (1,000 \times 40)] \times 100}{1,000,000} = 5.1\%$$

Therefore, Mr. Kor has a duty to report his acquisition of shares and convertible securities in Company A by filing two copies of Form 246-2; comprising one report for the share acquisition and one report for the warrant and convertible debenture acquisition.

- 3 On any day where there is both an acquisition or disposition of the same securities, the net result of such transactions shall be considered for purposes of determining whether or not there has been an increase or decrease in the securities holding, reaching or exceeding five percent of total issued shares of the business. In the case that the net amount calculated gives rise to a duty to report, such net amount shall be reported.
- 4 Shares to be reported shall include those deposited with third parties, regardless of whether or not any instrument or evidence of deposit is issued by the third party.
- 5 Persons under Section 258 in relation to a person who acquires or disposes of securities means:
- (a) the spouses of such person;
 - (b) a minor child of such person;
 - (c) an ordinary partnership in which such person or the person under (a) or (b) is a partner;
 - (d) a limited partnership in which such person or the person under (a) or (b) is an unlimited liability partner or a limited liability partner who collectively holds contribution in an amount exceeding thirty percent of the total contribution of the limited partnership;
 - (e) a limited company or public limited company in which such person or the person under (a) or (b) or the partnership under (c) or (d) collectively holds shares in an amount exceeding thirty percent of the total issued shares of the company;
 - (f) a limited company or public limited company in which such person or the person under (a) or (b) or the partnership under (c) or (d) or the company under (e) collectively holds shares in an amount exceeding thirty percent of the total issued shares of the company;
 - (g) a juristic person in which such person has the power of management as representatives.
- 6 If, there is, during the period of 90 days prior to the date of the acquisition referred to in Clause 6, (i) the declaration of dividend payment, (ii) change of par value resulting in an increase or decrease in an number of shares or (iii) grant of right to purchase newly issued shares or transferable subscription rights to the existing shareholders on a *pro rata* basis, the highest price before and after the occurrence of such event shall be reported separately.