



BANPU PUBLIC COMPANY LIMITED

*incorporated and registered as a public limited company
in Thailand under the Public Limited Company Act B.E. 2535, registration no. BorMorJor. 152)*

US\$80,000,000

3.5 per cent. Convertible Bonds due 2004

Issue Price: 100 per cent.

The US\$80,000,000 3.5 per cent. Convertible Bonds due 2004 (the "Bonds") will be issued by Banpu Public Company Limited, previously known as Ban Pu Coal Co., Ltd. (the "Company"). The Bonds will bear interest from 25th August, 1994 at the rate which, after deduction of all applicable Thai withholding taxes up to the rate of 15 per cent., amounts to 3.5 per cent. per annum. Interest on the Bonds is payable annually in arrear on 25th August in each year, commencing on 25th August, 1995. See "Terms and Conditions of the Bonds — Interest".

Unless previously converted, purchased and cancelled or redeemed, each Bond will be redeemed on 25th August, 2004 at the US dollar equivalent, translated at then prevailing exchange rates, of Baht 25,011.4, being the Baht equivalent of US\$1,000, the principal amount of each Bond, at the fixed rate of exchange referred to below.

Unless previously purchased and cancelled or redeemed, the Bonds may be converted on or after 25th November, 1994 up to, and including, 25th July, 2004 into fully-paid ordinary shares with a nominal value of Baht 10 each of the Company (the "Shares") at an initial conversion price, subject to adjustment in certain events, of Baht 442.68 per Share and with a fixed rate of exchange on conversion of Baht 25,011.4 = US\$1.00. See "Terms and Conditions of the Bonds — Conversion". The closing price of the Shares on the main board of the Stock Exchange of Thailand (the "SET") on 10th August, 1994 was Baht 438 per Share.

The Bonds may be redeemed, in whole or in part, by the Company at any time from, and including, 25th August, 1997 to, and including, 24th August, 1999 at specified annual premia and thereafter at their US dollar principal amount in accordance with Condition 7(B) of the Bonds. The Bonds may also be redeemed at any time in whole at their US dollar principal amount, plus accrued interest, in the event of certain changes relating to Thai taxation. The Company will, at the option of the holder of any Bond, redeem such Bond on 25th August, 1999 at 128.458 per cent. of its principal amount in accordance with Condition 7(C) of the Bonds. See "Terms and Conditions of the Bonds — Redemption, Purchase and Cancellation".

Application has been made to list the Bonds on the Luxembourg Stock Exchange. The Shares will not be listed on the Luxembourg Stock Exchange.

The Bonds and the Shares issuable upon conversion of the Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"). Subject to certain exceptions, Bonds may not be offered or sold within the United States or to US persons. Bonds are being offered outside the United States by the Managers (as defined under "Subscription and Sale" herein) in reliance on Regulation S under the Securities Act, and Bonds may be offered and resold in the United States by Robert Fleming Inc. on behalf of Jardine Fleming Holdings B.V. ("Jardine Fleming") to qualified institutional buyers ("QIBs") in reliance on, and in compliance with, Rule 144A under the Securities Act.

The Bonds are expected to be delivered on or about 25th August, 1994 (the "Closing Date"). Bonds sold in offshore transactions in reliance on Regulation S will be represented by one or more permanent global certificates in fully registered form without coupons (each an "Unrestricted Global Certificate") deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company ("DTC") for the accounts of Morgan Guaranty Trust Company of New York, Brussels office, as operator of the Euroclear System ("Euroclear") and Cedel société anonyme ("Cedel"). On or prior to the 40th day after the later of the commencement of the offering and the Closing Date, interests in the Bonds represented by an Unrestricted Global Certificate may be held only through Euroclear or Cedel, subject to a limited exception. Bonds sold in the United States to QIBs, as defined in Rule 144A under the Securities Act, will be represented by one or more permanent global certificates in fully registered form without coupons (each a "Restricted Global Certificate" and, together with the Unrestricted Global Certificates, the "Global Certificates") deposited with a custodian for, and registered in the name of a nominee of, DTC. Bonds represented by the Global Certificates will trade in DTC's Same Day Funds Settlement System and secondary market trading activity in such Bonds will therefore settle in immediately available funds. Interests in the Bonds represented by the Global Certificates will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants, including Euroclear and Cedel. Except as referred to herein, definitive certificates in respect of Bonds will not be issued in exchange for the Global Certificates. See "Terms and Conditions of the Bonds — Transfers of Bonds: Issue of Certificates", "The Global Certificates" and "DTC Dealing Arrangements".

Jardine Fleming

Bank Julius Baer & Co. Ltd.
Credit Lyonnais Securities
Nikko Europe Plc

Swiss Bank Corporation

Baring Brothers & Co., Limited
Dresdner Bank Aktiengesellschaft
N.M. Rothschild and Smith New Court

Yamaichi International (Europe) Limited

The date of this Prospectus is 12th August, 1994

SUMMARY

The following is only a summary of the principal features of the issue and is to be read in conjunction with the other information contained in this document.

The Company

Banpu Public Company Limited (the "Company") is Thailand's largest private sector coal mining company. The principal businesses of the Company and its subsidiaries and affiliated companies (together, the "Group") are coal mining and other mineral mining; removal of overburden and lignite extraction contract work for the Electricity Generating Authority of Thailand; and the construction and operation of cogeneration plants providing steam, water and electricity to industrial users. The majority of the Group's operations are in Thailand but the Company is carrying out exploration for coal in Indonesia and has various other international interests, including an investment in an Australian coal company.

In the year ended 30th June, 1993, the Group's total revenues amounted to Baht 2,361.2 million (US\$93.5 million), net profit after tax and minority interests amounted to Baht 579.3 million (US\$22.9 million) and total assets amounted to Baht 6,165.0 million (US\$244.3 million). In the nine months ended 31st March, 1994, the Group had total revenues of Baht 2,233.6 million (US\$88.5 million), net profit after tax and minority interests of Baht 455.8 million (US\$18.1 million) and total assets of Baht 8,090.9 million (US\$320.7 million). The Company's market capitalisation as at 10th August, 1994 was Baht 20,746 million (US\$828.17 million) based on a closing price of Baht 438 on the main board of the SET.

The Issue

Terms used in this summary and not otherwise defined, shall have the meanings given to them in "Terms and Conditions of the Bonds".

Issuer:	Banpu Public Company Limited (incorporated and registered as a public limited company in Thailand under the Public Limited Company Act B.E. 2535, registration no. BorMorJor. 152).
Issue:	US\$80,000,000 3.5 per cent. Convertible Bonds due 2004, convertible into Shares of the Company.
Conversion Period:	From, and including, 25th November, 1994 up to, and including, 25th July, 2004. Bondholders may submit a Conversion Notice at any time during the Conversion Period but the effective Conversion Date for any Conversion Notice submitted during a calendar month will be the last business day in Bangkok of that calendar month.
Conversion Price:	Baht 442.68. The Conversion Price will be subject to adjustment for, amongst other things, subdivision or consolidation of Shares, bonus issues, rights issues and other dilutive events.

Conversion Protection:

Pursuant to the promotional privileges granted by the Board of Investment to the Company, not more than 40 per cent. of the Company's issued shares may be registered in the name of a non-Thai person or persons. At an Extraordinary Shareholders' Meeting of the Company held on 1st March, 1994, it was resolved that registration of Shares in the name of non-Thai persons which would cause total non-Thai shareholdings to exceed 30 per cent. but not more than 40 per cent. of the issued Shares will be permitted only if the relevant Shares are issued on conversion or exercise of the Company's foreign equity-linked securities (including the Bonds). The Company will give certain undertakings in the Trust Deed not to do anything to adversely affect the availability to Bondholders of such foreign shares.

On 26th July, 1994, approximately 24.35 per cent. of the issued Shares were registered in the names of non-Thai persons. If all the Bonds were converted at the initial Conversion Price, the Shares issuable on conversion would represent approximately 9.54 per cent. of the issued Shares after such issue.

If for any reason the Company is unable to deliver Shares registrable in the name of a non-Thai person upon conversion of a Bond, the Company will redeem the relevant Bond for a cash amount in lieu of the relevant Shares being the US dollar equivalent at then prevailing rates of the then Baht value of such Shares as quoted on the foreign board of the SET.

Share ranking:

A Bondholder will become the holder of record of Shares issued upon conversion with effect from registration in the Company's register of shareholders, and such Shares will rank *pari passu* with the Shares in issue on such date, but shall not be entitled to any rights for which the record date falls prior to such date. There will be a period of delay between the Conversion Date and the date on which such registration is effected. See "Conversion Procedure in Thailand".

Final Redemption:

Unless previously converted, purchased and cancelled or redeemed in the circumstances referred to in the Terms and Conditions of the Bonds, the Bonds will be redeemed on 25th August, 2004. The redemption amount will be the US dollar equivalent, at then prevailing exchange rates, of Baht 25,011.4, being the Baht equivalent of the principal amount of each Bond (translated at the fixed exchange rate of Baht 25.0114 = US\$1.00).

Redemption at the Option of the Company:

The Company may redeem all or some only of the Bonds on or after 25th August, 1997 as follows:—

During the period (both dates inclusive) between	Redemption price (percentage of principal amount)
25th August, 1997 and 24th August, 1998	115.696
25th August, 1998 and 24th August, 1999	121.822

and thereafter at their principal amount, together with accrued interest. No such redemption may be made unless the Closing Price of the Shares on the SET has been at least 140 per cent. of the Conversion Price for a period of 30 consecutive Trading Days before redemption and the Closing Price of the Shares on the SET for such 30 consecutive Trading Days translated into US dollars at the prevailing rate on each such day is at least 140 per cent. of the Conversion Price then in effect translated into US dollars at the fixed exchange rate of Baht 25.0114 = US\$1.

Redemption at the Option of Bondholders:

The Company will, at the option of the holder of any Bond, redeem such Bond in US dollars at 128.458 per cent. of its principal amount on 25th August, 1999.

Tax Redemption:

The Company may redeem all, but not some only, of the Bonds at their principal amount, plus accrued interest, in the event of certain changes in Thai taxation which would require the Company to gross up for payments of principal or interest at a rate exceeding 15 per cent.

Status:

The Bonds constitute direct and unsecured obligations of the Company and will at all times rank *pari passu* and without any preference among themselves. The Company's obligations in respect of the Bonds shall, save for such exceptions as shall be provided by applicable legislation, rank at least equally with all its other present and future unsecured and unsubordinated obligations.

Negative Pledge:

The Company will give a negative pledge in relation to Relevant Debt. "Relevant Debt" means any present or future indebtedness in the form of, or represented by, bonds, notes, debentures, loan stock or other securities which are for the time being, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other organised securities market and which are denominated, payable or optionally payable in a currency other than Baht.

Form of the Bonds:

Registered form only. The Bonds are expected to be delivered on or about 25th August, 1994 (the "Closing Date"). Each Bond will be issued in the denomination of US\$1,000. Bonds sold in reliance on Regulation S (the "Unrestricted Bonds") will be registered in the name of a nominee of, and one or more Unrestricted Global Certificate(s) will be issued in respect thereof and deposited with a custodian for, DTC for the respective accounts of Euroclear and Cedel. On or prior to the 40th day after the later of the commencement of the offering and the Closing Date, interests in the Unrestricted Bonds may be held only through Euroclear or Cedel.

Bonds offered in reliance on Rule 144A (the "Restricted Bonds") will be registered in the name of a nominee of, and one or more Restricted Global Certificate(s) will be issued in respect thereof and deposited with a custodian for, DTC, Euroclear, Cedel or DTC, as the case may be, will credit the account of each of its participants with the principal amount of Bonds being purchased by or through such participant. Interests in the Bonds will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants, including Euroclear and Cedel. Except as described herein, certificates with respect to individual holdings of Bonds will not be issued in exchange for the Global Certificates.

Each Restricted Global Certificate will bear a Securities Act Legend and Restricted Bonds, or any interest therein, may not be transferred except in compliance with the transfer restrictions set forth in such legend. In addition, no interest in the Restricted Bonds may be transferred to a person that takes delivery thereof in the form of an interest in the Bonds represented by an Unrestricted Global Certificate unless the transferor provides a transfer agent with a written certificate regarding compliance with certain of such transfer restrictions. A transfer of an interest in Unrestricted Bonds to a person that takes delivery through a Restricted Global Certificate, if made prior to the 40th day referred to above, is also subject to certification requirements.

Governing Law:

English law.

Trustee:

The Law Debenture Trust Corporation p.l.c.

Thai Reporting Requirements:

Any person who, in aggregate, acquires or disposes of an amount of the Bonds or the Shares which increases or decreases such person's holding through a multiple of 5 per cent. or more of the Bonds or the Shares (including a beneficial interest in them) will be subject to certain Thai reporting requirements, according to the Thai authorities' current interpretation of the Thai Securities and Exchange Act. See "The Thai Securities Market — SEC Reporting Requirements on the Substantial Acquisition of Shares".

Listing:

Application has been made to list the Bonds on the Luxembourg Stock Exchange. The Shares are listed on the SET and the Company will undertake in the Trust Deed to apply for the Shares issuable on conversion of the Bonds to be listed on the SET.

Use of Proceeds:

The issue proceeds will be used by the Company for investment in the construction of its subsidiary's new cogeneration plant, for the repayment of certain of the Company's borrowings and for general working capital purposes.

CAPITALISATION

The consolidated capitalisation of the Company as at 31st March, 1994 as extracted from the Company's financial statements as at that date which have been reviewed by the auditors, and as adjusted to reflect the issue of the Bonds, is as follows:—

	As at 31st March, 1994		As adjusted to reflect the issue of the Bonds	
	<i>Baht millions</i>	<i>US\$ millions⁽¹⁾</i>	<i>Baht millions</i>	<i>US\$ millions⁽¹⁾</i>
Borrowings				
Short-Term Debt ⁽²⁾				
Short-Term Borrowings	574.065	22.75	574.065	22.75
Current Portion of Long-Term Debt	<u>453.191</u>	<u>17.96</u>	<u>453.191</u>	<u>17.96</u>
Total Short-Term Debt	<u>1,027.256</u>	<u>40.71</u>	<u>1,027.256</u>	<u>40.71</u>
Long-Term Debt ⁽³⁾				
(Net of Current Portion)				
Long-Term Debt	2,165.333	85.82	2,165.333	85.82
Baht 1,200 million Bonds with Warrants ⁽⁴⁾	1,200.000	47.56	1,200.000	47.56
The Bonds now being issued	<u>—</u>	<u>—</u>	<u>2,000.800</u>	<u>80.00</u>
Total Long-Term Debt (Net of Current Portion)	<u>3,365.333</u>	<u>133.38</u>	<u>5,366.133</u>	<u>213.38</u>
Shareholders' Equity				
Authorised paid-up share capital (100 million ordinary shares of Baht 10 each)				
Issued and fully paid-up share capital ⁽⁴⁾⁽⁵⁾ (47.25 million ordinary Shares of Baht 10 each)	472.500	18.73	472.500	18.73
Premium on Share Capital	1,654.500	65.57	1,654.500	65.57
Retained Earnings	<u>888.529</u>	<u>35.22</u>	<u>888.529</u>	<u>35.22</u>
Total Shareholders' Equity	<u>3,015.529</u>	<u>119.52</u>	<u>3,015.529</u>	<u>119.52</u>
Total Capitalisation	<u><u>7,408.118</u></u>	<u><u>293.61</u></u>	<u><u>9,408.918</u></u>	<u><u>373.61</u></u>

Notes:—

- (1) Except for the proceeds of the Bonds now being issued, all figures have been translated at the rate of Baht 25.23 = US\$1.00, the rate prevailing on 31st March, 1994. The proceeds of the issue of the Bonds have been translated at the rate of Baht 25.01 = US\$1.00, the rate prevailing on 8th July, 1994.
- (2) Of the Company's total short-term debt of Baht 1,027.256 million, as at 31st March, 1994, Baht 448.55 million was secured on plant and machinery.
- (3) Of the Company's total long-term debt of Baht 3,365.333 million, as at 31st March, 1994, Baht 1,355.85 million was secured on plant and machinery.
- (4) On 16th December, 1993, the Company issued Baht 1,200 million bonds due in 1998 (the "Bonds with Warrants"). Each bond had 5 warrants attached entitling the holder to purchase shares at an exercise price of Baht 288 per share. If all of the unexercised Warrants were to be exercised at the initial strike price, an additional 5,885,700 million Shares would be issuable. On 20th July, 1993, the shareholders of the Company approved an increase in the registered capital of the Company from Baht 500 million to Baht 1,000 million, in contemplation of the issue of the Bonds with Warrants.
- (5) If all of the Bonds now being issued were converted at the initial conversion price, an additional 4,520,000 million Shares would be issuable.
- (6) As at 31st March, 1994, the total amount of contingent liabilities or guarantees of the Company and its subsidiaries was Baht 175.20 million.
- (7) Total borrowings will be reduced by Baht 1,740.18 million as a result of the intended application of the proceeds of the issue of the Bonds.
- (8) Save for the issue of the Bonds, there has been no material change in the capitalisation of the Company since 31st March, 1994.

Price Information

The Shares were listed on the SET on 16th June, 1989. The following table shows, for the periods indicated, the reported high and low closing prices of the Shares on the SET, adjusted for the effects of rights issues, and the high and low closing values of the SET Index for the periods indicated:

		Price per Share		SET Index	
		Low	High	Low	High
		(Baht)			
1989	Third Quarter	43.60	51.85	607.97	724.93
	Fourth Quarter	43.31	63.05	661.45	879.19
1990	First Quarter	58.33	84.04	760.39	918.67
	Second Quarter	87.19	106.13	834.90	1,060.22
	Third Quarter	63.92	100.61	613.95	1,143.78
	Fourth Quarter	61.95	78.91	544.30	670.08
1991	First Quarter	58.00	75.75	582.48	885.16
	Second Quarter	46.16	70.43	749.82	908.90
	Third Quarter	49.71	71.61	622.81	743.95
	Fourth Quarter	65.10	74.58	614.08	711.36
1992	First Quarter	68.65	100.06	711.81	828.18
	Second Quarter	75.78	91.97	667.84	832.39
	Third Quarter	86.08	128.76	729.84	871.37
	Fourth Quarter	110.36	129.49	834.17	963.03
1993	First Quarter	116.25	182.47	849.20	998.41
	Second Quarter	150.00	180.00	818.84	910.33
	Third Quarter	162.00	210.00	885.36	998.68
	Fourth Quarter	206.00	390.00	992.34	1,682.85
1994	First Quarter	308.00	438.00	1,204.12	1,753.73
	Second Quarter	346.00	426.00	1,196.59	1,387.40
	Third Quarter (to 10th August, 1994)	412.00	442.00	1,274.91	1,418.60

Source: APEX

On 10th August, 1994, the reported closing price of the Shares on the SET was Baht 438.

Dividends

While all dividend payments are subject to certain legal limitations to ensure adequate reserves, the Company currently has a policy of paying annual dividends of approximately 60 per cent. of its net profits after tax for the year. See "Description of the Shares — Dividends". The amount of dividends payable on the Shares is reviewed periodically by the Board of Directors in light of the Company's earnings, financial condition and capital requirements. There can be no assurance that the Company will continue to pay dividends at the same rates as in the past.

Following the listing on the SET, dividends have been declared by the Company as follows:—

Year ended 30th June	Earnings per Share (Baht)	Dividends per Share (Baht)
1990	6.46	4.0
1991	5.12	4.0
1992	8.59	4.0
1993	16.30	5.0

Note: The earnings per Share are based on non-consolidated figures and include extraordinary gains on sale of investments. In 1993, the Company did not pay dividends at the 60 per cent. rate referred to above in order to produce retained earnings for the purpose of making investments. The earnings per Share have been calculated using the weighted average number of Shares outstanding for the relevant period and the earnings of the Company rather than of the Group.

Changes in Share Capital

The following table shows changes in the Company's share capital since 4th May, 1989:—

Date	Type of Issue/Event	Number of Shares Issued	Total Number of Issued Shares after Issue
4th May, 1989	1:3 rights issue at Baht 10 per share	2,500,000	7,000,000
	initial public offering of 1 million shares at Baht 72 per share		
28th May, 1990	1:2 rights issue at Baht 60 per share	3,500,000	10,500,000
12th March, 1991	1:1 rights issue at Baht 60 per share	10,500,000	21,000,000
11th May, 1992	1:2 rights issue at Baht 50 per share	10,500,000	31,500,000
18th May, 1993	1:2 rights issue at Baht 40 per share	15,750,000	47,250,000
15th March, 1994	exercise of warrants	112,100	47,362,100
15th June, 1994	exercise of warrants	2,200	47,364,300

Notes:

- (1) The Board Meeting held on 3rd September, 1993 passed a resolution reserving 6 million shares for a Baht debentures with warrants issue. The Company issued Baht 1,200 million Bonds with Warrants on 16th December, 1993. Each Warrant entitles the holder to subscribe for shares in the Company at a fixed price of Baht 288 per share. The Warrants first became exercisable on 15th March, 1994. To date, 114,300 Warrants have been exercised. If all the unexercised Warrants were to be exercised, an additional 5,885,700 million shares would be issuable.
- (2) The Extraordinary General Meeting held on 1st March, 1994 passed a resolution reserving 6 million shares for a Euro-convertible debenture issue.