

TLUXE/SET015-2011

February 22, 2011

Subject: Report of resolution of the Board of Directors' Meeting No. 4/2011

Attention: President
The Stock Exchange of Thailand

Attachments: 1. Details of warrants to buy ordinary shares of the Company to its directors, management and/or employees according to ESOP No. 2 ("TLUXE-ESOP2").

According to Thailuxe Enterprises Public Company Limited (the "Company") held the Board of Directors' Meeting No. 4/2011 on February 22, 2011 at the meeting room of Thailuxe Enterprises Public Company Limited No.101/3-4 Nares Road, Sripraya, Bangrakk, Bangkok 10500, the Board of Directors has adopted a resolution to approve the following material agendas:

1. Resolved to certify the Minutes of the Board of Directors' Meeting No. 3/2011 held on February 16, 2011
2. Resolved to revoke the record date for the shareholders entitled to receive the dividend payment and the record date of the shareholders for the right to attend the 2011 Annual General Meeting of Shareholders on March 2, 2011 and the date for closing the registration book on March 3, 2011, in accordance with Section 225 of the Securities and Stock Exchange Act.
3. Resolved to add the agenda for the Shareholders' Meeting to consider and approve the issuance and allocation of the warrants to buy ordinary shares for ESOP because the proxy issued to the shareholders in the Extraordinary General Meeting of Shareholders No. 1/2011 for considering thereof has some errors, which are differed from the notification of the Securities and Exchange Commission; thus, it deems appropriate to propose the Shareholders' Meeting to reapprove this matter and prepare all required documents in a correct manner for an issuance and allocation of warrants to buy ordinary shares of the Company to its directors, management and/or employees according to ESOP No. 2 ("TLUXE-ESOP2") in the amount of 19,000,000 units (nineteen million units) with no consideration at the rate of 1 warrant unit per 1 ordinary shares at the exercise price of Baht 2.50 (two Baht and fifty Stang). The objective of this issuance is to have the employees participating in the ownership of the Company, to give incentives to the Company's directors and employees who have high performance, diligence and dedication to their works, to increase motivation to managements and employees in performing their works and to encourage persons with high efficiency to work in long term with the Company, which could cause a good performance to the Company's business operation in future. The preliminary details of such warrants to buy the Company's ordinary shares under ESOP are shown in Schedule 1.

Granted the power to the Board of Directors and/or remuneration committee and/or authorized directors and/or persons designated by the Board of Directors or the authorized directors to consider, set, amend and revise conditions and other details for issuance and allocation of such warrants, e.g. date of issuance of the warrants, allocation of the warrants, etc., to execute any relevant documents and to do any acts or things necessary and proper in connection with the issuance and allocation of the warrants, including but not limited to providing information or submitting documents/evidence to the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand, Thailand Securities Depository Co., Ltd, Ministry of Commerce or other relevant authorities, as well as to register and list the ordinary shares arising from exercising rights of the warrants with the Stock Exchange of Thailand.

4. That an Annual General Meeting of Shareholders No. 1/2011 will be held on 22 April 2011 from 13.30 P.M. at Thai Luxe Enterprises Public Co., Ltd. No. 62-62/1 Moo 2, Utapau Road, Nongchumpol, Kaoyoi, Petchburi . The agenda for the meeting will be as follow:

1. To certify the minutes of the Extraordinary General Meeting of Shareholders 2/2011 which was held on 16 February 2011.
2. To certify the company's annual report and the board of directors report for year 2010.
3. To approve the company's balance sheets, profit and loss statements, and cash flow statements as at 31 December 2010.
4. To consider dividend payments for year 2010 operational results.
5. To appoint new directors to succeed those completing their terms, and fix their remuneration for year 2011.
6. To appoint an auditor and fix the auditing fee for year 2011.
7. To consider and approve an issuance and allocation of the warrants to buy ordinary shares for ESOP.
8. To consider other issues (if any)

The Company shall distribute the documents related to the Annual General Meeting of Shareholders No. 1/2011 prior to the date of the meeting by posting on the Company website at www.thailuxe.com.

5. Resolved to specify the name list of shareholders who are eligible to attend the Annual General Meeting of Shareholders No. 1/2011 on March 10, 2011 and gather the name list according to Section 225 of the Securities and Stock Exchange Act B.E. 2535 by way of closing the registration book on March 11, 2011.

6. Resolved to specify the name list of shareholders who are eligible to receive the dividend on March 10, 2011 and gather the name list according to Section 225 of the Securities and Stock Exchange Act B.E. 2535 by way of closing the registration book on March 11, 2011, whereby the dividend payment rate shall be the same; provided, however, that the rights granted as aforesaid of the Company remain uncertain subject to an approval of the Annual General Meeting of Shareholders No. 1/2011 convened on April 22, 2011. The dividend payment date will be on May 20, 2011.

Yours faithfully,

(Mr. Anurot Seneepakonkai)
Chairman

**Details of the Warrants to purchase the ordinary shares of the Company of
Thailuxe Enterprises Public Company Limited
for directors, management and employees of the Company under ESOP program #2**

1. Objectives and necessities of offering the Warrants
 - 1.1 To have the employees contributing to the Company as owners
 - 1.2 To reward the employees who perform their duties with the best of their abilities for the best interest of the Company
 - 1.3 To motivate the employees and enhance their spirit and loyalty in their performance for the Company
 - 1.4 To keep all capable and efficient personnels with the Company on a long-term basis. This would also be beneficial to the Company' performance and business operation in the future.

2. Preliminary details of warrants to purchase the Company's ordinary shares ("Warrants")

Type of Warrants	of	Right to purchase ordinary shares of Thailuxe Enterprises Public Company Limited ("TLUXE" or "the Company") under ESOP program #2
Category of Warrants	of	Named and non-transferable, except transferring by heritage or transferring to inheritance or heir/heirress in case of death
Amount of Warrants offered	of	Not greater than 19,000,000 units (Nineteen Million units)
Offering price		None (THB 0 per unit)
Offering period		Within 1 year from the date on which the Meeting of Shareholders approve for this Warrant offering. The Board of Directors and/or the authorized directors and/or the Compensation Committee and/or the person(s) entrusted by the Board or the authorized directors shall consider and determine the conditions and details thereafter.
Tenor of Warrants	of	4 years from the issuance date of the Warrants
Allocation method		Allocate to the directors, management and employees of the Company who holds the position of a director, management and employee of the Company as at the date of Warrants offering pursuant to the rules stipulated by the related SEC announcement without the sub-buyer of Securities as follows: <ol style="list-style-type: none"> 1. Allocate the Warrants not greater than 8,000,000 units for directors and managements of the Company. 2. Allocate the warrants not greater than to 11,000,000 units for employees of the company. However, there shall no any management and/or employees of the Company are eligible to be allocated the amount of Warrants in excess of 5% of total Warrants to be issued and offered this time. In addition, said Warrants shall have the remaining maturity as same as Warrants issued under ESOP program.
No. of new ordinary shares reserved for		Not greater than 19,000,000 shares (par value of THB 1.00 each), which accounts for 4.99% of the paid-up shares of the Company as at 12 November 2010.

<p>exercise of Warrants</p> <p>issuance and offering date</p> <p>Exercise ratio</p> <p>Exercise price</p> <p>Exercise Period</p>	<p>The Board of Directors and/or the Compensation Committee is authorized to determine the Warrants issuance and offering date after the Company has been granted approval from the Meeting of Shareholders.</p> <p>1 unit of Warrant will be entitled to purchase 1 newly-issued ordinary share (subject to change in case of the adjustment to the terms and conditions)</p> <p>THB 2.50 per share which is higher than the market price, which is calculated based on the weighted average closing price of the Company's shares traded on the Stock Exchange 15 consecutive trading days prior to the approval of the Company's Board of Directors No. 4/2010 dated 12 November 2010 equal to THB 3.21 per share (except in case of the adjustment to the terms and conditions).</p> <p>Warrants' holders shall be able to exercise the Warrants after 24 months or 2 years from the issuance date. Warrants' holders shall exercise the Warrants between 9.00 a.m. and 3.00 p.m. of the last business day of March and September through the maturity date (The Board of Directors and/or the Compensation Committee is authorized to determine the first exercise date). Exception of the last exercise, the intention for the last exercise date shall be made by 15 business days prior to the last exercise date which is 4 years from the issuance date ("the last exercise date"). If the last exercise date is the Company's holiday, the last exercise date shall be changed to the prior business day.</p>
	<p>The Board of director and/or the Compensation Committee may allow the Warrants' holders to exercise before the warrant expiration date, in case the occurrence of special circumstance such as termination of the employment.</p>
<p>Last period of declaration of intention to exercise Warrants</p> <p>Meeting of Warrants' holders</p> <p>Secondary market of Warrants</p> <p>Rights and Interests other than those normal rights and interests from ordinary shares</p> <p>Conditions</p>	<p>At least 15 business days prior to the last exercise date</p> <p>The Board of Directors may state the terms and conditions of Warrants so long as it is not contradictory to the relevant law.</p> <p>The Company has no intention to register the Warrants on the Stock Exchange of Thailand but the Company will apply for listing the newly-issued ordinary shares from the exercise of the Warrants on the Stock Exchange of Thailand.</p> <p>None. The ordinary shares to be issued pursuant to the exercise of this Warrant shall have the same rights and status as all other previously issued ordinary shares of the Company in all respects.</p> <p>The Company shall adjust the exercise price and exercise</p>

concerning the adjustment of the exercise ratio and exercise price

ratio throughout the maturity of Warrants to ensure that the benefits of Warrants' holders are no less favorable in the event of the following:

1. When the Company changes the par value of the ordinary shares due to a consolidation or split of the ordinary shares in issue.
2. When the Company offers newly-issued ordinary shares at a lower price than 90% of price calculated based on the market price at the time or prior to offering new shares and the calculation method shall be the same as stated in the Warrants Covenants.
3. When the Company offers newly-issued convertible debentures or Warrants by which the price of new shares reserved for such debenture conversion or Warrants exercise is lower than 90% of price calculated based on the market price at the time or prior to offering new issues and the calculation method shall be the same as specified in the Warrants Covenants.
4. When the Company pays all or partial dividend payment as new shares to shareholders.
5. When the company pays cash dividend that exceeds payment ratio as stated in the Warrants Covenants.
6. When there is other similar events as mentioned in 1 to 5 above that may impair benefits of Warrants' holders.

Accordingly, the Board of Directors and/or the authorized directors and/or the person(s) entrusted by the Board or the authorized Directors is authorized to consider the conditions and other details, related to adjustment or changes in the exercise ratio and the exercise price

Warrants registrar
Condition in case of unexercised Warrants
Assistance from the Company in respect of sources of funds for directors, management and employees of the Company
Other conditions

Thailuxe Enterprises Public Company Limited

The Company will discard all of the Warrants that remain unexercised.

None

The Board of Directors and/or the Compensation Committee and/or the authorized directors and/or the person(s) entrusted by the Board or the authorized Directors is authorized to determine criteria, terms and conditions, and other details related to the Warrants. Said person(s) shall also be empowered to negotiate and sign in any relevant documents and agreements and perform any other necessary actions related to the Warrants including the issuance and offering, listing the reserved ordinary shares from the exercise of Warrants on the SET, as well as to proceed for the necessary approval

from relevant authorities.

3. Terms and conditions for allocation and exercise of the Warrants

3.1 Terms and conditions for allocation

3.1.1 Allocated person(s) shall be acting as the Company's directors, management, and employees on each date of offering Warrants.

3.1.2 The number of Warrants to be allocated by the Board of Directors and/or the Compensation Committee to each of the directors, management and employees of the Company will not necessarily be the same number but may be varied depending upon the position, years of service, work experience, work efficiency, working performance, and potential as well as distinguished ability to provide benefits to the Company.

The Compensation Committee is comprised of the following persons:

1. Mr. Anurot Seneepakonkai
2. Mr. Rojphan Seneepakonkai
3. Dr. Thomas Roy Wilson

The Board of Directors has authorized to appoint others to be member of the Compensation Committee as deemed appropriate.

3.2 Exercise restrictions

3.2.1 Warrants' holders shall be able to exercise the Warrants after 24 months or 2 years from the issuance date. Warrants' holders shall exercise the Warrants between 9.00 a.m. and 3.00 p.m. of the last business day of March and September through the maturity date.

3.3 Terms and conditions for exercise the right.

3.3.1 Warrants' holders who can exercise their rights to purchase the Company's ordinary shares must be directors, management and employees of the Company as at the exercise date with the exception as stated in Clause 3.3.2.

3.3.2 The exception cases are as follows:

3.3.2.1 In the case that the employment status of Warrants' holders as a director, management and employee of the Company is terminated by reasons of death, disappearance, disability or inability to keep up with work, the heir or the Estate Administrator of heir of directors, management and employees of the Company may exercise the rights to purchase the ordinary shares under the Warrants within the earlier of the following periods:

- (a) Within the remaining life of the relevant Warrants; or
- (b) Within 1 year from the terminated status date of acting as directors, management and employees of the Company.

Unless the Company's Board of Directors approve an extension of such exercise period under (b) above which in any case shall not exceed the maturity date of the relevant Warrants.

3.3.2.2 In the case that the employment status of Warrants' holders as a director, management and employee of the Company is terminated by reasons of retirement, termination of duty, the Warrants' holders shall still be entitled to all of its rights under the Warrants in all respects.

3.3.2.3 In the case that the employment of those Warrants' holders has been transferred to an affiliate as may be determined by the Board of Directors or other entity as approved by the Board of Directors, the Warrants' holders shall still be entitled to all of its rights under the Warrants in all respects

Provided further that the rights to purchase the ordinary shares under the Warrants which has not been exercised within that specified time in clause 3.3.2.1 to 3.3.2.3 shall be terminated and the Warrants' holders shall have no claims against the Company.

3.3.3 Unless the Board of Directors has a different resolution, for the case of resignation or ceasing to be a director, management and employee of the Company for whatever reasons apart from what is stated in 3.3.2, such Warrants' holders may not exercise the remaining rights from the effective date of termination. Those Warrants shall be expired forthwith, whereby the Warrants' holders shall have no right to make any claims.

- 3.3.4 After the last exercise date, if the Warrants' holders do not exercise their rights, those remaining Warrants shall be deemed invalid and shall no longer be exercisable, whereby the Warrants' holders shall have no right to make any claims.
- 3.3.5 In other cases apart from the above mentioned, it shall be under the judgment of the Board of Directors and/or the Compensation Committee who is in charge of the committee in allocation of Warrants under ESOP program.
- 3.4 Assistance from the Company in respect of sources of funds for directors, management and employees of the Company or the transferee.
-None-

3.5 Adjustment of Right

The Company will make an adjustment of the exercise ratio and the exercise price in accordance with the Notification of the Office of the Securities and Exchange Commission No. Tor. Jor. 34/2008 Re: the request for permission and approval for the offering of Warrants, for rights to purchase newly-issued shares and new ordinary shares issued to reserve for the exercise of Warrants dated 15 December 2008 or any other notification substituting it and any other relevant rules and regulations.

- 3.6 Warrants' holders shall be responsible for payment of tax and duties under the Revenue Code or any other applicable laws in relation to sale or transfer or the exercise of the rights to purchase the ordinary shares pursuant to the Warrants.
- 3.7 Warrants to be issued and offered to directors, management and employees of the Company shall be subject to rules and regulations pursuant to the Notification of the Office of the Securities and Exchange Commission No. Tor. Jor. 32/2008 Re: Offering of New Securities to Directors or Employees dated 15 December 2008 or any other notification substituting it and any other relevant rules and regulations.
- 3.8 Ordinary shares issued pursuant to the exercised Warrants issued this time shall have the same rights and status as all other previously issued ordinary shares of the Company in all respects.

4. List of the Board of Directors who is eligible to be allocated Warrants and the no. of allotted Warrants by each director, which is pursuant to the Proposal of the Compensation Committee.

Name	Position	Total allotted ESOP Warrants	% of total of ESOP Project
Mr. ANUROT SENEERAKONKAI*	Chairman / President	900,000	4.74%
Mr. PHIPHAT NONTANATHORN	Chairman of the Audit Committee	600,000	3.16%
Mr. SAJJA SUKSONG	Chairman of the Compensation Committee	600,000	3.16%
Miss ARPHA SENEERAKONKAI *	Director	500,000	2.63%
Mr. Chang Ying Fu	Director	450,000	2.37%
Mr. Wu Yu Ting	Director	500,000	2.63%
Mr. JALAN JETANALIN	Director	500,000	2.63%
Mr. SAKRIN CHUSAKTRAKUL	Independent Director	500,000	2.63%
Mr. SOMPHORN WANKIJCHAROEN	Independent Director	500,000	2.63%
Mr. Liu Ping Shung	Independent Director	500,000	2.63%
Mr. ROJPHAN SENEERAKONKAI *	Director	450,000	2.37%

Name	Position	Total allotted ESOP Warrants	% of total of ESOP Project
Mr. THOMAS ROY WILSON *	Director	500,000	2.63%
Total		6,500,000	34.21%

Remark: * Director who is a member of the Executive Board of Directors.

5. List of management and employees of the Company who are eligible to be allocated Warrants in excess of 5% of the total Warrants to be issued and offered this time

There will be no any management and employees entitled to be allocated Warrants in excess of 5% of the total Warrants issued.

6. Effects on the shareholders as a result of this issuance and offering of warrants to directors, management and employees of the Company as follows:

Due to the Company has a resolution to issue (1) Warrants to purchase the Company's ordinary shares, (2) Warrants to purchase the Company's ordinary shares under ESOP program and (3) newly issued ordinary shares for Taiwan Depository Receipts: TDRs simultaneously. As a result, the effects to shareholders can be categorized into 4 cases as follows:

Case 1) Issuing and offering right offer of Warrants to purchase ordinary shares of the Company to directors, management and employees of the Company under ESOP program only.

Case 2) Issuing and offering right offer of Warrants to purchase ordinary shares of the Company to existing shareholders and issuing and offering Warrants to purchase the Company's ordinary shares to directors, management and employees of the Company under ESOP program simultaneously.

Case 3) Issuing and offering right offer of Warrants to purchase ordinary shares of the Company to directors, management and employees of the Company and issuing ordinary shares for TDRs simultaneously.

Case 4) Issuing and offering right offer of Warrants to purchase ordinary shares of the Company to existing shareholders, Warrants to purchase the Company's ordinary shares to directors, management and employees of the Company under ESOP program and newly issued ordinary shares for TDRs simultaneously.

6.1 Control Dilution

Control dilution can be calculated by the following formula

$$\text{Control Dilution} = 1 - [Q_0 / (Q_0 + Q_n)]$$

By

Q_0 = The number of existing shares which are equal to 380,451,520 shares

Q_n = The additional number of shares from the right offering and the exercise of Warrants which can be separated into 4 cases as follows:

Case 1) $Q_n = Q_{w1}$

Case 2) $Q_n = Q_{w1} + Q_{w2}$

Case 3) $Q_n = Q_{w1} + Q_t$

Case 4) $Q_n = Q_{w1} + Q_{w2} + Q_t$

Bt

Q_{w1} = The number of newly-issued ordinary shares accommodated for the ESOP Warrants, which is equal to 19,000,000 shares

Q_{w2} = The number of newly-issued ordinary shares accommodated for the Warrants, which is equal to 169,000,000 shares

Qt = Newly-issued ordinary shares for issuing Taiwan Depository Receipts: TDRs, which is equal to 50,000,000 shares

Effect on Control Dilution

After Issuing and Offering right offer of Warrants to purchase ordinary shares of the Company to directors, management and employees of the Company and whole amount of Warrants shall be exercised, the Control Dilution will be as follows:

	Case 1	Case 2	Case 3	Case 4
In case there is no Warrants issued to the existing shareholders	4.76%		15.35%	
In case there is Warrants issued to the existing shareholders				
1. The whole amount of Warrants shall be exercised by the existing shareholders.		3.34%		11.16%
2. The whole amount of Warrants shall be exercised by the non-existing shareholders.		33.07%		38.48%

- (1) In case of all ESOP Warrants shall be exercised, the existing shareholders will be affected by control dilution equal to 4.76%.
- (2) In case of all ESOP Warrants shall be exercised and there is the issuing and offering right offer of Warrants to purchase ordinary shares of the Company to existing shareholders simultaneously and the whole amount of Warrants shall be exercised by the existing shareholders, the existing shareholders will be affected by control dilution equal to 3.34%.
- (3) In case of all ESOP Warrants shall be exercised and there is the issuing and offering right offer of Warrants to purchase ordinary shares of the Company to existing shareholders simultaneously and the whole amount of Warrants shall be exercised by the non-existing shareholders, the existing shareholders will be affected by control dilution equal to 33.07%.
- (4) In case of all ESOP Warrants shall be exercised and there is the issuing and offering shares for TDRs simultaneously, the existing shareholders will be affected by control dilution equal to 15.35%.
- (5) In case of all ESOP Warrants shall be exercised and there is the issuing and offering shares for TDRs and right offer of Warrants to purchase ordinary shares of the Company to existing shareholders simultaneously and the whole amount of Warrants shall be exercised by the existing shareholders, the existing shareholders will be affected by control dilution equal to 11.16%.
- (6) In case of all ESOP Warrants shall be exercised and there is the issuing and offering shares for TDRs and right offer of Warrants to purchase ordinary shares of the Company to existing shareholders simultaneously and the whole amount of Warrants shall be exercised by the non-existing shareholders, the existing shareholders will be affected by control dilution equal to 38.48%.

6.2 Price Dilution

Price Dilution can be calculated by the following formula;

$$\text{Price Dilution} = (P_o - P_n)/P_o$$

By

P_o = Weighted average market price 15 days prior to the Board of Directors' Meeting dated 12 November 2010 (during 21 October 2010 - 11 November 2010) which is equal to THB 3.21 per share (par value of THB 1.00 per share)

- Pw1 = Exercise price of the ESOP Warrants at THB 2.50 per share
Pw2 = Exercise price of the Warrants offered to the existing shareholders at THB 2.50 per share
Pt = The sale price shall not be lower than 90% of the weighted average price of the Company's ordinary shares selling in the Stock Exchange of Thailand during the period of 15 business days prior to the date of the Board of Directors' meeting convened for approving such sale price

By which Pn can be separated into 4 cases as follows:

Case 1) $P_n = (P_oQ_o + P_w1Q_w1) / (Q_o + Q_w1)$

Case 2) $P_n = (P_oQ_o + P_w1Q_w1 + P_w2Q_w2) / (Q_o + Q_w1 + Q_w2)$

Case 2) $P_n = (P_oQ_o + P_w1Q_w1 + P_tQ_t) / (Q_o + Q_w1 + Q_t)$

Case 4) $P_n = (P_oQ_o + P_w1Q_w1 + P_w2Q_w2 + P_tQ_t) / (Q_o + Q_w1 + Q_w2 + Q_t)$

Effect on Price Dilution

After Issuing and Offering right offer of Warrants to purchase ordinary shares of the Company to directors, management and employees of the Company and whole amount of Warrants shall be exercised, the Price Dilution will be as follows:

Case 1	Case 2	Case 3	Case 4
1.05%	7.29%	N/A	N/A

In case 3) and 4), the effects from Price Dilution cannot be calculated due to there is no specific price of TDRs.

6.3 Earnings Dilution

Earnings dilution can be calculated by the following formula

Earnings = $(EPS_o - EPS_n) / EPS_o$

By

$EPS_o = \text{Net profit} / Q_o$

$EPS_n = \text{Net profit} / (Q_o + Q_n)$

By which Qn can be separated into 4 cases as follows:

Case 1) $Q_n = Q_w1$

Case 2) $Q_n = Q_w1 + Q_w2$

Case 3) $Q_n = Q_w1 + Q_t$

Case 4) $Q_n = Q_w1 + Q_w2 + Q_t$

Effect on Earnings Dilution

After Issuing and Offering right offer of Warrants to purchase ordinary shares of the Company to directors, management and employees of the Company and whole amount of Warrants shall be exercised, the Earning Dilution will be as follows:

Case 1	Case 2	Case 3	Case 4
4.76%	33.07%	15.35%	38.48%

7. Rights of shareholders in opposition to the issuance and offering of Warrants

The issuance and offering of Warrants to directors, management and employees of the Company shall be approved by the Meeting of Shareholders with votes of not less than three quarters of all votes of shareholders attending the meeting and having the right to vote and must not be opposed by shareholders with an aggregate number of shares exceeding 10 percent of all votes of shareholders attending the meeting.

8. Other terms

The Board of Directors and/or the Compensation Committee has the authority to rectify, add or cancel the criteria, terms and other details regarding the Warrants as deemed appropriate to be in accordance with the related law, notification, and regulation.

