

## Information Memorandum

Description, conditions and major characteristics of Warrants of KCE Electronics Public Company Limited No.2 (“KCE-W2”) are presented as follows:

Listing Date	As of 24 July 2013 (Trading commenced on 24 July 2013)
Type of Securities	Warrants to purchase ordinary shares of KCE Electronics Public Company Limited No.2 (“KCE-W2”) allocated to the existing shareholders at the ratio of 4 existing shares to 1 unit of warrant (any fraction of shares remaining shall be disregarded). The record date to determine the list of shareholders who is eligible for the allotment of warrants was on May 9, 2013 and the closing date of share register book to collect the list of shareholders under Section 225 of the Securities and Exchange Act B.E. 2535 (amended in B.E. 2551) was on May 10, 2013.
Secondary Market	SET
Number of Warrants	115,244,921 units
Underlying Shares	115,244,921 shares (par value at THB 1.00 per share)
Issuer	KCE Electronics Public Company Limited (“the Company”)
Rights of Warrants	1 unit of KCE-W2 has the right to purchase 1 ordinary share of the Company at the exercise price of Baht 5.00 per share. However, exercise right and/or ratio may be adjusted according to the conditions of the adjustment of exercise price and/or exercise ratio.
Type of Warrants	Registered and transferable
Term of Warrants	3 years from the issuing date of KCE-W2 on June 20, 2013. The Last Exercise Date shall be on the 3-year maturity date of the warrants which shall be between June 1 – 19, 2016 (KCE-W2 shall be delisted from the SET on the following day). Since the last two days of the final exercise period, which is on June 18 – 19, 2016 will fall on the SET’s holiday, however, the KCE-W2 Holders will still be able to exercise KCE-W2 by notifying their intention within 15 days prior to the first date of the final exercise period which is on June 1, 2016 by following the exercise procedures as described.
Offering Price	0 Baht per unit

Distribution of warrants as of June 17, 2013

	No. of warrant holders	No. of warrant	% of warrants to be listed this time
<b>1. Warrant holders :</b>			
1.1 Director, manager, and management including their related and associated parties	20	49,251,795	42.74
1.2 Warrant holders who hold more than 5%, including their related persons	1	6,748,100	5.85
1.3 Controlling Shareholders	-	-	-
<b>2. Minority warrant holders who hold more than 1 trading unit</b>	<b>3,837</b>	<b>59,236,217</b>	<b>51.40</b>
<b>3. Minority warrant holders hold less than 1 trading unit</b>	<b>270</b>	<b>8,809</b>	<b>0.01</b>
<b>Total warrant holders</b>	<b>4,128</b>	<b>115,244,921</b>	<b>100.00</b>

Remark : 1 Trading unit = 100 warrants

Major holders of warrant as of June 17, 2013

	Name	No. of warrants	% of warrants to be listed this time
1	Group " Ongkosit" <sup>1</sup>		
	- Mr. Bancha Ongkosit	14,400,595	12.50
	- Mrs. Voraluksana Ongkosit	7,613,200	6.61
	- Mr. Athasidh Ongkosit	5,424,725	4.71
	- Mr. Pitharn Ongkosit	5,363,625	4.65
	- Miss Chutinard Ongkosit	4,751,325	4.12
	- Mrs.Chantima Ongkosit	1,195,550	1.04
2	HSBC (SINGAPORE) NOMINEES PTE LTD	6,748,100	5.85
3	Mr. Panja Sanadisai	5,423,350	4.71
4	THAI NVDR CO., LTD. <sup>2</sup>	3,424,519	2.97
5	Mr. Apisak Theppadungporn	3,042,500	2.64
6	Miss Praphakorn Manasil	2,565,000	2.23
7	Mr. Not Krekritwanich	2,443,987	2.12
8	CLEARSTREAM NOMINEES LTD	2,418,517	2.10
9	Miss Rossarin Sirithana	2,171,600	1.88
10	Mrs. Siriphan Suntanaphan	1,451,225	1.26
11	Mr. Pichai Wichakkaphan	1,438,150	1.25
12	STATE STREET BANK AND TRUST COMPANY	1,298,750	1.13

	Name		No. of warrants	% of warrants to be listed this time
13	Mr. Sophon	Mitrphanpanich	1,253,750	1.09
14	Miss Thanya	Tiensiriyakanon	1,109,325	0.96
15	Mrs. Ubol	Chiramongkol	922,650	0.80
16	RAFFLES NOMINEES (PTE) LIMITED		754,504	0.65
17	Miss Joubjan	Pirhompakdee	715,625	0.62
18	Lt.Gen. Suprija	Mokkhavesa, MD	652,850	0.57
19	Miss Pompirhom	Pirhompakdee	623,325	0.54
20	Mr. Mahithorn	Pongsarat	612,500	0.53
21	Mr. Kriengkrai	Prasongsukan	592,300	0.51
<b>Total</b>			<b>78,411,547</b>	<b>68.04</b>

Remark : 1. categorized warrant holders under the same group into one particular group (i.e. similar last name)

2. The major holder of such Thai NVDR is MAYBANK KIM ENG SECURITIES PTE. LTD. at 990,625 units, representing 0.86%.

**Registrar** Thailand Securities Depository Co., Ltd. ("TSD")

**Receiving Agent for the Exercise Warrants** KCE Electronics Public Company Limited

### Exercise Right of Warrants

#### 1. Notification Period for the Exercise of Warrant

- *Notification period of each exercise date (except for the final exercise date)*

The KCE-W2 Holders who intend to exercise their rights to purchase the Company's ordinary shares shall notify their intention within 5 business days prior to the first date of each exercise period which shall be on the 1st of March, June, September and December each year during 10.00 a.m. to 4.00 p.m. and shall follow the procedures to exercise warrant as described in Section 4 of terms and condition of KCE-W2.

The Company will inform the KCE-W2 Holders on the notification period, the exercise ratio and the exercise price through the information service system of the SET not less than 5 business days prior to each notification period.

- *Notification period of the final exercise date*

The warrant holders of KCE-W2 who intend to exercise their rights to purchase the Company's ordinary shares shall notify their intention within 15 days prior to the first date of the final exercise period which shall be on June 1, 2016 during 10.00 a.m. to 4.00 p.m. and shall follow the exercise procedures as described in Section 4 of terms and condition of KCE-W2.

The Company shall send a notice by registered mail to all of KCE-W2 Holders whose names appeared in the KCE-W2 Register Book on the closing date which shall not be less than 21 days before the maturity date. In addition, during such 21 day period before the maturity date, the Company shall notify to the SET to suspend the trading of KCE-W2 (or the SP sign shall be posted by the SET) provided that the SET shall post the SP sign 3 days prior to the closing date of KCE-W2 Register Book until the last day of final exercise period.

## 2. Exercise Date of Warrant

- Exercise date of warrant (except the final exercise date)

KCE-W2 Holders can exercise their rights on 1 – 10 of March, June, September and December each year. In this regards, the first exercise period shall be during September 1 – 10, 2013. In case that the Exercise Date falls on the SET's holiday, the Exercise Date shall be moved to the next business day.

- Final exercise date of warrant

KCE-W2 Holders can exercise the right to purchase the Company's ordinary shares during the date falling the third anniversary of the issuing date of warrant; which shall be during June 1 – 19, 2016. In this regards, the last two days of the final exercise period between June 18 – 19, 2016 will fall on the SET's holiday, however, the KCE-W2 Holders will still be able to exercise KCE-W2 by notifying intention within 15 days prior to the first date of the final exercise period which is on June 1, 2016.

### Exercise of warrants Procedures

#### 1. Persons and Place to exercise warrants

Accounting and Finance Department  
KCE Electronics Public Company Limited  
125-125/1,1 Moo.4, Lat Krabank Industrial,  
Chalongrung Road, Lumplatew, Lat Krabank, Bangkok  
Tel. (662) 326-0199  
Fax. (662) 326-0300

#### 2. Exercise Procedures

The KCE-W2 Holders who intend to exercise their rights to purchase the ordinary shares shall comply with the following conditions and procedures:

- (1) The KCE-W2 Holders who intend to exercise the right must accurately complete and sign the notification form (in case of a juristic person, the notification form must be signed by the authorized person(s) of such juristic person with company seal (if applicable)) and submit the form together with warrant certificates of KCE-W2 or substitute document and the following documents:

- Thai individual: A certified true copy of the valid 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 true copy of his/her house registration is also required, and in case of child, the parents' confirmation letter together with a certified true copy of the identification card of parents and a certified true copy of the house registration containing the child's name are also required.
- Foreign individual: A certified true copy of the alien certificate or passport.
- Juristic Person Incorporated in Thailand: A copy of the Affidavit issued by the Ministry of Commerce not more than 6 months prior to the exercise date, certified by the authorized person(s) of such juristic person and affixed with the seal of the juristic person (if any) together with a certified true copy of the valid identification card, civil servant identification card, state enterprise employee (in the case of civil servant and state enterprise employee identification card, a certified true and correct copy of the house registration is also required). In the case where authorized person is non-Thai, a certified true and correct copy of the alien certificate or passport (as the case may be) is also required.
- Juristic Person Incorporated outside Thailand: Copies of the Certificate of Incorporation, Memorandum of Association, and Affidavit, issued not more than 12 months prior to the exercise date, certified by the authorized person(s) of such juristic person and affixed with the seal of the juristic person (if any) together with a certified true copy of alien certificate or passport (as the case may be) of such authorized person(s) of such juristic persons.

Copies of documents referred to above which were certified true and correct shall be notarized by the notary public and legalized by the official at the Thai embassy or Thai Consul of the country where the documents as such were prepared or certified true and correct. The notarization and legalization as such shall be done within 12 months prior to the maturity date.

As for KCE-W2 in the form of scriptless, any holder thereof wanting to exercise its right to purchase the ordinary share of the Company shall express its intention and fill out the form for a revocation of KCE-W2 or an issuance of the replacement certificate of KCE-W2 or KCE-W2 as required by the TSD by submitting the same to the securities company acting as its broker and the securities company shall notify the TSD to revoke the warrant certificate of KCE-W2 and the revocation as such shall be used as evidence to purchase the ordinary share of the Company for the exercise of right as provided.

- (2) The KCE-W2 Holders shall submit the completed application and comply with the conditions as prescribed in the "Exercise of Warrants Procedures" and follow the conditions as prescribed in "Exercise Right of Warrant"

- (3) The number of share purchased from the exercise right of warrant should be an integer number while 1 unit of warrant has the right to purchase 1 ordinary share of the Company except for the case of an adjustment of the exercise ratio.
- (4) Payment should be made in whole of the exercise amount as specified in the notification form. The payment can be made in form of cash, transfer, personal cheque, draft, or cashier cheque (Bank cheque). In case payment is made by personal cheque, draft or cashier cheque, such personal cheque, draft or cashier cheque (Bank cheque) must be collectable in cash in Bangkok when called within 1 business day from each notification date. Cheque, draft, or cashier cheque (Bank cheque) must be crossed cheque payable to "KCE Electronics Public Company Limited for Share Subscription", saving account number 167-2-25541-9, The Siam Commercial Bank Plc., Lad Krabang Industrial Estate branch. KCE-W2 Holders shall also write their names, address, and telephone numbers on the back of personal cheque, draft, or cashier cheque (Bank cheque). The exercise of warrant is complete upon the collection of payment to the Company.
- (5) KCE-W2 Holders shall be responsible for duty stamp or other related tax. KCE-W2 Holders shall also comply with any regulations or other laws that govern the exercise the right of warrant for new ordinary share.
- (6) If the Company does not receive warrant certificates at the amount specified in the notification form or does not receive the payment in an amount equal to the amount as specified in the notification form or finds that information filled in the notification form is inaccurate or incomplete or does not receive a proper amount of duty stamp required by laws, the Company will allow KCE-W2 Holders to correct such errors within each exercise date. Otherwise, the notification of intention to exercise the right of warrants shall be deemed to expire without exercise and the Company shall refund the exercise amount without any interest together with warrant certificate or temporary warrant certificate by registered mail within 14 days from each exercise date. However, the KCE-W2 Holders can re-submit the notification form on the next exercise date, except for the final exercise date on which the rights to exercise is expired and cannot be exercised later.

If the warrant holder does not pay the exercised amount or duty stamp in full, the Company reserves its right to proceed with one of the following alternatives as it sees fit:

- (a) Deem that the notice of intention to exercise the right of warrant shall have been nullified without any exercise of right as such; or
- (b) Deem that the number of shares subscribed is equivalent to the corresponding number of shares which could have been purchased by the amount paid to the Company at the prevailing exercise price; or

- (c) Demand the warrant holder to make payment for the balance of the exercise amount due for payment within the notification period. If the Company does not receive a payment (representing the balance of the exercise amount and/or the unpaid tax) within such period in full, it shall be deemed that the notice of intention to exercise the right of warrant shall have been nullified without any exercise of right as such.

In case of a) or c) (for the case that warrant holder does not pay the remaining balance) occurs, the Company shall refund the exercise amount without any interest together with warrant certificate or replacement warrant certificate by the registered mail within 14 days from the date following each exercise date. In case of b), the Company shall notify the KCE-W2 Holders regarding their exercised amount as deemed as partial exercise and send the unexercised warrant by the registered mail within 30 days from the date following each exercise date. However, the unexercised warrant certificate is valid until the final exercise date.

- (7) When the KCE-W2 Holders has fully complied with the conditions as prescribed in the notification form by deliver all of the evidence representing the amount of warrants that they have allotted and the complete and accurate notification form together with a payment, the intention to exercise the right of warrants cannot be cancelled unless a written consent from the Company is obtained.

- (8) Upon a lapse of the last day for the exercise of right, if the warrant holder of KCE-W2 still fails to exercise its right or fails to fully comply with procedures required for an exercise of right as such, it shall be deemed that the warrant of KCE-W2 has been nullified without any exercise of right and the warrant holder of KCE-W2 shall no longer be entitled to exercise its right to purchase ordinary shares of the Company.

- (9) Upon a lapse of each and any exercise date, the Company shall notify the names of new shareholders holding ordinary shares as a result of an exercise of right under KCE-W2 to the TSD who has been acting as the registrar of the Company and register such names and corresponding capital increase resulting from the exercise of warrant with the Ministry of Commerce in accordance with the corresponding number of shares newly issued as a result of the exercise right of warrants, within 14 days from the date the Company received the payment representing the exercise of right to purchase ordinary shares in full or from the maturity date.

From the date that the notification of intention to exercise the right is submitted to the date before names of KCE-W2 Holders are recorded in the share register book, the rights of the exercising KCE-W2 Holders shall be deemed as other KCE-W2 Holders who do not notify the intention to exercise the warrants.

### Adjustment of Exercise Price and Exercise Ratio

1. The Company will not extend the term nor adjust the exercise price and exercise ratio of KCE-W2, except for the case as stated in (1)-(6). In such cases, the adjustment can be made throughout the terms of warrants which shall not reduce the warrant holder's benefits in case of the occurrence of the following events;

**(1) In case the Company changes the par value of its share as a result of a division or consolidation of its issued ordinary shares**

The Company shall adjust the exercise price and exercise ratio which became effective before the effectiveness of the change in par value of the ordinary shares of the Company as such (which was effective on the date of registration of such change at the Ministry of Commerce) so that the entitlement of any holder of KCE-W2 is adjusted by and reflects the change in par value as such.

a) Exercise price shall be adjusted in accordance with the following formula;

$$\text{Price 1} = \text{Price 0} \times [ (\text{Par 1}) / (\text{Par 0}) ]$$

b) Exercise ratio shall be adjusted in accordance with the following formula;

$$\text{Ratio 1} = \text{Ratio 0} \times [ (\text{Par 0}) / (\text{Par 1}) ]$$

where; Price 1 = New exercise price after the adjustment  
Price 0 = Exercise price before the adjustment  
Ratio 1 = New exercise ratio after the adjustment  
Ratio 0 = Exercise ratio before the adjustment  
Par 1 = New par value of ordinary share after the adjustment  
Par 0 = Par value of ordinary share before the adjustment

**(2) The Company offers new ordinary shares to existing shareholders and/or to the public and/or to limited persons (a private placement) at an average price per share has a discount of more than 10% of "the Market Price of the Ordinary Shares".**

The adjustment of the exercise price and the exercise ratio shall be effective immediately on the first day that the shareholders have not obtained the right to subscribe for newly issued ordinary shares (the first day that the SET posts a "XR" sign) in the event that the offering is made to existing shareholders (a "rights issue"), and/or the first offering day of new ordinary shares to the general public, and/or the first day that has been agreed to sell and purchase new ordinary shares offering to limited persons (a private placement) (as the case may be). For the purpose of comparison, the average price of newly issued ordinary share and the Market Price of the Ordinary Shares shall be compared at the same basis of registered par value. With this regard, the average price of newly issued ordinary shares is calculated by



dividing total proceeds received from the offering (net of relevant expense, if any) by total number of newly issued shares.

"The Market Price of the Ordinary Shares" is equal to the "The Weighted Average Market Price of the Ordinary Shares". "The Weighted Average Market Price of the Ordinary Shares" is equivalent to the total trading value of the Company's issued shares traded in SET divided by the total number of shares that has been traded during 5 (five) consecutive business days of the SET (exclusive of weekend and public holiday, if any) before the Calculation Date. In case there is no trading transaction during 5 (five) consecutive business days for calculation of "The Market Price of the Ordinary Shares" as such, the Company will determine the "fair price" for such calculation instead.

"The Calculation Date" defined as the first date that the shareholders have not obtained the right to subscribe for the newly issued ordinary shares and/or convertible securities (the first day that the SET posts a "XR" sign) in the event that the offering is made to existing shareholders (a "rights issue"), the first date of public offering, and/or the first date that has been agreed to sell and purchase newly issued ordinary shares to a private placement, as the case may be. In case the offering of new shares has more than 1 offering price and subject to condition that the subscription of those shares must be made together, the net offering price shall be used for the calculation. On the other hand, in case the offering of such shares is not subject to condition that they must be subscribed together, the only portion of shares which has the offering price lower than 90% of "the Market Price of the Ordinary Shares" shall be used for the calculation.

a) Exercise price shall be adjusted in accordance with the following formula;

$$\text{Price 1} = \text{Price 0} \times [ ( (A1 \times \text{MP}) + B1X ) / ( \text{MP} \times (A1+B1) ) ]$$

b) Exercise ratio shall be adjusted in accordance with the following formula;

$$\text{Ratio 1} = \text{Ratio 0} \times [ ( \text{MP} \times (A1+B1) ) / ( (A1 \times \text{MP}) + B1X ) ]$$

- where;
- Price 1 = New exercise price after the adjustment
  - Price 0 = Exercise price before the adjustment
  - Ratio 1 = New exercise ratio after the adjustment
  - Ratio 0 = Exercise ratio before the adjustment
  - MP = "The Market Price of Ordinary Share" as specified in (2)

A1	=	Numbers of paid up ordinary shares as of the date prior to the closing date of share register book for the right to subscribe newly issued ordinary shares and/or the first date of public offering of newly issued ordinary shares and/or the first day that has been agreed to sell and purchase newly issued ordinary shares via private placement
B1	=	Total number of newly issued ordinary shares offered to existing shareholders and/or public offering and/or private placement
B1X	=	Net proceeds from the offering of newly issued ordinary shares, net of relevant expenses, if any, to existing shareholders and/or public and/or via private placement.

- (3) Company offers any newly issued securities to existing shareholders and/or the public and/or limited persons (a private placement), where such securities are convertible/changeable into ordinary shares or which provide a right to subscribe for ordinary shares (i.e. convertible debentures or warrants to purchase ordinary shares), with the average price per share of such newly issued ordinary shares reserved for such securities being has a discount of more than 10% of "the Market Price of the Ordinary Shares".

The adjustment of the exercise price and the exercise ratio shall be effective immediately on the first date the ordinary shareholders have not obtained a right to subscribe for such securities convertible/changeable into ordinary shares or which provide a right to subscribe for ordinary shares (the first day the SET posts "XW" sign in case of right issue), and/or the first date of public offering, and/or to a private placement (as the case may be).

The average price per share of newly issued ordinary shares reserved for those securities can be calculated from the net proceeds from the offering of such securities plus the money received from exercise of the rights to purchase ordinary shares (assume all securities are exercised) then divided by the total number of newly issued shares reserved for the exercise of such securities.

- a) Exercise price shall be adjusted in accordance with the following formula;

$$\text{Price 1} = \text{Price 0} \times [ ( (A2 \times \text{MP}) + B2X ) / ( \text{MP} \times (A2+B2) ) ]$$

- b) Exercise ratio shall be adjusted in accordance with the following formula;

$$\text{Ratio 1} = \text{Ratio 0} \times [ ( \text{MP} \times (A2+B2) ) / ( (A2 \times \text{MP}) + B2X ) ]$$

where: Price 1 = New exercise price after the adjustment

Price 0	=	Exercise price before the adjustment
Ratio 1	=	New exercise ratio after the adjustment
Ratio 0	=	Exercise ratio before the adjustment
MP	=	"The Market Price of Ordinary Share" as specified in (2)
A2	=	Numbers of paid up ordinary shares as at the date prior to the closing date of share register book for the right to subscribe securities convertible/changeable to ordinary shares or the first date of public offering or the first day that has been agreed to sell and purchase securities convertible/changeable to ordinary shares via private placement
B2	=	Total number of new ordinary shares reserved for the exercise of convertible/changeable securities
B2X	=	Net proceeds from the offering of securities convertible/changeable to ordinary shares of the Company to existing shareholders and/or the public and/or via private placement plus proceeds from the exercise of such securities

**(4) The Company makes a stock dividend payment (all or partial) to shareholders of the Company**

The adjustment of the exercise price and the exercise ratio shall be effective immediately on the first date that the shareholders do not have a right to such stock dividend (the first date that the SET posts a "XD" sign).

- a) Exercise price shall be adjusted in accordance with the following formula;

$$\text{Price 1} = \text{Price 0} \times \left[ \frac{A3}{A3+B3} \right]$$

- b) Exercise ratio shall be adjusted in accordance with the following formula;

$$\text{Ratio 1} = \text{Ratio 0} \times \left[ \frac{A3+B3}{A3} \right]$$

where:	Price 1	=	New exercise price after the adjustment
	Price 0	=	Exercise price before the adjustment
	Ratio 1	=	New exercise ratio after the adjustment
	Ratio 0	=	Exercise ratio before the adjustment
	A3	=	Numbers of paid up ordinary shares as of the date prior to the closing date of share register book for the right to receive stock dividend

B3 = Total number of new ordinary shares reserved for the stock dividend

(5) The Company pays cash dividends more than 60% of its net profit after tax of the consolidated financial statement of the Company for the operation of any accounting year during the term of the KCE-W2.

The percentage of cash dividend paid to the shareholders shall be calculated from the actual cash dividend paid of each accounting year divided by the net profits after tax deduction of the consolidated financial statement of the Company from the same accounting year, which shall include the payment of interim dividend within such accounting year.

a) Exercise price shall be adjusted in accordance with to the following formula;

$$\text{Price 1} = \text{Price 0} \times \left[ \frac{\text{MP} - (\text{D} - \text{R})}{\text{MP}} \right]$$

b) Exercise ratio shall be adjusted in accordance with to the following formula;

$$\text{Ratio 1} = \text{Ratio 0} \times \left[ \frac{\text{MP}}{\text{MP} - (\text{D} - \text{R})} \right]$$

where: Price 1 = New exercise price after the adjustment  
Price 0 = Exercise price before the adjustment  
Ratio 1 = New exercise ratio after the adjustment  
Ratio 0 = Exercise price before the adjustment  
MP = "The Market Price of Ordinary Share" as specified in (2)  
D = Actual dividend paid per share  
R = Dividend per share calculated by assuming the Company pays 60% of the net profit after tax divided by the number of shares that are entitled to receive dividend

The adjustment of the exercise price and the exercise ratio shall be effective immediately on the first date that the shareholders do not have a right to such cash dividend (the first date that the SET posts a "XD" sign).

(6) Upon the occurrence of any event which causes the warrant holders to lose their rights and benefits and such event is not prescribed in (1) to (5) above or in the event that market price of the Company's ordinary share is undetermined as ordinary shares are not traded in the stock market.

The Company will adjust and fix the new exercise price and/or the new exercise ratio of warrants to ensure that the rights of the warrant holders are no less favorable. The consideration will be final and the

Company will inform Securities and Exchange Commission (“the SEC”) and the SET within 15 days from the date the Company has final consideration (or within 15 days from the occurrence of event which causes the adjustment of exercise price and/or exercise ratio.)

2. The adjustment of the exercise price and the exercise ratio following (1) to (6) is independent from each other and the calculation as such shall be made in chronological order of the events in comparison with the market price of the ordinary shares of the Company. In addition, the adjustment will be made respectively to the occurrence of such events. In case that several events occur at the same time, the adjustment will be made in accordance to the following order, (1) (2) (3) (4) (5) and (6) and in each calculation for adjustment the exercise price shall remain intact at 3 decimal place for exercise and 5 decimal place for exercise ratio.
3. The adjustment of the exercise price and the exercise ratio following (1) to (6) that results in higher exercise price and/or lower exercise ratio will be disregarded, except for the consolidation of share.
4. Shall there be any fraction of share resulting from exercise of warrant in each exercise period (calculated by using 5 decimal places of new exercise ratio), such the fraction will be disregarded and/or there is fraction of Baht resulting from the multiplication between exercise price and number of shares to be subscribed (using 3 decimal places of exercise price), such fraction of money will also be disregarded. Such the cases occur, the Company shall not be responsible for any compensation.
5. In the case that the new exercise price after adjustment is lower than the par value of the Company's ordinary shares, the new exercise price shall be determined at the par value, however, the new exercise ratio shall be in accordance to the formulas prescribed in (1) to (6), as the case may be.
6. Shall the occurrence of events for warrant adjustment occur, the Company will immediately notify the adjustment of the exercise price and the exercise ratio according to (1) to (6) together with causes and details of the calculation to the warrant holders via the information service system of the SET (SET SMART/ELCID) as well as notify to the SEC within 15 day after the occurrence of such events.

#### **New Common Stock Issuance**

In case the KCE-W2 Holders exercise their right, the KCE-W2 Holders can choose either alternative provided by the Company as follows:

1. In case the KCE-W2 Holders would like the Company to issue a share certificate bearing the name of the KCE-W2 Holder, TSD will deliver a share certificate according to the entitled amount that the KCE-W2 Holders exercise their right by registered mail at the address as specified in the KCE-W2 Register Book within 15 business days from each exercise date. In this case, the KCE-W2 Holders who exercise their right to purchase ordinary shares as such may not immediately be able to sell the ordinary shares in the SET until

the receipt of those share certificates which may be received after the SET has approved the trading date of the ordinary shares as such.

2. In case the KCE-W2 Holders would like the Company to deposit the newly subscribed shares into the security trading account which the KCE-W2 Holders have opened with the securities company, TSD will deposit allotted shares in the account "Thailand Securities Depository Company Limited for Depositors" and record the number of shares in the account of such securities company. At the same time, the securities company will record the number of shares deposited by the KCE-W2 Holders and issue the evidence of deposit of the allotted shares to the KCE-W2 Holders within 7 business days from each exercise date. In this case, the KCE-W2 Holders can sell the ordinary share in the SET immediately upon the SET approves the trading date of shares.

In this case, the name of securities trading account must be the same as the KCE-W2 Holders. Otherwise, the Company reserves the right to issue a share certificate identified the KCE-W2 Holders' name as pursuant to clause 1 instead.

3. In case the KCE-W2 Holders would like the Company to deposit the newly issued ordinary shares with TSD in the issuer account number 600, The company will deposit the allotted Shares in the account "Thailand Securities Depository Company Limited for Depositors" and record the number of shares in the issuer account number 600 and issue a deposit slip to the KCE-W2 Holders within 7 business days from each exercise date. In case the KCE-W2 Holders would like to sell their shares, they have to contact the securities company acting as their broker to withdraw the shares from the issuer account number 600 and deposit them into the security trading account. In this case, the KCE-W2 Holders will be subject to a fee specified by TSD and/or the securities company. The KCE-W2 Holders can sell the ordinary share in the SET after the SET approves the trading date of shares and shares are withdrawing from the issuer account number 600.

During the period commencing from the date the KCE-W2 Holders notified their intention to exercise warrants to the day the Company completes its registration of capital increase, the Company shall treat the aforementioned KCE-W2 Holders in the same status as other KCE-W2 Holders who have not notified their intention to exercise their warrants. Such status will subsist unless and until the name of such KCE-W2 Holder is registered as a shareholder at the Ministry of Commerce following the exercise of such KCE-W2.

In the case where there is a right adjustment during the period where the Company has not yet registered the new shares (resulted from the exercise of warrants) with the Ministry of commerce, the rights of KCE-W2 Holders who had already exercised their rights will be adjusted accordingly. The Company will proceed to issue additional shares to the KCE-W2 Holders as soon as possible to ascertain that the KCE-W2 Holders

receive a number of shares as they would have received if they were to exercise warrants subsequent to the adjustment. The KCE-W2 Holders may receive the additional shares later than the ordinary shares received previously, but it shall not be later than 45 days from the date of adjustment.

**In case that the company is unable to provide shares for the exercise of warrants**

**1. Compensation to the warrant holders**

In the event that the Company is unable to provide sufficient ordinary shares for the exercise of warrants, the Company will compensate only to the KCE-W2 Holders who notify their intention to exercise their rights in each notification period and follow the prescribed procedures except in the case that are specified in the transferring restriction. The Company shall close the KCE-W2 Register Book within 30 days from the exercise date that the Company is unable to provide sufficient ordinary shares to determine the list of warrant holders. In this case, the closing of warrant register book shall not affect the trading price of warrants.

**2. Payment to the warrant holders**

The compensation that the Company agrees to compensate to the KCE-W2 Holders pursuant to the above Clause shall be made by way of crossed cheque sent by registered mail to the KCE-W2 Holders at the address specified in the notification form within 30 days after each exercise date, without interest. If the Company cannot return the money to those warrant holders within the specified period, the Company shall pay the interest of 7.5% per year calculated from the unsubscribed amount of warrants from the day beyond the 30-day period until the day the KCE-W2 Holders receive the money. However, if the Company has sent the crossed cheque by registered mail to the KCE-W2 Holders at the address as specified in the notification form correctly, it shall be deemed that the warrant holders receive their unsubscribed amount so that the warrant holders shall not have the right to claim for any interest or compensation.

**3. Calculation of the compensation**

Compensation to the warrant holders shall be calculated according to the following formula;

$$\text{Compensation per 1 unit of KCE-W2} = B * [\text{MP} - \text{Price}]$$

Where: B = Number of ordinary shares which is unable to be sufficiently allotted and/or increased according to exercise ratio of each unit of KCE-W2

MP = The weighted average market price of the Company's shares during each exercise period, in which the KCE-W2 holders have submitted the notification form to exercise the warrants.

Price = Exercise price of KCE-W2 of Baht 5.00 per share or the exercise price according to the adjustment of exercise price

## Transfer Restriction

### 1. Transfer restriction of KCE-W2

The warrant has no transferring restrictions except in case of such transferring occurs during the closing date of KCE-W2 Register Book. The Company may close the KCE-W2 Register Book for the transfer of KCE-W2 in the following condition;

- (1) For the final exercise date, the Company will close the KCE-W2 Register Book within 21 days prior to the first date of the final exercise period which shall be on June 1, 2016.
- (2) In case that the Company does not have sufficient ordinary shares for the exercise of warrant.

If the closing date of the warrant register book is not a business day of the SET, it shall be postponed to the next business day.

The transfer of KCE-W2 shall become effective upon registering such transfer in the KCE-W2 Register Book.

### 2. Transferring restrictions of the new ordinary shares resulting from the exercise of KCE-W2 in case warrant holders are foreigners

- (1) The Article of Association of the Company stated that "there is no limitation on the transfer of the Company's shares except the transfer of such shares causes the foreign share holding to exceed 49% of the company's paid-up capital". The Company reserves its right to reject any share transfer that will result in the violation of the foreign shareholding limit.

The Company reserves the right to change the Article of Association regarding the share transfer after the issue of KCE-W2. Any changes as such may affect the exercise of right under KCE-W2 only after the registration of the amendment of Article of Association with the Ministry of Commerce.

- (2) The Company shall not issue new ordinary shares to foreign KCE-W2 Holders if such issue causes foreign shareholding to violate the limit as stated in the Company's Article of Association.
- (3) If the aforementioned transfer restriction causes the foreign KCE-W2 Holders, who exercise their rights, to be unable to exercise warrants as specified in the notification form either partially or in whole, the Company shall allow the exercise of rights only for the amount that comply with the transfer restriction. For the amount of warrants that cannot be exercised due to transfer restriction, foreign KCE-W2 Holders may request the Company to act either of the followings:
  - (a) Return KCE-W2 certificates and the balance of the exercise price of KCE-W2 (which could not be exercised by a non-Thai warrant holder) without interest via registered mail within 14 days from each exercise date.
  - (b) Hold notification form, KCE-W2 certificates or substitute document, and payment for the amount of KCE-W2 which cannot be exercised in order that the Company shall be able to allow the exercise of



right to purchase ordinary shares partially or in whole when the exercise of warrant comply with the transfer restriction regarding foreign shareholding limit.

Any foreign KCE-W2 Holders shall clearly notify its to the Company to proceed with either case No.(3) a) or No.(3) b) in the notification form on the date that the KCE-W2 Holders express their intention to exercise.

- (4) The Company will allow the exercise of KCE-W2 or the substitute document, either partially or in whole, for the amount of warrants which cannot be exercised according to No. (3) b) on the first exercise date that such exercise complies with the transfer restriction. However, if the amount of KCE-W2 to be exercised during such exercise period exceeds the number of shares to be exercised according to the transfer restriction regarding foreign shareholding limit, the Company shall allow the exercise of foreign KCE-W2 Holders in the order of their express of intention on and the complete notification that the Company received of each exercise.
- (5) In case that foreign KCE-W2 Holder cannot exercise their right to purchase ordinary shares of the Company due to the foreign shareholding limit, such KCE-W2 Holder shall not have any right to any claims and the Company shall not be held liable for any damages arisen therefore in any way whatsoever.

If KCE-W2 Holder notifies the Company according to No.(3) b) and on the last exercise date such warrant holder is unable to exercise the right to purchase ordinary shares of the Company due to the foreign limit restriction, such KCE-W2 shall be deemed expire. Foreign warrant holder shall not have any right to claim and the Company will not have to pay any compensation in any cases.

Silent Period	None
Others	None
Financial Advisor	JayDee Partners Limited
Prepared By	JayDee Partners Limited