

November 15, 2021

**Subject:** Notification of the Resolution of the Board of Directors regarding the plan on the offering of newly-issued ordinary shares of Hinsitsu (Thailand) Public Company Limited (HST), which is subsidiary of the Company, by way of the initial public offering (IPO), and the listing of the HST shares on the Market for Alternative Investment (Spin-off) **(Amendment)**

**Attention:** President,  
Stock Exchange of Thailand.

**Enclosure:**

1. Information Memorandum on Disposal of Assets of Simat Technologies Public Company Limited.
2. Preliminary details of the Issuance and Offering of the Newly-Issued Ordinary Shares of Hinsitsu (Thailand) Public Company Limited to Directors, Executives, and Employees of HST and **HST's subsidiaries** (HST ESOP).

Simat Technologies Public Company Limited (the “**Company**” or “**SIMAT**”) would like to inform the Board of Directors Meeting No. 13/2021, convened on November 15, 2021, which resolved to approve the significant matters which are summarized as follows:

1. It resolved to propose the Extraordinary General Meeting of Shareholders No.2/2021 to consider and acknowledge the plan of the issuance and offering of newly-issued ordinary shares of Hinsitsu (Thailand) Public Company Limited (“**HST**”) by way of the initial public offering (“**IPO**”) and the listing of HST shares on the Market for Alternative Investment (the “**MAI**”) including the disposal of HST shares held by the Company in the amount of 7.54 percent of the total paid up capital of HST after IPO at the same occasion of offering by way of IPO, which such amount is a part of the total amount of IPO shares totaling of 28.17 percent of the total paid up capital of HST after IPO (the “**Spin-Off Plan**”). The number of newly-issued shares to be offered to public by way of IPO, and other types of investors, including the offering to the shareholders of the Company entitled to allocated HST newly issued ordinary shares (Pre-Emptive Right), and the offering to directors, executives, and employees of HST and **its subsidiaries, namely, (i) Simat Label Co., Ltd. which HST is a shareholder in the proportion of 99.99 percent of its total shares; and (ii) Hinsitsu Precision (Thailand) Co., Ltd. which HST is a shareholder in the proportion of 75.01 percent of its total shares (Collectively referred to as “**HST's Subsidiaries**”)**, (the “**HST ESOP**”) shall not exceed 28.17 percent of the total paid up capital of HST after the IPO.

In addition, the Board of Directors Meeting has resolved to approve the authorization of the Executive Committee and/or the Chief Executive Officer and/or any person designated by the Board of Directors and/or the Chief Executive Officer, to determine the criteria, conditions, and other details relating to Spin-off Plan, and to consider and execute relevant documents, as well as to undertake any acts relating to and necessary for the Spin-off Plan for the purpose of the completion of the foregoing undertaking, including without limitation, the appointment of any person to be authorized representative of the Company to carry out relevant activities, as well as to vote in the HST's shareholders meeting, to file the applications or documentations, or to deal with the government authorities or related person.

The issuance and offering of the newly-issued shares of HST by way of the IPO and the listing of HST shares on the MAI, including the disposal of HST shares held by the Company will result into the dilution of the Company's shareholding percentage in HST and are classified as a disposal of assets transaction under the Notification of the Capital Market Supervisory Board No. Torchor. 20/2008 Re: Rules on Entering into Material Transactions Deemed as Acquisitions or Disposals of Assets (including any amendment thereto) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (2004) (including any amendment thereto) (collectively, the "**Notifications on Acquisition or Disposal of Assets**"). Upon consideration the transaction size using the maximum value of the Company's financial statements for the period ended September 30, 2021, which had been reviewed by the auditor by various approaches under the Notifications on Acquisition or Disposal of Assets, the maximum value of the transaction is equal to 23.83 percent based on the Net Operating Profit criteria. Upon combination with the Company's transactions on a disposal of assets over the past six months prior to the execution of this transaction, the total transaction value of the disposal of assets by the Company is equal to 42.63 percent based on the Net Operating Profit criteria. Such transaction is therefore classified as a "Class 2 Transaction" under the Notifications on Acquisition or Disposal of Assets, i.e. transaction which has a transaction value exceeding 15 percent but lower than 50 percent. The Company is, therefore, obliged to prepare a report and disclose the information in respect of the entry into the transaction to the Stock Exchange of Thailand (the "**SET**"), whereby there must be an information memorandum comprising at least the details as required in List (1) of the Notifications on Acquisition or Disposal of Assets, and a circular notice must be sent to shareholders within 21 days from the date of disclosure of the transaction to the SET. Please consider details related to Spin-off Plan in the Information Memorandum on Disposal of Assets of Simat Technologies Public Company Limited in Enclosure 1. However, the Board of Directors is aware of good corporate governance for the shareholders to receive all information. Therefore, this matter shall be proposed to the Extraordinary General Meeting of Shareholders No. 2/ 2021 for further consideration and acknowledgement.

2. It resolved to propose the Extraordinary General Meeting of Shareholder No. 2/2021 to approve the issuance and the offering of newly-issued ordinary shares of HST to directors, executives, and employees of HST and **HST's Subsidiaries** (the "**HST ESOP**") in the amount not exceed 8,000,000 shares with a per value of 0.50 Baht, (the amended par value) or equivalent to 3.17 percent of the total paid-up capital of HST after IPO which the number of ordinary shares of HST issued under the HST ESOP will be a part of the proportion of shares to be issued and offered in the initial public offering (IPO) which is no exceed 28.17 percent of the total paid up capital of HST.

The objective and necessity of HST ESOP are to create incentives and give reward for the performance of directors, executives, and employees of HST and **HST's Subsidiaries** for their willingness to work for the best interest of HST and the shareholders, details of which are set out in Enclosure 2.

According to the Notification of the Capital Market Supervisory Board No. Torchor. 32/2008 Re: Offering of newly issued securities to directors or employees (as amended) (the "**Notification No. Torchor. 32/2008**"), the Company, as a parent company of HST who is a listed company, has duty to organize the shareholders meeting for request of consideration in approval of the issuance and the offering of newly-issued ordinary shares of HST to directors, executives, and employees of HST and **HST's Subsidiaries** under HST ESOP in accordance with the Notification

No.Torchor.32/2008, whereby the resolution of the shareholders meeting approving such matter shall be passed by votes of no less than three-quarters (3/4) of the total voting rights of the shareholders present and entitled to vote, and there shall not be objected by shareholders holding the Company's shares in an aggregate number of more than 10.00 (ten) percent of the total voting rights of the shareholders present. In the case of allocation of the newly issued ordinary shares under HST ESOP to any one of directors, executives, and employees of HST and HST's Subsidiaries, exceeds 5 percent of the total number of the newly issued ordinary shares under the HST ESOP, the allocation for each individual must be approved by the shareholders' meeting with affirmative vote of not less than three-quarters (3/4) of the total voting rights of the shareholders present and entitled to vote, and there shall be no more than 5 percent of the total votes of the shareholders present voting against the issuance and the offering of newly-issued ordinary shares of HST under HST ESOP.

3. It resolved to approve the scheduling date of the Extraordinary General Meeting of the Shareholders No. 2/2021 on December 24, 2021 at 10:00 hours, through electronic media (E-EGM) by recorded the names of the shareholders who are entitled to attend the Extraordinary General Meeting No. 2/2021 (Record Date) on November 30, 2021, the agendas are as follows:

Agenda 1 To consider and certify the Extraordinary General Meeting of Shareholders No. 1/2021 which was held on August 11, 2021.

Agenda 2 To consider and acknowledge the issuance and offering of the newly-issued ordinary shares of Hinsitsu (Thailand) Public Company Limited (HST), which is a subsidiary of the Company by way of IPO and the listing of HST's shares on the Market for Alternative Investment (Spin-off)

Agenda 3 To consider and approve the issuance and offering of the newly-issued ordinary shares of Hinsitsu (Thailand) Public Company Limited (HST) to directors, executives, and employees of HST and HST's Subsidiaries.

Agenda 4 To consider other matters (if any)

In addition, the Board of Directors' meeting resolved to authorize the Executive Committee and/or the Chief Executive Officer and/or the person authorized by the Executive Committee and/or the Chief Executive Officer to consider amending the meeting agendas as well as changing the date, time, place and procedure for the Extraordinary General Meeting of Shareholders No. 2/2021 as it deems appropriate.

Please be informed accordingly.

Sincerely yours,

(Mr. Boonlerd Iewpornchai)  
Director / Chief Executive Officer

**Information Memorandum on Disposal of Assets of  
Simat Technologies Public Company Limited**

The Board of Directors Meeting of Simat Technologies Public Company Limited (the “**Company**” or “**SIMAT**”) No. 13/2021, convened on November 15, 2021, resolved to propose the Extraordinary General Meeting of Shareholders No.2/2021 to acknowledge the plan of the issuance and offering of the newly-issued ordinary shares of Hinsitsu (Thailand) Public Company Limited (“**HST**”) by way of the initial public offering (“**IPO**”) and the listing of HST’s shares on the Market for Alternative Investment (the “**MAI**”), including the disposal of HST shares held by the Company in the amount of 7.54 percent of the total paid up capital of HST after IPO at the same occasion of offering of IPO shares, which such amount is a part of the total amount of IPO shares totaling of 28.17 percent of the total paid up capital of HST after IPO (the “**Spin-Off Plan**”). The number of the newly-issued shares to be offered to public by way of IPO and other types of investors which including the holders of the Company’s ordinary shares that are entitled to Pre-emptive Offering (“**Pre-emptive Right**”), and directors, executives, and employees of HST and its subsidiaries, namely, (i) Simat Label Co., Ltd. which HST is a shareholder in the proportion of 99.99 percent of its total shares; and (ii) Hinsitsu Precision (Thailand) Co., Ltd. which HST is a shareholder in the proportion of 75.01 percent of its total shares (Collectively referred to as “**HST’s Subsidiaries**”) (the “**HST ESOP**”) shall not exceed 28.17 percent of the total paid up capital of HST after the offering of the newly-issued ordinary shares by way of the initial public offering (IPO).

In addition, the Board of Directors approved the authorization of the Executive Committee and/or the Chief Executive Officer and/or any person designated by the Board of Directors and/or the Chief Executive Officer, to determine the criteria, conditions, and other details relating to Spin-off Plan, and to consider and execute relevant documents, as well as to undertake any acts relating to and necessary for the Spin-off Plan for the purpose of the completion of the foregoing undertaking, including without limitation, the appointment of any person to be authorized representative of the Company to carry out relevant activities, as well as to vote in the HST’s shareholders meeting to file the applications or documentations, or to deal with the government authorities or related person.

The issuance and offering of the newly-issued shares of HST in the IPO and the listing of HST’s shares on the **MAI**, including the disposal of HST’s shares held by the Company will result into the dilution of the Company’s shareholding percentage in HST and are classified as a disposal of assets transaction under the Notification of the Capital Market Supervisory Board No. Torchor. 20/2008 Re: Rules on Entering into Material Transactions Deemed as Acquisitions or Disposals of Assets (including any amendment thereto) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (2004) (including any amendment thereto) (collectively, the “**Notifications on Acquisition or Disposal of Assets**”). Upon consideration the transaction size using the maximum value of the Company’s financial statements for the period ended September 30, 2021, which had been reviewed by the auditor by various approaches under the Notifications on Acquisition or Disposal of Assets, the maximum value of the transaction is equal to 23.83 percent based on the Net Operating Profit criteria. Upon combination with the Company’s transactions on a disposal of assets over the past six months prior to the execution of this transaction, the total transaction value of the disposal of assets by the Company is equal to 42.63 percent based on the Net Operating Profit criteria. Such transaction is therefore classified as a “Class 2 Transaction” under the Notifications on Acquisition or Disposition of Material Assets, i.e. transaction which has a transaction value exceeding 15 percent but lower than 50 percent. The Company is, therefore, obliged to prepare a report and disclose the information in respect of the entry into the transaction to the Stock Exchange of Thailand (the “**SET**”), whereby there must be an information memorandum comprising at least the details as required in List (1) of the Notifications on Acquisition or Disposition of Assets, and a circular notice must be sent to shareholders within 21 days from the date of disclosure of the transaction to the SET. However, the Board of Directors is aware of good corporate governance for the shareholders to receive all information. Therefore, this matter shall be proposed to the

Extraordinary General Meeting of Shareholders No.2/2021 for further consideration and acknowledgement.

Therefore, the Company hereby to inform the details of the Information Memorandum on Disposal of Assets are as follows:

**1. Transaction Date**

The issuance and offering of the newly-issued ordinary shares of HST by way of the IPO and the listing of HST's shares on the MAI, including the disposal of HST shares held by the Company will be subject to the satisfaction of conditions precedent for entering into the transaction as specified in Item 10.

**2. Parties involved and their relationship with the Company**

Issuer : Hinsitsu (Thailand) Public Company Limited or HST, a Company's subsidiary which the Company holds the shares of 60 percent of total paid up capital of HST.

Purchaser : Public and other types of investors, which including the holders of the Company's ordinary shares that are entitled to purchase the IPO shares under Pre-emptive Right, and directors, executives, and employees of HST and **HST's Subsidiaries**.

**3. General Characteristics and the Transaction Size**

The Board of Directors Meeting No. 13/2021, convened on November 15, 2021, resolved to approve the Spin-Off Plan. HST will file the applications for approval to offer the newly issued shares to public by way of the IPO and to list the shares on the MAI. The number of shares to be offered to public, and other types of investors, which including the holders of the Company's ordinary shares that are entitled to purchase the IPO shares under Pre-emptive Right, and directors, executives, and employees of HST and **HST's Subsidiaries** ("HST ESOP"), shall not exceed 28.17 percent of the total paid-up capital of HST after the IPO. In this regard, the Company shall dispose HST shares held by the Company in the amount of 7.54 percent of the total paid up capital of HST after IPO at the same occasion of offering of shares offered by way of IPO which such amount is a part of the total amount of IPO shares of 28.17 percent of the total paid up capital of HST after IPO.

After the offering of the newly-issued ordinary shares by way of the IPO will result in the dilution of the Company shareholding proportion in HST from 60 percent to not less than 40.08 percent of the paid-up capital of HST after IPO, which will have dilution effect on other rights of the Company, as the shareholders of HST, such as earning per share dilution and control dilution of 33.20 percent. (Calculation method =  $(60\% - 40.08\%)/60\% = 33.20\%$ )

The execution of such transaction is classified as an asset disposal transaction under the Notifications on Acquisition or Disposal of Assets whereby the transaction size is calculated by using the Company's consolidated financial statements for the period ended September 30, 2021, which had been reviewed by the auditor (Information of the Company) and the HST's consolidated financial statements for the period ended September 30, 2021 which had been reviewed by the Company's auditor (Information of HST). The details of the transaction size calculation are as follows:

<b>Lists</b>	<b>Company (Unit : THB Million)</b>	<b>HST (Unit : THB Million)</b>
Total Assets	1,825.57	489.52
<u>Deducted</u> Total Liabilities	677.92	271.83
<b>Net Assets</b>	<b>1,147.65</b>	<b>217.69</b>
<u>Deducted</u> Goodwill and Intangible Assets	130.52	4.53
<u>Deducted</u> Deferred Tax Assets	32.56	6.96
<u>Deducted</u> Non-controlling interests	205.43	3.25
<b>Net Tangible Asset (NTA)</b>	<b>779.14</b>	<b>202.94</b>
Net Income from twelve (12) months ended September 30, 2021	72.08	86.23
Book Value of HST <sup>(1)</sup> (September 30, 2021)		217.69
% decreased shareholding proportion of SIMAT in HST		19.92

The details of the value calculation of the transaction size are as follows:

**Calculation Basis**

**Calculation Formula**

1. **Net Tangible Assets (NTA)** = The value of NTA of HST proportionately disposed <sup>(1)</sup> / Value of asset under the consolidated financial statements of the Company  
= (202.94 x 19.92 percent) / 779.14  
= 5.19 percent and when calculated together with the Company's assets disposal transactions in the past 6 months, the aggregated value will be equivalent to 8.58 percent.
2. **Net Operating Profits** = Net Profit of HST proportionately disposed <sup>(2)</sup> / Net Profit under the consolidated financial statements of the Company  
= (86.23 x 19.92 percent) / 72.08  
= 23.83 percent and when calculated together with the Company's assets disposal transactions in the past 6 months, the aggregated value will be equivalent to 42.63 percent.
3. **Total Value of Consideration** = HST's book value <sup>(3)</sup> x Portions of shares being disposed / Value of total assets under the consolidated financial statements of the

Company

$$= (217.69 \times 19.92 \text{ percent}) / 1,825.57$$

= 2.38 percent and when calculated together with the Company's asset disposal transactions in the past 6 months, the aggregated value will be equivalent to 12.08 percent.

#### 4. Value of Equity Shares Issued for the Payment of Assets

Not applicable as the Company does not issue its securities in exchange of the assets acquired.

##### **Remarks:**

- (1) The transaction size will be calculated based on the book value of net tangible asset. The book value of net tangible assets of HST will be calculated proportionately to the assets disposed by the Company based on the HST's consolidated financial statements for the period ended September 30, 2021, which have been reviewed by the auditor.
- (2) The net profit of HST is based on HST's consolidated financial statements for the 12 months (since fourth quarter of 2020 to third quarter of 2021) which have been reviewed by the auditor.
- (3) The total value of consideration is subject to the offering price of HST shares to be offered by way of the IPO, which has currently not yet been determined. Therefore, in calculating the total value of consideration, the Company will use the book value of HST based on the HST's consolidated financial statements for the period ended September 30, 2021, which have been reviewed by the auditor.

From the above calculation, the highest transaction size is equal to 23.83 percent based on the Net Operating Profit criteria. Upon combination with the Company's transactions on a disposal of assets over the past six months prior to the execution of this transaction, the total transaction value of the disposal of assets by the Company is equal to 42.63 percent based on the Net Operating Profit criteria. Such transaction is therefore classified as a "Class 2 Transaction" under the Notifications on Acquisition or Disposition of Assets, i.e. transaction which has a transaction value exceeding 15 percent but lower than 50 percent. The Company is, therefore, obliged to prepare a report and disclose the information in respect of the entry into the transaction to the SET, whereby there must be an information memorandum comprising at least the details as required in List (1) of the Notifications on Acquisition or Disposition of Assets, and a circular notice must be sent to shareholders within 21 days from the date of disclosure of the transaction to the SET. However, the Board of Directors is aware of good corporate governance and for the shareholders to receive all information. Therefore, this matter shall be proposed to the Extraordinary General Meeting of Shareholders No.2/2021 for further consideration and acknowledgement.

#### 4. Details of the Disposed Asset

##### 4.1. Details of the offering of the newly issued shares by way of the IPO of HST

<b>Issuer</b>	Hinsitsu (Thailand) Public Company Limited or HST
<b>Type of Securities Offered</b>	ordinary shares of HST (which have currently not yet listed on the MAI)
<b>Proportion of Offering of Ordinary Shares</b>	1. The newly issued shares in the proportion of 20.63 percent of the total paid-up capital of HST after IPO.

2. The existing shares of HST held by SIMAT in the amount not exceeding 7.54 percent of the total paid-up capital of HST after IPO.

The total of IPO offered shares is 28.17 percent of the total paid-up capital of HST after IPO.

The IPO shares shall be offered to:

- The holders of the Company's ordinary shares that are entitled to purchase the IPO shares under the Pre-emptive Right in the maximum number of not exceeding 19.72 percent of the total paid-up capital of HST after IPO.
- Directors, executives, and employees of HST and the **HST's Subsidiaries** under HST ESOP in the number of not exceeding 3.17 percent of the total paid-up capital of HST after IPO (Please consider information memorandum regarding the offering of the newly issued ordinary shares to the directors, executives, and employees of HST and the **HST's Subsidiaries** as appears in Enclosure 2)
- The remaining shares from the aforementioned allocation shall allocated to public, patronage, and HST's related persons.

The proportion of the offered shares to each of such group shall be determined by the person authorized by the shareholder' meeting of HST and/or the Board of Directors of the Company in compliance with the IPO shares allocation regulation of the Securities and Exchange Commission (“**SEC Office**”)

**Par Value**

THB 100 per share as of September 30, 2021, which HST plans to amend the par value from THB 100 to be THB 0.50 per share.

**Offering Price**

The offering Price has not yet been determined; the offering price shall be subject to the Book Building.

The Board of Directors and/or the Executive Committee and/or the Chief Executive Officer and/or any person designated by the Board of Directors and/or the Executive Committee and/or the Chief Executive Officer of HST will have authorize to consider determining the offering price which will occur after HST received the approval from the SEC Office for offering of the newly issued shares by way of the IPO. The offering price of the newly-issued ordinary shares of HST offered and allocated to directors, executives, and employees of HST and **the HST's Subsidiaries** under HST ESOP shall be discounted from the IPO price of not exceeding 10 percent.

**Offering Period**

The offering period has not yet been determined. The Board of Directors and/or the Executive Committee and/or the Chief Executive Officer and/or any person designated by the Board of Directors and/or the Executive Committee and/or the Chief Executive Officer of HST will have authorize to consider determining the offering period which will occur after HST has received the approval form the SEC Office for the offering of the newly issued shares by way of the IPO, and the registration statement, and prospectus become effective, and the SET

approves the application for listing the newly-issued ordinary shares of HST as the listed securities on the condition that HST meets the free-float requirements.

**Other Details**

The Company will further inform the material details and progress on the IPO of HST to the shareholders of the Company to acknowledge.

**Remarks:** The aforementioned details may be subject to change as the Board of Directors and/or the Executive Committee and/or the Chief Executive Officer and/or any person designated by the Board of Directors and/or the Chief Executive Officer of HST and/or its designated deems appropriate.

**4.2. Details of HST**

**Name of the Company** Hinsitsu (Thailand) Public Company Limited

**Type of Business** Design, develop and produce silk screen, sticker label, sus plate, and die cut products.

**Head office** 20/2 (A5) Moo. 4, Thepharak Road, Bang Phli Yai Subdistrict, Bang Phli District, Samut Prakan Province.

**Registered capital, Paid-Up Capital, and Par value** THB 100,000,000 divided into 1,000,000 ordinary shares with par value of THB 100 per share which HST has plan to change the par value from THB 100 to be THB 0.50 per share.

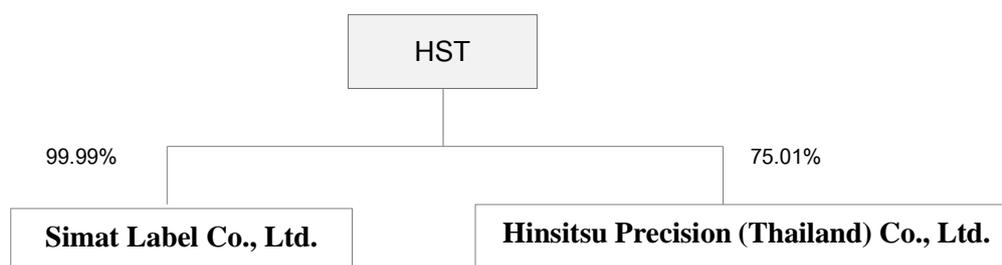
**4.3 Shareholder Structure of HST**

The current shareholding structure of HST and shareholding structure after IPO can be summarized as follows:

List of Shareholders in HST	September 30, 2021 (Par value of THB 100)		Amended par value prior to IPO (Par value of THB 0.5)		After IPO	
	Registered Capital of THB 100,000,000				Registered Capital of THB 126,000,000	
	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage
1. The Company	600,000	60	120,000,000	60	101,000,000	40.08
2. Mr. Vincent Lau Bick Yeong	199,999	19.99	39,999,800	19.99	39,999,800	15.87
3. Mr. Chen Kwan Sin	99,999	9.99	19,999,800	9.99	19,999,800	7.94
4. Mr. Supoj Kaewmanee	1	0.0001	200	0.0001	200	0.0001
5. Mr. Sansern Watthanachirotkun	1	0.0001	200	0.0001	200	0.0001
6. One to One Contacts Public Company Limited	100,000	10	20,000,000	10	20,000,000	7.94
7. General Public	-	-	-	-	71,000,000	28.17

List of Shareholders in HST	September 30, 2021 (Par value of THB 100)		Amended par value prior to IPO (Par value of THB 0.5)		After IPO	
	Registered Capital of THB 100,000,000				Registered Capital of THB 126,000,000	
	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage
<b>Total</b>	<b>1,000,000</b>	<b>100</b>	<b>200,000,000</b>	<b>100</b>	<b>252,000,000</b>	<b>100</b>

Shareholding structure of HST as of the date of this Information Memorandum. The details are as follows:



#### Details of HST's Subsidiaries

No.	Name of Company	Types of Business	Registered Capital (THB)	Shareholding Percentage of HST (Percentage)
1.	Simat Label Company Limited	Production of Sticker, Label, barcode paper, part of production for telecommunication and other related materials.	34,000,000	99.99
2.	Hinsitsu Precision (Thailand) Co., Ltd.	Production, buy and sell of sticker, label, raw material for producing of sticker.	40,000,000 (Paid-up 23,000,000)	75.01

#### 4.3. Board of Directors of HST

The Board of Directors of HST as of the date of this Information Memorandum, has 9 directors as follows:

No.	Name	Position in HST	Position in the Company
1.	Mr. Weidt Nuchjalearn	Chairman of the Board of Directors / Director	-

No.	Name	Position in HST	Position in the Company
2.	Mr. Vincent Lau Bick Yeong	Director/ Executive director / Managing director / Member of the Risk Management Committee / Member of the Nomination and Remuneration Committee	-
3.	Mr. Chen Kwan Sin	Director / Chairman of the Executive Committee/ Chief Executive Officer / Member of the Risk Management Committee	-
4.	Mr. Siraphop Lamchan	Director / Executive Director / Member of the Risk Management Committee	-
5.	Mr. Teeranut Thangsatapornpong	Director / Executive Director / Chief Financial Officer / Chairman of the Risk Management Committee	-
6.	Mr. Teerawut Kannibhakul	Director / Member of the Risk Management Committee	Director
7.	Mr. Vorapot Phoekeo	Independent Director / Chairman of the Audit Committee / Member of the Nomination and Remuneration Committee	-
8.	Mr. Sirisak Manitkunakarn	Independent Director / Member of the Audit Committee	-
9.	Mr. Sommai Yanoi	Independent Director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee	-

**4.4. Summary of financial position and operation results of HST ended on September 30, 2021**

Summary of financial position and operation results of HST based on the HST's consolidated financial statements for the period ended September 30, 2021, which have been reviewed by the auditor, the details are as follows:

<b>Information of Financial Statement</b>	<b>Ended as of September 30, 2021 (Unit : THB Million)</b>
<b>Statement of Financial Position</b>	
Total assets	489.52
Total liabilities	271.83
Shareholders' equity	217.69
<b>Profit or Loss</b>	
Revenues from sales	453.97
Gross profit	184.34
Profit before financial income (financial cost) and corporate income tax	84.75
Net Profit	59.29

#### **5. Total Value of Consideration**

The initial calculation of the total value of consideration has applied the book value of shares of HST as detailed on Item 3 above. However, the offering price for the newly-issued ordinary shares of HST offered to public by way of IPO has not yet determined. The offering price is subject to book building.

#### **6. Value of Disposed Assets**

The disposed assets are the newly-issued ordinary shares of HST whereby the consideration will be received in cash from the investors. The preliminary value of shares is calculated by using the book value of shares of HST as detailed in Item 3 above. However, the offering price for the newly-issued ordinary shares of HST in the IPO has not yet been determined. The offering price is subject to book building. Therefore, the values of the disposed assets used for calculation of the transaction size under Item 3 is equivalent to THB 217.69 million.

#### **7. Basis used to determine the value of Consideration**

Currently, the offering price for the newly-issued ordinary shares in the IPO has not yet determined. The offering price is subject to book building. Therefore, in calculation based Total Value of Consideration, the Company referred to the book value of HST based on the HST's consolidated financial statement for the period ended of September 30, 2021, which have been reviewed by the auditor.

#### **8. Expected Benefits of the Transaction**

##### **8.1. Expected benefits to the Company**

- 1) The Company's share price will reflect the actual value from the share price of HST as HST share price has the underlying market price.
- 2) The Company has an opportunity to receive the earning profit from the investment in HST as the business of HST may be expanded after funding and listing of HST in the MAI.
- 3) The Company will receive proceeds from the sale of ordinary shares that the Company holds in HST, including capital gain from the sale of such shares.

## **8.2. Expected benefits to HST**

- 1) HST will be more flexibility and able to access sources of funds from both the equity and debt capital market by means of independent fundraising, rather than predominantly depending on funds from its parent company. This will enhance HST's growth capacity and business expansion in the long run.
- 2) The transaction would lessen HST's financial cost in long run due to various alternatives for funding. In additions, HST being a listed company in the MAI will be able to raise fund with lower cost than present.
- 3) The way of the IPO, HST will enhance its public awareness and image, and give rise to the opportunity to seek for personnel and/or business partners with knowledge and experience in the production of sticker business.
- 4) HST has sufficient capital from raising funds through the MAI for future business expansion and used as working capital for business operations. This will increase competitiveness and proactive expansion to create opportunities for organic growth and inorganic growth.
- 5) Upon becoming a listed company, HST shares will have more liquidity and its market price will be able to be used as a reference price for trading securities, or as the consideration to make payment for the asset or business acquisition transactions in the future.

## **8.3. Expected benefits to the shareholders of the Company**

- 1) To increase investment alternatives for shareholders and investors by which the shareholders and investors could selectively invest in the Company and/or HST depending on their investment's policy.
- 2) The Company's shareholders will gain indirect benefits from the value of shares of HST reflecting the actual value and the added value of the production of sticker, which will be higher than the value of the production of sticker business which currently operates under the Company.
- 3) The Company's shareholders are entitled to the IPO of HST to maintain their rights in proportion to their shareholding in the Company (Pre-emptive Right).

## **9. Plan for the utilization of proceeds from the IPO**

HST has plans to utilize the proceeds from the newly-issued ordinary shares by way of the IPO as follows:

- 1) To use as investment for construction of factories and purchase of machines to increase production capacity.
- 2) To use for business investment
- 3) To use as working capital of HST and its subsidiaries

In this regard, HST will be further determine details and projects to be specified in HST's prospectus, which is currently in the process of preparation.

## **10. Conditions for the entering into the transaction**

- 10.1.** The shareholders meeting of HST resolved to approve the capital increase for the offering of the newly-issued ordinary shares by way of the IPO and the listing of the ordinary shares of HST on the MAI.
- 10.2.** The shareholders meeting of the Company resolved to acknowledge Spin-Off Plan and approve the HST ESOP.
- 10.3.** The SEC Office grants approval to HST to offer the newly-issued ordinary shares by way of the IPO and the registration statement and draft prospectus to become effective.
- 10.4.** The MAI approves the listing of the newly-issued ordinary shares of HST on the MAI under the condition that HST meets the free-float requirements.

## **11. Effect on the operation under the Spin-Off Plan of the Company and the shareholders of the Company**

### **11.1 Effects on Earning Per Share Dilution (EPS Dilution) and Control Dilution**

After HST issued and offered the newly-issued ordinary shares by way of the IPO and offered to directors, executives, and employees of HST and the **HST's Subsidiaries** under the HST ESOP, it will result in the EPS Dilution and Control Dilution decreasing by approximately 33.20 percent of earnings per share dilution and original voting right in HST.

However, in order to reduce the effect on EPS Dilution of the shareholders of the Company, the shareholders of the Company may be entitled to first subscribe the newly-issued ordinary shares of HST in proportion to their shareholding in the Company (Pre-emptive Right). The right for subscription of the newly-issued ordinary shares of HST shall be pursuant to The Board of Directors and/or the Executive Committee and/or the Chief Executive Officer and/or any person designated by the Board of Directors and/or the Executive Committee and/or the Chief Executive Officer of HST as it deems appropriate.

### **11.2 Effects on Price Dilution of the Company's Ordinary Shares**

The newly-issued ordinary shares of HST is not be expected to directly result on price dilution. However, the decreased of shareholding percentage in HST will result on the acknowledgement of earning profit in HST.

**12. Opinions of the Board of Directors on the Entering into of the transaction**

The Board of Directors is of the view that it is appropriate to approve entering into such transaction of the Spin-Off Plan which will enhance the strength of the Company's and HST financial position. HST will be able to raise fund in the MAI by itself in order to expand business of HST and the **HST's Subsidiaries** in the future and help to reduce depending on funds from the Company, which will benefit to HST and the shareholders of the Company in a long run.

**13. Opinions of the Audit Committee and/or the directors of the Company which are different from those of the Board of Directors.**

-None-

**Preliminary details of the Issuance and Offering of the Newly-Issued Ordinary Shares of Hinsitsu (Thailand) Public Company Limited to Directors, Executives, and Employees of HST and HST's Subsidiaries (HST ESOP)**

The issuance and offering of the newly-issued ordinary shares of Hinsitsu (Thailand) Public Company Limited (“**HST**”) to Directors, Executives, and Employees of HST, and its subsidiaries, namely, (i) Simat Label Co., Ltd. which HST is a shareholder in the proportion of 99.99 percent of its total shares; and (ii) Hinsitsu Precision (Thailand) Co., Ltd. which HST is a shareholder in the proportion of 75.01 percent of its total shares (Collectively referred to as the “**Subsidiaries**”) (“**HST ESOP**”), have to be approved by the shareholders meeting of Simat Technologies Public Company Limited (“**SIMAT**”), as the HST’s shareholder holding shares in the amount of 60 percent of the total paid-up capital of HST according to the criteria and conditions under the Notification of the Capital Market Supervisory Board No. Torchor. 32/2008 Re: Offering of newly issued securities to directors or employees dated on 15 December 2008 (as amended) (the “**Notification No. Torchor. 32/2008**”) and depend on the result of the issuance and offering of the newly-issued ordinary shares in the initial public offering (IPO) and the subsequent listing of HST’s shares on the Market for Alternative Investment (MAI) (the “**MAI**”).

**1. Objectives and Necessity**

- 1) To provide an incentive to directors, executives, and employees of HST and the **Subsidiaries** for their willingness to work for the best interest of HST and the shareholders of HST.
- 2) To create motivation for the directors, executives, and employees of HST and **the Subsidiaries** and reward for the performance of directors, executives, and employees of HST and the **Subsidiaries** by being part of performance of HST, including being as owners, who have the same objectives as the shareholders in order to enhance HST for an efficiency and sustainable growth.
- 3) To provide incentives to directors, executives, and employees of HST, and the **Subsidiaries**, who have outstanding work and are hard to replace in working with HST for the achievement of sustainable business growth.

**2. Details of the newly-issued ordinary shares offered to directors, executives, and employees of HST and the Subsidiaries**

Issuer	:	Hinsitsu (Thailand) Public Company Limited
Type of Securities	:	The newly issued ordinary shares of Hinsitsu (Thailand) Public Company Limited to be allocated to directors, executives, and employees of HST and the Subsidiaries.
Number of Newly- issued Ordinary Shares offered to directors, executives, and employees of HST and <b>the Subsidiaries</b>	:	The total number shall not exceed 8,000,000 shares (Eight Million Shares) at par value of THB 0.50 per share (amended par value), equivalent to 3.17 percent of total number of HST’s sold shares after the issuance and offering of the newly-issued ordinary shares by way of the Initial Public Offering (“ <b>IPO</b> ”).

In this regard, the number of newly issued ordinary shares and sale value offered to directors, executives, and employees of HST and **the Subsidiaries** will be disclosed in the submission of a registration statement and draft prospectus of the newly issued ordinary shares of HST by way of the IPO.

- Offering Price : Offering price per ordinary share offered to directors, executives, and employees of HST and **the Subsidiaries**, equivalent to 90 percent of the offering price of ordinary shares in the IPO (IPO Price).
- Offering Period : HST will offer the newly issued ordinary shares to directors, executives, and employees of HST and **the Subsidiaries** at the same period of the offering the newly issued ordinary shares by way of IPO, which will be offered after HST receive the approval from the Securities and Exchange Commission (the "SEC Office").
- Secondary Market of Ordinary Shares : HST will take the total newly-issued ordinary shares being issued and offered then listing in the MAI.

**3. Criteria and conditions for the allocation of the newly-issued ordinary shares offered to directors, executives, and employees of HST and **the Subsidiaries****

3.1 Qualification of directors, executives, and employees

3.1.1 Director

means director who is a part of day to day operation of HST and **the Subsidiaries** on the date to determine the list of person entitled to the allocation of the newly-issued ordinary shares offered to directors, executives, and employees of HST and **the Subsidiaries** and shall have the position as the director of HST and **the Subsidiaries** on the offering date.

3.1.2 Executive and employee

means executive and employee of HST and the **Subsidiaries** in which is operating over the period not less than 1 year and has the status of executives or employees of HST and **the Subsidiaries** on the offering date.

3.2 The number of the newly-issued ordinary shares in which each of executives, employees who are entitled to the allocation, may not be the same amount depend on the position, experience, responsibility, term of employment, achievement, capability, efficiency, and past performance, including potential benefit to HST in the future.

Criteria in the allocation of the newly-issued ordinary share offered to executives, and employees of HST and **the Subsidiaries**, as follows:

3.2.1 Criteria as the position

Position	Number of shares to be allocated (shares)
Leader / Officer	$10,000 \leq x < 20,000$
Supervisor	$20,000 \leq x < 100,000$
Assistant Manager	$50,000 \leq x < 300,000$
Manager	$100,000 \leq x < 390,000$
Senior Manager	$200,000 \leq x < 400,000$
C Level and above	450,000

### 3.2.2 Criteria as in the term of employment

Term of Employment	Number of shares to be allocated (shares)
$5 \text{ year} \leq x < 10 \text{ year}$	$10,000 \leq x < 20,000$
Over 10 years	20,000

The number of allocation of the newly-issued ordinary shares to be offered to executives, and employees of HST and **the Subsidiaries**, will consider to be allocated to executives, and employees of HST who have the qualification in accordance with any criteria as above mentioned. However, in case of employees are in the position of the Leader or Officer, who have the qualification in accordance with 2 criterias, such employees will be allocated at the higher amount.

The Chief Executive Officer of HST and/or a person designated by the Chief Executive Officer of HST, may consider the allocation of the newly-issued ordinary shares to be offered to directors, executives, and employees of HST and **the Subsidiaries** as it's appropriated.

In this Regard, the issuance and offering the newly-issued ordinary shares to directors, have the offering price, including the criteria and conditions of the security which is not better than the newly-issued ordinary shares to executives and employees.

#### 4. List of all directors entitled to the allocation of the newly-issued ordinary shares

No.	Name-Surname	Position(s)	Number of Allocated Newly Issued Ordinary Shares (Shares)	Percentage entitled for the allocation
1.	Mr. Chen Kwan Sin	Director / Chief Executive Officer of HST / Chairman of the Executive Committee of HST / Director of <b>the Subsidiaries</b>	450,000	5.63
2.	Mr. Vincent Lau Bick Yeong	Director of HST / Managing Director of HST / Member of the Executive Committee of HST / Member of the Risk Management Committee of HST / Member of	450,000	5.63

No.	Name-Surname	Position(s)	Number of Allocated Newly Issued Ordinary Shares (Shares)	Percentage entitled for the allocation
		the Nomination and Remuneration Committee of HST / Director of the Subsidiaries		
3.	Mr. Teeranut Thangsatapornpong	Director / Chief Financial Officer of HST / Chairman of the Risk Management Committee and the Executive Committee of HST / Director of the Subsidiaries	450,000	5.63
4.	Mr. Siraphop Lamchan	Director, Member of the Executive Committee and Member of the Risk Management Committee of HST / Director of the Subsidiaries, and Managing Director of Simat Label Co., Ltd.	450,000	5.63

**5. List of executives who are entitled the allocation of the newly-issued ordinary shares of HST exceed 5 percent of the number of newly-issued of ordinary shares and allocated shares**

No.	Name-Surname	Position (s)	Number of Allocated Newly Issued Ordinary Shares (Shares)	Percentage Entitled for the Allocation
1	Mr. Choi Kar Kit	Chief Operation Officer of HST / Member of the Executive Committee of HST / Member of the Risk Management Committee of HST	450,000	5.63

6. The detail of all of the directors and executives entitled to the allocation of the newly-issued ordinary shares offered to directors, executives, and employees more than 5 percent of the total number of shares offered to directors, executives, and employees.

No.	Name - Surname	Position(s)	Number of allocated newly issued ordinary shares (Shares)	Percentage of the allocated newly issued ordinary shares	Benefits in monetary term	Opinions of the Board of Directors and the Nomination and Remuneration Committee	Number of time attending and absence from HST's Board of Directors meeting and attended in previous one year	Amount and characteristics of the total compensation received from HST and the Subsidiaries in the last year (THB)
1.	Mr. Chen Kwan Sin	Director of HST / Chief Executive Officer of HST / Chairman of Executive Committee of HST / Director of the Subsidiaries	450,000	5.63	There is benefits in monetary term as the offering price is at 90 percent of IPO price but cannot be calculated as the IPO price has not been determined.	Currently in the position of Director of HST / Chief Executive Officer of HST / Chairman of Executive Committee of HST and the authorized director of HST and the Subsidiaries who was a key figure in the establishment of HST. There was a pivotal figure in the formation of HST. He has nearly 20 years of experience and knowledge in managing and managing silkscreen businesses, assisting HST during the economic crisis and business volatility, and has always been committed to operating in the best interests of HST, which is an important mechanism that drives and develops HST. He is an essential person in driving and supporting investment and business expansion in various fields of the group of companies, particularly expertise in sales, marketing, and machinery	8/8	3,806,403.08  Remuneration in the form of salary, social security, provident fund, accommodation allowance (no meeting allowance)

No.	Name – Surname	Position(s)	Number of allocated newly issued ordinary shares (Shares)	Percentage of the allocated newly issued ordinary shares	Benefits in monetary term	Opinions of the Board of Directors and the Nomination and Remuneration Committee	Number of time attending and absence from HST's Board of Directors meeting and attended in previous one year	Amount and characteristics of the total compensation received from HST and the Subsidiaries in the last year (THB)
						procurement, which is a critical mechanism in the organization's production. The allocation of the newly issued ordinary shares is considered as a reward and an incentive for more efficient operations. This will ultimately result in HST and the company group having better performance.		
2.	Mr. Vincent Lau Bick Yeong	Director of HST / Managing Director of HST / Member of the Executive Committee of HST / Member of the Risk Management Committee of HST / Member of the Nomination and Remuneration Committee of HST / Director of the Subsidiaries	450,000	5.63	There is benefits in monetary term as the offering price is at 90 percent of IPO price but cannot be calculated as the IPO price has not been determined.	Currently in the position of Director / Managing Director / Executive Director / Member of the Risk Management Committee and Member of the Nomination and Remuneration Committee and the authorized director of HST and the Subsidiaries. He is an experienced person with a broad vision to be a leader in policy making, HST's strategy, and can bring silkscreen business knowledge to develop the organization to get through the economic crisis and business volatility and has always been committed to operating in the best interests of HST as the expansion of silkscreen business to In- Mold	88	3,857,792.49  Remuneration in the form of salary, social security, provident fund, accommodation allowance (no meeting allowance)

No.	Name – Surname	Position(s)	Number of allocated newly issued ordinary shares (Shares)	Percentage of the allocated newly issued ordinary shares	Benefits in monetary term	Opinions of the Board of Directors and the Nomination and Remuneration Committee	Number of time attending and absence from HST's Board of Directors meeting and attended in previous one year	Amount and characteristics of the total compensation received from HST and the Subsidiaries in the last year (THB)
						<p>Decoration "IMD" business through new potential customers target in the relevant industry, which caused HST to have better performance in the future. The allocation of the newly issued ordinary shares is considered as a reward and an incentive for more efficient operations. This will ultimately result in HST and the group having better performance.</p>		
3.	Mr. Teeranut Thangsatapornpong	Director of HST / Chief Financial Officer of HST / Chairman of the Risk Management Committee / Member of the Executive Committee of HST / Director of the Subsidiaries	450,000	5.63	There is benefits in monetary term as the offering price is at 90 percent of IPO price but cannot be calculated as the IPO price has not been determined.	Currently in the position of Director / Chief Financial Officer / Chairman of Risk Management Committee and Executive Committee and the authorized director of HST and the Subsidiaries. He is knowledgeable and capable of managing and managing HST to achieve its objectives. He is an experienced individual with a broad vision to be a leader in policymaking, HST strategy, and has always been committed to operating in the best interests of HST, allowing HST to grow with more	88	1,631,600  Remuneration in the form of salary, social security, provident fund, accommodation allowance (no meeting allowance)

No.	Name – Surname	Position(s)	Number of allocated newly issued ordinary shares (Shares)	Percentage of the allocated newly issued ordinary shares	Benefits in monetary term	Opinions of the Board of Directors and the Nomination and Remuneration Committee	Number of time attending and absence from HST's Board of Directors meeting and attended in previous one year	Amount and characteristics of the total compensation received from HST and the Subsidiaries in the last year (THB)
						profits in the future. The allocation of the newly issued ordinary shares is considered as a reward and an incentive for more efficient operations. This will ultimately result in HST and the group having better performance.		
4.	Mr. Siraphop Lamchan	Director of HST / Member of the Executive Committee of HST / Member of the Risk Management Committee of HST / / Director of the Subsidiaries and Managing Director of Simat Label Co., Ltd.	450,000	5.63	There is benefits in monetary term as the offering price is at 90 percent of IPO price but cannot be calculated as the IPO price has not been determined.	Currently in the position of Director / Executive Committee and Risk Management Committee and the authorized director of HST and the Subsidiaries, including He is managing Director of Simat Label Co., Ltd. (which HST is a shareholder in the proportion of 99.99 percent of its total shares). He is an experienced person who has a broad vision knowledge and experiment in the label business. He is a leader in new product development of Simat Label Co., Ltd. and creative in designing and developing new products therefore, HST has products that can meet the needs of customers as well and have the ability to	88	4,486,673  Remuneration in the form of salary, social security, provident fund, accommodation allowance (no meeting allowance)

No.	Name – Surname	Position(s)	Number of allocated newly issued ordinary shares (Shares)	Percentage of the allocated newly issued ordinary shares	Benefits in monetary term	Opinions of the Board of Directors and the Nomination and Remuneration Committee	Number of time attending and absence from HST's Board of Directors meeting and attended in previous one year	Amount and characteristics of the total compensation received from HST and the Subsidiaries in the last year (THB)
						<p>compete. It also encourages the Subsidiaries to expand their investments and apply for BOI promotions in order to fully enjoy various benefits from the BOI, as well as to strive to develop HST for more profitable growth in the future. The allocation of the newly issued ordinary shares is considered as a reward and an incentive for more efficient operations. This will ultimately result in HST and the group having better performance.</p>		
5.	Mr. Choi Kar Kit	Chief Operation Officer of HST / Member of the Executive Committee of HST / Member of the Risk Management Committee of HST	450,000	5.63	There is benefits in monetary term as the offering price is at 90 percent of IPO price but cannot be calculated as the IPO price	Currently in the position of Chief Operation Officer of HST / Executive Committee and Risk Management Committee. He is a person with excellent knowledge, skills, and experience in silkscreen production and related businesses who can bring silkscreen production knowledge to the organization to help it get through the economic crisis and business volatility. He played an important role in HST's strategy to expand HST's business, thus helping to support	N/A	2,991,341.53 Remuneration in the form of salary, social security, provident fund, accommodation allowance (no meeting allowance)

No.	Name – Surname	Position(s)	Number of allocated newly issued ordinary shares (Shares)	Percentage of the allocated newly issued ordinary shares	Benefits in monetary term	Opinions of the Board of Directors and the Nomination and Remuneration Committee	Number of time attending and absence from HST's Board of Directors meeting and attended in previous one year	Amount and characteristics of the total compensation received from HST and the Subsidiaries in the last year (THB)
					has not been determined.	HST's business to have more opportunities for business expansion. This will play a significant role in making HST more profitable and competitive in the future. The allocation of the newly issued ordinary shares is considered as a reward and an incentive for more efficient operations. This will ultimately result in HST and the group having better performance.		

## 7. Dilution Effects on the Shareholders.

### 7.1 Effects on Price Dilution of HST's shares

In the case whereby the allocation of the newly-issued ordinary shares, are offered to directors, executives, and employees of HST, and **the Subsidiaries** in the number of not exceeding 8,000,000 shares. The market price of HST's shares will **decrease by 0.32 percent** based on the assumption that the market price of HST's shares is the IPO Price and the offering price of the newly-issued ordinary shares to be offered to directors, executives, and employees of HST and **the Subsidiaries** is equivalent to 90.00 percent of market price as mentioned.

#### Details of Calculation

The market price of HST's shares is the IPO offering price (P price) and the price of ESOP has discount at 10 percent, which is equivalent to  $0.9 \times P$ , the method of calculation will effects on shares price dilution as follows:

<b>Price Dilution</b>	$= \frac{\text{Price } P - \text{Market Price after offering}}{\text{Market Price after offering}}$ <p>By Market Price after offering</p> $= \frac{[(P \times \text{total number of shares not included ESOP}^*) + (0.9 \times P \times \text{number of shares sold ESOP}^*)]}{\text{the total number of HST's shares (After offering IPO and selling of ESOP)}^*}$ $= \frac{(P \times 244,000,000) + 0.9P \times 8,000,000}{252,000,000} = 0.997P$ <p>Therefore, the calculation of <b>Price Dilution</b> = <math>(P - 0.997P) / 0.997P</math> = 0.32%</p>
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### 7.2 Effects on Earning per Share Dilution and effects on Control Dilution of HST.

The offering of the newly issued ordinary shares of HST to directors, executives, and employees of HST and **the Subsidiaries** in this occasion shall not exceed 8,000,000 shares with the par values of THB 0.50, the portion is not exceeding 3.17 percent of the total number of sold shares of HST after the issuance and offering newly issued ordinary shares of HST by way of the IPO. Therefore, it will effect on earnings per share dilution or voting right of the HST's shareholders **decreased not less than 3.17 percent** of earning portion or voting rights of the HST's shareholders.

#### Details of Calculation

<b>Control Dilution and Earning per share</b>	$= \frac{\text{number of ESOP offering share}}{\text{the total number of HST's share (After offering by way of the IPO and selling ESOP)}}$ $= 8,000,000 / 252,000,000$
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<b>Dilution</b>	= 3.17%
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**8. Right of the Shareholders to Oppose the Issuance and Offering of the newly-issued shares to be offered to directors, executives, and employees of HST and the Subsidiaries.**

8.1 The issuance and offering of the newly-issued shares to be offered to directors, executives, and employees of HST and the Subsidiaries must be approved by the shareholders' meeting of SIMAT by votes of no less than three-quarters (3/4) of the total voting rights of the shareholders present and entitled to vote, and there shall not be opposed by shareholders holding shares in an aggregate number of more than 10 (ten) percent of the shareholders present for the offering of the newly-issued ordinary shares of HST to directors, executives, and employees of HST and the Subsidiaries as in accordance to the Notification No. TorChor. 32/2008.

8.2 In the case of issuance and offering the newly issued ordinary shares to any one of directors, executives, and employees of HST and the subsidiaries under HST ESOP exceeds 5 percent of the total number of the ESOP shares under the HST ESOP, the allocation for each individual must be approved by the shareholders' meeting with affirmative vote of not less than three-quarters (3/4) of the total voting rights of the shareholders present and entitled to vote, and there shall be no more than 5 (five) percent of the total votes of the shareholders present voting against the issuance and the offering of newly-issued ordinary shares of HST under HST ESOP as in accordance to the Notification No. TorChor. 32/2008.

**9. Description and Conditions of the newly-issued shares to be offered to directors, executives, and employees of HST and the Subsidiaries.**

The issuance and offering of the newly-issued shares to be offered to directors, executives, and employees of HST and the Subsidiaries will be in compliance with Notification No. TorChor. 32/2008, as well as other relevant laws, notifications, and regulations.

**10. Independent directors available for the appointment of proxy to attend the meeting and exercise the rights on behalf of the shareholders.**

- 1 Mr. Yanapol Rakkasikorn
- 2 Mr. Kritpong Wongmahatthana
- 3 Miss Napaporn Mesayanon