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**Summary of the Scheme in Relation to the Issuance and Offering for Sale of Warrants to  
Purchase the Ordinary Shares of Phol Dhanya Public Company Limited  
Issued to Directors and Employees of the Company No.1 (ESOP-Warrant)**

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**1. Objectives and Necessities**

The objectives of allocation of warrants to Company's directors and employees are as follow;

- 1.1 To be a motivation and reward for the directors and employees that involved in the company's success over the past years
- 1.2 Opportunity for the employee to become a shareholder
- 1.3 To be a compensation and reward to the employees for their commitment and dedication for working with the company.
- 1.4 To retain the executives and employees with outstanding performance to work with the Company in long run.

**2. Preliminary details of Warrants to Purchase Ordinary Shares**

Name of Securities	: Warrants to Purchase the Ordinary Shares of Phol Dhanya Public Company Limited issued to Directors and Employees of the Company No.1 (ESOP-Warrant)
Type of Warrants	: Registered certificate and non-transferable warrants.
Number of Warrants offered for Sale	: 8,000,000 units
Number of ordinary shares reserved to accommodate the exercise of the Warrants	: 8,000,000 shares (at par value of Baht 1.00)
Issue Date	: The date to be determined by the Board of Director and/or the Managing Director and/or person authorized by the board of directors after approved by the Shareholders Meeting.
Offering Method	: Offered to the Directors and Employees of the Company and its subsidiary company according to the criteria, condition and procedures specified by the Company.
Offering Price per Unit	: Baht 0.00 per Unit

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- Exercise Ratio : 1 unit of Warrants for 1 ordinary share, unless the ratio is changed according to the terms on the adjustment of rights and conditions of the Warrants.
- Exercise Price : Baht 3.00 per share (Exercise price might change depend on the term and conditions of ESOP-Warrant)
- Term : 3 Years from the date on which the warrants are issued and offered. The Company shall not extend the warrant life and not change the exercise price and ratio and will allocate the reserved ordinary share under the term specified.
- Conditions to exercise and exercise period : The Warrant Holder may exercise the right to purchase the newly issued shares of the Company at the end of three year period from the issuance date of the Warrants. The Warrant Holders may do the following in regard to each Warrant Certificate:
- First Time The Warrant Holders may exercise the right to purchase the newly issued shares in the proportion of 30% of all Warrants allocated to the Directors and Employees of the Company. In this regards, the Directors and Employees of the Company will entitled to exercise their right from three days after the end of one year period from the date that the Company issues and offers the Warrants to Directors and Employees.
  - Second Time The Warrant Holders may exercise the right to purchase the newly issued shares in the proportion of 30% of all Warrants allocated to the Directors and Employees of the Company. In this regards, the Directors and Employees of the Company will entitled to exercise their right from three days after the end of two year period from the date that the Company issues and offers the Warrants to Directors and Employees.
  - Third Time The Warrant Holders may exercise the right to purchase the newly issued shares in the proportion of 40% of all Warrants allocated to the Directors and Employees of the Company. In this regards, the Directors and Employees of the Company will entitled to exercise their right from three days after the end of three year period from the date that the Company issues and offers the Warrants to Directors and Employees.
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- Period for notification of the intention to exercise the Warrants : The Warrant Holders who wish to exercise the right to purchase ordinary shares of the Company shall submit notification of the intention to exercise the Warrants during the period from 9.00 am to 4.00 pm of five Business Days before each exercise date. In any case, for the last exercise date, the Warrant Holders may submit their notification of intention to exercise during the period of any 15 days before the last exercise date.
- Conditions of the Rights Exercise and adjustment
1. Regardless of the right adjustment, the number of warrants to purchase the newly ordinary shares of the company must be in full unit and the exercise ratio is one unit of warrant to one ordinary share. In addition, the Warrant Holders must exercised and purchase newly ordinary shares not less than 1,000 shares unless that warrant is in fraction or it is the last exercise period. However, if the Warrant Holders are entitled to purchase newly ordinary shares under 1,000 shares, they must exercise all the right to purchase newly ordinary shares in one time
  2. The amount of ordinary share issued when the Warrant Holders exercised their right will calculate by taking the money received from exercising the right divided by exercise price. Where the company will issue the new ordinary share without any fraction and not exceeding the amount of Warrant unit multiply with exercise ratio. If there is an adjustment of exercise price and/or exercise ratio which create a fraction of that calculation, the company will not take that fraction into the calculation and will return the excess money to the Warrant Holder within 14 days from the date of exercise without any interest. Whereas, the Company may agree with the Warrant Holders to claim the remaining amount of money by themselves at the location stated in No 2.2.4
  3. If the company receives any evidence of the number of warrant or money received is differ from the amount stated on the notification of intention to exercise form, or the company has identify that the message that the Warrant Holders stated in the notification of intention form is not complete or incorrect. The Warrant Holders must correct the form within 3 business day after each exercise date. However, if the Warrant Holder does not correct the form within the time period, the compny will

claim that the warrant will not be exercised and the Company will return the money received and warrants back to the Warrant Holders within 14 days after exercise date without any interest payment

In the event that the Warrant Holders do not fully pay the amount of exercise, the company has the right to perform any of the following condition;

- a. The notification of exercising the right is terminated without any exercise.
- b. The amounts of newly ordinary shares issue must equivalent to the amounts of money the Company receives from exercising the right of ESOP-Warrant.
- c. The Warrant Holders must pay the additional amounts according the right they want to exercise within the notification of intention to exercise period. If the company does not receive the full amounts within that time period then the Company will assumes that notice of intention to exercise is expired without being exercise.

Notes: In the last exercising date the Company will follow criteria b.) and c.)

Under criteria a. and c. The Company will return the cheque with names crossed over together with the warrant that has not been exercised, where the Warrant Holders must pick up at the Company within 14 business days from the day following each exercise date together with the remaining amount of money without any interest payment. However, the warrant that has not been exercise will have no right to exercise until the last exercise period.

Under criteria b. In the event that the Company claim that there is a part of warrant that has been exercised, the Warrant Holders can claim the remaining amount of Warrants by themselves at the stated location within 14 business day from the day after each exercise date together with the remaining amount of money without any interest payment. However, the warrant that has not been exercise will have no the right to exercise until the last exercise period.

4. When the Warrant Holders has notify the intention to exercise the right to purchase the ordinary shares according to the notification procedure, as in submitting the subscription letter, notification form, and complete all the payment process. Cancellation of the subscription is not allowed.
5. In the event that Warrant Holders has not complied with the exercise condition within the last exercise date. The warrants shall be expired without being exercised and the warrant will no longer be exercisable.
6. In the event that the Warrant Holders has submit the subscription form with a number greater than they wish to exercise, the company will resend the new warrant with less exercising right to that Warrant Holders within 14 business days from the date of that exercise. Or the Warrant Holders can reclaim the warrant by themselves and the company will terminated the old warrant.
7. In the event that the Number of ordinary shares reserved to accommodate the exercise of the Warrants is not enough, the Company will compensate the lost that occurred to the Warrant Holders that the warrant cannot be exercised. However, under the case that the Warrant Holders are Foreigner or the International Juristic Person and unable to exercise because it will reaches or crosses the tender offer requirement threshold, the Company will not compensate to the Warrant Holders although there are not enough ordinary shares
8. The exercise of each warrant will only be completed if the Company has received the full amounts of payment. If the company is unable to collect the money under any condition, the Warrant Holders will be responsible and the Company will deem that the Warrant Holders has intention to cancel the right to exercise. However, this warrant is still exercisable in the next exercise date unless it is the last exercising date where the right to purchase the ordinary shares has been terminated.
9. The directors and employees are liable to personal income tax payment subject to the profit arising in each month that he or she exercises the warrants. The tax is payable immediately after the warrants are exercised and the shares are allocated.

Other conditions : In addition, the board meeting authorized the board of directors and/or the managing director and/or a person authorized by the board of directors to consider and determine, but not limited to, (1) determining and amending the terms and condition which are required and related to the issuance and offering of the ESOP-Warrant to the Board of Director and Employees of the Company only at what law and regulation allow and not to change the significant of such condition such as method and regulation of allotment, date and time for subscription of ESOP-warrant ; (2) entering into negotiation, agreement and execution of the relevant documents and agreements; (3) executing any application for approval, waiver and evidence necessary and related to the allotment of the ESOP-Warrant to the Board of Director and Employees of the Company, including contacting and submitting such applications for approval or waiver, document or evidence to government agencies or relevant authorities and the listing of the capital increase ordinary shares on the Market for Alternative Investment (MAI)

Note: In the event that the exercises date is on public or company holiday. The company will postpone the exercise date to the following day of the holiday. The remaining warrant will be able to exercise in the next exercised period.

### **3. Criteria and conditions for the allocation of the ESOP-Warrant**

The people who are eligible to receive the allocation of the ESOP-Warrant must have company or its subsidiaries' employment status as of the date that the company has offered and issued the Warrant. Moreover, The Nomination and Compensation Committee will specify the names of Directors and Employees who will be allocated the Warrants, and the number of Warrants to be allocated to each person will be based on the position and working time period.

#### 4. List of all Directors and Employees eligible for the ESOP-Warrant and the amounts allocation

#	Name - Lastname	Position	No. of Allocated Warrants (Units)	% of Total Warrants Offered
1	Mr. Boonchai Suwanvutthiwat	Director / CEO	400,000	5.00%
2	Mr. Pornsak Chunjajinda	Director / Managing Director	400,000	5.00%
3	Ms. Prapaipit Viriyabhupha	Chief Operation Officer	290,434	3.63%
4	Mr. Payotorn Mungtong	Chief Sale Officer	272,686	3.41%
5	Ms. Natchomkorn Puapansakul	Chief Internal Audit Officer	270,565	3.38%
6	Mr. Thanya Wangthamrong	Director / Chief Marketing Officer	219,240	2.74
7	Prof. Dr.Pornchai Chunjachinda	Chairman of the Board	114,290	1.43%
8	Asso.Prof.Dr.Ekachidd Chungcharoen	Independent Director	114,285	1.43%
9	Dr. Pramuk Vongtanakiat	Independent Director	114,285	1.43%
10	Mr. Noppadol Dheerabutrvongkul	Independent Director	114,285	1.43%
11	Mr. Chavalit Wangthamrong	Director / Chairman of Executive Committee	114,285	1.43%
12	Mr. Teeradej Jarutangtrong	Director	114,285	1.43%
13	Gen. Chaiwat Satondee	Director	114,285	1.43%
Total			2,652,925	33.16%

\* **Remark:** The directors and management personals who eligible for the ESOP-Warrant are considered to be the stakeholder. These directors and management personals mention above shall not vote in this resolution

## 5. Impact to Shareholder from issuance of Warrants to Purchase the ordinary shares issued to Directors and Employees of the Company

### 5.1 Price Dilution

In case that all the ESOP-Warrants are totally exercise. The impact on market price can be calculated as follow;

$$= \frac{(\text{Market Price before the Offering} - \text{Market Price after the offering}) \times 100}{\text{Market Price before the Offering}}$$

Which,

The market price is equivalent to Baht 3.94 per share. Calculated from the weighted average price of the Company's ordinary share price traded in the Stock Exchange of Thailand during the period of 14 business days prior to the date of Board of Director's Meeting on 20 July 2016

Market Price after the offering

$$= \frac{(\text{Market Price} \times \text{No. of paid-up Shares}) + (\text{Exercise Price} \times \text{No. of share reserved for this offering})}{\text{No. of paid-up shares} + \text{No. of shares reserved for this offering}}$$

$$= \frac{(\text{Market Price} \times \text{No. of paid-up Shares}) + (\text{Exercise Price} \times \text{No. of share reserved for this offering})}{\text{No. of paid-up shares} + \text{No. of shares reserved for this offering}}$$

$$= \frac{[(3.94 \times 161,999,986) + (3.00 \times 8,000,000)]}{161,999,986 + 8,000,000}$$

$$= 3.90$$

Therefore, the price dilution is

$$= 1.12 \%$$

## 5.2 Control Dilution

In the event all Warrants are exercised by the Directors and Employees of the Company, the control dilution effect on the ownership and the voting rights of the existing shareholders after the exercise will be as follows:

$$= \frac{\text{Number of Shares Reserved for this Offering}}{\text{No. of paid-up shares + No. of shares reserved for this offering}}$$

$$= \frac{8,000,000}{161,999,986 + 8,000,000}$$

$$= 4.71\%$$

Moreover, in this meeting the Company also issuing other securities which are (1) The Capital Increase ordinary shares offered to the existing shareholder of the Company proportionately to their shareholding with the total amount of 40,499,996 shares (2) Issuance of the New Warrants to purchase ordinary shares of the Company (PHOL-W1) to be allotted to existing shareholders of the Company who Subscribe for the capital increase Ordinary Shares Proportionately to their Shareholding with the amounts of 40,499,996 unit. Therefore, if take the above transaction into consideration the impact on shareholders will be as follow;

### **The control dilution on the ownership and the voting rights of the existing shareholders**

In the event all of the Warrants (PHOL-W1) subscribe by other shareholders, the existing shareholder has subscribe all of the issuance of capital increase ordinary share (Rights Offering) and all of the 8,000,000 units of ESOP-Warrant has been exercise. The control dilution on the ownership and the voting rights of the existing shareholders will be as follow;

$$= \frac{\text{No. of shares reserved for PHOL-W1 + No. of shares reserved for ESOP-Warrant}}{\text{No. of paid-up shares + No. of RO shares + No. of shares reserved for PHOL-W1 + No. of shares reserved for ESOP-Warrant}}$$

$$= \frac{40,499,996 + 8,000,000}{161,999,986 + 40,499,996 + 40,499,996 + 8,000,000}$$

$$= 19.32\%$$

### The price dilution

In the event all PHOL-W1 are exercised, all the existing shareholder has subscribe the capital increase ordinary shares and 8,000,000 units of ESOP-Warrants are fully exercised the impact on market price will be as follow;

$$= \frac{(\text{Market Price before the Offering} - \text{Market Price after the offering}) \times 100}{\text{Market Price before the Offering}}$$

Which,

The market price is equivalent to Baht 3.94 per share. Calculated from the weighted average price of the Company's ordinary share price traded in the Stock Exchange of Thailand during the period of 14 business days prior to the date of Board of Director's Meeting on 20 July 2016

Market Price after the offering

= [(Market price \* No. of paid-up share) + Value of RO Stock + (Exercise Price of PHOL-W1 \* No. of shares reserved for PHOL-W1) + (Exercise Price of ESOP-Warrant \* No. of shares reserved for ESOP-Warrant)] / (No. of paid-up share + No. of RO share + No. of shares reserved for PHOL-W1 + No. of shares reserved for ESOP-Warrant

$$= \frac{[(3.94 \times 161,999,986) + 80,999,992 + 121,499,988 + 24,000,000]}{161,999,986 + 40,499,996 + 40,499,996 + 8,000,000}$$

$$= 12.55\%$$

## 6. Exercise Condition

- 6.1 The Warrant Holders must retain their status as Director or Employees of the Company on the exercise date, except the case specified in No. 6.2 – 6.3
- 6.2 In the event that any Warrant Holder is no longer an Executive and Employee due to death, disappearance, severe illness, or incompetence causing him/her to be incapable of managing his/her own affairs, or any other causes as the Management Committee deems appropriate, that person or a person specified as an heir or guardian or curator shall be entitled to exercise the rights under the Warrants during the term of the Warrants.
- 6.3 In the event that the Warrant Holders are (a) retirement according to the company's rules and regulation or (b) has been transferred under the Company or the Board of Directors approval where that person still be the directors and employees of the company on the exercise date. The warrant holders shall be entitled to exercise the right to purchase the shares under the Warrants up until the expiry date of the allocated.

In the event that any Warrant Holder is no longer a Directors and Employees prior the exercise date due to other reason rather stated in No 6.2 – 6.3 or other reason (if specified in the scheme). The company can allocated the returned PHOL-ESOP to the management and employees. However, this will be under the consideration of Nominating and Compensating Committee whom shall consider under the Tor Jor 32/2551: The issuance of new equity for director, management and employee dated at 15 December, 2008

6.4 In the event that the Directors or Employees do not exercise all of their right under the Warrants; and the term of Warrants is expired, it shall be deemed that the Directors and Employees of the Company has waived their remaining rights under the Warrants and such Directors and Employees shall not have any claim against the Company.

**7. Commitment between the Company and Directors, Manager, and Employees of the Company in regards to allocation of ESOP-Warrant**

- According to the Scheme -

**8. Right of shareholders to oppose the offering of ESOP Warrants to directors and employees in accordance with the Securities and Exchange Commission Tor Jor 32/2551 dated 15 December 2008.**

Under the Notification of the Capital Market Supervisory Board No. Tor Jor 32/2551 Re: The Offer for Sale of Newly Issued Securities to the Director or Employee, Dated 15 December 2008 (amendment). The ESOP-Warrants scheme must be approved by the shareholders' meeting by not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote, and no shareholder(s) having an aggregate shareholding of more than 10% of the votes of the shareholders attending the meeting shall vote in opposition to the issuance and offering of the Warrants to the Directors and Employees of the Company. The directors and management personals who eligible for the ESOP-Warrant are considered to be the stakeholder. These directors and management personals mention above shall not vote in this resolution

**9. List of independent directors whom the shareholders may appoint as their proxies to attend the shareholders' meeting**

No.	Name	Allocation amount from ESOP
1.	Asso.Prof.Dr. Ekachidd Chungcharoen	114,285
2.	Mr.Santi Niarnnil	-