



บริษัท ศรีตรังแอกโรอินดัสทรี จำกัด (มหาชน) สาขากรุงเทพ  
อาคารพาร์คเวนเจอร์ส อีโคเพล็กซ์ ห้องเลขที่ 1701, 1707-1712 ชั้น 17  
เลขที่ 57 ถนนวิภาวดี แขวงจตุจักร เขตจตุจักร กรุงเทพฯ 10330 ประเทศไทย  
TEL : 0-2207-4500 FAX : 0-2108-2241-44 เลขประจำตัวผู้เสียภาษีอากร 0107536001656 สาขาที่ 00003

SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED (BANGKOK BRANCH)  
17TH FLOOR, PARK VENTURES ECOPLEX UNIT 1701, 1707-1712  
57 WIRELESS ROAD, LUMPINI, PATHUMWAN, BANGKOK 10330, THAILAND

19 September 2019

- Subject: Resolutions of the Board of Directors Meeting, and Scheduling of Extraordinary General Meeting of Shareholders No. 1/2019
- Attention: President  
Stock Exchange of Thailand / Singapore Exchange
- Enclosures: 1. Preliminary details of the issuance and offering of the newly-issued ordinary shares of Sri Trang Gloves (Thailand) Public Company Limited (STGT) to the directors, executives, and/or employees of STGT and STGT's subsidiaries (STGT ESOP)
2. Information Memorandum on the Connected Transaction of Sri Trang Agro-Industry Public Company Limited with respect to the shareholding restructuring for the issuance and offering for sale of the newly-issued ordinary shares of STGT in the Initial Public Offering (IPO), and the listing of STGT on the Stock Exchange of Thailand

Sri Trang Agro-Industry Public Company Limited (the “**Company**”) would like to inform you that the Board of Directors Meeting No. 6/2019, convened on 19 September 2019, resolved to approve the significant matters which are summarised as follows:

1. On 8 July 2019, the Company disclosed the resolutions of the Board of Directors Meeting No. 4/2019 regarding the plan of issuance and offering of newly-issued ordinary shares of STGT in an initial public offering (IPO), and the listing of STGT on the Stock Exchange of Thailand (the “**SET**”) and/or other stock exchanges (Spin-Off). The resolution provides the percentage of the shares to be offered in the IPO to be not exceeding 31.00 percent of the total paid-up capital of STGT after the IPO.

The Board of Directors approved the issuance and offering of the newly-issued ordinary shares of STGT to the directors, executives, and/or employees of STGT and STGT's subsidiaries (“**STGT ESOP**”) amounting to not exceeding 10,000,000 shares, at the par value of THB 1 per share. In this regard, the number of the newly-issued ordinary shares issued under STGT ESOP will be a part of the total number of shares to be offered in the IPO, i.e., not exceeding 31.00 percent of the total paid-up capital of STGT after the IPO. In addition, the Board of Directors Meeting approved to propose that the shareholders meeting of the Company further consider and approve the matter in accordance with the following details:

The objectives and necessity of STGT ESOP are to create motivation and give reward for the performance of the directors, executives, and/or employees of STGT and STGT's subsidiaries for their hard work in the best interests of STGT and its shareholders. The details are set out in Enclosure 1.

In this regard, by virtue of the Notification of the Capital Market Supervisory Board No. TorChor. 32/2551 Re: Offer for Sale of Newly-issued Securities to Directors or Employees (including any amendment thereto) (“**TorChor. 32/2551**”), the Company, as a parent company which is a listed company, has the duty to convene a shareholders meeting to consider and approve the issuance and

offering of the newly-issued ordinary shares of STGT to the directors, executives, and/or employees of STGT and STGT's subsidiaries under STGT ESOP in accordance with the conditions specified under such notification, 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 votes cast by the shareholders attending the meeting and being entitled to vote, and there shall not be shareholders holding shares in an aggregate number of more than 10.00 (ten) percent of the total votes of the shareholders attending the meeting and voting to oppose the offering of the newly-issued ordinary shares of STGT under STGT ESOP.

2. The Board of Directors approved the restructuring of the shareholdings of Shi Dong Shanghai Medical Equipment Company Limited (“SDME”) and Sri Trang USA, Inc. (“STU”), to have both companies as subsidiaries of STGT, and approved that STGT purchases STU's capital-increased shares, by which after the restructuring of the shareholdings of STU, STGT will proceed to increase the capital in STU, for amount of not exceeding USD 8.5 million, for STU to repay the loans secured from financial institutions, in order to prepare STGT for the issuance and offering for sale of the newly-issued ordinary shares in the initial public offering (IPO), and the listing of STGT on the SET. The details are set out in Enclosure 2.

In addition, the restructuring of the shareholdings of SDME and STU are classified as Class 4 Connected Transactions, or transactions relating to assets or services under the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions (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 Connected Transactions, 2003 (including any amendment thereto) (collectively, the “**Notifications on Connected Transactions**”), for the transactions are entered into between subsidiaries of the Company or the Company and STGT, a connected person of the Company, having its directors and major shareholder as the directors and major shareholder of the Company, and the Company having its shareholding in STGT less than 90 percent of the total issued shares, with a value totalling 2.10 percent, calculated based on the Consolidated Financial Statements of the Company, reviewed by the certified public accountant, for the period ending 30 June 2019, which is higher than 0.03 percent but lower than 3.00 percent of the net tangible asset value. As a result, the Company is obliged to obtain approval for the entering into of the transactions from the Board of Directors, and to prepare and disclose information on the entering into of the transactions to the SET, pursuant to the Notifications on Connected Transactions. In this regard, there were no other connected transactions of the Company during the six months period prior to these transactions.

3. The Board of Directors approved that 8 October 2019 be scheduled as the record date for determining the shareholders entitled to attend Extraordinary General Meeting of Shareholders No. 1/2019. Depositors or persons with shares standing to the credit of their securities accounts with Depository Agents at 5.00 p.m. (Singapore time) on 8 October 2019 may exercise their voting rights in respect of the number of shares credited to their securities accounts through CDP.


4. The Board of Directors approved the scheduling of Extraordinary General Meeting of Shareholders No. 1/2019 on 6 November 2019, at 10.30 a.m., at Grand Convention Hall B, 8<sup>th</sup> floor, Lee Gardens Plaza, Hat Yai, Songkhla Province, with the following agenda items:

- Agenda 1: To consider and certify the Minutes of the 2019 Annual General Meeting of Shareholders, convened on 30 April 2019
- Agenda 2: To consider and approve the issuance and offering of the newly-issued ordinary shares of Sri Trang Gloves (Thailand) Public Company Limited (STGT) to the directors, executives, and/or employees of STGT and STGT's subsidiaries (STGT ESOP)
- Agenda 3: Other matters (if any)

Please be informed accordingly.

Sincerely yours,



  
(Mr. Kitichai Sincharoenkul)  
Director

**Preliminary details of the issuance and offering of the newly-issued ordinary shares of  
Sri Trang Gloves (Thailand) Public Company Limited (STGT)  
to the directors, executives, and/or employees of STGT and STGT's subsidiaries  
(STGT ESOP)**

**1. Objectives and Necessity:**

1. To create motivation and give reward for the performance of the directors, executives and/or employees of STGT and STGT's subsidiaries for their hard work in the best interests of STGT and its shareholders;
2. To create motivation for the directors, executives and/or employees of STGT and STGT's subsidiaries who have outstanding performance and are hard to replace, to continue working with STGT in the long term in order to achieve the business goals;
3. To keep employees who are knowledgeable and have ability working with STGT in the long run; and
4. For the employees to feel that they become one of the owners in order for them to have the same objectives as the shareholders, and to focus on the growth and sustainability of STGT.

STGT ESOP must be approved by the shareholders meeting of the Company in accordance with the criteria and conditions specified under the Notification of the Capital Market Supervisory Board No. TorChor. 32/2551 Re: Offer for Sale of Newly-issued Securities to Directors or Employees (including any amendment thereto), and is subject to the successfulness of the issuance and offering of the newly-issued ordinary shares of STGT in the initial public offering (IPO) and the listing of STGT on the Stock Exchange of Thailand (the "SET").

**2. Details of the newly-issued ordinary shares issued under STGT ESOP**

**Type of securities** : The newly-issued ordinary shares of STGT issued and offered to the directors, executives, and/or employees of STGT and STGT's subsidiaries.

**Term** : Two years from the date on which the ordinary shares of STGT are listed on the SET.

**Number of newly-issued ordinary shares to be issued and offered** : Not exceeding 10,000,000 shares, at the par value of THB 1 per share, equivalent to not exceeding 0.70 percent of the total issued shares and total voting rights of STGT after the IPO.

In this regard, the final number of shares to be issued and offered, and the offering value under STGT ESOP will be disclosed in the Registration Statement for Offer for Sale of Securities of STGT, and/or the draft prospectus of STGT, and/or via the announcement system of the SET.

**Offering price per share** : The first offering price per share under STGT ESOP at the date of IPO is equivalent to 90.00 percent of the IPO price, and the subsequent offering prices per share under STGT ESOP in the first to second year after the IPO will be equivalent to 90.00 percent of the market price as specified under the Notification of the Office of the Securities and Exchange

Commission regarding the Calculation of Offer Price of Securities and Determination of Market Price for Consideration of Offer For Sale of Newly-issued Shares with Discount.

In this regard, in the case where any of the offering prices are lower than the par value, STGT is required to offer the newly-issued ordinary shares to the directors, executives, and/or employees of STGT and STGT's subsidiaries under STGT ESOP at a price equivalent to the par value, subject to Section 52 of the Public Limited Companies Act B.E. 2535 (as amended).

**Offering period**

- : STGT will offer the newly-issued ordinary shares by means of a programme. STGT will offer the newly-issued ordinary shares for the first time on the date of the IPO in the number of 40.00 percent of the total newly-issued ordinary shares to be offered under STGT ESOP, or not exceeding 4,000,000 shares, and will offer the newly-issued ordinary shares under STGT ESOP two more times during the first to second year after the IPO, each in the number of 30.00 percent of the total newly-issued ordinary shares to be offered under STGT ESOP, or not exceeding 3,000,000 shares for each offering. In this regard, STGT will complete the offering within the term of the programme, and it will commence the offering after it is granted approval for the IPO from the Office of the Securities and Exchange Commission.

The "Offering Date" means the date on which the Board of Directors of STGT or the person delegated by the Board of Directors of STGT, passes a resolution or approves as the date to offer the newly-issued ordinary shares to the directors, executives, and/or employees of STGT and STGT's subsidiaries under STGT ESOP. STGT will schedule the date to offer the newly-issued ordinary shares to the directors, executives, and/or employees of STGT and STGT's subsidiaries to be the same, i.e., the date of the first offering of the newly-issued ordinary shares under STGT ESOP is the same as the date of IPO. For the other two offerings (the offering in the first and second year after the IPO), the shares will be offered during 1 July – 15 July 2021 and 2022.

The "Record Date" means:

1. For the allocation of newly-issued ordinary shares at the date of IPO: the date on which the shareholders meeting of STGT passes a resolution or approves the names of the persons who are entitled to the allocation of the newly-issued ordinary shares under STGT ESOP which is expected to be around 22 November 2019.
2. For the allocation of newly-issued ordinary shares during the first to second year after the IPO: the date on which the Board of Directors of STGT or the person delegated by the Board of Directors of STGT, passes a resolution or approves the names of the persons who are entitled to the allocation of the newly-issued

ordinary shares under STGT ESOP. In this regard, the names of such persons will be determined based on the names of the persons entitled to the allocation of the newly-issued ordinary shares under STGT ESOP as approved by the shareholders meeting of STGT or the names of executives and/or employees that the Executive Committee of STGT and/or the person delegated by Executive Committee of STGT will be determined.

**Conditions of the allocation**

: The directors, executives, and/or employees of STGT and STGT’s subsidiaries who are entitled to the allocation of the newly-issued ordinary shares must be subject to the following conditions:

1. As at the Record Date, a director, executive, and/or employee must be a director, executive, and/or employee of STGT and STGT’s subsidiaries for a period of no less than three months, must not be under a probationary period, and must remain a director, executive, and/or employee of STGT and STGT’s subsidiaries at the Offering Date; and
2. Each director will be entitled to equal number of ordinary shares, while the number of ordinary shares to which each executive, or employee will be entitled may not be the same and will depend on the position, experience, responsibility, term of employment, achievement, capability and performance, as well as potential benefits to STGT.

In the case where there are directors, executives, and/or employees of STGT and STGT’s subsidiaries who wish not to exercise their rights to purchase the newly-issued ordinary shares on the Offering Date, Executive Committee of STGT and/or the person delegated by Executive Committee of STGT may determine the names of other executives and/or employees of STGT and STGT’s subsidiaries for the allocation instead within the offering and allocation period, in accordance with the conditions of the allocation. In this regard, each executives and/or employee will be entitled to the allocation of not exceeding 5.00 percent of the total number of shares to be offered under STGT ESOP.

**Persons entitled to the allocation and the number of shares to be allocated**

: The directors of STGT who are entitled to the allocation of the newly-issued ordinary shares, and the number of shares to which they are entitled are as follows:

Names	Position	Number of shares to be allocated (shares)
Mr. Prakob Visitkitjakarn	Chairman of the Board of Directors / Independent Director / Chairman of the Audit Committee / Member of the Nomination Committee /	300,000

	Chairman of the Remuneration Committee	
Mr. Kitichai Sincharoenkul	Vice Chairman / Chairman of the Nomination Committee / Executive Director	300,000
Mr. Viyavood Sincharoenkul	Director / Chairman of the Executive Board	300,000
Mr. Veerasith Sinchareonkul	Director / Chairman of the Risk Management Committee / Executive Director	300,000
Mrs. Unakorn Phruithithada	Director / Independent Director / Member of the Audit Committee	300,000
Mr. Weerakorn Ongsakul	Director / Independent Director / Member of the Audit Committee / Member of the Remuneration Committee / Member of the Risk Management Committee	300,000
Ms. Jarinya Jirojkul	Director / Member of the Nomination Committee / Member of the Remuneration Committee / Member of the Risk Management Committee / Executive Director	300,000
Ms. Thanawan Sa-ngiamsak	Director / Member of the Risk Management Committee	300,000
Mr. Vitanath Sincharoenkul	Director / Executive Director	300,000
Mr. Anan Pruksanusak	Director / Executive Director	300,000
Mr. Chia Chee Ping	Director	300,000
Mr. Sarana Boonbaichaiyapruck	Director / Independent Director	300,000

In this regard, there are no directors, executives, and/or employees of STGT who are allocated the newly-issued ordinary shares in a number exceeding 5.00 percent of the total number of shares offered for sale under STGT ESOP.

The director who is executive and/or employee will not be allocated the newly-issued ordinary shares for his position as executive and/or employee.

The allocation of newly-issued ordinary shares under STGT ESOP will not cause the group of Sincharoenkul family, which consists of Mr. Viyavood Sincharoenkul, Mr. Kitichai Sincharoenkul, Mr. Paul Sumade Lee, Mrs. Voradi Sincharoenkul, Mr. Veerasith Sinchareonkul, Mr. Somwang Sincharoenkul, Mr. Vitanath Sincharoenkul, and Sri Trang Holdings Company Limited, to directly or indirectly hold shares in STGT in an amount exceeding 10.00 percent of the paid-up capital of STGT after the first day of trading, which will be disclosed in the Registration Statement for Offer for Sale of Securities of STGT, and/or the draft prospectus of STGT.

**Secondary Market** : STGT will list the newly-issued ordinary shares on the SET.

**Effects on the shareholders** : **Price Dilution:**

In the case where all 10,000,000 newly-issued ordinary shares are allocated to the directors, executives, and/or employees of STGT and STGT's subsidiaries, the market price of the STGT's shares will decrease by 0.07 percent based on the assumption that: the market price of STGT shares is the IPO price; and the offering price of the newly-issued ordinary shares to be offered to the directors, executives, and/or employees of STGT and STGT's subsidiaries is equivalent to 90.00 percent of the market price; and STGT issues the shares in the IPO amounting to 31.00 percent of the total paid-up capital of STGT after the IPO, and all of the shares are sold.

**Earnings Per Share Dilution and Control Dilution:**

Considering the number of the newly-issued ordinary shares of STGT to be issued and offered under STGT ESOP does not exceed 10,000,000 shares, at the par value of THB 1 per share, equivalent to 0.70 percent of the total issued shares of STGT after the IPO, the profit sharing or voting rights of the shareholders of STGT will decrease by not exceeding 0.70 percent of the profit sharing or voting rights of the shareholders of STGT compared to the total issued shares of STGT after the IPO.

In addition, considering at present, the Company and its subsidiaries hold 81.08 percent of the total shares in STGT, this offering under STGT ESOP will cause the profit sharing or voting rights of the shareholders to decrease by not exceeding 0.57 percent of the profit shares or voting rights of the shareholders of STGT (calculated based on the shareholding percentage of the Company and the Company's subsidiaries in STGT of 81.08 percent multiplied by the Earnings Per Share Dilution and Control Dilution, which are 0.70 percent).

**3. Shareholders' rights to oppose the offering of securities**



STGT ESOP must be approved by the shareholders meeting of the Company by votes of no less than three-quarters (3/4) of the total votes cast by the shareholders attending the meeting and being entitled to vote, and there shall not be shareholders holding shares in an aggregate number of more than 10.00 (ten) percent of the total votes of the shareholders attending the meeting and voting to oppose the offering of the newly-issued ordinary shares of STGT under STGT ESOP.

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

1. Ms. Anusra Chittmittrapap
2. Mr. Kriang Yanyongdilok
3. Mr. Samacha Potavorn
4. Gen Thanasorn Pongarna

**Information Memorandum on the Connected Transaction of  
Sri Trang Agro-Industry Public Company Limited  
with respect to the shareholding restructuring for the issuance and offering for sale of  
the newly-issued ordinary shares of STGT in the Initial Public Offering (IPO),  
and the listing of STGT on the Stock Exchange of Thailand**

The Board of Directors Meeting No. 6/2019 of Sri Trang Agro-Industry Public Company Limited (the “**Company**”), convened on 19 September 2019, acknowledged the progress of the restructuring of the shareholdings of Shi Dong Shanghai Medical Equipment Co., Ltd. (“**SDME**”), a subsidiary of the Company, and resolved to approve the restructuring of the shareholdings of Sri Trang USA, Inc. (“**STU**”) for the purposes of preparedness for the fundraising of Sri Trang Gloves (Thailand) Public Company Limited (“**STGT**”) in the future.

The restructuring is a transaction entered into between subsidiaries of the Company and between the Company and its subsidiary. If the size of the transaction is calculated pursuant to Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 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: Disclosures of Information and Other Acts of Listed Companies Concerning Acquisitions and Dispositions of Assets, 2004 (including any amendment thereto), such transaction has the highest transaction value, equivalent to 1.43 percent, calculated based on the Net Operating Profit basis by using financial information from Consolidated Financial Statements of the Company, reviewed by the certified public accountant, for the period ending 30 June 2019, and SDME and STU’s financial statements ended on 31 December 2018, audited by the certified public accountant. If combined with other asset disposal transactions which are required to be calculated during the six-month period prior to the date on which Board of Directors Meeting resolved to approve the restructuring of the shareholdings of SDME and STU, i.e. the IPO of STGT and listing of STGT on the Stock Exchange of Thailand and/or any other stock exchanges (Spin-Off), the total value of such transaction is equivalent to 46.89.

The restructuring of the shareholdings of SDME and STU are classified as Class 4 Connected Transactions, or transactions relating to assets or services under the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions (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 Connected Transactions, 2003 (including any amendment thereto) (collectively, the “**Notifications on Connected Transactions**”), for the transactions are entered into between subsidiary of the Company and STGT and between the Company and STGT, a connected person of the Company, having its directors and major shareholder as the directors and major shareholder of the Company, and the Company having its shareholding in STGT less than 90 percent of the total issued shares, with a value totalling 2.10 percent, calculated based on the Consolidated Financial Statements of the Company, reviewed by the certified public accountant, for the period ending 30 June 2019, which is higher than 0.03 percent but lower than 3.00 percent of the net tangible asset value. As a result, the Company is required to obtain approval for the entering into of the transactions from the Board of Directors, and to prepare and disclose information on the entering into of

the transactions to the Stock Exchange, pursuant to the Notifications on Connected Transactions. In this regard, there were no other connected transactions of the Company during the six months period prior to these transactions.

The Company would like to disclose material details of the connected transaction as follows:

**1. Date of the transaction**

**1.1 Restructuring of shareholdings of SDME**

After the Board of Directors Meeting No. 3/2019 of the Company, convened on 14 May 2019, resolved to approve that Startex Rubber Corporation Limited (“STC”) dispose of all of the investments in SDME to STGT, STC disposed of all of the investments in SDME amounting to USD 4,150,000, to STGT, on 28 June 2019.

Considering that on 14 May 2019, which was the date of the Board of Directors Meeting No. 3/2019, the entering into of the transaction had yet to conclude, and the facts are still subject to change, due to the restructuring process in the People’s Republic of China, comprising complicated legal procedures and operations, as well as the restructuring made in relation to the business of rubber glove distribution of the Company for the purposes of preparedness for the fundraising of STGT, the Company is awaiting all such details to be concluded before disclosing the information to investors.

**1.2 Restructuring of shareholdings of STU**

After the Board of Directors Meeting No. 6/2019 of the Company, convened on 19 September 2019, resolved to approve the restructuring of the shareholdings of STU, the Company will dispose of the shares in STU held by the Company, amounting to 3,000 shares, or 100 percent of the total shares in STU, for a value of USD 1, to STGT by 30 September 2019.

After the restructuring of the shareholdings of STU, STGT will proceed to increase the capital in STU, for amount of not exceeding USD 8.5 million, or approximately THB 260.14 million (calculated based on the exchange rate of the Bank of Thailand, as at 13 September 2019, which is THB 30.6048 to USD 1), for STU to repay the loans secured from financial institutions in due course.

**2. Related parties**

**2.1 Restructuring of shareholdings of SDME**

- |     |        |   |   |
|-----|--------|---|---|
| (1) | Buyer  | : | Sri Trang Gloves (Thailand) Public Company Limited (STGT), a company which shares the same directors and a major shareholder with the Company, and the Company holds 81.08 percent of the total issued shares |
| (2) | Seller | : | Startex Rubber Corporation Limited (STC), a company in which the Company holds 99.99 percent of the total issued shares   |

## 2.2 Restructuring of shareholdings of STU

### 2.2.1 Transfer of shares in STU

- (1) Buyer : Sri Trang Gloves (Thailand) Public Company Limited (STGT), a company which shares the same directors and a major shareholder with the Company, and the Company holds 81.08 percent of the total issued shares
- (2) Seller : Sri Trang Agro-Industry Public Company Limited

### 2.2.2 Purchase of the capital-increased shares in STU

- (1) Buyer : Sri Trang Gloves (Thailand) Public Company Limited (STGT), a company which shares the same directors and a major shareholder with the Company, and the Company holds 81.08 percent of the total issued shares
- (2) Seller : Sri Trang USA, Inc. (STU)

## 3. General characteristics of the transaction

### 3.1 Restructuring of shareholdings of SDME

The entering into of the transaction is classified as a Class 4 Connected Transaction, or a transaction relating to assets or services under the Notifications on Connected Transactions, for the transaction is entered between STC, which is a subsidiary of the Company, and STGT, which is a connected person of the Company, having its directors and major shareholder as the directors and major shareholder of the Company. The transaction represents a value of 0.81 percent, calculated based on the Consolidated Financial Statements of the Company, reviewed by the certified public accountant, for the period ending 30 June 2019.

Calculation of the connected transaction value:

Net Tangible Assets (NTA)	=	$\frac{\text{Total value of the transaction}}{\text{Net Tangible Assets of the Company}}$
	=	$\frac{162,903,600^{(1)}}{20,166,745,286} = 0.81 \text{ percent}$

Remark: (1) The amount is equivalent to CNY 36,000,000 (calculated based on the exchange rate of the Bank of Thailand as at 28 June 2019, which is THB 4.5251 to CNY 1).

### 3.2 Restructuring of shareholdings of STU

The entering into of the transaction is classified as a Class 4 Connected Transaction, or a transaction relating to assets or services under the Notifications on Connected Transactions, for the transaction is entered between the Company and STGT, which is a connected person of the Company, having its directors and major shareholder as the directors and major shareholder of the Company.

In addition, the Board of Directors Meeting No. 6/2019, convened on 19 September 2019, resolved to approve that STGT purchases the capital-increased shares in STU after the restructuring of the shareholdings of STU, for amount of not exceeding USD 8.5 million, or approximately THB 260.14 million (calculated based on the exchange rate of the Bank of Thailand as at 13 September 2019, which is THB 30.6048 to USD 1), for STU to repay the loans secured from financial institutions under the Loan Agreement.

The total value of the restructuring of shareholdings of STU and the capital increase of STU is equivalent to 1.29 percent, calculated based on the Consolidated Financial Statements of the Company, reviewed by the certified public accountant, for the period ending 30 June 2019.

Calculation of the connected transaction value:

Net Tangible Assets (NTA)	=	$\frac{\text{Total value of the transaction}}{\text{Net Tangible Assets of the Company}}$
	=	$\frac{260,140,831^{(1)}}{20,166,745,286} = 1.29 \text{ percent}$

Remark: (1) The amount is equivalent to USD 8,500,001 (calculated based on the exchange rate of the Bank of Thailand as at 13 September 2019, which is THB 30.6048 to USD 1).

From the above calculations, the total value of the transactions under 3.1 and 3.2 is 2.10 percent, calculated based on the Consolidated Financial Statements of the Company, reviewed by the certified public accountant, for the period ending 30 June 2019. The transaction is, therefore, classified as a transaction with a value of higher than 0.03 percent, but lower than 3.00 percent of the net tangible assets value. As a result, the Company is required to obtain approval for the entering into of the transactions from the Board of Directors, and to prepare and disclose information on the entering into of the transactions to the Stock Exchange, pursuant to the Notifications on Connected Transactions. In this regard, there were no other connected transactions of the Company during the six months period prior to these transactions.

#### 4. Details of the securities relevant to the transaction

##### 4.1 SDME

(1) Details of SDME as at 30 June 2019

Name of the Company	Shi Dong Shanghai Medical Equipment Co., Ltd.
Type of Business	Sale of gloves
Registered Capital	USD 4,150,000
Head Office Address	5F East, Block B of W Square, No. 1686, Wuzhong Road, Minhang, Shanghai, People's Republic of China

- (2) Nature of Business  
Distribution of gloves in the People's Republic of China
- (3) Summary of financial position and operating results of SDME, according to SDME's financial statements ended on 31 December 2018

Item	Value (CNY)
Bank Deposit	5,910,830
Inventory	42,436,308
Fixed Assets, Net	106,919
Total Assets	91,591,458
Total Liabilities	59,490,703
Registered Capital	28,720,070
Total Equity	32,100,755
Income	170,093,190
Gross Profit	24,090,158
Profit from Operations	5,654,286
Profit, Net	4,480,324

#### 4.2 STU

- (1) Details of STU as at 30 June 2019

Name of the Company	Sri Trang USA, Inc.
Type of Business	Sale of natural rubber and gloves
Capital	USD 5,000,000
Head Office Address	No. 5820 West Cypress Street, Suite H, Tampa, Florida, U.S.A.

- (2) Nature of Business  
Distribution of natural rubber and gloves in the United States of America. However, currently, STU no longer sells natural rubber.
- (3) Summary of financial position and operating results of STU, according to STU's financial statements ended on 31 December 2018

Item	Value (USD)
Cash and Cash Equivalents	3,888,990
Inventory	1,689,397
Property, Plant and Equipment, Net	17,231

Item	Value (USD)
Total Assets	9,338,928
Total Liabilities	12,593,406
Registered Capital	30
Total Equity	(3,254,478)
Income	9,575,706
Gross Profit	260,446
Profit (Loss) from Operations	(3,602,075)
Profit (Loss), Net	(3,270,797)

**5. Total value of consideration, criteria used in determining value of consideration, and payment**

**5.1 Restructuring of shareholdings of SDME**

The total value of consideration which STC received from the disposal of all the investments of SDME held by STC, to STGT, is CNY 36,000,000, or approximately THB 162,903,600 (calculated based on the exchange rate of the Bank of Thailand as at 28 June 2019, which is THB 4.5251 to CNY 1). STC received net consideration from the disposal in the form of cash on 28 June 2019.

In this regard, the transaction value has been determined based on an agreement between the buyer and the seller.

**5.2 Restructuring of shareholdings of STU**

The total value of consideration which the Company will receive from the disposal of all 3,000 STU shares held by the Company, or 100 percent of the total shares in STU, to STGT, for a value of USD 1, is approximately THB 30.60 (calculated based on the exchange rate of the Bank of Thailand, as at 13 September 2019, which is THB 30.6048 to USD 1). The Company will receive net consideration from the disposal in the form of cash by 30 September 2019.

In this regard, the transaction value has been determined based on an agreement between the buyer and the seller.

In addition, the Board of Directors Meeting No. 6/2019, convened on 19 September 2019, resolved to approve that STGT purchases the capital-increased shares in STU after the restructuring of the shareholdings of STU, for amount of not exceeding USD 8.5 million, or approximately THB 260.14 million (calculated based on the exchange rate of the Bank of Thailand as at 13 September 2019, which is THB 30.6048 to USD 1), for STU to repay the loans secured from financial institutions under the Loan Agreement.

**6. Information and details of connected persons, and nature of relationship**

STGT is a connected person of the Company, for Dr. Viyavood Sincharoenkul, a director and major shareholder of STGT, directly and indirectly holds 12.48 percent of the total voting shares of STGT (the Company directly and indirectly holds 81.08 percent of the total voting shares of STGT), and Dr. Viyavood Sincharoenkul is also a director and major shareholder who directly and indirectly holds shares in excess of 10 percent of the total voting shares of the Company. In addition, the Company and STGT also share the same directors, i.e., Mr. Kitichai Sincharoenkul and Mr. Veerasith Sinchareonkul.

**7. Characteristics and scope of interests of connected persons**

Considering that STGT has Dr. Viyavood Sincharoenkul as a director and major shareholder, who directly and indirectly holds 12.48 percent of the total voting shares of STGT, and that the Company and STGT share the same directors, i.e., Mr. Kitichai Sincharoenkul and Mr. Veerasith Sinchareonkul, the transactions entered into the restructuring of the shareholdings of both SDME and STU, under which STC which is a subsidiary of the Company, and the Company itself being required to dispose of investments and shares in SDME and STU respectively, to STGT, constitute connected transactions relating to assets or services under the Notifications on Connected Transactions, with a value of higher than 0.03 percent but lower than 3.00 percent of the net tangible asset value. As a result, the Company is required to obtain approval for the entering into of the transactions from the Board of Directors, and to prepare and disclose information on the entering into of the transactions to the Stock Exchange.

**8. Directors who have interests and/or directors who are connected persons not attending the meeting and not being entitled to cast votes in the meeting**

In Board of Directors Meeting No. 3/2019, convened on 14 May 2019, in which the Board of Directors considered and approved that STC dispose of the shares in SDME to STGT, and in Board of Directors Meeting No. 6/2019, convened on 19 September 2019, in which the Board of Directors considered and approved the restructuring of the shareholdings of STU, Dr. Viyavood Sincharoenkul, Mr. Kitichai Sincharoenkul, and Mr. Veerasith Sinchareonkul, who are classified as directors who have interests, did not attend the meetings, nor did they cast votes in such meetings.

**9. Opinions of the Board of Directors on the entering into of the transaction**

After due consideration, the Board of Directors Meeting (excluding the directors who have interests who did not attend the meeting during the consideration of the agenda item) was of the view that the entering into of the transaction is reasonable, appropriate, and beneficial to the Group of the Company, for the restructuring of the shareholdings of SDME and STU is undertaken to prepare STGT for the issuance and offering for sale of the newly-issued ordinary shares in the initial public offering (IPO), and the listing of STGT on the Stock Exchange.

**10. Opinions of the Audit Committee and/or directors which are different from those of the Board of Directors under Clause 9.**

—None—