

18 January 2017

Subject: Information Memorandum on Asset Acquisition and Disposal and the schedule of Extraordinary General Meeting of Shareholders No. 1/2017

Attention: President
Stock Exchange of Thailand

Enclosure: Information Memorandum on Asset Acquisition and Disposal of Sri Trang Agro-Industry Public Company Limited

Reference is made to Board of Directors Meeting No. 1/2017 of Sri Trang Agro-Industry Public Company Limited (the “**Company**”) which was convened on 16 January 2017, having resolved to approve the following material matters:

1. Approved the entering into the Umbrella Agreement with Semperit Technische Produkte Gesellschaft m.b.H. (“**Semperit**”), the agreement for the sale and purchase of shares in Siam Sempermed Co., Ltd. (“**SSC**”) and the agreement for the sale and purchase of shares in various associate companies, namely Semperfex Shanghai Ltd., Shanghai Semperit Rubber & Plastic Products Co., Ltd. Sempermed USA, Inc., Sempermed Singapore Pte Ltd. and Semperfex Asia Corporation Ltd. (“**SAC**”), whereby all aforementioned related agreements determine the rights and duties between the parties including the following matters:

1.1 The acquisition of shares of SSC, with the Company as the buyer and Semperit as the seller. After of the share sale and purchase of SSC shares, the shareholding of the Company and Rubberland Products Co., Ltd., a subsidiary of the Company (“**Rubberland**”), in SSC will increase from 40.2 percent to 90.2 percent (“**acquisition of SSC shares**”); and

1.2 The disposal of shares held by and total investment by the Company and Rubberland in various associate companies, namely, Semperfex Shanghai Ltd., Shanghai Semperit Rubber & Plastic Products Co., Ltd., Sempermed USA, Inc., Sempermed Singapore Pte Ltd., and SAC, with the Company and Rubberland as the sellers and Semperit as the buyer (“**entering into of the transaction to dispose of shares and investment**”), whereby after the completion of the sale and purchase of the shares and investment, the Company and Rubberland will no longer hold any shares or have any investment in the associate companies.

The share disposal of SAC is in accordance with the Call Option Agreement, under which Semperit has the right to purchase and pay for the shares within the specified period for the exercise of its rights.

1.3 The settlement of all pending disputes between the Company, its subsidiaries, and related companies with Semperit at present, whether such disputes are pending consideration by a court of law or arbitral committee, including the agreement that SSC will pay Semperit a compensation in order to settle the disputes between SSC and Semperit (“**dispute settlement**”).

2. Approved the entering into the Credit Facility Agreement with financial institution(s) in order to secure sources of funds for the acquisition of SSC shares at the amount of THB 4.5 billion.

(Translation)

3. Approved to propose, to the shareholders meeting, to approve the demerger transaction comprising (A) the acquisition of SSC shares which constitutes an asset acquisition transaction; (B) the entering into of the transaction to dispose of shares and investment in associate companies including the shares of SAC in accordance with the Call Option Agreement, which constitutes an asset disposal transaction; and (C) the dispute settlement, in accordance with details set out in the **Enclosure**.

4. Approved the convening of Extraordinary General Meeting of Shareholders No. 1/2017 on 14 March 2017, at 10.00 hrs., at Hadyai Songkhla.

The agenda items to be considered at Extraordinary General Meeting No. 1/2017 are as follows:

Agenda Item 1: To endorse the minutes of the 2016 Annual General Meeting of Shareholders held on 28 April 2016;

Agenda Item 2: To approve the demerger transaction comprising (A) the entering into the acquisition of shares of Siam Sempermed Co., Ltd., which constitutes an asset acquisition transaction of the Company; (B) the entering into of the transaction to dispose of the shares and investment in the associate companies, including the disposal of shares in Semperflex Asia Corporation Ltd., in accordance with the Call Option Agreement, which constitutes an asset disposal transaction of the Company; and (C) the settlement of all pending disputes;

Agenda Item 3: Other matters (if any).

5. Approved the scheduling of 1 February 2017 as the date to record the names of shareholders entitled to attend and cast votes at Extraordinary General Meeting of Shareholders No. 1/2017 (Record Date), and 2 February 2017 as the date to close the share register book to list the names of shareholders (Closing Date) in accordance with Section 225 of the Securities and Exchange Act B.E. 2535 (1992) (including any amendment thereto).

Any depositor and his/her representative that have deposited the Company's shares in the securities account of the Central Depository (Pte) Ltd (CDP) of Singapore as at 1700 hrs. (SGT) on 1 February 2017 shall be entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2017 and exercise their voting rights in respect of the number of shares credited to their securities accounts through CDP.

6. Approved the authorization of Dr. Viyavood Sincharoenkul, Managing Director, Mr. Kitichai Sincharoenkul, or any individual nominated by Dr. Viavood Sincharoenkul or Mr. Kitichai Sincharoenkul, to execute the Umbrella Agreement, the agreement for the sale and purchase of SSC shares, the sale and purchase agreement in associate companies, or any related contracts, documents or other agreements, and to carry out any related proceedings on behalf of the Company until the completion of the sale and purchase of the aforementioned shares and various investments. In addition, Dr. Viyavood

(Translation)

Sincharoenkul, Managing Director, is authorized to change the agenda items, date, time, and venue of Extraordinary General Meeting Shareholders No. 1/2017, as well as any information memoranda relating to this asset acquisition and disposal transaction, subject to the provisions of the relevant law and/or in compliance with any additional comments of the relevant governing authorities, and taking the appropriateness, benefits and potential impact on the Company and/or the shareholders of the Company into due consideration.

Please be informed accordingly.



Sincerely yours,

A handwritten signature in blue ink, consisting of stylized, overlapping strokes that form the letters "K" and "S".

(Mr. Kitichai Sincharoenkul)

Director

Information Memorandum on Acquisition and Disposal of Assets of

Sri Trang Agro-Industry Public Company Limited

Reference is made to the fact that Board of Directors Meeting No. 1/2017 of Sri Trang Agro-Industry Public Company Limited (“STA” or the “Company”) which was convened on 18 January 2017 has resolved to approve the Company’s entering into of the following transactions as detailed below.

1. Asset Acquisition Transaction

The Board of Directors Meeting of the Company approved the acquisition of 10,000 shares of Siam Sempermed Co., Ltd. (“SSC”) (currently a joint venture business of the Company) (equivalent to 50.0 percent of the total issued and sold shares of SSC) from Semperit Technische Produkte Gesellschaft m.b.H. (“Semperit”), which is not a connected person of the Company.

This transaction thus constitutes an asset acquisition transaction of the Company (“**Transaction No. 1**”).

2. Asset Disposal Transactions

The Board of Directors Meeting of the Company approved the entering into of the following transactions to dispose of investments in various associate companies:

- (1) approved the disposal of the investment in Semperfex Shanghai Ltd. (“SSH”) (equivalent to 50.0 percent of the total capital of SSH) to Semperit (or a person designated by Semperit), which is not a connected person of the Company.

This transaction thus constitutes an asset disposal transaction of the Company (“**Transaction No. 2**”);

- (2) approved the disposal of the investment in Shanghai Semperit Rubber & Plastic Products Co., Ltd. (“SRP”) (equivalent to 10.0 percent of the total capital of SRP) to Semperit (or a person designated by Semperit), which is not a connected person of the Company.

This transaction thus constitutes an asset disposal transaction of the Company (“**Transaction No. 3**”);

- (3) approved the disposal of 1,000 shares of Sempermed USA, Inc. (“SUSA”) which are directly held by the Company (equivalent to 25.0 percent of the total issued and sold shares of SUSA). The Company also indirectly holds 2,000 shares of SUSA through SSC (equivalent to 50.0 percent of the total issued and sold shares of SUSA). The Company and SSC will dispose all of the SUSA shares held by the Company and SSC to Semperit (or a person designated by Semperit), which is not a connected person of the Company.

This transaction thus constitutes an asset disposal transaction of the Company (“**Transaction No. 4**”);

- (4) approved the disposal of 4,000,000 shares of Sempermed Singapore Pte. Ltd. (“**SESI**”) (equivalent to 50.0 percent of the total issued and sold shares of SESI) to Semperit (or a person designated by Semperit), which is not a connected person of the Company.

This transaction thus constitutes an asset disposal transaction of the Company (“**Transaction No. 5**”); and

- (5) approved the disposal of all 1,615,000 shares of Semperflex Asia Corporation Ltd. (“**SAC**”) held by the Company and Rubberland Products Co., Ltd., a subsidiary of the Company (“**Rubberland**”) (equivalent to 42.5 percent of the total issued and sold shares of SAC), to Semperit (or a person designated by Semperit), which is not a connected person of the Company.

This transaction thus constitutes an asset disposal transaction of the Company (“**Transaction No. 6**”).

3. Compliance with Notifications on Acquisition or Disposal

All of the aforesaid Asset Acquisition Transaction and Asset Disposal Transactions constitute asset acquisitions and disposal transactions of a listed company under the 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, 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, 2004 (collectively, the “**Notifications on Acquisition or Disposal**”). The transactions represent the following maximum values:

3.1 Asset Acquisition Transaction

Transaction No. 1 deals with the acquisition of 10,000 shares of SSC (equivalent to 50.0 percent of the total issued and sold shares of SSC) at the price of USD 180,100,000 (or approximately THB 6,573.7 million¹).

Transaction No. 1 has a maximum transaction value of 69.2 percent calculated based on a net profit basis from the reviewed consolidated financial statements of the Company for the period ending 30 September 2016 and the management accounts of SSC for the period ending 30 September 2016. The Board of Directors of the Company is of the view that the management accounts of SSC for the period ending 30 September 2016 were prepared in accordance with the relevant international accounting standards, are reliable and reflect the accounting value of SSC. The Asset Acquisition Transaction is classified as a Type 1 transaction being a transaction with a value of 50 percent or more but less than 100 percent under the Notifications on Acquisition or Disposal. The Company, therefore, has the duty to immediately prepare a report and disclose information with regard to the entering into of the transaction to the Stock Exchange of Thailand (the “**Stock Exchange**”) with an information memorandum containing, at a minimum, the details under List (1) of the

¹ The Company and Semperit agreed that the consideration to be paid in the transaction is to be denominated in USD. In this document, the Company will use an exchange rate of THB 36.5 per USD 1 as the cited rate.

Notifications on Acquisition or Disposal. In addition, the Company is required to convene a shareholders meeting in order to seek approval on the entering into of the transaction without delay, as well as to appoint an independent financial advisor to provide an opinion on the Asset Acquisition Transaction.

3.2 Asset Disposal Transactions

Transaction No. 2 deals with the disposal of the investment in SSH (equivalent to 50.0 percent of the total capital of SSH) at the price of USD 8.0 million (or approximately THB 292.0 million). The maximum transaction value is 3.8 percent, calculated based on a net profit basis from the reviewed consolidated financial statements of the Company for the period ending 30 September 2016 and the management accounts of SSH for the period ending 30 September 2016. The Board of Directors of the Company is of the view that the management accounts of SSH for the period ending 30 September 2016 were prepared in accordance with the relevant international accounting standards, are reliable and reflect the accounting value of SSH.

Transaction No. 3 deals with the disposal of investment in SRP (equivalent to 10.0 percent of the total capital of SRP) at the price of USD 4.0 million (or approximately THB 146.0 million). The maximum transaction value is 3.4 percent, calculated based on a net profit basis from the reviewed consolidated financial statements of the Company for the period ending 30 September 2016 and the management accounts of SRP for the period ending 30 September 2016. The Board of Directors of the Company is of the view that the management accounts of SRP for the period ending 30 September 2016 were prepared in accordance with the relevant international accounting standards, are reliable and reflect the accounting value of SRP.

Transaction No. 4 deals with the disposal of 1,000 shares of SUSA directly held by the Company (equivalent to 25.0 percent of the total issued and sold shares of SUSA) at the price of USD 6.5 million (or approximately THB 237.3 million). The maximum transaction value is 3.8 percent², calculated based on a net profit basis from the reviewed consolidated financial statements of the Company for the period ending 30 September 2016 and the management accounts of SUSA for the period ending 30 September 2016. The Board of Directors of the Company is of the view that the management accounts of SUSA for the period ending 30 September 2016 were prepared in accordance with the relevant international accounting standards, are reliable and reflect the accounting value of SUSA.

In addition, the disposal of 2,000 SUSA shares (equivalent to 50.0 percent of the total issued and sold shares of SUSA) which are indirectly held by the Company through SSC, at the price of USD 13.0 million (or equivalent to approximately THB 474.5 million), is not included in the calculation of the transaction value of Transaction No. 4 as SSC is not considered as a subsidiary of the Company.

² The Company only calculated the transaction value from the disposal of SUSA shares held directly by it, and does not include the shares held in SUSA indirectly through SSC into account as SSC is not a subsidiary of the Company.

Transaction No. 5 deals with the disposal of 4,000,000 shares of SESI (equivalent to 50.0 percent of the total issued and sold shares of SESI) at the price of USD 1.0 million (or approximately THB 36.5 million. The maximum transaction value is 0.1 percent, calculated based on a net tangible asset (NTA) basis from the reviewed consolidated financial statements of the Company for the period ending 30 September 2016 and the management accounts of SESI for the period ending 30 September 2016. The Board of Directors of the Company is of the view that the management accounts of SESI for the period ending 30 September 2016 were prepared in accordance with the relevant international accounting standards, are reliable and reflect the accounting value of SESI.

Transaction No. 6 deals with the disposal of 1,615,000 shares of SAC (equivalent to 42.5 percent of the total issued and sold shares of SAC) in accordance with the Call Option Agreement. The Company and Rubberland (as well as the other shareholders of SAC with the exception of Semperit) have entered into the Call Option Agreement with Semperit and granted Semperit (or a person designated by Semperit) a Call Option to buy all of SAC shares of the Company and Rubberland (as well as all the SAC shares of the other shareholders of SAC with the exception of Semperit). Semperit will be able to exercise the Call Option to buy a total of 1,900,000 shares of SAC (equivalent to 50 percent of the total issued and sold shares of SAC) during the period between 30 June 2019 to 30 June 2021 (the “**Option Period**”) at the total exercise price of USD 60,000,000 (or approximately THB 2,190.0 million). Nevertheless, the Company and Rubberland hold a total of 1,615,000 shares in SAC (equivalent to 42.5 percent of the total issued and sold shares of SAC). As a result, the consideration from the disposal of SAC shares that the Company and Rubberland would receive in the case where Semperit exercises the Call Option and the purchase of SAC shares under the Call Option Agreement is completed, will total USD 51,000,000 (or equivalent to a total of approximately THB 1,861.5 million).

Transaction No. 6 has a maximum transaction value of 31.7 percent calculated based on a net profit basis from the reviewed consolidated financial statements of the Company for the period ending 30 September 2016 and the management accounts of SAC for the period ending 30 September 2016. The Board of Directors of the Company is of the view that the management accounts of SAC for the period ending 30 September 2016 were prepared in accordance with the relevant international accounting standards, are reliable and reflect the accounting value of SAC.

(Transactions Nos. 2– 6 are collectively referred to as the “**Asset Disposal Transactions**”).

The total transaction value of Transaction Nos. 2- 6, comprising the Asset Disposal Transactions, is equivalent to 42.7 percent calculated based on a net profit basis from the reviewed consolidated financial statements of the Company for the period ending 30 September 2016 and the management accounts of the relevant companies for the period ending 30 September 2016. The Board of Directors of the Company is of the view that the management accounts of those companies for the period ending 30 September 2016 were prepared in accordance with the relevant international accounting standards, are reliable and reflect their accounting values. The Asset Disposal Transactions is classified as a Type 2 transaction, being a transaction with a

value of 15 percent or more but less than 50 percent under the Notifications on Acquisition or Disposal. The Company, therefore, has the duty to immediately prepare a report and disclose information with regard to the entering into of the transaction to the Stock Exchange with an information memorandum containing, at a minimum, the details under List (1) of the Notifications on Acquisition or Disposal. The Company is also required to serve a notice to its shareholders within a period of 21 days from the date of disclosure to the Stock Exchange. This transaction is not considered as an asset disposal transaction which requires the Company to seek approval from its shareholders' meeting on the entering into of the transaction. Nevertheless, in order for the shareholders to take part in the decision on entering into the Asset Disposal Transactions, the Company plans to propose that the shareholders meeting consider and approve the entering into of such transaction (as well as the appointment of an independent financial advisor to provide an opinion on the intended Asset Disposal Transaction), together with approving the entering into of Transaction No. 1, that is, the acquisition of 10,000 shares of SSC.

4. Disclosure of Information on Entering into of Asset Acquisition Transaction and Asset Disposal Transactions

The Company would like to disclose information with regard to the entering into of the Asset Acquisition Transaction and Asset Disposal Transactions in accordance with the details under List (1) of the Notifications on Acquisition and Disposal as follows:

4.1 Transaction Date

Board of Directors Meeting No. 1/2017 which was convened on 18 January 2017 resolved to approve the entering into of the Asset Acquisition Transaction and Asset Disposal Transactions. In order to enter into both of the transactions, the conditions precedent specified in the Umbrella Agreement (which the Company entered into on 18 January 2017) and other related agreements must be fully satisfied or otherwise waived.

The closing date of the purchase of SSC shares and various investments under Transaction Nos. 2-5 is estimated to take place on 15 March 2017, but in any case shall take place no later than 12 April 2017 (the "Sale and Purchase Date")³.

4.2 Parties involved and their relationship with the Company

Asset Acquisition Transaction

Transaction No. 1

Seller of SSC shares	:	Semperit
Buyer of SSC shares	:	The Company
Relationship with the Company	:	N/A

³ The sale and purchase of investments in SRP, SSF and SSH may be accomplished at a later date than 12 April 2017 due to limitations of periods of time required under Chinese laws and regulations, but in any case no later than 31 December 2017.

Asset Disposal Transaction

Transaction No. 2

Seller of SSH shares	:	The Company
Buyer of SSH shares	:	Semperit (or Semperit's designated person)
Relationship with the Company	:	N/A

Transaction No. 3

Seller of SRP shares	:	The Company
Buyer of SRP shares	:	Semperit (or Semperit's designated person)
Relationship with the Company	:	N/A

Transaction No. 4

Seller of SUSA shares	:	The Company
Buyer of SUSA shares	:	Semperit (or Semperit's designated person)
Relationship with the Company	:	N/A

In addition, the disposal of 2,000 SUSA shares (equivalent to 50.0 percent of the total issued and sold shares of SUSA) which are indirectly held by the Company through SSC, is not included in the calculation of the transaction value of Transaction No. 4 as SSC is not considered as a subsidiary of the Company.

Transaction No. 5

Seller of SESI shares	:	The Company
Buyer of SESI shares	:	Semperit (or Semperit's designated person)
Relationship with the Company	:	N/A

Transaction No. 6

Seller of SAC shares under the Call Option Agreement	:	The Company
Buyer of SAC shares under the Call Option Agreement	:	Semperit (or Semperit's designated person)
Relationship with the Company	:	N/A

4.3 General Characteristics, Types, and Values of Transactions

4.3.1 General Characteristics and Types of Transactions

Asset Acquisition Transaction

Transaction No. 1

Under the Share Purchase Agreement between the Company and Semperit, the Company agrees to buy 10,000 shares of SSC (currently a joint venture business of the Company) (equivalent to 50.0 percent of the total issued and sold shares of SSC) from Semperit, and Semperit agrees to sell its shares in SSC to the Company at the price of USD 180,100,000 (approximately THB 6,573.7 million) in accordance with the terms and conditions of the Umbrella Agreement and the Share Purchase Agreement.

In addition, the material information of the Umbrella Agreement, the Sale and Purchase Agreement, and other related agreements in relation to the purchase of SSC shares can be summarized as follows:

- (1) Both parties agree that SSC will make a dividend payment in Thai Baht equivalent to USD 118,200,000 (equivalent to approximately THB 4,314.3 million) to every shareholder of SSC (including both parties) on the Sale and Purchase Date which shall be distributed in cash. The Company, as the shareholder owning 31.5 percent of SSC shares and Rubberland as the shareholder owning 8.73 percent of SSC shares, are entitled to the total payment of cash dividends of USD 47,551,860 (or equivalent to approximately THB 1,735.6 million) and Semperit is entitled to the payment of cash dividends of USD 59,100,000 (or equivalent to approximately THB 2,157.2 million).
- (2) Both parties agree that the Sale and Purchase Date shall be scheduled to take place on 15 March 2017 and shall take place no later than 12 April 2017 (the “**Longstop Date**”).

In the event that the sale and purchase of the SSC shares does not occur within 15 March 2017, whether due to any reason, except for the case that the supervisory board of Semperit does not approve such transaction, the parties agree that SSC will make an additional dividend payment to SSC’s shareholders of USD 1,000,000 (or equivalent to approximately THB 36.5 million) for the beginning of every seven day period after 15 March 2017.

- (3) The purchase of SSC shares shall be completed only after the conditions precedent to the purchase of SSC shares have been satisfied. The conditions precedent are that (a) Semperit has obtained approval from its supervisory board with respect to the sale of all of the SSC shares held by Semperit to the Company and the acquisition of all shares and investments under Transaction 2 to Transaction 6 (in the case of Semperit) and (b) the Company has obtained approval from its shareholders to purchase all of the SSC shares

from Semperit and dispose of all of the shares and investments stated in Transaction 2 to Transaction 6 to Semperit (in the case of the Company).

- (4) If the sale and purchase of SSC shares and various shares and investments as stated in Transaction 2 to Transaction 5 do not take place within the Sale and Purchase Date due to the breach of any party as stated in the Umbrella Agreement, the defaulting party is obligated to make payment of damages of USD 15,000,000 (or equivalent to approximately THB 547.5 million) to the non-defaulting party.
- (5) Both parties agree to terminate the Joint Venture Agreement, as well as the other obligations which survive after the termination of the Joint Venture Agreement, including any agreements between SSC and/or the other shareholders of SSC and Semperit (for example, the Technical Assistance Agreement, the Distribution Agreement, and the Trademark and Name Licensing Agreement of Semperit, etc.). The termination shall be effective on the Sale and Purchase Date.
- (6) Both parties agree to settle all pending disputes between each other, regardless of whether such disputes are currently in trial proceedings in a Thai or foreign court of law or foreign arbitration trial proceedings.
- (7) SSC has a subsidiary in which SSC holds 100 percent of the shares, that is, Shanghai Sempermed Glove Sales Co., Ltd. (“SSF”). SSF was incorporated in China and currently act as an agent for the import and export of plastic gloves and rubber gloves. SSC also holds 50 percent of the issued and sold shares in SUSA. SSC agrees to sell its shares and investment in SSF and SUSA to Semperit on the Sale and Purchase Date at a price of USD 3,200,000 (or equivalent to approximately THB 116.8 million) and a price of USD 13.0 million (or equivalent to approximately THB 474.5 million), respectively. This transaction is not a disposal of assets of the Company because SSC is not a subsidiary of the Company.

After the transaction, the shareholding structure of SSC will be as follows:

Shareholders	Percentage	Number of Shares
Sri Trang Agro-IndustryPublic Company Limited	81.50	16,300
Rubberland Products Co., Ltd.	8.73	1,746
Sri Trang Holdings Co., Ltd.	6.0	1,200
Miss Poolsuk Chirdkiatgumchai	3.73	746
Mr. Kitichai Sincharoenkul	0.01	2
Mr. Veerasith Sincharoenkul	0.01	2
Mr. Viyavood Sincharoenkul	0.01	2
Mr. Somwang Sincharoenkul	0.01	2

Asset Disposal Transactions

Transaction No. 2

Under the Umbrella Agreement and other related agreements, the Company agrees to sell its investment in SSH (equivalent to 50.0 percent) to Semperit (or a person designated by Semperit), and Semperit agrees to buy the investment in SSH from the Company at the price of USD 8,000,000 (or approximately THB 292.0 million).

After the transaction, the Company will no longer have any investment in SSH.

Transaction No. 3

Under the Umbrella Agreement and other related agreements, the Company agrees to sell its investment in SRP (equivalent to 10.0 percent) to Semperit (or a person designated by Semperit), and Semperit agrees to buy the investment in SRP from the Company at the price of USD 4,000,000 (or approximately THB 146.0 million).

After the transaction, the Company will no longer have any investments in SRP.

Transaction No. 4

Under the Umbrella Agreement and other related agreements, the Company agrees to sell 1,000 SUSA shares directly held by the Company (equivalent to 25.0 percent of the total issue and sold shares of SUSA) at the price of USD 6,500,000 (or approximately THB 237.3 million), and agrees to jointly coordinate with Semperit to ensure that SSC will sell 2,000 SUSA shares held by SSC (equivalent to 50.0 percent of the total issued and sold shares of SUSA) at the price of USD 13,000,000 (or approximately THB 474.5 million), totaling 3,000 shares (equivalent to 75.0 percent of the total issued and sold shares of SUSA) to Semperit (or a person designated by Semperit), and Semperit agrees to buy SUSA shares from the Company and SSC.

In addition, the disposal of 2,000 SUSA shares (equivalent to 50.0 percent of the total issued and sold shares of SUSA) which are indirectly held by the Company through SSC at the price of USD 13,000,000 (or equivalent to approximately THB 474.5 million) is not included in the calculation of the transaction value of Transaction No. 4 as SSC is not considered as a subsidiary of the Company.

After the transaction, the Company and SSC will no longer hold any shares in SUSA.

Transaction No. 5

Under the Umbrella Agreement and other related agreements, the Company agrees to sell 4,000,000 SESI shares (equivalent to 50.0 percent of the total issued and sold shares of SESI) to Semperit (or a person designated by Semperit), and Semperit agrees to buy SESI shares from the Company at the price of USD 1,000,000 (or approximately THB 36.5 million).

After the transaction, the Company will no longer hold any shares in SESI, nor in Formtech Engineering (M) SDN. BHD. and Sempermed Brasil Comercio Exterior Ltda., companies in which SESI holds shares.

The material information of the Umbrella Agreement and other related agreements for the sale and purchase of shares and investments in relation to Transaction No. 2 to Transaction No. 5 can be summarized as follows:

- (1) Both parties agree that the closing dates of the sale and purchase of shares and investments under Transaction No. 2 to Transaction No. 5 shall be the same date as the Sale and Purchase Date. However, the sale and purchase of investments in SRP, SSF and SSH may accomplish at a later date than 12 April 2017 due to limitations of periods of time required under Chinese laws and regulations, but in any case no later than 31 December 2017.
- (2) Transaction No. 2 to Transaction No. 5 will be completed only after the conditions precedent specified in the relevant agreements have been satisfied.
- (3) Both parties agree to terminate the Joint Venture Agreements of SSH, SRP, SUSA, and SESI (including subsidiaries of SESI), as well as the other obligations which survive after the termination of the Joint Venture Agreements, including agreements between SSH, SRP, SUSA or SESI on the one part, and Semperit, the Company or its group companies, or SSC on the other part (for example, the Technical Assistance Agreement, the Distribution Agreement, and the Trademark and Name Licensing Agreement of Semperit, etc.).

Transaction No. 6

Under the Umbrella Agreement and other related agreements, the Company and Rubberland agree to grant Semperit (or a person designated by Semperit) a Call Option to buy all 1,615,000 SAC shares held by the Company and Rubberland (equivalent to 42.50 percent of the total issued and sold shares of SAC) at the exercise price of USD 51,000,000 (or equivalent to a total of approximately THB 1,861.5 million) in the period between 30 June 2019 until 30 June 2021 (the “**Option Period**”).

In the case that Semperit exercises its right to buy shares under the Call Option Agreement, the Company will no longer hold any shares in SAC.

Accordingly, the material information of the purchase of SAC shares in the Call Option Agreement among the Company, Rubberland, and Semperit and the Umbrella Agreement can be summarized as follows:

- (1) Both parties agree that SAC will make a dividend payment of USD 30,000,000 (or equivalent to approximately THB 1,095.0 million) to every shareholder of SAC (including both parties) on the Sale and Purchase Date. The Company and Rubberland, as the shareholders of 1,615,000 shares or equivalent of 42.5 percent of the total issued and sold shares of SAC, are therefore entitled to the payment of dividends of USD 12,750,000 (or equivalent to approximately THB 465.4 million) and Semperit is entitled to the payment of dividends of USD 15,000,000 (or equivalent to approximately THB 547.5 million).

- (2) During the Option Period, the Company and Rubberland (including other shareholders of SAC, with the exception of Semperit) agree not to dispose of or create any encumbrances on the SAC shares and the purchase of the SAC shares.
- (3) The purchase of SAC shares under the Call Option Agreement shall be subject to certain conditions precedent, for example, obtaining approvals from the relevant authorities (if any).

4.3.2 Transaction Value

Asset Acquisition Transaction

Transaction No. 1

The total maximum value of Transaction No. 1 is equivalent to 69.2 percent, calculated based on a net profit basis from the reviewed consolidated financial statements of the Company for the period ending 30 September 2016 and the management accounts of SSC for the period ending 30 September 2016. The Board of Directors of the Company is of the view that the management accounts of SSC for the period ending 30 September 2016 were prepared in accordance with the relevant international accounting standards, are reliable and reflect the accounting value of SSC. The details of the calculation are as follows:

	Basis of Calculation	Calculation Formula
1.	Net Tangible Asset (NTA) Basis	= NTA of SSC in proportion to the Company's investment / NTA of the Company = (8,106.3 X 50.0 percent) / THB 20,716.5 million = 19.6 percent
2.	Net Profit Basis	= Net profit of SSC in proportion to the Company's investment / Net profit of the Company = (663.6 X 50.0 percent) / THB 479.8 million = 69.2 percent
3.	Total Value of Consideration Basis	= Value of consideration the Company paid for SSC ordinary shares / Total assets of the Company = USD 180.1 million or approximately THB 6,573.7 million / THB 46,522.2 million = 14.1 percent

4.	Value of Securities Basis	Not applicable as the Company does not issue securities as consideration for SSC shares.
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Transaction No. 1 represents the value of 69.2 percent which is the maximum transaction value calculated based on the Net Profit Basis. The Asset Acquisition Transaction is classified as a Type 1 transaction, being a transaction with a value of 50 percent or more but less than 100 percent under the Notifications on Acquisition or Disposal. The Company, therefore, has the duty to immediately prepare a report and disclose information with regard to the entering into of the transaction to the Stock Exchange with an information memorandum containing, at a minimum, the details under List (1) of the Notifications on Acquisition or Disposal. In addition, the Company is required to convene a shareholders' meeting in order to seek approval on the entering into of the transaction without delay, as well as to appoint an independent financial advisor to provide an opinion on the Asset Acquisition Transaction.

Asset Disposal Transactions

Transaction Nos. 2-6

The total maximum value of Transaction Nos. 2-3 is equivalent to 42.7 percent, calculated based on a net profit basis from the reviewed consolidated financial statements of the Company for the period ending 30 September 2016 and the management accounts of the relevant companies for the period ending 30 September 2016. The Board of Directors of the Company is of the view that the management accounts of the relevant companies for the period ending 30 September 2016 were prepared in accordance with the relevant international accounting standards, are reliable and reflect the accounting value of SSC. The details of the calculation are as follows⁴:

Transaction No. 2

	Calculation Bases	Calculation Formula ⁵
1.	Net Tangible Asset (NTA) Basis	= NTA of SSH in proportion to the Company's investment / NTA of the Company = (582.9 X 50.0 percent) / THB 20,716.5 million = 1.4 percent

⁴ Please refer to footnote Nos. 2 - 5

⁵ The summary of the financial position and operational results was prepared from the management accounts of SSH which were prepared in Renminbi (RMB). In calculating the value of the transaction, the Company has used an average exchange rate of RMB 1 to THB 5.2181, by referring to the average exchange rate (average selling rate from THB to RMB) which commercial banks applied to their customers as appears on the website of the Bank of Thailand as at 17 January 2017.

2.	Net Profit Basis	=	Net profit of SSH in proportion to the Company's investment / Net profit of the Company
		=	(36.3 X 50.0 percent) / THB 479.8 million
		=	3.8 percent
3.	Total Value of Consideration Basis	=	Value of consideration the Company paid for SSH ordinary shares / Total assets of the Company
		=	USD 8.0 million or approximately THB 292.0 million / THB 46,522.2 million
		=	0.6 percent
4.	Value of Securities Basis	Not applicable as the Company does not issue securities.	

Transaction No. 3

	Calculation Bases		Calculation Formula ⁶
1.	Net Tangible Asset (NTA) Basis	=	NTA of SRP in proportion to the Company's investment / NTA of the Company
		=	(907.0 X 10.0 percent) / THB 20,716.5 million
		=	0.4 percent
2.	Net Profit Basis	=	Net profit of SRP in proportion to the Company's investment / Net profit of the Company
		=	(163.5 X 10.0 percent) / THB 479.8 million
		=	3.4 percent

⁶ The summary of the financial position and operational results was prepared from the management accounts of SRP which were prepared in Renminbi (RMB). In calculating the value of the transaction, the Company has used an average exchange rate of RMB 1 to THB 5.2181, by referring to the average exchange rate (average selling rate from THB to RMB) which commercial banks applied to their customers as appears on the website of the Bank of Thailand as at 17 January 2017.

3.	Total Value of Consideration Basis	= Value of consideration the Company paid for SRP ordinary shares / Total assets of the Company = USD 4.0 million or approximately THB 146.0 million / THB 46,522.2 million = 0.3 percent
4.	Value of Securities Basis	Not applicable as the Company does not issue securities.

Transaction No. 4

	Calculation Bases	Calculation Formula ⁷
1.	Net Tangible Asset (NTA) Basis	= NTA of SUSA / NTA of the Company = (776.5 X 25 percent) / THB 20,716.5 million = 0.9 percent
2.	Net Profit Basis	= Net profit of SUSA in proportion to the Company's investment / Net profit of the Company = (72.9 X 25 percent) / THB 479.8 million = 3.8 percent
3.	Total Value of Consideration Basis	= Value of consideration the Company paid for SUSA ordinary shares / Total assets of the Company = USD 6.5 million or approximately THB 237.3 million / THB 46,522.2 million = 0.5 percent

⁷ The Company only calculated the transaction value from the disposal of SUSA shares held directly by it, and does not took the shares held indirectly through SSC into account as SSC is not a subsidiary of the Company. The summary of the financial position and operational results was prepared from the management accounts of SUSA which were prepared in USD. In calculating the value of the transaction, the Company has used an average exchange rate of USD 1 to THB 35.5685, by referring to the average exchange rate (average selling rate from THB to USD) which commercial banks applied to their customers as appears on the website of the Bank of Thailand as at 17 January 2017.

4.	Value of Securities Basis	Not applicable as the Company does not issue securities.
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Transaction No. 5

	Basis of Calculation	Calculation Formula ⁸
1.	Net Tangible Asset (NTA) Basis	= NTA of SESI in proportion to the Company's investment / NTA of the Company = (62.1 X 50.0 percent) / THB 20,716.5 million = 0.1 percent
2.	Net Profit Basis	= Net profit of SESI in proportion to the Company's investment / Net profit of the Company = (-67.9) X 50.0 percent) / THB 479.8 million = -7.1 percent
3.	Total Value of Consideration Basis	= Value of consideration the Company paid for SESI ordinary shares / Total assets of the Company = USD 1.0 million or approximately THB 36.5 million / THB 46,522.2 million = 0.1 percent
4.	Value of Securities Basis	Not applicable as the Company does not issue securities.

⁸ The summary of the financial position and operational results was prepared from the management accounts of SESI which were prepared in USD. In calculating the value of the transaction, the Company has used an average exchange rate of USD 1 to THB 35.5685, by referring to the average exchange rate (average selling rate from THB to USD) which commercial banks applied to their customers as appears on the website of the Bank of Thailand as at 17 January 2017.

Transaction No. 6

	Calculation Bases	Calculation Formula
1.	Net Tangible Asset (NTA) Basis	$= \text{NTA of SAC in proportion to the Company's investment / NTA of the Company}$ $= (1,858.6 \times 42.5 \text{ percent}) / \text{THB } 20,716.5 \text{ million}$ $= 3.8 \text{ percent}$
2.	Net Profit Basis	$= \text{Net profit of SAC in proportion to the Company's investment / Net profit of the Company}$ $= (358.4 \times 42.5 \text{ percent}) / \text{THB } 479.8 \text{ million}$ $= 31.7 \text{ percent}$
3.	Total Value of Consideration Basis	$= \text{Value of consideration the Company paid for SAC ordinary shares / Total assets of the Company}$ $= \text{USD } 60 \text{ million or approximately THB } 2,190.0 \text{ million / THB } 46,522.2 \text{ million}$ $= 4.7 \text{ percent}$
4.	Value of Securities Basis	Not applicable as the Company does not issue securities.

The value of Transaction 2 to Transaction 6 is classified as a Type 2 transaction, being a transaction with a value of 15 percent or more but less than 50 percent. The Company, therefore, has the duty to immediately prepare a report and disclose information with regard to the entering into of the transaction to the Stock Exchange with an information memorandum containing, at a minimum, the details under List (1) of the Notifications on Acquisition or Disposal. The Company is also required to serve a notice to its shareholders within a period of 21 days from the date of disclosure to the Stock Exchange. This transaction is not considered as an asset disposal transaction which requires the Company to seek approval from its shareholders meeting' on the entering into of the transaction. Nevertheless, in order for the shareholders to take part in the decision on entering into the Asset Disposal Transactions, the Company plans to propose that the shareholders' meeting consider and approve the entering into of such transaction (as well as the appointment of an independent financial advisor to provide an opinion on the intended Asset Disposal Transactions), together with approving the entering into of Transaction No. 1, that is, the acquisition of shares of SSC.

4.4 Details of the asset to be acquired or disposed of

Asset Acquisition Transaction

Transaction No. 1

General Information of SSC

SSC is a joint venture between the Company and Semperit incorporated in Thailand on 9 January 1989 with the objective to manufacture medical grade rubber gloves, both with powder and powder free, and other rubber products. The Company (holding 31.5 percent), Rubberland, a subsidiary of the Company (holding 8.73 percent) and other minority shareholders (holding 9.77 percent), on one part, and Semperit on the other part, each hold 50 percent of the shares of SSC.

SSC's principal office is located at No. 110 Kanjanavanit Road, Patong Subdistrict, Hat Yai District, Songkhla Province.

Registered capital

The registered and paid-up capital of SSC is THB 200,000,000, divided into 20,000 ordinary shares with a par value of THB 10,000 per share.

Shareholding structure of SSC as at 18 January 2017

No.	Shareholders	Number of Shares	Percentage
1.	Semperit	10,000	50.00
2.	The Company	6,300	31.50
4.	Rubberland	1,746	8.73
5.	Sri Trang Holdings Co., Ltd.	1,200	6.00
6.	Miss Poonsuk Chirdkiatgumchai	746	3.73
7.	Mr. Kitichai Sincharoenkul	2	0.01
8.	Mr. Veerasith Sincharoenkul	2	0.01
9.	Mr. Viyavood Sincharoenkul	2	0.01
10.	Mr. Somwang Sincharoenkul	2	0.01
	Total	20,000	100.00

Board of Directors of SSC as at 18 January 2017

No.	Directors	Position
1.	Mr. Michael Thomas Fahnmann	Director
2.	Mr. Richard Ehrenfeldner	Director
3.	Mr. Johannes Schmidt-Schultes	Director
4.	Dr. Gerhard Klingenbrunner	Director
5.	Mr. Viyavood Sincharoenkul	Director
6.	Mr. Kitichai Sincharoenkul	Director
7.	Mr. Anan Pruksanusak	Director
8.	Mr. Sarawuthi Bhumithaworn	Director

Summary of the financial position and operational results of SSC for the accounting periods ending 30 September 2016 and 31 December 2013, 2014, and 2015

Statement of Financial Position (THB thousand)	2013	2014	2015	2016 (9 months)
Cash and cash equivalent	1,493,339	1,735,209	3,158,944	3,791,099
Trade receivables	1,128,467	1,473,599	1,455,826	1,420,878
Inventory	1,350,643	1,035,383	1,010,206	912,201
Property, plant, and equipment-net	3,306,805	3,100,682	2,841,606	2,647,174
Other assets	190,767	184,591	190,123	197,899
Total assets	7,470,021	7,529,464	8,656,707	8,969,251
Trade payables	866,425	771,588	729,512	765,003
Income tax payable	61,318	188,728	116,708	18,993
Other liabilities	83,427	88,924	75,661	78,4983
Total liabilities	1,011,170	1,049,240	921,881	862,979
Paid-up capital	200,000	200,000	200,000	200,000
Legal reserves	24,449	24,449	24,449	24,450
Retained earnings	6,241,245	6,266,828	7,505,489	7,876,934
Other items	(6,843)	(11,053)	4,888	4,888
Shareholders' equity	6,458,851	6,480,224	7,734,826	8,106,272
Book value per share (Baht)	322,942.55	324,011.18	386,741.30	405,313.60

Profit and Loss Statements (THB thousand)	2013	2014	2015	2016 (9 months)
Revenues from the sale of goods	9,449,326	10,656,290	10,156,187	6,774,055
Other income	171,295	153,597	257,064	103,058
Total income	9,620,621	10,809,887	10,413,251	6,877,113
Cost of sale	8,227,086	9,162,678	8,591,735	6,125,299
Selling expenses	136,961	193,776	141,944	111,720
Administrative expenses	141,801	186,495	245,628	163,607
Other expenses	8,505,848	9,542,949	8,979,307	6,400,626
Profit (loss) before finance cost and income tax	1,114,773	1,266,938	1,433,944	476,487
Less finance cost	(195)	(22)	-	(1)
Profit (loss) before income tax	1,114,578	1,266,916	1,433,944	476,486
Less income tax	(128,491)	(241,333)	(195,283)	(105,042)
Net profit	986,087	1,025,583	1,238,661	371,444

Asset Disposal Transactions

Transaction No. 2

General Information of SSH

SSH is a joint venture between the Company and Semperit incorporated in the Republic of China on 14 July 2005 with the objective to manufacture high pressure hydraulic hoses. The Company and Semperit each hold 50 percent of the shares of SSH.

SSH's principal office is located at No. 1255, Cang Gong Road, Shanghai Chemical Industrial Park, Fengxian Subzone, Shanghai.

Registered capital

The registered and paid-up capital of SSH is USD 15,000,000.

Shareholding structure of SSH as at 18 January 2017

No.	Shareholders	Percentage of Capital
1.	Semperit	50.0
2.	The Company	50.0

Board of Directors of SSH as at 18 January 2017

No.	Directors	Position
1.	Mr. Michael Thomas Fahnemann	Director
2.	Mr. Richard Ehrenfeldner	Director
3.	Mr. Johannes Schmidt-Schultes	Director
4.	Mr. Michael Adelbauer	Director
5.	Mr. Viyavood Sincharoenkul	Director
6.	Mr. Chaayos Sincharoenkul	Director
7.	Mr. Kitichai Sincharoenkul	Director
8.	Mr. Anan Pruksanusak	Director

Summary of the financial position and operational results of SSH for the accounting period ending 30 September 2016 and 31 December 2013, 2014, and 2015⁹

Statement of Financial Position (THB thousand)	2013	2014	2015	Q3 2016
Cash and cash equivalent	105,777	46,004	89,524	145,028
Trade receivables	108,877	112,412	105,825	130,946
Inventory	47,931	69,659	64,617	71,165
Property, plant, and equipment-net	558,456	491,680	453,195	424,211
Other assets	14,453	16,920	18,739	14,152
Total assets	835,494	736,675	731,900	785,502
Trade payables	43,628	61,141	50,734	77,976
Income tax payable	4,663	6,337	9,519	5,600
Other liabilities	244,768	128,144	126,079	119,022
Total liabilities	293,059	195,622	186,332	202,598
Paid-up capital	624,262	624,262	624,262	624,262
Retained earnings	(81,827)	(83,209)	(78,694)	(41,358)
Shareholders' equity	542,435	541,053	545,568	582,904

Profit and Loss Statements (THB thousand)	2013	2014	2015	2016 (9 months)
Revenues from the sale of goods	343,004	547,941	485,824	416,436
Other income	6,297	157		
Total income	349,301	548,098	485,824	416,436
Cost of sale	338,861	465,810	409,815	327,980
Selling expenses	11,051	19,176	18,686	14,196
Administrative expenses	35,309	51,252	46,475	37,230
Other expenses	358	411	566	696
Total expenses	385,579	536,649	475,542	380,102
Profit (loss) before finance cost and income tax	-36,278	11,449	10,282	36,334
Less Finance cost	11,689	12,829	5,768	-2,291
Profit (loss) before income tax	-47,967	-1,380	4,514	38,625
Less Income tax	0	0	0	0
Net profit (loss) for the periods	-47,967	-1,380	4,514	38,625

Transaction No. 3

General Information of SRP

SRP was incorporated in the Republic of China on 10 May 1995 with the objective to manufacture escalator handrails. The Company and Semperit each hold 10 percent and 90 percent of the shares of SRP, respectively.

SRP's principal office is located at No. 1155 Cang Gong Road, Shanghai Chemical Industrial Park, Fengxian Subzone, Shanghai.

⁹ The summary of the financial position and operational results was prepared from the management accounts which were prepared in Renminbi (RMB). In calculating the value of the transaction, the Company has used an average exchange rate of RMB 1 to THB 5.2181, by referring to the average exchange rate (average selling rate from THB to RMB) which commercial banks applied to their customers as appears on the website of the Bank of Thailand as at 17 January 2017.

Registered capital

The registered and paid-up capital of SRP is EUR 2,741,000.

Shareholding structure of SRP as at 18 January 2017

No.	Shareholders	Percentage of Capital
1.	Semperit	90.0
2.	The Company	10.0

Board of Directors of SRP as at 18 January 2017

No.	Directors	Position
1.	Mr. Richard Ehrenfeldner	Director
2.	Mr. Thomas Gela	Director
3.	Mr. Gerhard Klingensbrunner	Director
4.	Mr. Viyavood Sincharoenkul	Director

Summary of the financial position and operational results of SRP for the accounting periods ending 30 September 2016 and 31 December 2013, 2014, and 2015¹⁰

Statement of Financial Position (THB thousand)	2013	2014	2015	Q3 2016
Cash and cash equivalent	457,663	580,779	404,534	490,725
Trade receivables	132,572	121,738	163,940	153,773
Inventory	62,165	76,753	68,501	59,437
Property, plant, and equipment-net	248,503	271,933	291,239	298,806
Other assets	183,521	15,631	7,623	13,063
Total assets	1,084,424	1,066,834	935,837	1,015,804
Trade payables	36,843	37,802	54,273	51,950
Income tax payable	46,413	36,345	42,814	21,758
Other liabilities	236,649	52,253	66,346	33,923
Total liabilities	319,905	126,400	163,433	107,631
Paid-up capital	128,693	128,693	128,693	128,369
Legal reserves	64,305	64,305	64,305	64,305
Retained earnings	571,521	747,436	579,406	715,499
Shareholders' equity	764,519	940,434	772,404	908,173

¹⁰ The summary of the financial position and operational results was prepared from the management accounts which were prepared in Renminbi (RMB). In calculating the value of the transaction, the Company has used an average exchange rate of RMB 1 to THB 5.2181, by referring to the average exchange rate (average selling rate from THB to RMB) which commercial banks applied to their customers as appears on the website of the Bank of Thailand as at 17 January 2017.

Profit and Loss Statements (THB thousand)	2013	2014	2015	2016
Revenues from the sale of goods	762,041	768,899	802,834	607,031
Other income	12,725	13,038	8,253	5,101
Total income	774,766	781,937	811,087	612,132
Expenses	-	-	-	-
Cost of sale	445,222	440,853	423,554	322,614
Selling expenses	25,603	33,801	39,294	31,555
Administrative expenses	90,736	81,405	107,593	92,392
Other expenses	604	563	310	13
Total expenses	562,165	556,622	570,751	446,574
Profit (loss) before finance cost and income tax	212,601	225,315	240,336	165,558
Less finance cost	(469)	(11,574)	(16,715)	(5,352)
Profit (loss) before income tax	213,070	236,889	257,051	170,910
Less Income tax	56,963	60,976	59,812	42,769
Net profit	156,107	175,913	197,239	128,141

Transaction No. 4

General Information of SUSA

SUSA is a joint venture among the Company, SSC, and Semperit incorporated in the United States of America on 2 April 1998 with the objective to distribute medical grade rubber gloves in the United States of America. The Company, SSC, and Semperit each hold 25 percent, 50 percent, and 25 percent of the shares of SUSA respectively.

SUSA's principal office is located at No. 13900 49th Street North, Clearwater, Florida 33762.

Registered capital

The registered and paid-up capital of SUSA is USD 4,000,000, divided into 4,000 ordinary shares with a par value of USD 1,000 per share.

Shareholding structure of SUSA as at 18 January 2017

No.	Shareholders	Number of Shares	Percentage
1.	Semperit	1,000	25.0
2.	The Company	1,000	25.0
3.	SSC	2,000	50.0

Board of Directors of SUSA as at 18 January 2017

No.	Directors	Position
1.	Mr. Berthold Stoger	Director
2.	Mr. Gerhard Klingenbrunner	Director
3.	Mrs. Katharina Donath	Director
4.	Miss Sherlin Tung	Director
5.	Mr. Vitchaphol Sincharoenkul	Director
6.	Mrs. Maiprae Srisai Luyen	Director
7.	Miss Arunya Chattranukulchai	Director
8.	Miss Lim Li Ping	Director

Summary of the financial position and operational results of SUSA for the accounting periods ending 30 September 2016 and 31 December 2013, 2014, and 2015¹¹

Statement of Financial Position (THB thousand)	2013	2014	2015	Q3 2016
Cash and cash equivalent	11,053	182,072	271,052	459,136
Trade receivables	498,968	329,931	460,488	307,368
Inventory	1,036,687	824,815	646,969	490,181
Property, plant, and equipment-net	33,799	31,737	30,960	27,589
Other assets	84,246	83,452	65,867	64,548
Total assets	1,664,753	1,452,007	1,475,336	1,348,822
Trade payables	549,452	432,318	562,898	386,156
Other liabilities	516,977	323,742	166,166	166,028
Total liabilities	1,066,429	756,060	729,064	552,184
Paid-up capital	148,137	148,137	148,137	148,137
Retained earnings	450,187	547,810	598,135	648,501
Shareholders' equity	598,324	695,947	746,272	796,638
Book value per share (Baht)	149,581	173,987	186,568	199,160

Profit and Loss Statements (THB thousand)	2013	2014	2015	2016 (9 months)
Revenues from the sale of goods	5,397,236	4,518,218	4,119,063	2,562,101
Other income	-	-	-	-
Total income	5,397,236	4,518,218	4,119,063	2,562,101
Cost of sale	4,588,324	3,774,928	3,443,778	2,026,436
Selling expenses	398,309	344,731	353,340	286,320
Administrative expenses	140,401	135,439	134,332	92,186
Distribution and transportation expenses	113,008	98,810	94,219	72,453
Other expenses	4,723	4,512	5,451	3,472
Total expenses	5,244,765	4,358,420	4,031,120	2,480,867
Profit (loss) before income tax	152,471	159,798	87,943	81,234
Income tax	59,348	62,175	37,618	30,869
Net profit (loss) for the periods	93,123	97,623	50,325	50,365

¹¹ The summary of the financial position and operational results was prepared from the management accounts which were prepared in US Dollars (USD). In calculating the value of the transaction, the Company has used an average exchange rate of USD 1 to THB 35.5685, by referring to the average exchange rate (average selling rate from THB to RMB) which commercial banks applied to their customers as appears on the website of the Bank of Thailand as at 17 January 2017.

Transaction No. 5

General Information of SESI

SESI is a joint venture between the Company and Semperit incorporated in Singapore on 12 May 2008. The Company and Semperit each hold 50 percent of the shares in order to hold 100 percent of the shares in Sempermed Brasil Comercio Exterior Ltd (“SMB”). SMB was incorporated in Brazil with the objective to distribute high-quality rubber gloves manufactured from natural latex and other items in countries in South America (SMB has ceased engaging in this undertaking since 2013) and to hold shares in Formtech Engineering (M) SDN BHD (“FTE”), which was incorporated in Malaysia to manufacture slip casted technical ceramics for use in manufacturing rubber gloves from natural latex. FTE is a joint venture between SESI and Malaysian individual shareholders, holding 82.9 percent and 17.1 percent of the shares in FTE respectively.

SESI’s principal office is located at No. 4 Battery Road, #25-01 Bank of China Building, Singapore 049 908.

Registered capital

The registered and paid-up capital of SESI is USD 8,000,000, divided into 8,000,000 ordinary shares, with a par value of USD 1 per share.

Shareholding structure of SESI as at 18 January 2017

No.	Shareholders	Number of Shares	Percentage
1.	Semperit	4,000,000	50.0
2.	The Company	4,000,000	50.0

Board of Directors of SESI as at 18 January 2017

No.	Directors	Position
1.	Mr. Richard Ehrenfeldner	Director
2.	Mr. Michael Thomas Fahnenmann	Director
3.	Mr. Clemens Eichler	Director
4.	Mr. Knut Unger	Director
5.	Mr. Anan Pruksanusak	Director
6.	Mr. Kitichai Sincharoenkul	Director
7.	Mr. Chaiyos Sincharoenkul	Director
8.	Mr. Viyavood Sincharoenkul	Director

Summary of the financial position and operational results of SESI for the accounting periods ending 30 September 2016 and 31 December 2013, 2014, and 2015¹²

Statement of Financial Position (THB thousand)	2013	2014	2015	Q3 2016 (9 months)
Cash and cash equivalent	15,358	12,789	8,435	46,562
Investment in subsidiaries	181,634	129,495	68,526	68,526
Other assets	13,128	657	455	553
Total assets	210,120	142,941	77,416	115,641
Loans	-	-	-	42,682
Other liabilities	14,758	13,010	9,294	10,819
Total liabilities	14,758	13,010	9,294	53,501
Paid-up capital	284,548	284,548	284,548	284,548
Retained earnings	(89,186)	(154,617)	(216,426)	(222,408)
Shareholders' equity	195,362	129,931	68,122	62,140
Book value per share (Baht)	24.42	16.24	8.52	7.77

Profit and Loss Statements (THB thousand)	2013	2014	2015	2016 (9 months)
Other losses	118,563	63,075	57,115	1,845
Expenses	5,165	2,356	4,694	4,137
Profit (loss) before income tax	123,728	65,431	61,809	5,982
Less Income tax	-	-	-	-
Net profit(loss) for the periods	123,728	65,431	61,809	5,982

¹² The summary of the financial position and operational results was prepared from the management accounts which were prepared in US Dollars (USD). In calculating the value of the transaction, the Company has used an average exchange rate of USD 1 to THB 35.5685, by referring to the average exchange rate (average selling rate from THB to RMB) which commercial banks applied to their customers as appears on the website of the Bank of Thailand as at 17 January 2017

Transaction No. 6

General Information of SAC

SAC is a joint venture incorporated in Thailand on 29 March 1996 with the objective to manufacture high pressure hydraulic hoses. The Company (holding 37.5 percent), Rubberland, a subsidiary of the Company (holding 5.0 percent), and other minority shareholders (holding 7.5 percent) on one part and Semperit holds 50 percent of the shares on other part.

SAC's principal office is located at No. 110/1 Kanjanavanit Road, Patong Subdistrict, Hat Yai District, Songkhla Province.

Registered capital

The registered and paid-up capital of SAC is THB 380,000,000 divided into 3,800,000 ordinary shares with a par value of THB 100 per share.

Shareholding structure of SAC as at 18 January 2017

No.	Shareholders	Number of Shares	Percentage
1.	Semperit	1,900,000	50.00
2.	The Company	1,425,000	37.50
3.	Rubberland	190,000	5.00
4.	Sri Trang Holdings Co.,Ltd	190,000	5.00
5.	Paktai Rubber Industries Limited Partnership	94,986	2.50
6.	Mr. Chaiyos Sincharoenkul	2	0.00
7.	Mr. Prasit Panidkul	2	0.00
8.	Mrs. Promsuk Sincharoenkul	2	0.00
9.	Miss Poolsuk Chirdkiatgumchai	2	0.00
10.	Mr. Viyavood Sincharoenkul	2	0.00
11.	Mr. Somwang Sincharoenkul	2	0.00
12.	Mr. Anan Pruksanusak	2	0.00
	Total	3,800,000	100.00

Board of Directors of SAC as at 18 January 2017

No.	Directors	Position
1.	Mr. Michael Thomas Fahnmann	Director
2.	Mr. Richard Ehrenfeldner	Director
3.	Mr. Johannes Schmidt-Schultes	Director
4.	Mr. Michael Adelbauer	Director
5.	Mr. Anan Pruksanusak	Director
6.	Mr. Viyavood Sincharoenkul	Director
7.	Mr. Veerasith Sincharoenkul	Director
8.	Mr. Kitichai Sincharoenkul	Director

Summary of the financial position and operational results of SAC for the accounting periods ending 30 September 2016 and 31 December 2013, 2014, and 2015

Statement of Financial Position (THB thousand)	2013	2014	2015	2016 (9 months)
Cash and cash equivalent	238,741	359,645	914,011	1,101,451
Trade receivables	257,118	371,876	234,594	321,892
Inventory	271,372	210,890	215,103	243,134
Property, plant, and equipment-net	545,589	462,318	387,010	331,584
Other assets	7,858	12,892	13,414	31,228
Total assets	1,320,678	1,417,621	1,764,132	2,029,289
Trade payables	177,057	127,791	135,036	147,935
Income tax payable	24,821	47,229	33,904	18,321
Other liabilities	7,113	8,756	10,954	11,535
Total liabilities	208,991	183,776	179,894	177,791
Paid-up capital	380,000	380,000	380,000	380,000
Legal reserves	38,000	38,000	38,000	38,000
Retained earnings	693,456	816,241	1,167,729	1,434,988
Other items	231	(396)	(1,491)	(1,490)
Shareholders' equity	1,111,687	1,233,845	1,584,238	1,851,498
Book value per share (Baht)	293	325	417	487

Profit and Loss Statements (THB thousand)	2013	2014	2015	2016 (9 months)
Revenues from the sale of goods	1,416,004	1,663,587	1,524,156	1,078,202
Other income	42,259	32,404	53,726	27,620
Total income	1,458,263	1,695,991	1,577,882	1,105,822
Cost of sale	1,077,351	1,158,822	1,088,507	739,262
Selling expenses	52,984	55,675	46,494	29,090
Administrative expenses	20,127	17,984	20,996	15,640
Total expenses	1,150,462	1,232,481	1,155,997	783,992
Profit (loss) before finance cost and income tax	307,801	463,510	421,885	321,830
Less finance cost	-	8	27	12
Profit (loss) before income tax	307,801	463,502	421,858	321,818
Less Income tax	40,299	73,767	70,370	54,559
Net profit	267,502	389,735	351,488	267,259

4.5 Basis used in determining value of consideration and payment method

Asset Acquisition Transaction

Transaction No. 1

The value of the shares of SSC is subject to negotiation between the buyer and the seller. The Company will have to make a lump sum payment in cash for 10,000 SSC shares (equivalent to 50.0 percent of the total issued and sold shares of SSC) representing a value of USD 180,100,000 (or equivalent to approximately THB 6,573.7 million).

Asset Disposal Transactions

Transaction No. 2

The value of the investment in SSH is subject to negotiation between the buyer and the seller. In this regard, the parties agree that the value of SSH equivalent to 50.0 percent of the total capital of SSH is USD 8,000,000 (or equivalent to approximately THB 292.0 million).

Transaction No. 3

The value of the investment in SRP is subject to negotiation between the buyer and the seller. In this regard, the parties agree that the value of SRP equivalent to 10.0 percent of the total capital of SRP is USD 4,000,000 (or equivalent to approximately THB 146.0 million).

Transaction No. 4

The value of the shares of SUSA is subject to negotiation between the buyer and the seller. In this regard, the parties agree that the value of 1,000 SUSA shares (equivalent to 25.0 percent of the total issued and sold shares of SUSA) is USD 6,500,000 (or equivalent to approximately THB 237.3 million).

In addition, the disposal of 2,000 SUSA shares (equivalent to 50.0 percent of the total issued and sold shares of SUSA) which are indirectly held by the Company through SSC, at the price of USD 13,000,000 (or equivalent to approximately THB 474.5 million) is not included in the calculation of the transaction value of Transaction No. 4 as SSC is not considered as a subsidiary of the Company.

Transaction No. 5

The value of the shares of SESI is subject to negotiation between the buyer and the seller. In this regard, the parties agree that the value of 4,000,000 SESI shares (equivalent to 50.0 percent of the total issued and sold shares of SESI) is USD 1,000,000 (or equivalent to approximately THB 36.5 million).

Transaction No. 6

The value of the shares of SAC is subject to negotiation between the buyer and the seller. In this regard, the parties agree that the value of 1,615,000 SAC shares

(equivalent to 42.5 percent of the total issued and sold shares of SESI) under the Call Option Agreement is USD 51,000,000 (or equivalent to approximately THB 1,861.5 million).

Upon Semperit's exercise of the Call Option, Semperit agrees to make a lump sum payment in cash.

Set-Off

The total value of disposal Transaction 2 to Transaction 5 which will be executed at the same time of Transaction 1, is USD 19,500,000 (or equivalent to approximately THB 711.8 million) to be received from Semperit.

In setting off the value of acquisition in Transaction 1 with the disposal in Transaction 2 to Transaction 5, the net consideration to be paid by the Company to Semperit is a cash payment of USD 160,600,000 (or equivalent to approximately THB 5,861.9 million).

However, as Semperit has an obligation to pay consideration to SSC from the sale by SSC of SUSA and SSF shares to Semperit in the amount of USD 16,200,000 (or equivalent to approximately THB 591.3 million), part of which Semperit has already paid to SSC from the dividends received from SSC and Semperit will have the remaining obligation to pay SSC at USD 8,100,000 (or equivalent to approximately THB 295.7 million). The Company agrees to assume this remaining obligation for Semperit. Therefore, the Company has a net obligation to make a cash payment for the purchase of SSC shares to Semperit in the amount of USD 152,500,000 (or equivalent to approximately THB 5,566.3 million).

In addition, SSC agrees to pay compensation to Semperit due to Semperit's agreement to settle its dispute with SSC in the amount of USD 15,000,000 (or equivalent to approximately THB 547.5 million).

4.6 Expected Benefits to the Company

Asset Acquisition Transaction (Transaction No. 1)

As the major shareholder of SSC, the Company will have sole discretion and flexibility over the operations and potential expansion of its the glove business in the future in accordance with the strategies and policies of the Company. Being the major shareholder in the downstream business of manufacturing and distributing medical grade rubber gloves, which uses concentrated latex, one of the products of the Company's group, as raw material will add value to overall business. This will strengthen the overall business operation of the group as a fully-integrated natural rubber company.

In addition, if the Asset Acquisition Transaction and the Asset Disposal Transactions are completed, the disputes between the Company and Semperit will be resolved, the Company and SSC will no longer be subject to the various obligations with Semperit and the management of the Company will be able to dedicate more time to the development and management of the businesses of the Company and its group companies.

Please refer to the disputes between the Company and Semperit in the Notes to Financial Statements of the Company for the accounting period ending 30 September 2016.

Asset Disposal Transactions (Transaction Nos. 2-6)

The transaction is to dispose of the assets in which the Company did not take part in actively managing and which are not related to the manufacture and distribution of natural latex products, which is the core business of the Company.

In addition to the above expected benefits from the Asset Acquisition Transaction, the Company will receive consideration from the Asset Disposal Transactions in the amount of approximately USD 19,500,000 (or equivalent to approximately THB 711.8 million) (not including consideration derived from the disposal of SAC shares, as the disposal of the SAC shares is made under the Call Option Agreement, and Semperit has not exercised its Call Option right) and will use this consideration for the payment of the shares of SSC to Semperit in the Asset Acquisition Transaction.

4.7 Sources of Funds for the Acquisition of the Shares of SSC (Transaction No. 1)

Sources of funds:

- Loans secured from financial institutions;
- Dividend payments received from SSC and SAC on the Closing Date;
- Payment Consideration from the Asset Disposal Transactions (Transaction Nos. 2-5); and
- Cash from operation.

4.8 Plan for use of proceeds from the Disposal of Shares and Investment in Transaction Nos. 2-5

The Company will receive consideration from the disposal of assets under Transaction 2 to Transaction 5 in the amount of approximately USD 19,500,000 (or equivalent to approximately THB 711.8 million) (not including consideration derived from the disposal of SAC shares, as the disposal of the SAC shares is made under the Call Option Agreement, and Semperit has not exercised its Call Option right) which the Company can use to pay for the shares of SSC to Semperit.

4.9 Opinion of the Board of Directors on the entering into of the transactions

Asset Acquisition Transaction (Transaction No. 1)

The Audit Committee and the Board of Directors are of the opinion that the Company will benefit from the acquisition of the shares of SSC from Semperit. In addition, the price of the shares of SSC is reasonable. In this regard, the Board of Directors has appointed an independent financial advisor to provide an opinion on the proposed transaction and the reasonableness of the price of the shares.

Asset Disposal Transactions (Transaction Nos. 2-6)

The Audit Committee and the Board of Directors are of the opinion that the Company will benefit from Asset Disposal Transactions under Transaction Nos. 2-6 in disposing of the shares and investments in the affiliate companies to Semperit. In addition, the overall prices of the shares and investments in the respective affiliate companies are reasonable. In this regard, the Board of Directors has appointed an independent financial advisor to provide an opinion on the proposed transactions and the reasonableness of the prices of the shares.

4.10 Opinion of the Audit Committee and/or directors of the Company which are different from those of the Board of Directors in Clause 9

No differing opinion.