

- Information Memorandum -

Description, Term and Condition of Derivative Warrants
Issued by Maybank Kim Eng Securities (Thailand) Public Company Limited

<u>Offering Method</u>	Direct Listing
<u>Credit Rating</u>	AA+(tha) by Fitch Ratings (Thailand) Co., Ltd.
<u>Registrar and Warrants Agent</u>	Thailand Securities Depository Co., Ltd.
<u>Exercise of Warrants</u>	Automatic Exercise
<u>Exercise expense (charged by issuer)</u>	None

Exercise Conditions

a) The Cash Settlement Amount is the amount per unit of the Derivative Warrants. It is calculated from the difference between the Settlement Price and the Exercise Price, multiplied by the Exercise Ratio (in the case where the underlying asset is securities) or index multiplier (in the case where the underlying asset is index), which is applicable at the time.

The Cash Settlement Amount of one unit of Call Warrant is equal to the maximum between zero and (Settlement Price – Exercise Price) multiply by the Exercise Ratio or $\text{Max}(0, \text{Settlement Price} - \text{Exercise Price}) \times \text{Exercise Ratio}$ or Index Multiplier (depend on case)

The Cash Settlement Amount of one unit of Put Warrant is equal to the maximum between zero and (Exercise Price – Settlement Price) multiply by the Exercise Ratio or $\text{Max}(0, \text{Exercise Price} - \text{Settlement Price}) \times \text{Exercise Ratio}$ or Index Multiplier (as the case may be)

b) The Net Cash Settlement Amount = the Cash Settlement Amount - Exercise expense (charged by issuer)

c) For the benefit of the Derivative Warrants holder, in case that the Net Cash Settlement Amount is greater than zero on the Automatic Exercise Date, the Derivative Warrants will automatically be exercised without notice being given to the Holder. The Issuer will pay Net Cash Settlement Amount to the Holder, whether or not the Holder has informed the intention to exercise the warrants, according to the method and within the time specified in the Terms and Conditions.

d) The Derivative Warrants holder can instruct their brokers not to exercise the Derivative Warrants by the method specified by their brokers.

e) The Issuer will request the SET to suspend the sale and purchase trading of the Derivative Warrants for 3 business days consecutively until Maturity Date (including the Maturity Date) in order to determine the right to exercise the Derivative Warrants of the Holder.

The Issuer will announce the Book Closing Date 14 days prior to the Book Closing Date through the SET Information Disclosure System.

Delivery and Settlement Procedure

If Automatic Exercise occurs, Issuer will proceed as follows,

1. If there is no Market Disruption Event, the Issuer will pay the Net Cash Settlement to the holder's bank account or issue a crossed cheque to the registered holder on the Automatic Exercise Date and send the cheque by registered mail within 5 business days following Automatic Exercise Date.
2. If there is a Market Disruption Event,
 - 2.1. If the Market Disruption Event occurs before or on the Last Trading Date and ends within 30 days after Last Trading Date, the Settlement Price shall be the Closing Price of the Underlying Asset on the first trading day after the Market Disruption Event ends.
 - 2.2. If the Market Disruption Event occurs on or before the Last Trading Date and ends not within 30 days after Last Trading Date,
 - 1) The Issuer shall announce the Fair Value of the Underlying Asset within 50 days after the Last Trading Date.
 - 2) The Issuer shall use the Fair Value of the Underlying Asset calculated by a Financial Advisor approved by the SEC which is made not more than 50 days before the date that the Issuer informs the Fair Value. The Fair Value of Underlying Asset shall be deemed to be the Settlement Price.

The Issuer will pay the Net Cash Settlement (if any) to the Holder's bank account or send a crossed cheque to the registered holder on the Automatic Exercise Date and send by registered mail within 9 business days following the day that the Issuer determines the Fair Value or the Settlement Price, as the case may be.

Adjustment of Exercise Ratio/Conversion Ratio and Exercise Price (Underlying Asset is Securities)

The Issuer shall adjust Exercise Price and Exercise Ratio ("Adjustment") through the term of the Derivatives Warrants when any of the following events occur:

a) Issuing of new ordinary shares to existing shareholders

The Underlying Company offers to sell its new ordinary shares to existing shareholders, in which the net price per share of the new ordinary shares is less than 100% of the closing price of the last business day prior to the day the SET posts the XR sign. The Adjustment of Exercise Price and Exercise Ratio shall be immediately effective from the day the shares go ex-rights, defined as the day the SET posts the XR sign in cases where the new shares are offered to existing shareholders;

b) Stock dividend

The Underlying Company pays out all or part of its dividend in the form of ordinary shares to its shareholders. The Adjustment of Exercise Price and Exercise Ratio shall be immediately effective from the day the shares go ex-dividend, defined as the day the SET posts the XD sign;

c) Cash dividend

The Underlying Company pays out cash dividend to its shareholders. The Adjustment of Exercise Price and Exercise Ratio shall be immediately effective from the day the shares go ex-dividend, defined as the day the SET posts the XD sign;

d) Stock split or reverse stock split

The Underlying Company changes the par value of its shares as a result of a split or consolidation of its ordinary shares. The Adjustment of Exercise Price and Exercise Ratio shall be immediately effective from the date that the change in par value takes place;

e) Merger and acquisition

If it is announced that the Underlying Company is to or may (1) merge or consolidate with or into any other corporation (including becoming, by agreement or otherwise, a subsidiary of or controlled by any person or corporation) except where the Underlying Company is the surviving corporation in a merger or; (2) sell or transfer all or major of its assets. The Last Trading Day of the Underlying Asset will be the Maturity Date of the Derivatives Warrants. The Issuer shall immediately inform the details to the holders and disclose the details in accordance with the SET's Information Discloser Regulation.

f) In case that the events occur during the issuance date and the last trading date, the calculation of the Adjustment of Exercise Price and Exercise Ratio in accordance with a) through e) are independent of each other. In cases where these events simultaneously occur, the calculation shall be conducted in the manner of series announced by the Underlying Company.

The calculation of the Adjustment of Exercise Price will be rounded to the nearest 3 decimal points. The calculation of the Adjustment of Exercise Ratio will be rounded to the nearest 5 decimal points.

g) In all cases other than a) through e), the Issuer shall consider and, if necessary, make the Adjustment to Exercise Price and/or Exercise Ratio fairly and shall not unfairly reduce holders' rights or benefits. The decision of the Issuer shall be final. Then, the Issuer shall disclose the details of any Adjustment in accordance with the SET's Information Discloser Regulation and the relevant institutes' regulations.

h) Except stated in a) through e) or other cases where the Issuer sees as appropriate, there shall be no Adjustment in any other case.

Adjustment of Index Multiplier and Exercise Price (Underlying Asset is Index)

The Issuer of DW will not adjust the Index Multiplier and the Exercise Price of Index DW, except The Issuer has a reasonable ground, which has a significant impact on the Holder of DW .The Issuer shall determine the appropriate method for adjustment of the Index Multiplier and/or the Exercise Price, not to be in any way subordinate to the existing rights of the Holder in order to reduce the impact on the warrants or to prevent the damage that may be incurred by the Holder immediately, including determining the date of adjustment, multiplication, index and/or the Exercise Price and effective date.

In this regard, the Issuer will inform the details of any adjustment to the Holder in accordance with the regulations and procedures of the SET and the relevant regulators.

Event and Consequences of Default

The following events are considered as Event of Default:

a) The Issuer fails to settle the cash or Underlying Asset as stated under part 3 of the Terms and Conditions and the failure persists over a period of 7 consecutive business days, except in any case where the failure arises from the delay or disruption of the payment system or securities settlement system.; or

b) The Issuer fails to perform any of its obligations under the Terms and Conditions, which have significant negative impact to the holder's right, and the failure continues over a period of 15 consecutive days after holder has made the written notification to the Issuer, requesting it to perform its obligations under the Terms and Conditions.; or

c) All or major assets of the Issuer are seized by creditors or those assets are in the process of being seized over a period of 7 consecutive business days.; or

d) The Issuer fails to pay a debt of not less than 100,000,000 Baht or its equivalent in another currency as 1) the Issuer does not pay such debt within the existing due date or within the extended due date allowed by creditors or 2) creditors prematurely call to pay such debt according to the creditors' right on the event of default in related contractual agreement. However, such failure must has significant negative impact on the Issuer's ability to repay the debt regarding the Derivatives Warrants and the failure persists over a period of 7 consecutive business days.; or

e) The Annual General Meeting of the Issuer approves the dissolution of the company except the dissolution for purposes pursuant to a merger or consolidation where a continuing entity effectively assumes all of the Derivatives Warrants related obligations of the Issuer.; or

f) Upon initiation of proceeding on the business rehabilitation with the Issuer or requesting the Court of competent jurisdiction adjudging the Issuer to be bankrupt under the relevant laws or winding-up, dissolution by order or any resolution of the Issuer or

by seizure or process of being seized of the Issuer's assets by judgment under the law and such proceeding, judgment, order or resolution has not been cancel or revoke within 60 days commencing from the initiation of such proceeding or order thereof.

If any of the Event of Default shown in a), b), c) or d) occurs, the Issuer must hold a Meeting of the holders ("Meeting") in accordance with its obligations under the Terms and Conditions whereas;

- 1) The Meeting may approve the default of the Issuer. Hence, the Derivatives Warrants shall be immediately exercised from the date of Meeting whereby the closing price of the Underlying Asset on the date of Meeting is used as the Settlement Price. If the closing price of the Underlying Asset on the date of Meeting cannot be assigned, then the most recent closing price of the Underlying Asset on the date of Meeting shall be used as the Settlement Price. The Settlement Price will be used to compare to the Exercise Price to calculate the Cash Settlement amount for all unexercised Derivatives Warrants holders.; or
- 2) The Meeting may approve other appropriate resolutions relating to the default.

If any of the Event of Default shown in e) or f) occurs, the Issuer shall immediately be considered to be in default. Hence, the Derivatives Warrants shall be immediately exercised from the date of the event described in e) or f). The closing price of the Underlying Asset on the date of the event described in e) or f) shall be used as the Settlement Price. If the closing price of the Underlying Asset on the date of the event described in e) or f) cannot be assigned, then the most recent closing price of the Underlying Asset on the date of the event described in e) or f) shall be used as the Settlement Price. The Settlement Price will be used to compare to the Exercise Price to calculate the Cash Settlement amount for all unexercised Derivatives Warrants holders.

Transfer Restriction No Restriction

Market Maker Maybank Kim Eng Securities (Thailand) Plc.

Market Maker Obligation

In case the Derivative Warrants are registered as the Listed securities on the SET. The Market Maker will provide bid and offer prices the spread between which is not more than 10 ticks and at a minimum quantity of not less than 20,000 units for not less than 80% of the SET trading hours. The Market Maker will not be required to provide bid and offer prices if

1. There is a Market Disruption Event.
2. The SET suspends trading of Underlying Asset and/or suspends trading of the Derivatives Warrants for any reason.
3. The Market Maker does not hold enough Derivatives Warrants to be able to perform its obligation.
4. The Derivatives Warrants price is lower than 0.05 Baht.
5. 14 Business Days or less before the Maturity date.
6. When the SET is reasonably considered to be abnormal volatile.
7. In case of Event of Default under the Terms and Conditions.
8. Other cases which the Market Maker will disclose via the SET.

Distribution of Derivative Warrants The Issuer will distribute the amount of the Derivatives Warrants for not less than 20 million Baht or for not less than 50 percent of the listed Derivatives Warrants, excluded the amount of the Derivatives Warrants held by the Issuer and the Market Maker, and inform the SET within 3 months after the first trading date, which is within the life of the Derivative Warrants (whichever date is earlier).

Information of Issuer

Paid Up Capital 2,854,072,500 Baht

Location of Issuer The Offices at Central World, 20th-21st Fl., 999/9 Rama 1 Road, Pathumwan, Bangkok 10330
Tel. 0-2658-5000 Fax. 0-2658-6301 Website www.maybank-ke.co.th

Type of Business and Nature of Operation

1. Securities Brokerage Business
2. Derivatives Brokerage Business
3. Investment Banking Business
4. Securities Dealer Business
5. Securities Borrowing and Lending Business
6. Selling Agent Business
7. Derivatives Warrants Business

Financial Statement of Issuer Investors can download latest financial status and of the Issuer from www.set.or.th or www.maybank-ke.co.th

Prepared by Maybank Kim Eng Securities (Thailand) Plc.

Any investment in the Derivatives Warrants carries with its certain risks, investors should carefully study the Derivatives Warrants information and related risk before making the decision to invest in the Derivatives Warrants. All information of the Derivatives Warrants can be found in the Term and Conditions, which is the attachment of the Derivatives Warrants prospectus (Base, Supplement, and Feature), from www.sec.or.th. Please refer to Thai version for full details.