

(Translation)

THE ERAWAN GROUP PUBLIC COMPANY LIMITED  
INFORMATION FOR THE EMPLOYEE STOCK OPTION PLAN FOR EMPLOYEES OF THE COMPANY AND IT  
SUBSIDIARIES NO.3 (ESOP#3)

The 2011 Annual General Meeting held on April 26, 2011 approved an issuance of shares to be offered to employees of the Erawan Group Plc and its subsidiaries. The scheme shall last no more than five years from the day the Shareholders' Meeting approved the scheme where the company will complete its offer by December 30, 2015 when 35,743,099 shares, which accounts for 1.59 per cent of all shares offered and sold, will be sold at Baht 1 par value per share. Details of shares already allocated and to be allocated are as follows:

- **Ordinary shares already offered and sold** : 32,093,099 shares or 89.79 per cent of all shares to be offered and sold have been allocated and offered under this project. Details of the share allocation are as follows.
  1. On April 26, 2011, the 2011 Annual General Meeting resolved to approve for the first time an allocation of 19,250,000 ordinary shares to six employees of the company and its subsidiaries. This was equivalent to 53.86 per cent of all shares to be offered and sold hereunder.
  2. On June 10, 2011, Chief Executive Officer (CEO) and President who had been assigned by the Board of Directors allocated 12,843,099 ordinary shares to 64 employees of the firm and its subsidiaries, which was equivalent to 35.93 per cent of all shares offered and sold hereunder.

After the ordinary shares above had been allocated, there remained 3,650,000 ordinary shares to be allocated or an account of 10.21 per cent of all shares to be offered and sold under the scheme. All shares must be completely allocated by April 26, 2012 subject however to the following conditions:

-If no more than five per cent of all ordinary shares allocated under the scheme are to be offered to employees of the company and its subsidiaries, the Board of Directors has assigned the CEO and President to allocate the entire amount.

-Should more than five per cent of all ordinary shares allocated under the scheme be offered to any employee of the company and subsidiaries, an approval of the Board of Directors is required so that this can be submitted to the Shareholders' Meeting for its resolution where no fewer than three-fourths of shareholders attending the meeting must resolve to approve the action and where no more than five per cent of shareholders shall oppose to it in accordance with the rules and conditions announced by the Capital Market Supervisory Board.

- **Ordinary shares to be offered and sold on this occasion** : 2,200,000 shares will be offered and sold to an employee. This is equivalent to 6.15 per cent of all shares allocated and sold under the scheme,

Details of ESOP#3 are as follows:

1. Objectives and Necessities of the Employee Stock Option Plan

The objectives of the ESOP#3 are to motivate the employees of the Company and its Subsidiaries and to encourage them to dedicate themselves to bring about the best interest for the Company and its Subsidiaries, and to drive their performance towards the success of the Company's strategic objectives.

2. Preliminary Details of Issuance of the Ordinary Shares under the Plan

2.1 Type of security : Ordinary shares of The Erawan Group Public Co., Ltd. in the total number of 35,743,099 shares at the par value of 1 Baht per share which is equivalent to 1.59 percent of the existing paid-up shares.

2.2 Term of the Plan : The period of the Plan shall not exceed 5 years from the date of approval by the Annual General Meeting of Shareholders. The offering shall be completed within 30 December 2015.

2.3 Principles and conditions

Allocation and offer : These ordinary shares are to be allocated and offered for sale to employees of the Company and its Subsidiaries (not including the employees which have been employed by Management of the hotels' operation and have been provided employees' benefit by their stipulated policies) hereinafter referred to as "Employees". Such shares shall be allocated and offered directly, not through the intermediary. The Board of Director has authorized the President and Chief Executive Officer to determine the allocation of shares except for the Employee received more than 5% of the total shares offered under the Plan whose allocation shall be considered and agreed and proposed by the Board of Director for the approval of the shareholders at the Annual General Meeting of the Shareholders.

Offering Period : The offering shall be completed within 1 year from the date on which the issue is approved by Shareholders' Meeting.

Exercise Periods and Exercise Prices : Each Employee, whose under the Plan has been determined to have the rights to purchase the ordinary shares, are entitled to exercise such rights each time according to the percentage of his/her total allocated ordinary shares as described in the table below. However, if he/she exercises the rights each time and there is a fraction of share(s) less than the board lot determined by the Stock Exchange, such fraction will be accumulated for the Employee to purchase when he/she exercises his/her rights to purchase for the last exercise. The exercise periods and the exercise price are stipulated as follows:

No.	Exercise period	Number of exercised shares	Exercise price / share
1	1 January 2012 - 30 December 2015	10% of total allocated shares	2.90 Baht
2	1 January 2013 - 30 December 2015	20% of total allocated shares	3.00 Baht
3	1 January 2014 - 30 December 2015	30% of total allocated shares	3.10 Baht
4	1 January 2015 - 30 December 2015	40% of total allocated shares	3.20 Baht

Note : The exercise prices are stipulated above the market price and without discount as described in clause 4.1 (The weighted average of the closing price of the Company ordinary shares during 15 days before the date of the Board of Directors' meeting on 21 December 2010 equals to Baht 2.29 per share)

### 3. Other Principles and Conditions for the Exercise of Ordinary Shares

#### 3.1 Conditions and exercise process

##### Period for expressing the intent to exercise the rights

Each entitled person shall provide the intent to exercise the rights to purchase the ordinary shares of the Company to the Company between 09.00 a.m. and 4.00 p.m. within five Company's business days prior to each exercise date throughout the exercise periods. The number of the ordinary shares shall be purchased, in every exercise except the last exercise, in whole number of a trading unit on the main board of the Stock Exchange of Thailand.

##### Exercise Date and Time

Between 09.00 a.m. and 4.00 p.m. of the first Company's business day of March, June, September and December throughout the exercise periods and the final day on 30 December 2015 which is the expiry date of plan.

Obligations between the Company and Employees in relation to the allocation of the ordinary shares

- Each of employees may exercise the rights to purchase their allocated ordinary shares either in whole or in part for each exercise. If any employees do not exercise all or some of the rights prior to the expiration of the rights are expired, it shall be deemed that such employee waive his/her rights on such un-exercise. In this respect, he/she shall not be entitled to claim any compensation from the Company.
- If any entitled person is relieved from being an employee because of the retirement rules of the Company or the Subsidiaries, or the expiration of his/her term of management position, or the transferring order of the Company or the Subsidiaries, as the case may be, such employee is still entitled to exercise their rights to purchase the ordinary shares until the Exercise Periods expire.
- If any entitled person resigned from being an employee by himself/herself, or is relieved from being an employee because of the early retirement plan, he/she shall be entitled to exercise the rights of such person the rights only of which term becomes due allowing such person to exercise the rights. Such person shall complete exercising the rights within 3 (three) months from the resignation date but not exceeding the expiry date of the plan.
- If any entitled person is relieved from being an employee by reasons of decease, disappearance, infirmity, or incompetent, causing him/her not be able to undertake his/her duties, the executor, administrator, or beneficiary of such person, as the case may be, shall be entitled to exercise the rights of such person the rights only of which term becomes due allowing such person to exercise the rights. Such executor, administrator, or beneficiary shall complete exercising the rights within 6 (six) months from the date of decease, disappearance, infirmity, or incompetent but not exceeding the expiry date of the plan.
- If any entitled person is relieved from being an employee by termination or being fired, whether prior to or after the commencement date of any Exercise Period, he/she shall not be entitled to exercise the remaining rights to purchase the ordinary shares any further.
- There is no assistance from the Company in respect of sources of funds for Employees.

### 3.2 Adjustment of price and number of the exercise ordinary shares

The price and number of the exercised ordinary shares can be changed and adjusted throughout the Exercise Period at any predefined occurrence as follows : (except the issuance of the warrants (ERW-W2) to be offered to the existing shareholders which is considered and agreed by the Board of

Directors' Meeting No.9/2010 to propose to the Annual General Meeting of Shareholders for the year 2011 for approval together with this ESOP#3 issuance)

- a) When the Company changes par value of the Company's ordinary shares due to the consolidation or the split of those shares.

The Exercise Price shall be adjusted according to the following formula:

$$\text{PRICE 1} = \text{PRICE 0} \times \frac{(\text{PAR 1})}{(\text{PAR 0})}$$

The Exercise Shares shall be adjusted according to the following formula:

$$Q1 = Q0 \times \frac{[\text{PAR 0}]}{[\text{PAR 1}]}$$

- where :
- PRICE 1 = Exercise Price after the adjustment.
  - PRICE 0 = Exercise Price before the adjustment.
  - Q 1 = Exercise Shares after the adjustment.
  - Q 0 = Exercise Shares before the adjustment
  - PAR 1 = par value of the Ordinary Shares after the adjustment.
  - PAR 0 = par value of the Ordinary Shares before the adjustment.

The adjustment of the Exercise Price and the Exercise Shares shall be calculated as of and be immediately effective on and from the date that the change in par value takes place.

- b) When the Company offers for sale of the newly issued ordinary shares to the existing shareholders and/or the public and the average price of those newly issued ordinary shares become lower than ninety per cent (90%) of the "market price of the Company's ordinary share".

The Exercise Price shall be adjusted according to the following formula:

$$\text{PRICE 1} = \text{PRICE 0} \times \frac{[(A \times \text{MP}) + \text{BX}]}{[\text{MP} (A + B)]}$$

The Exercise Shares shall be adjusted according to the following formula:

$$Q 1 = Q 0 \times \frac{[\text{MP} (A + B)]}{[(A \times \text{MP}) + \text{BX}]}$$

- where :
- PRICE 1 = Exercise Price after the adjustment.
  - PRICE 0 = Exercise Price before the adjustment.
  - Q1 = Exercise Shares after the adjustment.
  - Q0 = Exercise Shares before the adjustment.
  - MP = "the market price of the Ordinary Shares"

- A = total number of Ordinary Shares on the day before the date SET posts to XR sign and/or the first day of the public offering of the new Ordinary Shares.
- B = total number of newly issued Ordinary Shares offered to the existing shareholders and / or the public.
- BX = total proceeds, net of related expenses (if any), to be received from the newly issued Ordinary Shares offered to the existing shareholders and/or the public.

The adjustment of the Exercise Price and the Exercise Share shall be calculated as of and be immediately effective on and from the first day that SET posts the XR sign and/or the first day the new Ordinary Shares are offered to the public, as the case may be.

The average price per share of the newly issued Ordinary Shares is calculated by dividing the total proceeds, net of related expenses (if any), the Company is to receive from the offering of the new Ordinary Shares by the total number of newly issued Ordinary Shares.

“The market price of the Ordinary Shares” is the “weighted average of the Company’s share price” where the “weighted average of the Company’s share price” is derived by dividing the total trading value by the total trading volume of the Company’s Ordinary Shares traded on SET during the 15 consecutive SET trading days before the day of the calculation.

- c) When the Company offers for sale of any newly issue securities to the existing shareholders and/or the public and those securities contain the right to convert them into ordinary shares or the right to reserve to purchase ordinary shares, such as convertible debenture or warrant. This includes any other liabilities that have right exercise to convertible conversion to the Company’s ordinary shares, and the average price of ordinary shares to be issued to serve such rights become lower than ninety per cent (90%) of “the market price of the Company’s ordinary share”.

The Exercise Price shall be adjusted according to with the following formula:

$$\text{PRICE 1} = \text{PRICE 0} \times \frac{[(A \times \text{MP}) + \text{BX}]}{[\text{MP} (A + B)]}$$

The Exercise Shares shall be adjusted according to the following formula:

$$Q1 = Q0 \times \frac{[\text{MP} (A + B)]}{[(A \times \text{MP}) + \text{BX}]}$$

- where :
- Price 1 = Exercise Price after the adjustment.
- Price 0 = Exercise Price before the adjustment.
- Q 1 = Exercise Shares after the adjustment.
- Q 0 = Exercise Shares before the adjustment.

- MP = “the market price of the Ordinary Shares”
- A = total number of Ordinary Shares on the day before the date SET posts the XR sign and/or the first day of the public offering of the New Securities.
- B = total number of newly issued Ordinary Shares to accommodate the conversion of the New Securities offered to the existing Shareholders and / or the public.
- BX = the total proceeds to be received, net of related expenses (if any), from the issuance of the New Securities offered to the existing shareholders and/or the public plus the proceeds, net of related expenses (if any), to be received from the conversion.

The adjustment of the Exercise Price and the Exercise Shares shall be calculated as of and be immediately effective from the first day that SET posts the XR sign and/or the first day the New Securities are offered to the public, as the case may be.

The average price per share of the newly issued Ordinary Shares is calculated by dividing the total proceeds to be received from the issuance of the New Securities, net of related expenses (if any), plus the proceeds, net of related expenses (if any), to be received from the conversion of such securities by the total number of Ordinary Shares newly issued to accommodate the conversion.

“The market price of the Ordinary Shares” and the base par value used for comparison purposes shall have the same meanings as in ( b ).

- d) When the Company pays dividends, in whole or in part, in the form of ordinary shares to the shareholders.

The Exercise Price shall be adjusted according to the following formula:

$$\text{PRICE 1} = \text{PRICE 0} \times \frac{[A]}{[A + B]}$$

The Exercise Ratio shall be adjusted according to the following formula:

$$Q 1 = Q 0 \frac{[A + B]}{[A]}$$

- where :
- Price 1 = Exercise Price after the adjustment.
- Price 0 = Exercise Price before the adjustment.
- Q 1 = Exercise Shares after the adjustment.
- Q 0 = Exercise Shares before the adjustment.

A = total number of Ordinary Shares on the day before the date SET posts the XD sign.

B = total number of Ordinary Shares to be newly issued for such dividend.

The adjustment of the Exercise Price and the Exercise Shares shall be calculated as of and be immediately effective on and from the first day that SET posts the XD sign.

- e) When the Company pays dividends in form of cash in the amount of money more than fifty per cent (75%) of net income after income tax for the accounting period between 2012-2015.

The Exercise Price shall be adjusted according to the following formula:

$$\text{PRICE 1} = \text{PRICE 0} \times \frac{[\text{MP} - (\text{D} - \text{R})]}{[\text{MP}]}$$

The Exercise Shares shall be adjusted according to the following formula:

$$Q1 = Q0 \times \frac{[\text{MP}]}{[\text{MP} - (\text{D} - \text{R})]}$$

where : Q 1 = Exercise Shares after the adjustment.

Q 0 = Exercise Shares before the adjustment.

Price 1 = Exercise Price after the adjustment.

Price 0 = Exercise Price before the adjustment.

MP = "the market price of the Ordinary Shares"

D = Dividends per Ordinary Share paid to the shareholders.

R = Ordinary Share that will be paid at the rate of 75 per cent if taking into the calculation the net profit after tax and the total number of Ordinary Shares eligible for dividends.

The dividend payout ratio is calculated by dividing actual dividends paid for each accounting period by the net profits after tax of the same accounting period.

The adjustment of the Exercise Price and the Exercise Shares shall be calculated as of and be immediately effective from the first day SET posts the XD sign.

- f) In any event which causes any entitled person in loss of his/her rights and benefits other than mentioned in a) to e), the Company shall consider changing the price and number of the exercise ordinary shares. However, such change shall not diminish the rights of such person. Such consideration shall be deemed ultimate and shall be informed to SEC within 15 days, since the aforesaid event is occurred.
- g) The adjustments of the price and number of the exercise ordinary shares pursuant to a) to f) shall be independently and separately calculated and shall be made in accordance with the respective



occurrence of each circumstance in comparison with the Market Price. In the events that occur concurrently, the calculation for the adjustment shall be made in the following condition a), e), d), b), c). Each order of calculation for the adjustment shall maintain the share's price with 2 decimal and a fraction, which is caused by the adjusted number of shares, shall be eliminated.

- h) The adjustment of the price and number of the exercise ordinary shares pursuant to conditions a) to e) above shall not cause any increase or decrease of the number of the allocated ordinary shares except in the case of a combination of shares.
- i) If the adjustment of rights pursuant to the conditions (a) to (f) cause the increase of the number of the exercise ordinary shares, the Company shall propose to the shareholder' meeting to give an approval for issuance of additional new ordinary shares to serve such adjustment and shall submit a request to the Committee of the SEC for its approval under rules and conditions stipulated in the Notifications of the SEC.

#### 4. Effects upon Shareholders from this Issuance and Offer for Sale of the Ordinary Shares to Employees

##### 4.1 Effects upon Price Dilution

The exercise price is determined above the market price and without the discount. The weighted average of the closing price of the Company ordinary shares during 15 days before the date of the Board of Directors' Meeting on 21 December 2010 equals to Baht 2.29 per share. Details are as follows:

##### Share Price in the Secondary Market

Date	Closing Price (Baht)	HIGH (Baht)	LOW (Baht)	Volume (Shares)	Value ('000 Baht)
20 December 2010	2.28	2.32	2.28	170,500	392.15
17 December 2010	2.32	2.34	2.32	333,100	772.85
16 December 2010	2.32	2.34	2.30	203,800	471.66
15 December 2010	2.32	2.36	2.32	105,000	244.25
14 December 2010	2.30	2.32	2.30	178,000	411.32
13 December 2010	2.30	2.32	2.30	233,300	540.85
9 December 2010	2.28	2.28	2.26	414,000	943.63
8 December 2010	2.26	2.28	2.26	339,000	768.28
7 December 2010	2.26	2.30	2.26	145,600	329.14
3 December 2010	2.26	2.30	2.26	434,000	988.72
2 December 2010	2.30	2.30	2.28	275,900	630.86
1 December 2010	2.30	2.30	2.26	60,500	136.94

Date	Closing Price (Baht)	HIGH (Baht)	LOW (Baht)	Volume (Shares)	Value (‘000 Baht)
30 November 2010	2.30	2.30	2.26	102,200	230.98
29 November 2010	2.28	2.28	2.24	284,100	639.77
26 November 2010	2.26	2.26	2.24	315,100	711.93
Accumulate 26 Nov.-20 Dec.10	2.29	2.36	2.24	3,594,100	8,213.33

Formula for calculation:

$$\text{Price dilution} = \frac{\text{Market price before offering} - \text{Market price after offering}}{\text{Market price before offering}}$$

$$\text{where Market price after offering} = \frac{(\text{Market price} \times \text{Paid-up shares}) + (\text{Exercise price} \times \text{New offering shares})}{\text{Paid-up shares} + \text{New offering shares}}$$

Paid-up shares : 2,244,779,001 shares (par value at 1 Baht per share)

New offering shares : 35,743,099 shares (par value at 1 Baht per share)

Exercise price : 3.10 Baht per share (calculation by weighted average method)

$$\begin{aligned} \text{Therefore, Market price after offering} &= \frac{(2.29 \times 2,244,779,001) + (3.10 \times 35,743,099)}{(2,244,779,001 + 35,743,099)} \\ &= 2.30 \text{ Baht per share} \end{aligned}$$

$$\begin{aligned} \text{Price dilution} &= \frac{2.29 - 2.30}{2.30} \\ &= (0.44) \% \end{aligned}$$

Based on the above calculation, the issuance and offer for sale of ordinary shares under ESOP#3 will not create price dilution. However, price dilution due to the exercise of rights to purchase ordinary shares by employees will depend on the market price of the Company's shares on the day which new ordinary shares are issued by the exercise of the rights by directors and employees and are initially traded in the Stock Exchange of Thailand.

#### 4.2 Effects upon Existing Shareholders' Ownership Ratio or Control Dilution

If all the rights to purchase the ordinary shares are exercised by directors and employees, the effect can be calculated from the current paid-up capital as follows:

Formula for calculation:

$$\text{Control dilution} = \frac{\text{New offering shares}}{\text{Paid-up shares} + \text{New offering shares}}$$

Paid-up shares : 2,244,779,001 shares (par value at 1 Baht per share)

New offering shares : 35,743,099 shares (par value at 1 Baht per share)

$$\begin{aligned} \text{Therefore, Control dilution} &= \frac{35,743,099}{2,244,779,001 + 35,743,099} \\ &= 1.57 \% \end{aligned}$$

However if the warrant (ERW-W2) which is considered and agreed by the Board of Directors' Meeting No. 9/2510 to propose for shareholders' approval at the same time as this ESOP are to be wholly converted by other holders than the existing shareholders, the control dilution to existing shareholders shall be 10.39%.

#### 5. Descriptions and Conditions of the Ordinary Shares

Ordinary Shares issued and offered to Employees is subject to rules and conditions pursuant to the Capital Market Supervisory Board Notification.

After the Last Exercise Period, remaining rights shall be deemed invalid and cannot be further exercised in any case.

#### 6. Rights of Shareholders in Opposition

According to the rights of shareholders in opposition to the offer for sales of ordinary shares to Director or Employees pursuant to Clause 9 of the Capital Market Supervisory Board Notification, the issuance and offer for sale of the ordinary shares to Directors or Employees which do not exceed 5 percent of the total allocated ordinary shares of the Plan, shall be approved by the shareholders' meeting with the votes of not less than three quarters of all votes of shareholders attending the meeting and having the right to vote and must not be opposed by shareholders with an aggregate number of shares exceeding 10 percent of all votes of a shareholders attending such meeting.

In case of issuance and offering the ordinary shares to any Director or any Employee at the rate exceeding 5 percent of all ordinary shares offered pursuant to Clause 12 (3) of the Capital Market Supervisory Board Notification, the Shareholders' Meeting will consider the offer for sales with approval on an individual basis and the resolution must have not less than three quarters of all votes and must not be opposed by shareholders with an aggregate number of shares exceeding 5 percent of all votes of shareholders attending the meeting