

TRITON

Information Memorandum on the Disposition of Assets in regards to the Shareholding Reduction of STREGA Public Company Limited (a subsidiary of TRITON HOLDING PLC) according to its new "spin off" plans

The Board of Directors' meeting of TRITON Holding Public Company Limited ("TRITON" or "the Company") dated 10 March 2016, passed a resolution to approve the disposition of STREGA shares to be in accordance to the new listing plans of STREGA Public Company Limited. ("STREGA").

STREGA's new plan to list on the Market for Alternative Investments (MAI), (a subsidiary of TRITON which holds 84.21% of STREGA's paid up capital) aims to increase its capital by 33.5 - 63.3 million THB through the issuance of 335 - 633 million ordinary shares at par value of 0.10 Baht per share. The current registered and paid-up share capital of STREGA is 190 million Baht or 1900 million shares at par value of 0.10. The sales of the increase in share capital will be conducted through an Initial Public Offering (IPO) whereby those eligible for the IPO includes the public as well as existing shareholders of STREGA (which 84.21% is held by the shareholders of TRITON) who also have pre-emptive rights.

In addition, another 0-224 million shares of STREGA will be offered for sale during the IPO. These shares represent the disposition of STREGA shares from TRITON. As such the total amount of shares under the IPO will be 559-633 million shares whereby the public will be eligible for 419-475 million shares (75%) and STREGA's shareholders (84.21% held by TRITONS shareholders) will have pre-emptive rights of 140-158 million shares (25%).

The transaction is considered as a "Disposal of Assets by a listed company" in accordance to the Notification of the Capital Market Supervisory Board No. Thor Chor 20/2551; Re: Rules for entering into a substantial transaction classified as an acquisition or disposal of assets, dated 31 August 2008, as amended, and the Notification of the Stock Exchange of Thailand Board Re: Disclosure of information and required practice for listed companies relating to the acquisition or disposal of assets, dated 29 October 2004 (collectively called the **Notifications on the Acquisition or Disposal of Assets**). The total transaction size is 110.07 % and including TRITONS total transaction for the past 6 months of 3.54%, the total amount will be 113.61 %. Referring to the Stock Exchange of Thailand's rule regarding the Notifications on the Acquisition or Disposal of Assets, this Transaction size is higher than 50%; as such Triton requires shareholders' approval.

1. Transaction date

Strega's application to be listed on the MAI will occur after the Office of the Securities and Exchange Commission (SEC) approves the relevant share offering.

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2. Related Parties

Seller: STREGA Public Company Limited, a subsidiary of Triton. As of 28 December 2015, Triton holds 1,599,999,986 shares or 84.21% of total paid-up capital of Strega.

Purchaser: Public Investors and Triton's shareholders

3. Transaction Details

3.1 Strega aims to be registered on the MAI in order to raise funds by issuing new shares to the public through an IPO in order to invest for future business expansion and to strengthen its financial position.

3.2 Strega will increase its paid up capital from 190 million Baht to 223.5 – 253.3 million Baht by issuing 335 – 633 million shares to the public as well as STREGA Shareholders.

3.3 Triton will dispose of STREGA shares of 0 – 224 million shares to the public at the same offering price and time of IPO to the public as well as STREGA Shareholders.

The allocation of shares will be as follows;

1. Allocating to the public of 419 - 475 million shares
2. Allocating to STREGA shareholders (which 84.21 % are Triton Shareholders) according to Pre-emptive rights for the amount of 140 – 158 million shares

The summary of share increases and allocation are as follows;

Source of Allocating Shares to the public (million shares)	
1. Increasing Shares	335 - 633
2. Existing Shares held by Triton	0 – 224
Total	559-663
Summary of Allocation of Shares to public (million shares)	
Shareholders of Triton (Pre-emptive Right)	140 - 158
Proportion for	25%
Public	419 – 475
Proportion for	75%
Total	559 - 633
The share allocation is determined as percent as of registered share capital of STREGA after share increasing and allocating share to public	25.00%

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The board of directors of Triton will determine the exact amount of right offering and allocation of rights according to pre-emptive rights.

After the relevant share offering, Triton's shareholding in STREGA will be reduced from 84.21% to 61.58% – 63.16% of the total registered capital of STREGA. In percentage wise, this reflects a reduction of 21.05% - 22.63%. The maximum reduction of shareholding is 22.63% and this amount will be used to calculate the transaction size.

Calculation Bases

1. Net asset = Net asset value of STREGA proportionally disposed of / Net asset value of Triton
= $\frac{22.63\% \times 399.96}{1,187.52}$
= 7.62 %
2. Net profit = Net profit of STREGA proportionally disposed of / Net profit of Triton
= $\frac{22.63\% \times 89.74}{18.45}$
= 110.07 %
3. Total value of consideration = Total value of consideration* / Total assets of the Company

The selling price has not yet been determined as it is calculated based on both the book value of STREGA as recorded in the financial statements as of 31 December 2015 at 0.21 THB per share as well as the amount of offering share of 559 – 633 million shares. Therefore, the selling price of those shares is expected to be equal to 117.74 - 133.37 million Baht

$$\begin{aligned} &= \frac{133.37}{2,074.76} \\ &= 6.43 \% \end{aligned}$$

4. Value of securities = None

From the above calculation, the net profit basis shows the highest result, whereby the transaction size is equal to 110.07 %; after including Tritons transactions for the past 6 months of 3.54%, the total is equivalent to 113.61 %. This is classified as Category 1 according to the Notification of the Capital Market Supervisory

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Board No. Thor Chor 20/2551 Re: Rules for entering into a substantial transaction classified as an acquisition or disposal of assets, dated 31 August 2008, and the Notification of the Stock Exchange of Thailand Board Re: Disclosure of information and required practice for listed companies relating to the acquisition or disposal of assets, dated 29 October 2004. Triton has to seek for shareholders' meeting approval.

4. Indicative details relating to the disposed assets

Details relating to the increased share offering of STREGA to public

Company of Share Offering	Strega Public Company Limited
Type of Offering Share	Increased Ordinary Shares of STREGA
Amount of Offering Share	335 - 633 million shares
Par Value	0.10 THB per share
Offering Price	Currently not determined
Offering Period	Currently not determined

Details of selling shares of STREGA

Type of Offering Share	Ordinary Shares of Strega
Amount of Offering Share	0 - 224 million shares
Par Value	0.10 THB per share
Offering Price	Equaling to the offering price to public which is not determined
Offering Period	At the same of offering to the public

Details of Strega

Company Entity	Strega Public Company Limited
Head Office Location	8/58 moo 8 Kumproy Sub district Lumlukka District Pathumthani
Business	Servicing for subsurface tube installation by Horizontal Directional Drilling method
Capital Structure	As of 28 December 2015, STREGA has registered capital of 190 million THB, divided into 1,900 million shares with the par value of 1 THB each

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Shareholders	Shareholder	Amount	%
	1	Triton Holding Public Company Limited	1,599,999,986
2	Mr.Kolawach Tungjaru	90,000,000	4.74%
3	Mrs.Kittiporn Tungjaru	90,000,000	4.74%
4	Miss Kalyarat Krueawal	80,000,000	4.21%
5	Mr.Pongpolchai Tawecharoenkij	10,000,000	0.53%
6	Mr.Chaiyapat Palitthongthanarat	10,000,000	0.53%
7	Miss Nanthaporn Thongsongsri	10,000,000	0.53%
8	Mr.Varong Patchaikul	10,000,000	0.53%
9	Others	14	0.00%
	Total	1,900,000,000	100.00%
Director	Director Team of 9 persons as follows; 1) Mr.Chuchai Vanichruangchai 2) Mr.Chaowalit Supanakorn 3) Mr.Wichai Baiprasert 4) Lt. Gen Saisasith Boonyaratapan 5) Mrs.Somrudee Thammawatthana 6) Mr.Panya Junsakul 7) Mr.Somchai Sirivichayakul 8) Mr.Prasert Tongcharoenkiat 9) Mrs.Phanit Supakijvilekkarn		

Financial Performance and Information of STREGA 2013-2015 (Audited Financial Statement)

Unit : THB	2013	2014	2015
Current Assets	102,149,100	257,897,474	123,284,114
Non-Current Assets	289,283,537	460,982,017	373,594,197
Total Assets	391,432,637	718,879,491	496,878,311
Issued and paid-up capital	55,000,000	150,000,000	190,000,000
Total shareholders' equities	82,680,670	264,502,403	400,309,954
Revenue	160,147,828	722,397,160	544,926,684
Cost of Goods Sold	107,371,505	501,427,138	378,128,087

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Unit : THB	2013	2014	2015
SG&A	27,278,868	48,356,689	35,451,120
Allowance for doubtful debt	-	13,515,850	13,233,539
Other expenses	84,028	-	674,773
Interest Expense	5,231,525	17,141,286	15,038,113
Net Profit	13,371,988	106,821,733	89,736,423
Comprehensive Net Profit	13,371,988	106,821,733	95,807,551

5. Value of Consideration

STREGA increase capital and sell those shares to the public and its existing shareholders and TRITON will offer STREGA shares at the same price and same time as the IPO to the public and shareholders. Currently the offering price for IPO has not been determined.

6. Value of Disposal Assets

With reference to the financial statement as at 31 December 2015, book value per share of Strega is equal to 0.21 THB per share and amount of shares for offering through IPO and shares sold by Triton accumulating for 559 – 633 million shares at par value of 0.10 THB. The value of transaction will be equal to 117.74 – 133.37 million THB.

7. Expected benefits or impact from the transaction

Benefit from reducing of shareholding in STREGA (Spin-off and partial sale of shareholding in STREGA)

To the shareholders of Triton	To Triton	To Strega
<ul style="list-style-type: none"> ● Triton's enterprise value is more likely to be higher due to the market benchmark price of STREGA ● Increase the alternative to invest in Triton or STREGA, according to individual investor's 	<ul style="list-style-type: none"> ● Reduce burden of financial support because after listed in MAI, STREGA will be able to raise capital from the IPO and fund itself via other financial instruments prevailing in the stock market. 	<ul style="list-style-type: none"> ● Increase funding alternative ● STREGA has sufficient funding to respond to business expansion plan. ● Increase the value and liquidity of STREGAs share ● Improvement of image and branding.

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To the shareholders of Triton	To Triton	To Strega
policy.	<ul style="list-style-type: none"> ● Triton's share price will reflect real values because market value of STREGA can be obtained. ● Investment value in STREGA of Triton will reflect market price; which is likely to be higher than book value. ● STREGA will become more efficient and transparent as it becomes a listed company. ● Financial gains from STREGAs share disposal can be utilized as working capital for existing businesses and future business expansion. 	

Effect from reducing of shareholding in Strega (Spin-off and partial sale of shareholding in Strega)

Effect on profit sharing and voting right (control dilution)	Effect on market price of Triton's share (price dilution)
Capital increase of 559 – 633 million shares of STREGA for IPO will result in reduction of the proportion of profit sharing and voting right in STREGA from 84.21% to 61.58% – 63.16% of its total registered capital / or a reduction of 21.05% - 22.63%	As the offered shares are shares of STREGA, it is expected that there will be no effects on the market price of Triton's shares. However, the reduction in the stake will reduce Tritons realization of STREGA's profit respectively.

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8. Plan of the use of proceeds from the IPO and the disposition of assets

STREGA will use its funds as following:

- To invest in machines and equipment in order to increase production capacity to support potential business growth.
- To use as working capital.

TRITON will use its funds as following:

Triton will utilize money from STREGA's shares divesting as working capital for business operation of TRITON and to expand investment in other business.

9. Conditions precedent to the transaction

- The Annual General Meeting of Shareholders of Triton approves the MAI listing of STREGA and the spinoff plan.
- The Annual General Meeting of Shareholders of STREGA approves the IPO and spinoff plan.
- STREGA registers the capital increase to the Department of Business Development.
- The SEC approves the IPO proposed by STREGA.
- The MAI agrees to list securities issued by STREGA.

10. Opinion of the company's Board of Directors and Audit Committee

The Board of Directors and 3 members of the Audit Committee took to view that this transaction is reasonable because the transaction will enhance the stability of STREGA and enable STREGA to raise funds through the capital market on its own for business expansions. Furthermore, the value of Triton's investments in STREGA will appreciate.

11. Opinion of the Company's Audit Committee and/or Board of Directors is different from the opinion of the Board of Directors under 10.

- None –

Triton certifies that all information contained in this Information Memorandum is true and accurate and has carefully been prepared, mainly taking into account the benefits of its shareholders. This Information Memorandum has been prepared for information disclosure only, not to persuade or to be an offer for the acquisition or subscription for any securities

Yours sincerely,

TRITON

(Mr. Chuchai Wanichruangchai)

Chief Financial Officer