

## Key Issues of... EJIP (Continued)

### Starting the EJIP Program

- Get resolutions from Board of Director (or get approval from shareholders when Directors of the company participate the project)
- Submit the related document to SEC only if the company ask for waiving report 59-2 form for the management when acquires the company stock
- Promote the EJIP program to the target employees.

### Disclosure EJIP Project to SET (in case asking for the report waiving)

- When the Board of Directors has a resolution;

Material information to disclose: project duration, employees who participate the project, amount of money to invest, time of investment, and the subsidy of the company

- When SEC approve the project (to waive report 59-2 form)
- When material project information has changed:- method of purchase, date of investment.
- When the company terminates the project.



## Q&A ... EJIP Project.

**Q** Are there any projects in the oversea like EJIP?  
**A** Yes, this scheme is currently implemented in many countries including Japan and USA. It becomes very popular in Japan; more than 75% of the listed companies on Tokyo Stock Exchange perform this scheme.

**Q** What are the relevant rules & regulations of the SEC and SET?  
**A** There is no specified rules and regulations on this project. However, the company and participants have to compile to other related rules such as disclosure and tender offer. For example the shareholder has to report his ownership status of each 5% or tender offer when acquired the stock exceeds 25% and the multiple of 25%.

**Q** Does the EJIP project need to get approval from shareholders?  
**A** EJIP can be implemented by the Board approval. However when the company allows the directors participate in the EJIP project, shareholders approval is required except the company's association has specified according to section 90 of Public Company Act B.E.2535.

## Q&A ... EJIP Project.

**Q** Does EJIP have to get approval from SEC or SET?  
**A** The project approval from SEC and SET is not required. However, the company might submit to get approval from SEC only when the company decides to get waive on report 59-2 form for the managements.

**Q** What kinds of transaction can be waived to report 59-2 form?  
**A** Since the project was approved, the management will be waived to report 59-2 form only when acquire the company stock from the EJIP project. Any others transaction shall be report 59-2 form as usual.

**Q** What are the rules and conditions of the SEC rules?  
**A** The company submit the documents following the Kor.Lor.Tor. Kor(C) 17/2552 dated June 12, 2009 and Regulation Kor.Lor.Tor: SorJor.12/2552 Dated June 10, 2009 (http://capital.sec.or.th/webapp/nrs/data/4718s.pdf )

**Q** What is tax burden for EJIP project ?  
**A** Employees who join EJIP project has obligation to pay income tax for the amount contributed by the company. On the other side, the company's contribution can be also classified that as human resource expenses on corporate tax calculation.

**Q** Are there any different rights and benefits between shareholder from EJIP and other shareholders?  
**A** Shareholders of the company has the same rights and benefits such as right offering, dividend, and shareholder meeting attendance.

**Q** When the employees can sell their stock from EJIP?  
**A** The employees can sell the stock under the agreement specified by the company contract.

**Q** Where to get or learn more regarding the EJIP?  
**A** The website of the Stock Exchange of Thailand at [www.set.or.th](http://www.set.or.th)

Further Information Please Email: [EJIP@set.or.th](mailto:EJIP@set.or.th)

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 The Stock Exchange of Thailand  
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# EMPLOYEE JOINT INVESTMENT PROGRAM:

# EJIP



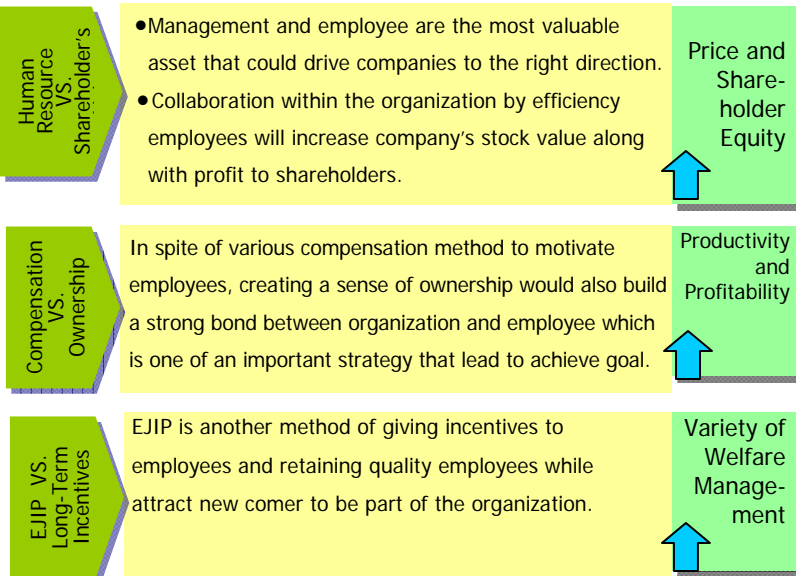
## What is EJIP?

EJIP has been designed for members of the Stock Exchange of Thailand. This program will encourage and support employees including managements and directors to invest in company stock. Funds deducted from employee payroll every month or quarter by using dollar cost average method.

## What is Dollar Cost Average Method?

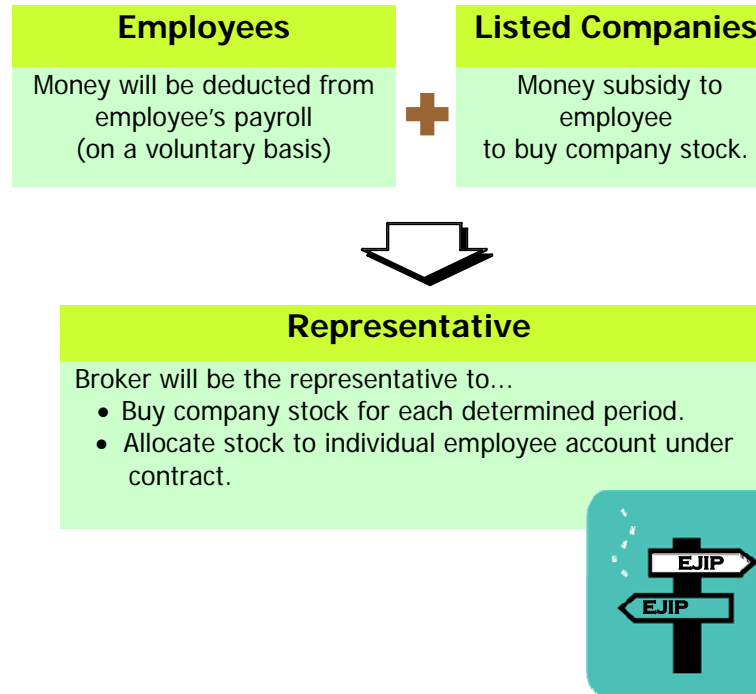
Dollar Cost Average is a method of investment that help investors reduce investment risk and achieve higher return when they invest in a long term with payroll deduction every month or quarter.

## Concept of EJIP



Thailand's Capital Market is more stable and increase its total market capitalization, quality investors and correct investment culture.

## How does EJIP work?



## EJIP vs ESOP

	ESOP	EJIP
<b>Project Approval</b>	Board let the shareholder give the approval following the SEC's regulation	Board gives the approval except the case that managements join the program should get approval from shareholder.
<b>Benefit to Employee</b>	Company stock/Warrant	Subsidy to buy stock for employee
<b>Shareholder Effect</b>	Possibility of Dilution Effect	No Dilution Effect May effect company's profit but create long term stability in stock price from the efficiency outcome.
<b>Stock Selling</b>	Under company contract	Under company contract.

## Why... EJIP?

- A new method for employee benefit and incentive to strengthen employee collaboration and building up a motivation.
- Can be arranged in a line with current benefits and welfares such as salary, bonus, provident fund
- Introduce another value investment scheme to the employees which benefit them in long term.
- Maintain the benefit of current shareholders without dilution effect.

## Key Issues of... EJIP

### Before starting EJIP

- Sufficient liquidity of the company's stock
- Strong financial and operation performance to support throughout the project
- Adequate percentage of Free Float to run the EJIP project

### Deciding to start EJIP

- Budget allocation for the EJIP
- Amount and qualification of employees participated in the project
- Specify project condition to meet company's policy
- Choose Representative to purchase the company stock
- Departments responsible to project implementation (HR)

### Drafting the project and condition

- Qualification of participants, how to apply and terminate from EJIP.
- Frequency of investment and the transaction date
- Cash amount/Proportion of investment between employee and company.
- Project duration (Start/End Date)