

**Information memorandum on Acquisition of Assets of  
Halcyon Technology PLC. (HTECH)**

Company's Name	Master Carbide Tools Company d/b/a Mastertech Diamond Products Company (or "MDP")
Transaction Date	Within 30 June 2020 (in the process of confirming transaction date)
Investment Party	<p>Mr. Thomas Frakes and Mrs. Cynthia Frakes are American investors and founders of MDP, a company that manufactures and sells PCD and PCBN cutting tools located in Ohio, USA.</p> <p>Mr. Frakes has extensive knowledge and expertise related to PCD/PCBN cutting tools, especially in the manufacturing of aerospace. He has more than 40 years of experience in the related fields, and is currently holding the position of President of MDP.</p> <p>These investors are not a related person of HTECH</p>
Type of Business of MDP	MDP manufactures, distributes, and provides after-sale services for PCD and PCBN cutting tools with target customers in the automotive, aerospace, oil & gas, and heavy industries in the US and nearby countries
Objectives of Investment	<ol style="list-style-type: none"> <li>1. To increase production capability and shorten lead time for sales to customers in the US and nearby countries</li> <li>2. To expand distribution network in the American continent and create opportunity for more income in the long term</li> <li>3. To gain access to new manufacturing technologies, which will give the company an advantage in developing its products in the future</li> </ol>
Type of Transaction	HTECH buys 80% of ordinary shares of MDP from Mr. Thomas Frakes and Mrs. Cynthia Frakes valued at 5.28 million US dollars or approximately 158.28 million baht. Mr. Thomas and Mrs. Cynthia Frakes will hold the remaining 20%. Payment term is 60% of the selling price at closing date, and the remaining 40% within one year after closing date.
Size of Transaction	The size of transaction for this investment in MDP, calculated using the value of net tangible assets basis, equals to <b>9.80%</b> (based on the Financial Statements for the year ending 31 December 2019). <b>The Company has no other investment in the past 6 months.</b>
Source of Fund for Investment	<ul style="list-style-type: none"> <li>- Loan from bank in the amount of 75 million baht</li> <li>- Standby Letter of Credit of 2.112 million US dollars for one year to guarantee the last payment (40%)</li> <li>- The Company's working capital</li> </ul>
Shareholding Structure of MDP	<ol style="list-style-type: none"> <li>1. HTECH (80%)</li> <li>2. Mr. Thomas the Mrs. Cynthia Frakes (20%)</li> </ol>

Directors of MDP	<ol style="list-style-type: none"> <li>1. Mr. Pete Rimchala</li> <li>2. Mr. Chris Rimchala</li> <li>3. Mr. Thomas Frakes (will hold the position of President in MDP for 2 years during the management transition period)</li> </ol> <p>Authorized Signatories: Mr. Pete Rimchala or Mr. Chris Rimchala signs together with Mr. Thomas Frakes and company's stamp</p>
Expected Benefits	<ol style="list-style-type: none"> <li>1. Increased income from the expansion of distribution channels as well as improved service for existing customer base; and more credibility by switching from a distributor to a manufacturer</li> <li>2. Create opportunity to increase production capability to shorten lead time and improve service for customers in the future</li> <li>3. Since the US is the hub for new innovation and technology, especially in the engineering and material fields, the company will gain advantage in accessing those information to improve the company's products and generate more income in the future</li> <li>4. Income from dividend</li> </ol>
Other Conditions for the Transaction	None
Opinion of the Board of Directors	The Board of Directors consider the investment in MDP to be beneficial to the Company. Therefore, the Board of Directors' Meeting No. 1/2020, held on 26 February 2020, had approved the investment.
Opinion of the Audit Committee and/or Directors whose opinion differs from the Board of Directors	None