

(Translation)

No. PACE-L19/2018  
Date 10 April 2018  
Subject Acquisition and Disposition of Assets  
To: President  
Stock Exchange of Thailand  
Enclosure: Information Memorandum of Pace Development Corporation Public Company Limited on Acquisition and Disposition of Assets

Pace Development Corporation Public Company Limited (the "**Company**") would like to disclose resolutions of the Board of Directors' Meeting of the Company No.10/2018 held on 28 March 2018, whereby the relevant transactions were entered into on 10 April 2018, on the following matters:

1. Approved to dispose of the assets having the total value of not exceeding THB 14,000 million to King Power MahaNakhon Co., Ltd. which is not a connected person of the Company; therefore, it would not result in the transaction being the connected transaction pursuant to the notifications on connected transaction. Details of the disposition are as follows:
  - a. Disposition of assets in Pace Project One Co., Ltd. ("**PP1**") and Pace Project Three Co., Ltd. ("**PP3**") which are the Company's subsidiaries and the shares of which are held by the Company, directly and indirectly through Pace Real Estate Co., Ltd. ("**PRE**") (which is the Company's subsidiary of which shares are 100 percent held by the Company), 51 percent and 51.28 percent of the paid-up shares of PP1 and PP3, respectively. These assets include: land, hotel, Observation Deck, Retail Cube Building, sculptures and painting, the licenses and contract which are relevant to the operation of PP1 (Hotel) and PP3 (Observation Deck and Retail Cube) in MahaNakhon Project; having the total value of not exceeding THB 12,617 million (In calculating the size of the transaction, the value of assets is determined proportionately to the shareholding percentage of the Company, and PRE in PP1 and PP3 which are 51.00 percent and 51.28 percent of the paid-up shares of PP1 and PP3, respectively).
  - b. Disposition of land that is jointly owned by PP1, Pace Project Two Co., Ltd. ("**PP2**"), PP3, and PRE having the total value of not exceeding THB 183 million which shall be calculated as following proportionate:
    - 1) Proportion of PP1 has the value of THB 60 million.
    - 2) Proportion of PP2 shall take the value of THB 60 million.
    - 3) Proportion of PP3 has the value of THB 60 million.
    - 4) Proportion of PRE has the value of THB 3 million.
  - c. Disposition of assets of PRE including land that is jointly owned by PP1, PP2, PP3 and PRE having the total value of not exceeding THB 3 million.
  - d. The Company shall receive the Business Procurement compensation in the amount of not exceeding THB 1,200 million.
2. Approved that the Company purchases shares in PP1 and PP3 in the proportion of 49.00 percent and 48.72 percent of the offered shares of the Company, respectively from Apollo Asia Sprint Holding Company Limited ("**Apollo**") and Goldman Sachs Investments Holdings (Asia) Limited ("**Goldman**"). The total amount of the purchase is, not exceeding, USD 320 million or, not exceeding, THB 10,000 million (calculated based on the exchange rate as of 9 April 2018 at the rate of THB 31.25/ USD1)

All of the transactions in No. 1 and No. 2 are referred to collectively as the "**Transactions**".

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บมจ. เพช ดีเวลลอปเม้นท์ คอร์ปอเรชั่น 87/2 ซี่อาร์ซี ทาวเวอร์ ออลซีซั่นเพลส ชั้น 45 ยูนิต 3 ถนนวิทยุ แขวงลุมพินี เขตปทุมวัน กรุงเทพฯ 10330 โทร 02 654 3344 โทรสาร 02 654 3323 ทะเบียนเลขที่ 0107554000232

(Translation)

The disposition of assets of the Company, PP1, PP2, PP3 and PRE, which are the subsidiaries of the Company, is considered as the disposition of assets pursuant to the Notification of the Capital Market Supervisory Board No. Tor Chor 20/2551 on the Criteria for the Material Transactions which are the Acquisition or Disposition of Assets, including the Notification of the Stock Exchange of Thailand re: the Disclosure of Information and Operation of Listed Companies in the Acquisition or Disposition of Assets, B.E. 2547 (as amended) (the "**Notification on Acquisition or Disposition of Assets**") which has the highest size of the transaction equal to 23.98 percent pursuant to the total value of consideration test, calculated based on the audited consolidated financial statements of the Company for the year ended 31 December 2017, which is equal to 15 percent or higher, but less than 50 percent, this is considered as a Type 2 transaction pursuant to the Notification on Acquisition or Disposition of Assets.

The acquisition of shares in PP1 and PP3 is considered as the acquisition assets pursuant to the Notification on Acquisition or Disposition of Assets which has the size of transaction equal to 30.84 percent pursuant to the total value of consideration test, calculated based on the audited consolidated financial statements of the Company for the year ended 31 December 2017, which is equal to 15 percent or higher, but less than 50 percent, this is considered as a Type 2 transaction pursuant to the Notification on Acquisition or Disposition of Assets.

Therefore, the Company would like to disclose the information memorandum on the acquisition and disposition of assets, details are provided in the enclosure. The Company will also circulate the information memorandum to the shareholders within 21 days from the date on which it has made the disclosure to the Stock Exchange of Thailand in accordance with the Notification on Acquisition or Disposition of Assets.

Mahanakorn Project is a project that the Company aim to sell the project to the Real Estate Investment Trust (REIT) after the completion of the construction. This transaction shall be benefit to the Company to receive cash flow faster than expected. In this regard, after the disposition of such assets, the Company has 4 real estate projects namely Nimit Langsuan, Windshell, MahaSamutr Villa and MahaSamutr Country Club, as well as the food and beverage business under the "DEAN & DELUCA" brand.

After the purchase of PP1 and PP3's share in the proportion of 49.00 percent and 48.72 percent, respectively from Apollo and Goldman, the Company and PRE shall the sole shareholder in PP1 and PP3 and the obligation under the documents and contract which the Company committed to Apollo and Goldman has no longer effective.

On the dated that the Board of Directors has approved such transaction, the terms and conditions of the transaction are not finalized and on the process of negotiation. The Board of Directors' Meeting therefore authorized Chief Executive Office to perform any action related to such transaction. The Company also considered and found that such disposal and acquisition of asset are important transaction and the disclosure should take into account on certainly and completeness on information of such transaction. In case of cancellation or change on the key terms, this shall affect to the Company, relevant persons as well as the shareholder of the Company. Therefore, the Company has disclosed the details of transaction on 10 April 2018 which is the completion date of such transaction.

Please be informed accordingly.

- Signed -

(Mr. Sorapoj Techakraisri)  
Chief Executive Officer

- Translation -

Information Memorandum of Pace Development Corporation Public Company Limited  
on  
Acquisition and Disposition of Assets

The Board of Directors Meeting of Pace Development Corporation Public Company Limited (the "Company") No. 10/2018 held on 28 March 2018 resolved the resolution, whereby the relevant transactions were entered into on 10 April 2018, as follows:

1. Approved to dispose of the assets having the total value of not exceeding THB 14,000 million to King Power MahaNakhon Co., Ltd. which is not a connected person of the Company; therefore, it would not result in the transaction being the connected transaction pursuant to the notifications on connected transaction. Details of the disposition are as follows:
  - a. Disposition of assets in Pace Project One Co., Ltd. ("PP1") and Pace Project Three Co., Ltd. ("PP3") which are the Company's subsidiaries and the shares of which are held by the Company, directly and indirectly through Pace Real Estate Co., Ltd. ("PRE") (which is the Company's subsidiary of which shares are 100 percent held by the Company), 51 percent and 51.28 percent of the paid-up shares of PP1 and PP3, respectively. These assets include: land, hotel, Observation Deck, Retail Cube Building, sculptures and painting, the licenses and contract which are relevant to the operation of PP1 (Hotel) and PP3 (Observation Deck and Retail Cube) in MahaNakhon Project; having the total value of not exceeding THB 12,617 million (In calculating the size of the transaction, the value of assets is determined proportionately to the shareholding percentage of the Company, and PRE in PP1 and PP3 which are 51.00 percent and 51.28 percent of the paid-up shares of PP1 and PP3, respectively).
  - b. Disposition of land that is jointly owned by PP1, Pace Project Two Co., Ltd. ("PP2"), PP3, and PRE having the total value of not exceeding THB 183 million which shall be calculated as following proportionate:
    - 1) Proportion of PP1 has the value of not exceeding THB 60 million.
    - 2) Proportion of PP2 shall take the value of not exceeding THB 60 million.
    - 3) Proportion of PP3 has the value of not exceeding THB 60 million.

- 4) Proportion of PRE has the value of not exceeding THB 3 million.
  - c. Disposition of assets of PRE including land that is jointly owned by PP1, PP2, PP3 and PRE having the total value of not exceeding THB 3 million.
  - d. The Company shall receive the Business Procurement compensation in the amount of not exceeding THB 1,200 million.
2. Approved that the Company purchases shares in PP1 and PP3 in the proportion of 49.00 percent and 48.72 percent of the offered shares of the Company, respectively from Apollo Asia Sprint Holding Company Limited (“**Apollo**”) and Goldman Sachs Investments Holdings (Asia) Limited (“**Goldman**”). The total amount of the purchase is, not exceeding, USD 320 million or, not exceeding, THB 10,000 million (calculated based on the exchange rate as of 9 April 2018 at the rate of THB 31.25/ USD1)

All of the transactions in No. 1 and No. 2 are referred to collectively as the “**Transactions**”.

The disposition of assets of the Company, PP1, PP2, PP3 and PRE , which are the subsidiaries of the Company, is considered as the disposition of assets pursuant to the Notification of the Capital Market Supervisory Board No. Tor Chor 20/2551 on the Criteria for the Material Transactions which are the Acquisition or Disposition of Assets, including the Notification of the Stock Exchange of Thailand re: the Disclosure of Information and Operation of Listed Companies in the Acquisition or Disposition of Assets, B.E. 2547 (as amended) (the “**Notification on Acquisition or Disposition of Assets**”) which has the highest size of the transaction equal to 23.98 percent pursuant to the total value of consideration test, calculated based on the audited consolidated financial statements of the Company for the year ended 31 December 2017. When calculated in aggregation with the disposition of assets in the past six months, the size of the transaction is equal to 23.98 which is equal to 15 percent or higher, but less than 50 percent, this is considered as a Type 2 transaction pursuant to the Notification on Acquisition or Disposition of Assets.

The acquisition of shares in PP1 and PP3 is considered as the acquisition assets pursuant to the Notification on Acquisition or Disposition of Assets which has the size of transaction equal to 30.84 percent pursuant to the total value of consideration test, calculated based on the audited consolidated financial

statements of the Company for the year ended 31 December 2017. When calculated in aggregation with the acquisition of assets in the past six months, the size of the transaction is equal to 30.84 which is equal to 15 percent or higher, but less than 50 percent, this is considered as a Type 2 transaction pursuant to the Notification on Acquisition or Disposition of Assets.

Therefore, the Company would like to disclose the information memorandum on the acquisition and disposition of assets, details are provided in the enclosure. The Company will also circulate the information memorandum to the shareholders within 21 days from the date on which it has made the disclosure to the Stock Exchange of Thailand (“SET”) in accordance with the Notification on Acquisition or Disposition of Assets. Additional details of the entering into the Transactions are as follows:

**1. Date of Entering into Transaction**

On 10 April 2018

**2. Parties involved and their relationship with the listed company**

**2.1 Disposition of Assets**

Seller : (a) Pace Project One Co., Ltd.  
(b) Pace Project Two Co., Ltd.  
(c) Pace Project Three Co., Ltd.  
(d) Pace Real Estate Co., Ltd.

Buyer : King Power MahaNakhon Co., Ltd.

Relationship with the Company : Buyer has no relationship with the Company or (1) directors and management (2) persons with controlling power (3) major shareholders of the Company; or (4) other companies having the persons specified in (1), (2), or (3) as major shareholders or persons with controlling power, and they are not connected persons of the Company pursuant to the Notification of the Capital Market Supervisory Board No.

ThorChor. 21/2551 re: Rules on Connected Transactions dated 31 August 2008, and the Notification of the Stock Exchange of Thailand Re: Rules, Procedures, and disclosure of information concerning the connected transaction of Listed Companies B. E. 2546 dated 19 November 2003 ( as amended) ( the " **Notification on Connected Transaction**" ) . Therefore, the said transaction is not considered a connected transaction according to the Notification on Connected Transaction.

**Information of the Buyer**

Buyer : King Power MahaNakhon Co., Ltd.

Address : 8 King Power Complex, Rangnam Road, Phayathai, Ratchathewi, Bangkok 10400 Thailand

List of Shareholders : 1. King Power International Co., Ltd. holding 9,997 shares (99.97 percent)

2. Mr. Aiyawatt Srivaddhanaprabha holding 1 share (0.01 percent)

3. Mr. Apichet Srivaddhanaprabha holding 1 share (0.01 percent)

4. Mr. Pathom Ngern-kam holding 1 share (0.01 percent)

Nature of Business : Hotel, retail, and real estate

**2.2 The Purchase of shares in PP1 and PP3**

Seller : (a) Apollo Asia Sprint Holding Company Limited  
(b) Goldman Sachs Investments Holdings (Asia) Limited

Buyer : Pace Development Corporation Public Company Limited

Relationship with the Company : Sellers have no relationship with the Company or (1) directors and management (2) persons with controlling power (3) major shareholders of the Company; or (4) other companies having the persons specified in (1), (2), or (3) as

major shareholders or persons with controlling power, and they are not connected persons of the Company pursuant to the Notification on the Connected Transaction. Therefore, the said transaction is not considered a connected transaction according to the Notification on Connected Transaction.

#### Information of the Seller

Buyer	:	Apollo Asia Sprint Holding Company Limited
Address	:	GFin Corporate Services Limited Level 6, GFin Tower, 42 Hotel Street, Cybercity, Ebene 72201, Mauritius
List of Shareholders	:	Apollo Asia Real Estate Fund L.P. (Cayman Islands) holds 100%
Nature of Business	:	Alternative Investment Management Fund The branches are located in New York, Los Angeles, Houston, Chicago, Bethesda, Toronto, London, Frankfurt, Madrid, Luxemburg, Mumbai, Delhi, Singapore, Hong Kong, and Shanghai. It focuses on an investment in the unlisted companies, credit, and property funds in nine core businesses that Apollo specializes in.
Seller	:	Goldman Sachs Investments Holdings (Asia) Limited
Address	:	Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius c/o Goldman Sachs (Asia) L.L.C. 68 <sup>th</sup> Floor, Cheung Kong Center, 2 Queen's Road, Central, Hong Kong
List of Shareholders	:	The Goldman Sachs Group Inc., indirect shareholders holding 100 percent of shares

Nature of Business : Founded in 1869, in New York, the Goldman Sachs Group Ins. provides Global Investment Banking Services, for instance, Financial Consultant, Investment management, and Corporate Instruments, Financial institutions, Government and Individuals. Presently, the locations are in the financial hub worldwide, such as, London, Frankfurt, Tokyo, Hong Kong, and the financial centers around the world.

### 3. General Characteristics of the Transaction

3.1 The disposition of assets in the Company, PP1, PP2, PP3, and PRE has the total value of, not exceeding, THB 14,000 million. The summary of the disposition of assets is as follows:

3.1.1 The assets owned by PP1 having the total value of, not exceeding, THB 6,715 million<sup>1</sup>.

- (a) Land, hotel, sculptures, painting, licenses and contract which are relevant to the operation of PP1 (Hotel)
- (b) Land that is jointly owned by PP1, PP2, PP3, and PRE and the proportion of PP1 has the value of not exceeding THB 60 million.

3.1.2 The assets owned by PP3 having the total value of not exceeding, THB 6,022 million<sup>2</sup>.

- (a) Land, Observation Deck, Retail Cube Building, licenses and contract which are relevant to the operation of PP3 (Observation Deck and Retail Cube)
- (b) Land that is jointly owned by PP1, PP2, PP3, and PRE and the proportion of PP3 has the value of not exceeding THB 60 million.

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<sup>1</sup> In calculation of the size of the transaction, the Company considers value of the assets in accordance with the shareholding proportion of the Company and PRE in PP1, totaling 51.00 percent.

<sup>2</sup> In calculation of the size of the transaction, the Company considers value of the assets in accordance with the shareholding proportion of the Company and PRE in PP3, totaling 51.28 percent.



- 3.1.3 Land that is jointly owned by PP1, PP2, PP3, and PRE and the proportion of PP2 has the value of not exceeding THB 60 million.
- 3.1.4 Land that is jointly owned by PP1, PP2, PP3, and PRE and the proportion of PRE has the value of not exceeding THB 3 million.
- 3.1.5 Compensation for Business Procurement of the transaction which shall be paid to the Company in the amount of not exceeding THB 1,200 million.
- 3.2 The purchase of shares in PP1 and PP3 held by Apollo and Goldman having the total value of, not exceeding, USD 320 million or ,not exceeding ,THB 10,000 million (calculated based on the exchange the exchange rate as of 9 April 2018 at the rate of THB 31.25/ USD1)) has the following details:
- 3.2.4 PP1: The Company purchases 1,344,700 shares and 576,300 shares, held by Apollo and Goldman respectively, thus totaling 1,921,000 shares or 49.00 percent of the total shares with the par value of Baht 100 per share.
- 3.2.5 PP3: The Company purchases 665,001 shares and 285,001 shares held by Apollo and Goldman, respectively thus totaling 950,002 shares or 48.72 percent of the total shares with the par value of Baht 100 per share.

Shareholding Structure in PP1 and PP3 before the purchase of the shares is as follows:

Name of Shareholders	PP1		PP3	
	No. of shares	Shareholding Percentage (%)	No. of shares	Shareholding Percentage (%)
1. The Company	1,000,000	25.50	500,001	25.64
2. PRE	1,000,000	25.50	500,000	25.64
3. Apollo	1,344,700	34.30	665,001	34.10
4. Goldman	576,300	14.70	285,001	14.62
<b>Total</b>	<b>3,921,000</b>	<b>100</b>	<b>1,950,003</b>	<b>100</b>

### 3.2.2 Shareholding Structure in PP1 and PP3 after the purchase of the shares

List of Shareholders	PP1		PP3	
	No. of shares	Shareholding Percentage (%)	No. of shares	Shareholding Percentage (%)
1. The Company	2,921,000	74.50	1,450,003	74.36
2. PRE	1,000,000	25.50	500,000	25.64
Total	3,921,000	100	1,950,003	100

Upon completion of the Transactions, the Company and PRE will become shareholders of PP1 and PP3 having the aggregate shareholding percentage of 100 percent.

## 4. Calculation of the transaction size

### 4.1 Disposition of Assets

When calculated based on the criteria of the total value of consideration, the size of the Transaction has the highest value of 23.98 percent of the total value of assets of the Company and its subsidiaries based on the consolidated financial statements of the Company for the year ended 31 December 2017 which has been audited by the auditor. When calculated based on the criteria of the total value of the disposition assets, the size of the transaction in the past 6 (six) months has the highest value of 23.98 percent. Details of the calculation of the Transaction size in accordance with the four criteria are as follows:

Criteria	Calculation Formula	Disposition of the Assets in the Company (Unit: Thousand Baht)	Disposition of the Assets in PP1 (Unit: Thousand Baht)	Disposition of the Assets in PP3 (Unit: Thousand Baht)	Disposition of the Assets in PP2 (Unit: Thousand Baht)	Disposition of the Assets in PRE (Unit: Thousand Baht)	Transaction size
1. Value of the Net Tangible Assets (NTA)	% of NTA as acquired/ NTA of the Company	N/A	N/A	N/A	N/A	N/A	Not applicable because this is the disposition of assets.
2. Net Operating Profits	% of Net Profit attributable to Proportionate Assets/ Net Profit of the Company*	N/A	N/A	N/A	N/A	N/A	Not applicable because this is the disposition of assets.
3. Total value of consideration	Total amount paid/ total assets of the Company	1,200,000 / 32,422,627 Equivalent to 3.70%	3,424,650* / 32,422,627 Equivalent to 10.56%	3,088,082* / 32,422,627 Equivalent to 9.52%	60,000 / 32,422,627 Equivalent to 0.19%	3,000 / 32,422,627 Equivalent to 0.01%	23.98%

Criteria	Calculation Formula	Disposition of the Assets in the Company (Unit: Thousand Baht)	Disposition of the Assets in PP1 (Unit: Thousand Baht)	Disposition of the Assets in PP3 (Unit: Thousand Baht)	Disposition of the Assets in PP2 (Unit: Thousand Baht)	Disposition of the Assets in PRE (Unit: Thousand Baht)	Transaction size
4. Value of securities issued as consideration for the assets	Number of shares issued as consideration for the assets/ number of shares issued and paid	N/A	N/A		N/A	N/A	Not applicable as there is no issuance of securities by the Company as consideration for Transactions.

\* Although the Company collectively holds the shares, directly and indirectly through PRE, in PP1 and PP3 in the proportion of 51.00 percent and 51.28 percent of the paid-up shares of PP1 and PP3, respectively, the Company and PRE do not have control in either PP1 or PP3. Moreover, the Company records the value of PP1 and PP3 as the investment in the Company's Consolidated Financial Statements. Therefore, the Company calculates the transaction size based on the shareholding proportion of the Company and PRE in PP1 and PP3.

#### 4.2 Purchase of Shares in PP1 and PP3

When calculated based on the criteria of the total value of consideration, the size of the Transaction has the highest value of 30.84 percent of the total value of assets of the Company and its subsidiaries and when calculated based on the criteria of the total value of the acquisition assets, the size of the transaction in the past 6 (six) months has the highest value of 30.84 percent based on the consolidated financial statements of the Company for the year ended 31 December 2017 which has been audited. Details of the calculation of the Transaction size in accordance with the four criteria are as follows:

Criteria	Calculation Formula	Purchase of Shares in PP1 (Unit: Thousand Baht)	Purchase of Shares in PP3 (Unit: Thousand Baht)	Transaction size
1. Value of the Net Tangible Assets (NTA)	% of NTA as acquired/ NTA of the Company	49% x (2,213,818) / (767,500) = N/A	48.72% x 6,935,307 / (767,500) = N/A	Not applicable due to the Company's NTA being deficit.
2. Net Operating Profits	% of Net Profit attributable proportionately to acquired assets/ Net Profit of the Company*	49% x (1,591,877) / 171,117 = N/A	48.72% x (69,682) / 171,117 = 19.84%	19.84% (Not applicable in the part relating to PP1 because the PP1's Financial Statements showed the net loss.
3. Total value of consideration	Total amount paid/ total value of assets of the Company	10,000,000 / 32,422,627 Equivalent to 30.84%		30.84%
4. Value of securities issued as consideration for the assets	Number of shares issued as consideration for the assets/ number of shares issued and	N/A	N/A	Not applicable as there is no issuance of securities by the Company as

Criteria	Calculation Formula	Purchase of Shares in PP1 (Unit: Thousand Baht)	Purchase of Shares in PP3 (Unit: Thousand Baht)	Transaction size
	paid			consideration for Transactions.

Therefore, the Company is required to disclose the information memorandum on the acquisition and disposition of assets to the SET. The Company will also circulate the information memorandum to the shareholders within 21 days from the date on which it has made the disclosure to the SET in accordance with the Notification on Acquisition or Disposition of Assets.

## 5. Details of the Acquired and Disposed Assets

### 5.1 Disposition of Assets

5.1.1 The assets owned by PP1 having the total value of approximately THB 6,715 million<sup>3</sup>.

- (a) Hotel with the total area of 14,696.64 sq.m
- (b) Sculptures, painting, and all art work which decorate in the hotel area.
- (c) Licenses and contract which are relevant to the hotel operation
- (d) Land title deed No. 53188, land no. 231, land survey No. 344 Silom (Sathorn), Bangrak, Bangkok with the area of 3 Ngarn 32.7 square wah. This land is jointly owned by PP1, PP2, PP3, and PRE and the proportion of PP1 has the value of not exceeding THB 60 million.

5.1.2 The assets owned by PP3 having the total value of not exceeding, THB 6,022 million<sup>4</sup>.

<sup>3</sup> In calculation of the size of the transaction, the Company considers value of the assets in accordance with the shareholding proportion of the Company and PRE in PP1, totaling 51.00 percent.

<sup>4</sup> In calculation of the size of the transaction, the Company considers value of the assets in accordance with the shareholding proportion of the Company and PRE in PP3, totaling 51.28 percent.

(a) Assets which related to retail and Observation Deck in MahaNakhon project in the value of not exceeding, THB 5,962 million

(1) Asset which relate to retail and Observation Deck with the total area of 4,451.67 sq.m.

(2) One 7-floor building, and the land title deed 52610 with the area of 1 rai 1 ngarn 42.8 square wah which is the location of retail Cube.

Land, Observation Deck, Retail Cube Building, licenses and contract which are relevant to the operation of PP3 (Observation Deck and Retail Cube)

(b) Land title deed No. 53188, land no. 231, land survey No. 344 Silom (Sathorn), Bangrak, Bangkok with the area of 3 Ngarn 32.7 square wah. This land is jointly owned by PP1, PP2, PP3, and PRE and the proportion of PP3 has the value of not exceeding THB 60 million.

5.1.3 Land title deed No. 53188, land no. 231, land survey No. 344 Silom (Sathorn), Bangrak, Bangkok with the area of 3 Ngarn 32.7 square wah. This land is jointly owned by PP1, PP2, PP3, and PRE and the proportion of PP2 has the value of not exceeding THB 60 million.

5.1.4 Land title deed No. 53188, land no. 231, land survey No. 344 Silom (Sathorn), Bangrak, Bangkok with the area of 3 Ngarn 32.7 square wah. This land is jointly owned by PP1, PP2, PP3, and PRE and the proportion of PRE has the value of not exceeding THB 3 million.

5.1.5 Compensation for Business Procurement of the transaction which shall be paid to the Company in the amount of not exceeding THB 1,200 million

## 5.2 Purchase of Shares in PP1 and PP3

### (1) PP1

Company : Pace Project One Co., Ltd.

Nature of Business : Hotel and resort business

Paid-up Capital : As of 9 April 2018, the registered capital of the company is Baht 392,100,000, divided into 3,921,000 ordinary shares with the par value of Baht 100 each. The shares are fully paid-up. The details of the shareholders are:

1. The Company holding 1,000,000 shares or 25.50 percent of the total capital.
2. PRE holding 1,000,000 shares or 25.50 percent of the total capital.
3. Apollo holding 1,344,700 shares or 34.30 percent of the total capital.
4. Goldman holding 576,300 shares or 14.70 percent of the total capital.

The Board of Directors:

As of 9 April 2018, there are 4 members in the Board of Directors of PP1. Details are as follows:

1. Mr. Sorapoj Techakraisri
2. Mr. Chotipol Techakraisri
3. Mr. Chumpol Techakraisri
4. Mr. Timothy Joseph Grady

Summary of the Statement of Financial Position and Operating Results (The Company's Financial Statements are already reviewed by the auditor)

The Financial Statements as of December 31, 2017	
Cash and Saving Deposit	1,234,491,140 Baht
Total Current Assets	1,465,825,722 Baht
Total Non-Current Assets	4,707,199,305 Baht
Total Assets	6,173,025,028 Baht
Total Current Liabilities	307,424,078 Baht
Total Non-Current Liabilities	7,800,783,701 Baht
Total Liabilities	8,108,207,779 Baht
Issued and Paid Share Capital	392,100,000 Baht
Total Equity	(1,935,182,751) Baht
Total Revenue	– Baht
Income before interest and tax	(1,188,150,616) Baht
Net Profit (Loss)	(1,386,730,577) Baht

(2) PP3

Company : Pace Project Three Co., Ltd.



Nature of Business : Non-residential buildings by itself and for rental

Paid-up Capital : As of 9 April 2018, the registered capital of the company is Baht 100,000,000, divided into 1,000,000 ordinary shares with the par value of Baht 100 each. The shares are fully paid-up. The details of the shareholders are:

1. The Company holding 500,001 shares or 25.64 percent of the total capital.
2. PRE holding 500,000 shares or 25.64 percent of the total capital.
3. Apollo holding 665,001 shares or 34.10 percent of the total capital.
4. Goldman holding 285,001 shares or 14.62 percent of the total capital.

The Board of Directors : As of 9 April 2018, there are 4 members in the Board of Directors of PP3. Details are as follows:

1. Mr. Sorapoj Techakraisri
2. Mr. Chotipol Techakraisri
3. Mr. Chumpol Techakraisri
4. Mr. Timothy Joseph Grady

Summary of the Statement of Financial Position and Operating Results (The Company's Financial Statements are already reviewed by the auditor) :

The Financial Statements as of December 31, 2017	
Cash and Saving Deposit	99,492,041 Baht
Total Current Assets	291,762,630 Baht
Total Non-Current Assets	7,286,820,684 Baht
Total Assets	7,578,583,315 Baht
Total Current Liabilities	263,744,279 Baht
Total Non-Current Liabilities	379,532,474 Baht
Total Liabilities	643,276,754 Baht
Issued and Paid Share Capital	195,000,000 Baht
Total Equity	6,935,306,561 Baht

Total Revenue	22,884,952 Baht
Income before interest and tax	92,499,160 Baht
Net Profit (Loss)	69,682,883 Baht

## 6. Total value of consideration and conditions of payment

### 6.1 The Disposition of assets

The total value of the assets disposed is total of, not exceeding, THB 7,775 million.

- (1) Total value of assets disposal in PP1 of, not exceeding, THB 3,424 million<sup>5</sup>.
- (2) Total value of assets disposal in PP3 of, not exceeding, THB 3,088 million<sup>6</sup>.
- (3) Total value of assets disposal in PP2 of, not exceeding, THB 60 million.
- (4) Total value of assets disposal in PRE of, not exceeding, THB 3 million.
- (5) Total value of successful fee of, not exceeding, THB 1,200 million.

### 6.2 The Purchase of Share in PP1 and PP3

The total value of shares in PP1 and PP3 acquired is USD 320 million or THB 10,000 million (calculated at the exchange rate as of 9 April 2018 at the rate of THB 31.25 / USD 1.)

## 7. Total Value of Disposition and Acquisition of Assets

### 7.1 The Disposition of Assets

- (1) The investment in PP1 according to investment value recoded in Audited Financial Statement as of December 31, 2017 is negative value.
- (2) The investment in PP3 according to fair value measurement recorded in Company's Audited Financial Statement as of December 31, 2017 is THB 6,487 million.

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<sup>5</sup> In calculation of the size of the transaction, the Company considers value of the assets in accordance with the shareholding proportion of the Company and PRE in PP1, totaling 51.00 percent.

<sup>6</sup> In calculation of the size of the transaction, the Company considers value of the assets in accordance with the shareholding proportion of the Company and PRE in PP3, totaling 51.28 percent.

- (3) The value of land title deed No. 53188, land no. 231, land survey No. 344 Silom (Sathorn), Bangrak, Bangkok with the area of 3 Ngarn 32.7 square wah which is jointly owned by PP1, PP2, PP3, and PRE having the total statutory assessed value of THB 175 million.

#### **7.2 The Purchase of Share in PP1 and PP3**

The total value of the purchase of shares from Apollo and Goldman equals to the value of the right to purchase shares of the investors as agreed with the parties.

### **8. Basis for determining the value of consideration**

#### **8.1 Disposition of Assets**

The total value of the disposition of assets equals to the value of the investments which depends on the negotiation, debt obligations, the Company's loans used in the construction of MahaNakhon project. The Company uses the metrological valuation methodology, including the discounted cash flow method and a comparison method. The Company takes into account the considerations already made, duration, and the circumstances surrounding the transaction.

Moreover, the Company uses the result of the fair value of the assets determined in 2017 by financial adviser engaged by the Company as a reference in the negotiation process for the total value of consideration received.

#### **8.2 Purchase of Shares in PP1 and PP3**

The total value of the purchase of shares from Apollo and Goldman equals to the value of the right to purchase shares of the investors as agreed with the parties.

### **9. Expected Benefits for the Company**

#### **9.1 Disposition of Assets**

The disposition of assets from Company, PP1, PP2, PP3 and PRE are resulting in Company receiving cash flow more quickly than its original plan since the Company originally planned to divest the assets after the completion of construction. The cash flow from disposition of assets will increase Company's financial liquidity and will be a capital to purchase shares from Apollo and Goldman.

#### **9.2 Purchase of shares in PP1 and PP3**

As a result of the shares purchased from Apollo and Goldman in PP1 and PP3, Company and PRE will hold all shares in PP1 and PP3 and all the commitments according to the agreements with Apollo and Goldman will be terminated.

**10. Planned use of proceeds from the disposition of assets and source of fund in acquiring assets**

The Company will use the proceeds from the disposition of assets as a capital to purchase shares in PP1 and PP3 from Apollo and Goldman. The remaining cash flow will be used for loan repayment and working capital for the Company.

**11. Opinion of the Board of Directors on the transaction**

The Board of Directors considered that this transaction is appropriate and beneficial to the Company, and its shareholders. The remaining cash flow will be used for loan repayment and working capital for the Company.

**12. Opinion of the Directors and/or the Audit Committee which is different from that of the Board of Director under Clause 11**

None of the Directors had any opinion different from the opinion of the Board of Directors under clause 11.