



JSP 013/2562 (OOP)

March 22, 2019

**Subject : Notification on the subscription of new issued shares in a subsidiary, J.S.P. Property Management Co., Ltd, Connected transaction (ADD)**

**Attention : The President of the Stock Exchange of Thailand**

J.S.P.Property Public Company Limited (“the company”) would like to notify the resolution of Board of Director Meeting No. 3/2019 held on March 22, 2019 , the Meeting approved

- A. an investment in a subsidiary, J.S.P.. Property Management Co., Ltd.(JPM) by way of new issued shares amounting 8,300,000 shares, at a par value of 100 Baht at the total price 830,000,000 Baht as a result the Company’s shareholding in JPM shall be equivalent to 100 percent of its registered capital.

An investment in a subsidiary shall be deemed the acquisition of assets of the company pursuant to the Notification of the Capital Market Supervisory Board No. Tor Chor. 20/2551, Re: Rules on Entering into Material Transaction deemed an Acquisition or Disposal of Assets dated August 31, 2008

**1. Date/ Month/ Year of entering into the transaction**

The company shall enter the transaction after the approval of the Board of Director Meeting No. 3/2019 and the Extraordinary General Meeting of the Shareholders of J.S.P. Property Management Co., Ltd approval the additional increase of registered capital 830,000,000 Baht by issuance new 8,300,000 ordinary shares at the par value 100 Baht to the existing shareholders. The combination of the existing capital 3,000,000,shares as the total price 300,000,000 Baht has the resulted in JPM’s registered capital shall be increased up to 11,300,000 shares as the total price 1,130,000,000 Baht

**2. Related Parties and Their Relationship with the Company**

**The Seller**

J.S.P.Property Management Co., Ltd is the subsidiary of which the Company holding 99.99 percent of the registerd capital.\



### **The Purchaser**

J.S.P.Property Public Company Limited

The Parties have no relationship which can be considered as a connected person under the Notification of the Capital Market Supervisory Board No. Tor Chor. 21/2008 Re: Connected Transaction Rule and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies concerning the Connected Transaction 2003 (as amended) (“Notification on the Connected Transaction”) Consequently, the Company have no duty to perform under the Notification on the Connected Transaction upon entering into such transaction.

### **3. Nature, Type of Transaction and Value of Transaction**

#### **3.1 Nature and Type of the Transaction**

The Company will subscribe new issued 8,300,000 shares of JPM at the par value of 100 Baht, the transaction is expected to complete within June 30, 2019

#### **3.2 Value of the Transaction**

The total size of transaction 830,000,000 Baht is calculated by acquisition basis in the total value of consideration equivalent to 8.29 percent that compare to the total assets of the company and its subsidiaries in consolidated financial statement as at December 31, 2018 (the total assets in amount of 10,015,251,198 Baht)

The transaction calculation by acquisition basis, the details are as follows:

##### **1) Net Tangible Assets (NTA)**

$$\text{Size of transaction} = \frac{(\text{NTA of the investment amount of the Company} \times \text{Acquisition portion}) \times 100}{\text{NTA of the Company}}$$

##### **2) Net Profit**

$$\text{Size of Transaction} = \frac{\text{Net profit from the assets per acquisition portion} \times 100}{\text{Net Profit of the Company}}$$

### 3) Total Value of Consideration

$$\begin{aligned}
 \text{Size of Transaction} &= \frac{\text{Total value of consideration to be paid or acquired} \times 100}{\text{Total Assets of the Company and its subsidiaries}} \\
 &= \frac{830,000,000 \times 100}{10,015,251,198} \\
 &= 8.29\%
 \end{aligned}$$

### 4) Value of Securities

$$\begin{aligned}
 \text{Size of Transaction} &= \frac{\text{Total value of securities being issued} \times 100}{\text{Paid up capital of the Company}} \\
 &\text{(Not applicable, as no securities have been issued.)}
 \end{aligned}$$

## 4. Description of the share acquisition

The Company will subscribe all new issued ordinary shares in JPM with total amount 8,300,000 share at a par value of 100 Baht whereas other existing shareholders of JPM shall waive their right to subscribe the new issued shares as a result the shareholding after the completion transaction will be changed as follows:

List of Shareholder	Pre - Acquisition		Post - Acquisition	
	Number of Shares	Percentage	Number of Shares	Percentage
JSP	2,999,998	99.99	11,299,998	100.00
Mr. Likhit Luesakulkitpibal	1	0.005	1	0.00
Mr. Pongsak Sawatyanon	1	0.005	1	0.00

## 5. Total Value of Consideration

The total value of transaction of investment in a subsidiary shall be equivalent to 830,000,000 Baht.

## 6. Criteria for Determining the Value of Consideration

The investment in subsidiary shall be at the par value basis of a subsidiary.

## 7. Value of assets acquired or disposed

830,000,000 Baht

**8. Expected Benefits to the Company**

To pay the loan and reduce the interest of the J.S.P.Property Management Co., Ltd. In addition the acquisition of the new issued share will be adding the value to Shareholders' equity of the subsidiary and the good appearance of the company.

**9. Source of Funds in Entering into the Transaction**

The operating income of the company and income of interest of the subsidiary.

**10. Opinion of the Board of Directors on Entering into the transaction**

Agree the company to increase the capital in J.S.P.Property management Co., Ltd.

**11. Opinion of the Audit Committee and/ or Director of the Company which is Different from that of the Board of Director in Item 11**

None

**B. The renewal borrowing from connected person, to extend the loan amount of 50 million baht (Due date on April 5, 2019) for 1 year.**

**1. Date of entering into the transaction**

Within April, 2019

**2. The Related Parties and Relationship with J.S.P.Property Public Company Limited**

Lender	:	Mr. Pongsak Sawatyanon and/or the connected person including related and close relatives
Relationship	:	The major shareholder of the Company (J.S.P.) and hold 1,111,151,300 Shares, equivalent to 26.45% of the paid-up of the company (Including related and close relatives) (At as February 28, 2019)
Borrower	:	J.S.P. Property Public Company Limited

### 3. General Characteristics of the transaction

Amount of Loan	:	50,000,000	Baht
Interest Rate	:	7 % per annum	
Term of Loan	:	12 months	
Payment of Interest	:	Every Month	
Payment of Principal	:	Principal of payment at 1 year	
Collateral	:	None	

### 4. Objective

Working Capital for development of projects.

### 5. Total Value and Valuation criteria of the transaction.

5.1 The Connected Transaction that occurred during the period of 6 months before the date that the company renew the transaction with the person and close-relative,(exclude the transaction that renewal) are as follows;

#### 5.1.1) The interests amount of **96.18 million baht**

**Size of Transaction** : **96.18 million baht/ 5,195.78 million baht**

**Size of Transaction** : Size of the transaction equal to **1.85%** of the net tangible assets by calculating from the consolidate financial statement of the Company and its subsidiaries as at December 31,2018

Borrower	Lender	Approved Loan (MB)	Interest Rate	Period of time	Value of Interest (MB)	Release Date	Due Date
JSP	Mr. Pongsak Sawatyanon Mr. Preecha Sawatyanon	70.00 60.00	6.00% per annum	1 year	3.46*	24/11/2018	24/11/2019*
JSP	Mr. Pongsak Sawatyanon	300.00**	7.50 per annum	1 year	4.50	(1 <sup>st</sup> : 100 MB) 27/12/2018	27/12/2019
	7.50 per annum		8.25		(2 <sup>nd</sup> : 110 MB) 15/01/2019	15/01/2020	
	9.00 per annum		**Over 6 months		(3 <sup>rd</sup> : 70 MB) 5/02/2018	5/02/2019	
JSP	Mr. Pongsak Sawatyanon	100.00***	7.00 % per annum	1 year	2.47	17/12/2018	17/12/2019***
JSP	Mr. Pongsak Sawatyanon	150.00	7.00 % per annum	1 year	10.50	05/04/2018	05/04/2019
JSP	Mr. Pongsak Sawatyanon	150.00	7.00% per annum	1 year	10.50	25/06/2018	25/06/2019
JSP	Mr. Pongsak Sawatyanon	100.00	7.00 % per annum	1 year	7.00	20/08/2018	20/08/2019
JSP	Mr. Pongsak Sawatyanon	400.00	8.00 % per annum	1 year	32.00	17/12/2018	17/12/2019
JSP	Mr. Pongsak Sawatyanon	200.00	8.00 % per annum	1 year	16.00	December, 2018	December, 2019
BPC	Ms.Wareerat Sawatyanon	150.00	8.00 % per annum	1 year	12.00	27/11/2018	27/11/2019
The total of transaction in 6 period					<b>96.18</b>		

1. \* The company required to extend the period of loan, from the previous on 24/11/2018

Extended for 12 months, due date on 24/11/2019, the remaining loan amount of 57.59 million baht, interest rate amount of 3.46 million baht

2. \*\* The transaction being over 6 month.

3. \*\*\* The company required to extend the period of loan for 12 months, from the previous on 17/12/2018 and due date on 17/12/2019. The remaining loan amount of 35.25 million baht, interest rate of the extend period amount of 2.47 million baht. The interest calculated by the approved loan and the period of loan.

### 5.1.2) Guarantee Fee (Letter of Guarantee)

Guarantee Fee 1 % per annum of Collateral's value

$$= (1\% 50,000,000)$$

$$= 500,000 \text{ baht}$$

**Size of Transaction**

$$= 0.50 \text{ million baht/ } 5,195.78 \text{ million baht}$$

$$= 0.01\% \text{ of the net tangible assets}$$

### 5.2 Size of Transaction (Present)

**Amount of Interest 3,500,000 Baht**

$$= 3,500,000 \text{ Baht}$$

Size of Transaction

$$= 3.5 \text{ MB/ } 5,195.78 \text{ Million Baht}$$

$$= 0.07\% \text{ of the net tangible assets}$$

### 5.3 Size of Transaction (Total)

**Size of Transaction** : Size of the transaction equal to **1.92%** of the net tangible assets by calculating from the consolidate financial statement of the Company and its subsidiaries as at December 31, 2018

$$\begin{aligned} \text{Size of Transaction} & : = \text{Value of Transaction/Net Tangible Assets} \\ & = 100.18 \text{ million baht} / 5,195.78 \text{ million baht} \\ & = 1.93 \% \text{ of NTA} \end{aligned}$$

## 6. The Characteristics and scope of the interest of the connected persons to enter to the connected transaction.

This transaction is considered as the connected transaction regarding the receipt of financial assistance pursuant to the Notification of the Capital Market Supervisory Board No. Tor Jor. 21/2551 Re; Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand entitled Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (“Connected Transaction Rules”), and its amendments.

In consideration of the size of the transaction under “Connected Transaction Rules”, the size of transaction is larger than 0.03% but not over than 3% of the net tangible assets of the Company according to the consolidate financial statement of the Company and its subsidiaries as at September 30, 2018. The Company is required to disclose the information to the Stock Exchange of Thailand.

**7. Names of connected persons and nature of relationship of the connected persons**

Absence

**8. Conditions which may affect the rights of shareholders**

None

**9. Opinions of the board of directors of the Company related to the entering into of the transaction.**

The Board had been agreeing with the help and the support from Mr. Pongsak Swatyanon. For working Capital to development of projects and the condition to the withdraw the was comfortably.

**10. Opinions of the Audit Committee and/or the Directors of the Company having differing opinions from the Board of Directors of the Company.**

The Audit Committee has the opinion in correspondence with the opinion of the Board of Directors of the Company, and none of the Director had the different opinion or abstention.

Yours Sincerely,

*Chavalit Taratikundech*

(Mr.Chavalit Taratikundech)

Company Secretary