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**Ref. No. U.SET 008/2019**

April 10, 2019

**Subject:** Entering into the Share Sale and Purchase Agreement to dispose Ordinary Shares in a Subsidiary

**To:** The President

The Stock Exchange of Thailand

U City Public Company Limited (the “**Company**”) hereby would like to inform you that, on this day (April 10, 2019), the Company enters into the Share Sale and Purchase Agreement to sell all shares of Mo Chit Land Company Limited (formerly known as BTS Assets Company Limited whereby the change of name to Mo Chit Land Company Limited was registered on November 20, 2018 and it is a subsidiary in which the Company holds 100 percent of its total shares) (“**Mo Chit Land**”), to Sino-Thai Engineering and Construction Public Company Limited (“**STEC**”) with purchase price in amount of Baht 4,320,000,000, pursuant to the Resolution of the Board of Directors No. 8/2018 held on November 14, 2018 and the Executive Committee’s Meeting No. 4/2019 held on April 9, 2019.

The key information of this transaction are as follows:

**1) Transaction Date**

On April 10, 2019, the Company enters into the Agreement to Share Sale and Purchase Agreement to sell shares of Mo Chit Land in the amount of 29,550,000 shares or equivalent to 100 percent of its total shares, with the par value of Baht 27.25 per share, with STEC. In this regards, the Company agrees to transfer all ordinary shares in Mo Chit Land to STEC on November 1, 2019.

**2) Contractual Parties and Relationship with the Company**

**Purchaser** : Sino-Thai Engineering and Construction Public Company Limited or STEC

**Relationship with the Company** : The purchaser does not have any relationship with the Company. The transaction, therefore, is not considered a connected transaction under the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions 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 Transactions B.E. 2546 (2003).

### 3) General Characteristics of the Transaction

The Company desires to sell all ordinary shares of Mo Chit Land held by it to STEC, with the following details:

Seller	:	U City Public Company Limited
Purchaser	:	Sino-Thai Engineering and Construction Public Company Limited or STEC
Amount of Ordinary Shares to be Disposed	:	29,550,000 shares or equivalent to 100 percent of total shares of Mo Chit Land with the par value of Baht 27.25 per share (“ <b>Sale Shares</b> ”)
Total Purchase Price	:	Baht 4,320,000,000 (whereby the book value of Mo Chit Land in accordance with the consolidated financial statements of the Company ended December 31, 2018, is equivalent to Baht 2,447,176,562.)  Thus, the purchase price as stated above is the mutually agreed price between the Company and STEC based on the appraised price of land owned by Mo Chit Land which was appraised by an independent appraiser approved by the Office of Securities and Exchange Commission.
Shares Transfer Date	:	November 1, 2019
Payment Method	:	<ul style="list-style-type: none"><li>• Pay the first instalment amounted to Baht 1,300,000,000 on November 1, 2019</li><li>• Pay the second instalment amounted to Baht 1,000,000,000 on November 1, 2020</li><li>• Pay the third instalment amounted to Baht 1,000,000,000 on November 1, 2021; and</li><li>• Pay the fourth instalment amounted to Baht 1,020,000,000 on November 1, 2022</li></ul>
Key Responsibility of the Company	:	The Company has to complete a release of land owned by Mo Chit Land from mortgage with the financial institute prior to the Sale Shares transfer.
Percentage of Shareholding by the Company After Share Disposal	:	None

The Board of Directors had used its due care to determine the entering into this transaction. In this regards, to guarantee that STEC will perform its duty under the agreement (including duty to pay the remaining purchase price to the Company under the terms as stated above), the Company requires STEC to provide a security by pledging the Sale Shares in proportion to the remaining purchase price (or

equivalent to 20,685,000 shares on November 1, 2019) with the Company. In the case that STEC does not comply with the agreement, the Company can take a legal action to enforce such security.

#### 4) Size Calculation

This transaction is a transaction deemed as disposal of assets pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, 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 Acquisition and Disposal of Assets, B.E. 2547 (2004) (as amended) (together referred to as “**Acquisition and Disposal Notifications**”). According to the latest reviewed consolidated financial statement of the Company ended December 31, 2018, the size of sale of shares transaction calculated based on the total value of consideration criteria, which gives the highest value, is equivalent to 8.0053 percent of the Company’s net tangible assets. Thus, the Company and its subsidiaries do not have any disposal transaction on any assets of the Company and its subsidiaries for the last 6 months.

The details of transaction size calculation are as follows:

(1) Calculation based on the net tangible assets (NTA) criteria

$$\begin{aligned} \text{Transaction size} &= \frac{\text{Net tangible assets (NTA) of the business transaction} \times 100}{\text{Net tangible assets of the Company}} \\ &= \frac{848,430,365 \times 100}{25,377,425,072} \\ &= 3.34 \text{ percent} \end{aligned}$$

(2) Calculation based on the net operating profits criteria

$$\begin{aligned} \text{Transaction size} &= \frac{\text{Net operating profits of the business transaction} \times 100}{\text{Net operating profits of the Company}} \\ &= \text{Cannot be calculated as the Company has loss on the business operation} \end{aligned}$$

(3) Calculation based on the total value of consideration criteria

$$\begin{aligned} \text{Transaction size} &= \frac{\text{Compare total value of consideration received and its book value (Whichever is higher will be used for the calculation)} \times 100}{\text{Total assets of the Company}} \\ &= \frac{4,320,000,000 \times 100}{53,964,102,328} \\ &= 8.0053 \text{ percent} \end{aligned}$$

(4) Calculation based on the value of securities issued for the payment of assets criteria

$$\begin{aligned} \text{Transaction size} &= \frac{\text{Number of equity issued as consideration} \times 100}{\text{Total number of issued equity of the Company}} \\ &= \text{Cannot be calculated as there will be no equity issuance by the Company} \end{aligned}$$

**5) The subsidiary's assets and nature of business**

Mo Chit Land only owns land and commercial buildings (Shophouse) in amount of 63 plots, located at Chomphon Sub-district, Chatuchak District, Bangkok, with total areas of 11 rais 0 ngarn 40.7 square wah and does not operate other business.

**6) The subsidiary's debts and other obligations**

Mo Chit Land does not have any outstanding debt with the Company and the Company does not have any ongoing guarantee for Mo Chit Land.

**7) Background and rationale to dispose the subsidiary, and benefits of consideration from disposal**

Mo Chit Land is a subsidiary which owns land and commercial buildings in Mo Chit area. Previously, the Company planned to develop a project on this location. Nonetheless, the Company views that the disposal of all ordinary shares of Mo Chit Land which will enable to use the proceeds from such disposal to fund other development projects of the Company and to repay debts to the financial institute creditors, will be beneficial to the Company.

Please be informed accordingly.

Sincerely yours,

U City Public Company Limited

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(Ms. Piyaporn Phanachet)

Director and Chief Executive Officer