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Ref. No. U.SET 010/2019

April 30, 2019

Subject : Entering into the Agreement to Acquire Ordinary Shares in 12 Companies in Germany and Switzerland

To : The President

The Stock Exchange of Thailand

U City Public Company Limited (the “**Company**”) would like to inform you that on this day (April 30, 2019), Vienna House Germany II GmbH (“**VHG II**” or the “**Purchaser**”) (which is a subsidiary in Germany in which the Company indirectly holds 100 percent of shares via Lombard Estate Holdings Limited, which is a subsidiary in which the Company holds 100 percent of its total registered capital) has entered into the Agreement to sell and purchase shares in 12 companies in Germany and Switzerland (“**Shares Sale and Purchase Agreement**”) with arcona Management GmbH (the “**Seller**”), total purchase price is in the amount of EUR 24.7 million (or approximately Baht 890,489,340¹). The details of which are as follows:

1) Transaction Date

The Purchaser and Seller had entered into the Shares Sale and Purchase Agreement on April 30, 2019. Thus, the Company deemed that this transaction will be completed within May 31, 2019.

2) Contractual Parties and Relationship with the Company

Purchaser : Vienna House Germany II GmbH (“**VHG II**”) (which is a subsidiary in Germany in which the Company indirectly holds 100 percent of shares via Lombard Estate Holdings Limited, which is a subsidiary in which the Company holds 100 percent of its total registered capital)

Seller : arcona Management GmbH, which arcona Hotel Holding GmbH (a juristic person in Germany which Winter Vermögensverwaltungs GmbH holds 50.04 percent of shares and Solutions Holding GmbH holds 49.96 percent of shares) holds 100 percent of its registered capital.

¹ Reference is made to the foreign exchange rate of EUR and Baht currency according to the Notification of the Bank of Thailand as of April 30, 2019, of which EUR 1 is equivalent to Baht 36.0522.

Relationship : The Seller and/or the ultimate shareholders of the Seller does with the Company 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 (as amended).

3) General Characteristics of the Transaction

The Company had acquired the ordinary shares in 12 companies from arcona Management GmbH with total purchase price amounted to EUR 24.7 million (or approximately Baht 890,489,340). Thus, The Company will pay deposit in the amount of EUR 3.5 million (or Baht 126,182,700) (the “**Deposit**”) to the Seller in cash at the date in which all conditions precedent under the Shares Sale and Purchase Agreement is fulfilled or receiving indulgence from the related party (in which all material conditions precedent has been successfully committed on the date of entering into the Share Sale and Purchase Agreement). Hence, the Deposit amount shall be deemed as a part of net purchase price and the Company will pay remaining of purchase price in the amount of EUR 21.2 million (or Baht 764,306,640) within May 31, 2019.

The details of acquired companies are as follows:

Name of the Juristic Person	Country	Paid-Up Capital	Shareholding Proportion (Percent)
arcona Hotel GmbH	Germany	EUR 25,000	100
arcona Hotel Baltic GmbH	Germany	EUR 25,000	100
arcona Hotel Sonne GmbH	Germany	EUR 25,000	100
arcona Hotel Thüringer Hof GmbH	Germany	EUR 25,000	100
arcona Bach 14 GmbH	Germany	EUR 25,000	100
arcona Living GmbH	Germany	EUR 25,000	100
arcona 15. Hotelbetriebsgesellschaft mbH	Germany	EUR 25,000	100
arcona 12. Hotelbetriebsgesellschaft mbH	Germany	EUR 25,000	100
AH Hotelbetriebsgesellschaft mbH	Germany	EUR 25,000	100
arcona Living Schaffhausen GmbH	Switzerland	CHF 50,000	100
arcona 21. Hotelbetriebsgesellschaft mbH	Germany	EUR 25,000	100

Name of the Juristic Person	Country	Paid-Up Capital	Shareholding Proportion (Percent)
arcona 22. Hotelbetriebsgesellschaft mbH	Germany	EUR 25,000	100

Nonetheless, after the transaction is fully completed on May 31, 2019, VHG II will receive rights of operating lease of 17 existing hotels (total number of room is 1,792 room keys) consist of hotels under (1) arcona brand, (2) arcona Living brand and (3) Steigenberger brand, which is located in Germany and Switzerland, and operating lease of 2 new hotels which will be operated in 2020 and 2022 (total number of room is 251 room keys). The details of assets are as appeared in the document attached herewith.

4) Size Calculation

As a result of the completion of this transaction, the Company will acquire 12 subsidiaries. In this respect, arcona Management GmbH does not have any relationship with the Company and this transaction is not 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 (as amended).

Moreover, the total transaction size calculated on the basis of the total value of consideration criteria, which gives the highest value, is equivalent to 1.6501 percent. As the size of this transaction is lower than 15 percent, it falls under the approval authority of the Board of Directors of the Company and the Company is not required to prepare and disclose the information memorandum to the Stock Exchange of Thailand in accordance with 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. 2547².

Please be informed accordingly.

Sincerely yours,

U City Public Company Limited

(Miss Piyaporn Phanachet)
Director and Chief Executive Officer

² Thus, during the past 6 months, the Company and its subsidiaries have acquired other assets in the amount of approximately Baht 300,102,938.78, representing the total transaction size of 0.5502 percent as disclosed to the Stock Exchange of Thailand.

Details of the Acquired Assets from the Transaction of Ordinary Shares Purchase

Name of the Hotel	Operating Company	Location (City)	Location (Country)	Name of the Brand	Ownership	Number of Room (Room)
Steigenberger Hotel Sonne	Arcona Hotel Sonne GmbH	Rostock	Germany	Steigenberger	Operating Lease	119
Steigenberger Hotel Stadt Hamburg Wismar	arcona 22. Hotelbetriebs GmbH	Wismar	Germany	Steigenberger	Operating Lease	103
Steigenberger Hotel Remarque in Osnabrück	arcona 22. Hotelbetriebs GmbH	Osnabrück	Germany	Steigenberger	Operating Lease	156
Steigenberger Hotel Braunschweig	Arcona 15 Hotelbetriebs GmbH	Braunschweig	Germany	Steigenberger	Operating Lease	180
Steigenberger Hotel Thüringer Hof	Arcona Hotel Thüringer Hof GmbH	Eisenach	Germany	Steigenberger	Operating Lease	127
Arcona Mo.Hotel	arcona 22. Hotelbetriebs GmbH	Stuttgart	Germany	Arcona	Operating Lease	131
arcona Hotel am Havelufer	Arcona 12 Hotelbetriebs GmbH	Potsdam	Germany	Arcona	Operating Lease	123
arcona Hotel Baltic	Arcona Hotel Baltic GmbH	Stralsund	Germany	Arcona	Operating Lease	132
arcona Living Osnabrück	arcona 22. Hotelbetriebs GmbH	Osnabrück	Germany	Arcona Living	Operating Lease	108
arcona Living Ernst Leitz Hotel	arcona 22. Hotelbetriebs GmbH	Wetzlar	Germany	Arcona Living	Operating Lease	129
arcona Living Batschari 8	AH Hotelbetriebs-gesellschaft GmbH	Baden - Baden	Germany	Arcona Living	Operating Lease	69

Name of the Hotel	Operating Company	Location (City)	Location (Country)	Name of the Brand	Ownership	Number of Room (Room)
arcona Living Bach14	Arcona Bach 14 GmbH	Leipzig	Germany	Arcona Living	Operating Lease	52
Arcona Living Goethe 87	Arcona Hotel GmbH	Berlin	Germany	Arcona Living	Operating Lease	47
arcona Living Munchen	Arcona Living GmbH	München	Germany	Arcona Living	Operating Lease	94
arcona Living Schaffhausen	Arcona LIVING Schaffhausen GmbH	Schaffhausen	Switzerland	Arcona Living	Operating Lease	130
arcona Hotel Die Kleine Sonne	Arcona Hotel Sonne GmbH	Rostock	Germany	Arcona	Operating Lease	48
arcona Living Bremen	Arcona 21 Hotelbetriebs GmbH	Bremen	Germany	Arcona Living	Operating Lease	44
arcona Living Mannheim	Arcona 21 Hotelbetriebs GmbH	Mannheim	Germany	Arcona Living	Operating Lease	128
arcona Living Greifswald	Vienna House Germany II	Greifswald	Germany	Arcona Living	Operating Lease	123