

No.: PACE-L 27/2019  
 Date: 8 November 2019  
 Subject: Disposal of shares in the subsidiary (Additional)  
 To: President  
 Stock Exchange of Thailand

**Enclosure: The Information Memorandum regarding the Disposition of Assets**

By virtue of the resolution of the Board of Directors' meeting of Pace Development Corporation Public Company Limited (the “**Company**”) No. 16/2019 held on 6 November 2019, which approved the disposition of 100% common shares (“**Common Shares**”) in YLP Co., Ltd. (“**YLP**”), a subsidiary of the Company, in the amount of 348,567,548 Baht to The Brooker Group Public Company Limited and MCL Property Co., Ltd. (the “**Purchaser**”) which are not the connected person of the Company. The Board of Directors also granted the authority to the Chief Executive Officer to negotiate, consider, agree, certify, sign and/or execute any documents that related to the transaction in order to the complete the objectives.

Today, the Company has entered into the agreements regarding the disposition of assets; therefore, hereby discloses the details of the transaction as stated in the enclosure. The summary details of the transaction are as follows:

Date of Transaction	:	8 November 2019
Company Name	:	YLP Co., Ltd.
Address	:	87/2 CRC Tower 45 <sup>th</sup> Floor, Unit No. 4, All Seasons Place, Wireless Road, Lumpini, Pathumwan, Bangkok
Registered Capital	:	170,000,000 Baht
Seller	:	The Company
Purchaser	:	1. The Brooker Group Public Company Limited 2. MCL Property Company Limited
General Transaction	:	Regarding the Pace Food Retail Company Limited (“ <b>PFR</b> ”) which is a subsidiary where the Company holds 100% shares entered in the loan agreement with Purchaser and the Company, as a guarantor, has pledged the Common Shares in YLP with the Purchaser.  As of 6 November 2019, PFR has the outstanding debts, i.e. the principal at 312,247,000 Baht and the accrued interest at 36,320,548 Baht which is the total amount of 348,567,548 Baht with the Purchaser, The Company intends to dispose the Common Shares to the Purchaser at the price of 348,567,548 Baht to settle such outstanding debts that PFR has owed to the Purchaser.
Number of disposal Common Shares	:	1. the common shares in the amount of 1,257,999 shares, which is equivalent to 74% of the paid-up capital, disposed to The Brooker Group Public Company Limited 2. the common shares in the amount of 441,999 shares, which is equivalent to 26% of the paid-up capital, disposed to MCL Property Company Limited

<p>Disposal Price and fair/book value of Common Shares</p>	<p>:</p> <ul style="list-style-type: none"> <li>• The disposal price for disposition of shares in YLP in the amount of 1,257,999 shares to The Brooker Group Public Company Limited in the amount of 256,243,013.73 Baht (203.69 Baht per share).</li> <li>• The disposal price for disposition of shares in YLP in the amount of 441,999 shares to MCL Property Company Limited in the amount of 92,324,534.27 Baht (208.88 Baht per share).</li> </ul> <p>The total amount of disposition of shares in YLP in the amount of 1,699,998 shares in the amount of 348,567,548 Baht (average 205.04 Baht per share).</p> <p>The appraisal price of 347,490,000 Baht is the average price of the fair value evaluated by the financial advisor (who is granted by the Securities and Exchange Commission) in the range of 321,470,000 Baht to 373,510,00 Baht.</p> <p>As of 6 November 2019, the Company has an investment in YLP in the amount of 170,000,000 Baht.</p>
<p>Basis Adopted to Determine the Value of Consideration</p>	<p>:</p> <p>It has been negotiated and agreed with the seller and the purchaser by considering from the appraisal price from the financial advisor.</p>
<p>Expected Benefits for the Company</p>	<p>:</p> <ul style="list-style-type: none"> <li>• The Company will reduce debts from such divestment of YLP, i.e. <ul style="list-style-type: none"> <li>- Outstanding debts of PFR owed to the Purchaser 348,567,548 Baht</li> <li>- Outstanding debts of YLP owed to Kasikorn Bank Public Company 686,179,283 Baht</li> <li>- Others outstanding debts <u>478,551,562 Baht</u></li> <li>- Total outstanding debts which have been reduced <u>1,513,298,393 Baht</u></li> </ul> </li> <li>• Also, the Company will record a profit from such disposal in the consolidated financial statements at the amount of <b>34,731,343 Baht</b>.</li> </ul> <p>The book value of YLP in the consolidated financial statements of the Company as at 30 June 2019 is equivalent to 232,569,553 Baht.</p>
<p>Opinions of the Board of Directors</p>	<p>:</p> <p>The Board of directors have an opinion that as the Company has the obligations; therefore, they considered that the fair value of the Common Shares which has been appraised by the financial advisor and book value are appropriate. Therefore, the divestment in YLP ceased to be the Company's subsidiary will reduce the overall amount of outstanding debts of the Company. Then the Company has approved the disposition of total Common Shares in YLP held by the Company in the amount of 348,567,548 Baht which is not less than the book value.</p>
<p>Opinions of the Audit Committee and/or directors which are different from the</p>	<p>:</p> <p>None</p>

opinions of the Board of Directors	
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This transaction shall be deemed as disposition of assets of the Company. The size of the transaction is 1.65 percent pursuant to the total value of consideration basis based on the consolidated financial statements as of 30 June 2019 which is a basis having the highest transaction value. The Company has not have any disposal transaction during the past 6 months, therefore, it is not required to disclose the information on entering into such assets disposal transaction 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 Disposition of Assets, 2004. However, such disposition falls into the criteria of information disclosure for the case when investment or divestment affects significantly that the Company can have or end its subsidiary status, then, the Company is required to disclose the information to the Stock Exchange of Thailand pursuant to the Regulations of the Stock Exchange of Thailand Re: Rules, Conditions and Procedures Governing the Disclosure of Information and Other Acts of a Listed Company B.E. 2560 (2017) dated 2 October 2017.

The divestment in YLP is one of the financial restructuring plans. The Company also has the existing businesses which are property development i.e. Nimit Langsuan Project and MahaSamutr Project and the food and beverage business under brand Dean & DeLuca whereby the Company is promising to continue developing the projects.

Please be informed accordingly.

Yours sincerely,

- Signed -

(Mr. Sorapoj Techakraisri)  
Chief Executive Officer

**Information Memorandum regarding the Acquisition and Disposition  
of  
Pace Development Corporation Public Company Limited**

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By virtue of the resolution of the Board of Directors' meeting of Pace Development Corporation Public Company Limited (the "**Company**") No. 16/2019 held on 6 November 2019, which approved the disposition of 100% common shares ("**Common Shares**") in YLP Co., Ltd. ("**YLP**"), a subsidiary of the Company, in the amount of 348,567,548 Baht to The Brooker Group Public Company Limited and MCL Property Co., Ltd. (the "**Purchaser**") which are not the connected person of the Company (collectively referred to as the "**Transaction**").

Such Transaction is the acquisition and disposition of assets of the listed company pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated 31 August 2008; 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 or Disposal of Assets dated 29 October 2004 (the "**Acquisition or Disposition of Assets Notification**"), the size of the transaction calculated pursuant to the Acquisition or Disposal of Assets Notification by using the criteria of total value of consideration paid or received, which is the highest value, equals 1.65% of total assets of the Company (based on the consolidated financial statement as of 30 June 2019). The total size is under 15%; therefore, it is not required to disclose information on the Transaction pursuant to the Acquisition or Disposal of Assets Notification. However, this Transaction falls into the criteria of information disclosure for the case of the disposition of an investment in another company which results in that other company ceasing to be a subsidiary of the Company. The Company is required to disclose information memorandum to the SET with information according to the regulation related to Disclosure of Information and Other Acts of Listed Companies dated 2 October 2017.

In this regard, the details of the Transaction are set out as follows:

**1. Date, month, year to enter into the transaction**

Within 8 November 2019

**2. Name of the connected persons and the relationship**

Seller	:	Pace Development Corporation Public Company Limited
Purchaser	:	The Brooker Group Public Company Limited MCL Property Company Limited
Relationship to the Company	:	The Purchaser and the Company are not a connected person

**3. General Transaction and the Details of Disposed Assets**

Since Pace Food Retail Company Limited ("**PFR**") which is a subsidiary where the Company holds 100% shares entered in the loan agreement with the Purchaser and the Company, as a guarantor, has pledged the Common Shares in YLP with the Purchaser.

As of 6 November 2019, PFR has the outstanding debts, i.e. the principal in the amount of 312,247,000 Baht and the accrued interest in the amount of 36,320,548 Baht which is the total amount of 348,567,548 Baht with the Purchaser, the Company intends to dispose the Common Shares to the Purchaser at the price of 348,567,548 Baht to settle such outstanding debts that PFR has owed to the Purchaser.

### 3.1 General Information of Disposed Assets

Type of Security	:	Common Shares
Number of Disposed Shares	:	1,699,998 shares
Average Selling Price per Share	:	205.04 Baht
Total Selling Price	:	348,567,548 Baht
The Book Value of Shares as of 30 June 2019	:	232,569,553 Baht

### 3.2 General Information of YLP

Name of Business	:	YLP Company Limited
Type of Business	:	Property Development
Head Office Address	:	87/2 CRC Tower, All Seasons Place, 45 <sup>th</sup> floor, Unit 4, Wireless Road, Lumpini, Pathumwan, Bangkok 10330
Directors	:	As of 8 November 2019, YLP has 3 directors as follows: <ol style="list-style-type: none"> <li>1. Mr. Chotipol Techakraisri</li> <li>2. Mr. Sorapoj Techakraisri</li> <li>3. Mr. Chumpol Techakraisri</li> </ol>
Capital and Shareholders	:	As of 8 November 2019, YLP has the registered capital of 170,000,000 Baht divided into 1,700,000 ordinary shares with a par value of 100 Baht per share. As of 7 November 2019, the Company holds ordinary shares in YLP of approximately 100%
Current Project	:	Windshell Naradhiwas
Details of the current project as of 8 November 2019		
Location	:	Naradhiwas Rajanagarindra
Land Area	:	2 Rai 87.4 sq. wah
Total Units	:	Condominium Building, total 28 floors together with 36 residential units.
Sellable Area	:	18,476 sq. m.
Unit Size	:	453 – 634 sq. m.
Project Value	:	2,800 Million Baht
Construction Progress	:	95% Completed

Summary of the Financial Statements of YLP

<b>Financial Status</b>				
<b>YLP Company Limited Statement of Financial Status (Unit: THB Million)</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>Jan. – Jun. 2019<sup>1</sup></b>
Cash and cash equivalents	68.37	34.09	61.75	86.93
Cost of real estate development for sales	486.66	695.85	1,127.72	1,469.02
Advance payments for construction	-	68.41	35.12	11.98
Other current assets	0.83	0.53	0.29	0.27
<b>Total current assets</b>	<b>555.86</b>	<b>798.88</b>	<b>1,224.88</b>	<b>1,568.20</b>
Deferred loan procurement fees	8.20	-	-	-
Building improvement and equipment	4.29	6.97	3.62	2.47
Other non-current assets	0.93	0.89	0.02	0.15
<b>Total non-current assets</b>	<b>13.42</b>	<b>7.86</b>	<b>3.64</b>	<b>2.62</b>
<b>Total assets</b>	<b>569.28</b>	<b>806.74</b>	<b>1,228.52</b>	<b>1,570.82</b>
Short-term loans from financial institution	267.87	268.26	268.81	269.00
Trade and other payables	22.06	54.01	128.90	66.66
Advances and deposits received from customers	-	103.31	196.86	213.80
Other current liabilities	4.63	1.39	1.98	1.37
<b>Total current liabilities</b>	<b>294.56</b>	<b>426.97</b>	<b>596.55</b>	<b>550.83</b>
Loan from parent company and accrued interest expenses	-	47.09	209.21	240.23
Long-term loans from financial institution	-	94.00	200.74	555.65
Reserve for employee benefits	0.02	0.03	0.03	0.11
Other non-current liabilities	-	4.81	23.04	42.23
<b>Total non-current liabilities</b>	<b>0.02</b>	<b>145.93</b>	<b>433.02</b>	<b>838.22</b>
<b>Total liabilities</b>	<b>294.58</b>	<b>572.90</b>	<b>1,029.57</b>	<b>1,389.05</b>
Issued and fully paid-up capital	170.00	170.00	170.00	170.00
Retained earnings (deficit)	104.70	63.84	28.95	11.77
<b>Total shareholders' equity</b>	<b>274.70</b>	<b>233.84</b>	<b>198.95</b>	<b>181.77</b>
<b>Total liabilities and shareholders' equity</b>	<b>569.28</b>	<b>806.74</b>	<b>1,228.52</b>	<b>1,570.82</b>

Remark<sup>1</sup> : Based on internal financial statement of YLP

<b>Operating Performance</b>				
<b>YLP Company Limited Income Statement (Unit: THB Million)</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>Jan. – Jun. 2019<sup>1</sup></b>
Revenue from sales of residential units	-	-	-	-
Interest income	3.08	0.85	0.12	0.09
Other income	10.61	-	0.01	0.02
<b>Total revenue</b>	<b>13.69</b>	<b>0.85</b>	<b>0.13</b>	<b>0.11</b>
Cost of sales of residential units	-	-	-	-
Selling expenses	(2.18)	(24.30)	(15.27)	(7.81)
Administrative expenses	(14.22)	(16.16)	(17.75)	(8.39)
<b>Total Expenses</b>	<b>(16.40)</b>	<b>(40.46)</b>	<b>(33.02)</b>	<b>(16.20)</b>
<b>Profit (loss) before finance cost and income tax</b>	<b>(2.70)</b>	<b>(39.61)</b>	<b>(32.89)</b>	<b>(16.09)</b>
Finance cost	(0.30)	(1.25)	(2.00)	(1.09)
<b>Profit (loss) before income tax</b>	<b>(3.00)</b>	<b>(40.86)</b>	<b>(34.89)</b>	<b>(17.18)</b>
Income tax	-	-	-	-
<b>Profit (loss) for the period</b>	<b>(3.00)</b>	<b>(40.86)</b>	<b>(34.89)</b>	<b>(17.18)</b>

Remark<sup>1</sup> : Based on internal financial statement of YLP

## Basis of Transaction Size Calculation

### 1. Calculation based on the value of net tangible assets

Cannot be calculated because the Company's net tangible asset is negative

### 2. Calculation based on net operating profits

Cannot be calculated because the Company's and YLP's operating results are net loss

### 3. Calculation based on total value of consideration paid or received

$$\frac{\text{Value of transaction paid or received} \times 100}{\text{Total assets of listed company (based on audited financial statement as of 30 June 2019)}} = \frac{348,567,548 \times 100}{21,074,049,943} = 1.65\%$$

### 4. Calculation based on value of equity shares issued for the payment of assets

Cannot be calculated because there is no share issuance for the payment

## 4. Total Value of Consideration, Basis Used to Determine the Consideration Value and Payment Method

Total Value of Consideration : The total amount of disposition of shares in YLP in the amount of 1,699,998 shares in the amount of 348,567,548 Baht (average 205.04 Baht per share).

Basis Adopted to Determine the Value of Consideration : It has been negotiated and agreed with the seller and the purchaser by considering from the appraisal price in the range of 321,470,000 Baht to 373,510,00 Baht from the financial advisor (who is granted by the Securities and Exchange Commission), then the appraisal price is 347,490,000 Baht and the book value of shares as of 30 June 2019 is 232,569,553 Baht.

## 5. Expected Benefits for the Company

1. The Company will reduce debts from such divestment of YLP, i.e.
  - 1.1 Outstanding debts of PFR owed to the Purchaser 348,567,548 Baht
  - 1.2 Outstanding debts of YLP owed to Kasikorn Bank Public Company 686,179,283 Baht
  - 1.3 Others outstanding debts 478,551,562 BahtTotal outstanding debts which have been reduced 1,513,298,393 Baht
2. The Company will record a profit from such disposal in the consolidated financial statements at the amount of **34,731,343 Baht**.

**6. Opinions of the Board of Directors**

The Board of directors have an opinion that as the Company has the obligations; therefore, they considered that the fair value of the Common Shares which has been appraised by the financial advisor and book value are appropriate. Therefore, the divestment in YLP ceased to be the Company's subsidiary will reduce the overall amount of outstanding debts of the Company. Then the Company has approved the disposition of total Common Shares in YLP held by the Company in the amount of 348,567,548 Baht which is not less than the book value.

**7. Opinions of the Audit Committee and/or directors which are different from the opinions of the Board of Directors as referred in Clause 6**

No member of the Audit Committee has a different opinion from that of the Board of Directors.