

No. 011/2020

26 June 2020

- Subject:** Notification of the resolutions of the Board of Directors' Meeting regarding the Disposition of Assets by its subsidiaries and Determination of the Date and Agenda of the 2020 Annual General Meeting of Shareholders
- To:** President
The Stock Exchange of Thailand
- Enclosure:**
1. Information Memorandum Concerning the Disposition of Assets and Connected Transaction
 2. Information Memorandum Concerning the Business Restructuring by way of a Partial Business Transfer to the Company's Subsidiaries
 3. Capital Increase Report Form (F53-4)

Principal Capital Public Company Limited (the "**Company**") would like to notify important resolutions of its Board of Directors' Meeting No. 6/2020 held on 26 June 2020 as follows:

1. Resolved to approve (by non-interested directors) the amendments to certain details of the disposition of assets by a subsidiary of the Company to Miss Satita Viddayakorn ("**Khun Satita**") which is a related person of the Company, whereby the such disposition is the transaction that the Board of Directors' Meeting No. 2/2020 held on 27 February 2020 had resolved to approve to propose it to the shareholders' meeting. In this regard, the said amendments are due mainly to the adjournment of the 2020 Annual General Meeting of Shareholders ("**AGM**") and include the adjustment to the purchase price of the disposed assets (which is due to the increased carrying cost of the land resulting from the longer holding period and effecting the purchase price calculation), the adjustment to the transaction value and size according to each calculation basis (which is due to the adjustment to the purchase price above and the use of the updated financial statements as reference for calculation purposes) and the amendment to the method and price of the disposition of a plot of land in Chiang Mai province, with details of the transaction as set out below.

The disposition of the assets by the subsidiary of the Company comprise the following assets (collectively, the "**Assets**") at the total purchase price of not exceeding Baht 433,693,837.10 (the "**Purchase Price**") (previously not exceeding Baht 414,937,379.48)

- 1.1 four plots of land, having the total area of 49-3-93 rai, located in Ang-Thong province and owned by V Brilliant Group Holding Co., Ltd. ("**VB**"), a subsidiary of the Company, in consideration of the purchase price of not exceeding Baht 87,274,038.28 (previously not exceeding Baht 86,796,765.75);

- 1.2 two plots of land together with certain buildings located thereon, having the total area of 10-0-00 rai, located in Saraburi province and owned by VB, a subsidiary of the Company, in consideration of the purchase price of not exceeding Baht 32,088,166.97 (previously not exceeding Baht 31,912,687.51);
- 1.3 one plot of land together with certain buildings located thereon, having the total area of 30-0-03 rai, located in Chiang Mai province and owned by V33 Company Limited (“V33”), a subsidiary of the Company in which the Company indirectly hold its shares through VB. The Company will dispose such land through the sale of 28,124,998 ordinary shares of V33 which are held by VB, representing approximately 99.99 per cent of V33’s total issued and outstanding shares, with a par value of Baht 7.50 per share and Baht 6 paid-up per share (previously a direct sale of the land), in consideration of the purchase price of not exceeding Baht 176,955,771.44 (previously not exceeding Baht 159,603,328.43) (or approximately not exceeding Baht 6.29176 per share) and under further condition that after the transfer of V33 shares, Khun Satita shall procure V33 to repay all the amounts owed by it as of the transfer date of V33 shares to the Company and/or its subsidiary within 30 days from the transfer date of V33 shares, which as of 31 March 2020 accounts for a total of Baht 53,500;
- 1.4 one plot of land, having the total area of 5-3-35.2 rai, located in Udonthani province and owned by Udon Business District Company Limited (“UBD”), a subsidiary of the Company in which the Company indirectly hold its shares through VB. In lieu of a direct sale of the land, the Company will dispose such land through the sale of 12,899,998 ordinary shares of UBD (“UBD Shares”) which are held by VB, representing approximately 99.99 per cent of UBD’s total issued and outstanding shares, with a par value of Baht 10 per share, in consideration of the purchase price of not exceeding Baht 137,375,860.42 (or approximately not exceeding Baht 10.64929 per share) (previously not exceeding Baht 136,624,597.79 or approximately not exceeding Baht 10.59106 per share) and under the condition that after the transfer of UBD Shares, Khun Satita shall procure UBD to repay all the amounts owed by it as of the transfer date of UBD shares to the Company and/or its subsidiary within 30 days from the transfer date of UBD shares, which as of 31 March 2020 accounts for a total of Baht 301,952.06.

In this connection, the disposition of the foregoing plots of land is considered the exercise of the Company’s rights under the Share Sale and Purchase Agreement in respect of shares in VB entered into between Khun Satita and the Company dated 8 September 2016 (the “SPA”) and in accordance with additional agreements between such parties. Pursuant to the SPA, in the event that the Company or its subsidiaries do not wish to develop any project on the foregoing plots of land, the Company or its subsidiaries have the right to sell either one or all of such plots of land back to Khun Satita pursuant to the agreed conditions under the SPA within three years from the transfer date of VB shares. Such three-year period, however, has already expired and the parties have agreed to further extend such exercise period (together with extending the relevant promissory notes issued by the Company to Khun Satita under the SPA) to 31 December 2020. In this regard, Khun Satita agrees to make a one-time repayment of the Purchase Price in full within the date on which the Assets are transferred to Khun Satita and/or registered for the ownership transfer with the relevant authority, by (a) endorsing and delivering four promissory notes which the Company has issued to Khun Satita pursuant to the SPA (the

“**Promissory Notes**”) in a total amount of Baht 390,068,100 with interests accrued thereon at the rate of 1.75 per annum to VB instead of paying the Purchase Price in cash, such mechanism being considered a transfer of Khun Satita’s right to claim for the debts under the Promissory Notes to VB and thus, the Company will not be required to use its own cash for the repayment of its debts under the Promissory Notes to Khun Satita and can utilise such cash for further expansion of its healthcare business which is currently its main business; and (ii) making payment in cash in the total amount of Baht 16,474,826.40. However, in the event that the Company or its subsidiaries do not exercise their rights to resell such plots of land back to Khun Satita within the end of December 2020, the Company will be responsible to repay its debts under the Promissory Notes together with the interest at the rate of 1.75 per cent per annum accrued thereon, which will be due and payable on 31 December 2020, to Khun Satita in accordance with the terms of the Promissory Notes and the SPA. In this regard, the information regarding the right to resell the plots of land and the repayment of debts under the Promissory Notes has been disclosed to the shareholders in the relevant information memorandum for the purpose of the consideration and approval by the 2016 Extraordinary General Meeting of Shareholders No. 1/2016 of the acquisition of VB shares.

In this connection, the Company has considered and deemed that the proposed disposition of the Assets to Khun Satita at the Purchase Price will likely be in the best interest of its group company. However, the entry into the proposed disposition of the Assets will occur only after its receipt of the approval of the AGM. In light of this, it is initially anticipated that if the transaction is approved by the AGM, the proposed disposition will be completed within September 2020. Please refer to the enclosed Information Memorandum Concerning the Disposition of Assets and Connected Transaction for more information on the proposed disposition.

Further, there are certain additional consideration points in relation to the disposition of the Assets as set out below.

- (a) The entry into this transaction is considered a disposition of VB’s entire investment in V33 and UBD, which will result in V33 and UBD being ceased to be the subsidiaries of the Company.
- (b) The proposed disposition is considered a disposition of material assets pursuant to the Notification of the Capital Market Supervisory Board Notification No. TorJor. 20/2551 entitled Rules on the Entering into Material Transactions Deemed as the Acquisition or Disposition of Assets and the Notification of the Board of Governors of the Stock Exchange of Thailand entitled Disclosure of Information and Other Acts of the Listed Company Concerning the Acquisition or Disposition of Assets, 2004 (as amended) (the “**Major Transaction Rules**”). When considering the size of the disposition pursuant to each calculation method prescribed under the Major Transaction Rules and based on the consolidated financial statements of the Company for the three-month period ended 31 March 2020 reviewed by the Company’s auditor (previously calculated based on the consolidated financial statements of the Company for the year 2019 ended 31 December 2019), the transaction size is of the highest value when calculated in accordance with the total value of consideration basis, which equals 4.57 per cent of the total net tangible assets of the Company and its subsidiaries. In this connection, the Company has not entered into any previous disposition during the six-month period prior to this disposition. The transaction size is therefore classified as the transaction

having a total value of less than 15 per cent. Thus, this transaction falls under the approval authority of the Board of Directors of the Company and the Company is neither required to prepare and disclose the information memorandum regarding the acquisition and disposition of assets to the SET nor to obtain any approval from its shareholders as prescribed under the Major Transaction Rules.

- (c) In addition, this transaction is also considered a connected transaction pursuant the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 entitled Rules on Connected Transactions and the Notification of the Board of Governors of the SET entitled Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (A.D. 2003) (as amended) (the “**Related Party Transaction Rules**”) as Khun Satita is a direct major shareholder of the Company and an indirect shareholder of the Company through UBS AG HONG KONG BRANCH and Peak Development Holdings Ltd. When considering the size of the proposed disposition pursuant to the Related Party Transaction Rules and based on the consolidated financial statements of the Company for the three-month period ended 31 March 2020 reviewed by the Company’s auditor (previously calculated based on the consolidated financial statements of the Company for the year 2019 ended 31 December 2019), the transaction size equals 6.42 per cent of the total net tangible assets of the Company and its subsidiaries, which is more than three per cent of the total net tangible assets of the Company and its subsidiaries. In this connection, the Company has not entered into any previous related party transaction during the six-month period prior to this disposition. Based on the foregoing, the Company is therefore obliged to prepare an information memorandum concerning the connected transaction and disclose it to the SET, appoint an independent financial advisor to provide an opinion regarding the connection transaction to the shareholders as well as convene a general meeting of shareholders to approve the entry into such transaction.

In light of paragraphs (b) and (c) above, while the proposed disposition of the Assets is classified as the transaction having a total value less than 15 per cent whereby the transaction falls under the approval authority of the Board of Directors of the Company and thus, the Company is neither required to prepare and disclose the information memorandum regarding the acquisition and disposition of Assets to the SET nor to obtain any approval from its shareholders as prescribed under the Major Transaction Rules as set out in paragraph (b) above, this transaction is classified as the connected transaction under the Related Party Transaction Rule whereby the Company is obliged to prepare an information memorandum concerning the connected transaction, appoint an independent financial advisor to provide an opinion regarding the connection transaction to the shareholders as well as convene a general meeting of shareholders to approve the entry into the transaction as mentioned in paragraph (c) above. Thus, the Board of Directors’ Meeting of the Company No. 6/2020 deems it appropriate to propose to the AGM to also consider and approve the disposition of Assets under the Major Transaction Rules, pursuant to which the Company shall prepare and disclose to the SET the information memorandum and undertake any other necessary actions in the similar manner as those required in respect of a Class 1 Disposition Transaction pursuant to the Major Transaction Rules, namely arranging for an independent financial advisor to provide its opinion on the disposition transaction to the shareholders and convening a general meeting of shareholders to approve the entry into such transaction. In light of this, the Company has appointed Sage Capital Limited (who is approved by the Office of the Security and Exchange Commission) to be the

independent financial advisor providing its opinion on both the proposed disposition of Assets and the connected transaction for consideration by the shareholders. In this regard, the entry into this transaction requires affirmative votes of not less than three-fourths of the total votes of the shareholders attending and eligible to vote, excluding those of the interested shareholders.

Please refer to the enclosed Information Memorandum Concerning the Disposition of Assets and Connected Transaction for more information on the size of the transaction and details of the disposed Assets.

2. To fix the date for the 2020 Annual General Meeting of Shareholders on Monday 10 August 2020 at 13.30 p.m. at the Auditorium, 5th Floor, Cheer Tower, Somerset Ekamai Bangkok, Phra Khanong Nua Sub-district, Wattana District, Bangkok, 10110, to consider the following agenda:

Agenda 1 To consider and certify the minutes of no. 1/2019 Extraordinary General Meeting of shareholders

Opinions of the Board of Directors The Board of Directors is of the opinion that the minutes of the Extraordinary General Meeting of shareholder no. 1/2019 held on 5 September 2019 has been duly recorded and views it is appropriate to propose to the AGM to certify the minutes of the said meeting.

Agenda 2 To consider and acknowledge the report on the operating results of the Company and its subsidiaries for the year 2019 ended 31 December 2109

Opinions of the Board of Directors The Board of Directors views it is appropriate to propose to the AGM to acknowledge the report on the operating results of the Company and its subsidiaries for the year 2019 ended 31 December 2019

Agenda 3 To consider and approve the consolidated and separate financial statements of the Company for the year 2019 ended 31 December 2019

Opinions of the Board of Directors The Board of Directors views it is appropriate to propose to the AGM to consider and approve the consolidated and separated audited financial statements of the Company for the year 2019 ended 31 December 2019.

Agenda 4 To consider and approve the non-appropriation of the annual net profit to legal reserve and the omission of dividend payment in respect to the operating results of the year 2019

Opinions of the Board of Directors The Board of Directors views it is appropriate to propose to the AGM to consider and approve the non-appropriation of the annual net profit to legal reserve and the omission of dividend payment in respect of the operating results of the year 2019.

Agenda 5 To consider and elect the directors of the Company to replace those who retired by rotation

Opinions of the Board of Directors The Board of Directors views (by the directors having no conflict of interest) it is appropriate to propose to the AGM to consider and elect the following three directors who retire by rotation in 2020 to resume their directorship for another term:

- (1) Dr. Pongsak Viddayakorn (M.D.) Director, the Honorary Chairman
- (2) Mr. John LEE Kohshun Director, the Chairman of the Board of Director
- (3) Miss Tanatorn Viddayakorn Director, Executive Director and Chief Investment Officer

Agenda 6 To consider and approve the remuneration of the Company's directors for the year 2020

Opinions of the Board of Directors The Board of Directors views it is appropriate to propose to the AGM to consider and approve the remuneration of the Company's Directors for the year 2020 as follows:

- (1) Monetary Remuneration
 - 1.1 Meeting allowance

(Unit: Baht)

	Year 2020 (Proposed Year)	Year 2019
Board of Directors		
Honorary Chairman	15,000	-
Chairman of the Board of Directors	15,000	15,000
Chairman of the Audit Committee	15,000	15,000
Audit Committee	10,000	10,000
Directors	10,000	10,000
Audit Committee		
Chairman of the Independence Director	5,000	5,000
Independence Director	5,000	5,000

- 1.2 Directors' bonus for the performance of the year 2019 which will be the expense of the year 2020, in the amount of Baht 3,000,000, which is the same amount as the directors' remuneration for the performance of the year 2018 which was the expense of the year 2019.
 - 1.3 D&O insurance premium for the year 2020 in the amount of Baht 504,000, which is Baht 144,000 higher than that of the year 2019 due to the increase of the insured principle amount from Baht 400,000,000 to Baht 500,000,000.
 - 1.4 The Benefit of the treatment of medical expenses and annual health check-up of Directors of the Company and its subsidiaries of Directors at PRINC of shares 100%, amount of 1,000,000 baht per year to receive medical treatment at PRINC Hospital Suvarnabhumi.
- (2) Non-Monetary Remuneration
- 2.1 50% discount for medical expenses the exceeding of 1,000,000 baht of the Directors of the Company and of the Director of the subsidiaries Company at PRINC hold shares 100%, to receive medical treatment at PRINC Hospital Suvarnabhumi
 - 2.2 30% discount for all medical expenses of their spouse, child and parent of the Directors of the Company, throughout the term of directorship, to receive medical treatment at PRINC Hospital Suvarnabhumi

Agenda 7 To consider and appoint the auditors and determine the audit fee for the year 2020

Opinions of the Board of Directors The Board of Directors views it is appropriate to propose to the AGM to consider and approve the appointment of the following certified auditors of PricewaterhouseCoopers ABAS Company Limited to be the auditors of the Company and its subsidiaries for the year 2020:

- (1) Mr. Chanchai Chaiprasit, Certified Public Accountant No.3760; or
- (2) Mr. Paiboon Tunkoon, Certified Public Accountant No.4298, or
- (3) Miss Sinsiri Thangsombat Certified Public Accountant No.7352

provided that any of the above certified auditors is authorized to audit and opine on the financial statements of the Company and its subsidiaries and in the case where the above certified auditors cannot perform their duties, PricewaterhouseCoopers ABAS Company Limited shall arrange for its alternate certified public accountant to perform them instead, as well as resolved to approve to propose to the AGM to consider and approve the determination of the audit fee of the Company (excluding that of its subsidiaries) for the year 2020 to be in the amount of not exceeding Baht 3,350,000.

Agenda 8 To consider and approve the plan restructure of business by partial business transfer to its subsidiary and setting up new subsidiary

Opinions of the Board of Directors The Board of Directors views it is appropriate to propose to the AGM to consider and approve the following matters:

- (1) the restructuring of business in order to achieve the Company's expansion policy in Healthcare Business, through Partial Business Transfer (PBT), by transferring hotel and serviced apartment business namely the Marriott Executive Apartment Sathorn-Vista ("**Marriott Hotel**"), as well as all assets and liabilities in relation to and used for such business, agreements, licenses, and all relevant personnel relating to such business ("**Partial Business Transfer**") to a newly established subsidiary company (the "**Subsidiary Company**") for the purpose of accepting such transfer of business, of which its 100 percent of shares shall be held by V Brilliant Group Holding Co., Ltd. (a subsidiary company which the Company holds 100 percent of shares)

In this regard, the Company shall submit for the exemption of Value Added Tax, Specific Business Tax and Stamp Duty in connection with the partial business transfer in accordance with the Royal Decree issued under the Revenue Code, Re: Exemption of Taxes (No. 516), B.E. 2554 (2011) and the Notification of Director-General of Revenue Department, Re: Rules, Procedures and Conditions on the Partial Business Transfer of the public companies or limited companies, as well as other relevant notifications.

The consideration of such business transfer shall equal to Book Value or Adjusted Book Value or Fair Value or the appraisal value of the independent appraiser approved by the Office of the SEC (as the case may be) in accordance with types of assets and liabilities of the transferred business as of the transfer date. However, the value of the transferred business will depend on the duration which the Partial Business Transfer is conducted. After the Partial Business Transfer, the Company will maintain its listing status in the Stock Exchange of Thailand and focus on expanding healthcare business namely, private hospital business and private hospital management which is the core business of the Company.

Initially, the Company anticipates that the process of this Partial Business Transfer shall be commenced and completed within the year 2020. Details of the business restructuring plan are shown in the attached Information Memorandum (Enclosure 1).

The Partial Business Transfer to the Subsidiary Company is for restructuring of business operation of the Company. It would not cause any material effect to the overall assets of the group of Company; therefore, it is not considered as the disposal of assets of listed companies 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 31st August 2008, as well as the amendments thereto, and the Notification of the Board of Stock Exchange

of Thailand, Re: Disclosure and Practices of Listed Companies in relation to Acquisition or Disposal of assets B.E. 2547 dated 29th October 2004 (the “**Notification of the Acquisition or Disposal**”). However, such Partial Business Transfer is considered as the transfer of substantial part pursuant to Section 107 (2) (a) of the Public Limited Companies Act B.E. 2535 requiring the Company to obtain an approval on the business restructuring from its shareholders’ meeting which shall be passed by obtaining affirmative votes of not less than three-fourths of the total numbers of votes of shareholders present at the meeting and entitled to vote.

In addition, for facilitating the business restructuring of the group of Company, the Board of Directors’ Meeting deemed to propose to the shareholder’s meeting for consideration and approval, and for authorizing the Board of Directors, the Executive Committee and/or persons designated by the Board of Directors to:

- 1) Perform all acts relevant to and necessary for the business restructuring by the Partial Business Transfer to the Subsidiary Company which including but not limited to determination or change of the transfer date, determination or changes of the purchase price for Partial Business Transfer, determination or change of the Subsidiary Company’s registered capital to be in line with the consideration for the transferred business pursuant to the Rules, Procedures and Conditions on Partial Business Transfer of Public Limited Companies or Limited Companies for Exemption of Taxation as well as other relevant regulations of the Revenue Department;
- 2) Consider, review, adjust the plan and/or steps of Partial Business Transfer as deemed necessary and appropriate for being suitable to the circumstances and for avoidance of any effect that may happen to the Company’s business restructuring or for the flexibility of the business restructuring, including to consider annulling the business restructuring by the Partial Business Transfer as deemed appropriate taking into consideration the benefits and impacts therefrom on the Company and shareholders;
- 3) Prepare, negotiate, and/or execute a Partial Business Transfer Agreement and/or any other agreements relating to the business restructuring, including contacting, preparing and signing in an application and/or any documents relevant to the business restructuring through Partial Business Transfer; and submitting the same to the relevant authorities; and
- 4) Perform any other acts necessary for or relevant to the business restructuring in order to achieve the success of business restructuring.

- (2) establishment the Subsidiary Company for acceptance of Partial Business Transfer where V Brilliant Group Holding Co., Ltd. (a subsidiary company which the Company holds 100 percent of shares) shall hold 100 percent of shares of the Subsidiary Company. The Subsidiary Company shall have initial registered capital at Baht 1,000,000.
- (3) appointment of the Company's auditors to certify the affiliated companies between the Company and the Subsidiary Company to be established for acceptance of Partial Business Transfer pursuant to Article 7 of the Notification of the Director-General of Revenue Department, Re: Rules, Procedures and Conditions on the Partial Business Transfer of the public companies or limited companies for Exemption of Taxation, dated 27th September 2011 which prescribes that the auditor of transferor company and transferee company who has qualifications as prescribed in Section 3 Septem of the Revenue Code shall certify the account for the fiscal year in which the Partial Business Transfer is occurred, and shall certify the business operation and the affiliated companies.

Agenda 9 To consider and approve the disposition of assets of the Company's subsidiary to Miss Satita Viddayakorn who is a related person of the Company

Opinions of the Board of Directors The Board of Directors views it is appropriate to propose to the AGM to consider and approve the disposition of assets of the Company's subsidiary to Miss Satita Viddayakorn who is a related person of the Company pursuant to the details set out in paragraph 1 above.

Agenda 10 To consider and approve the reduction of the Company's registered capital in the amount of Baht 101,759,452 from the existing registered capital of Baht 3,564,096,272 to the new registered capital of Baht 3,462,336,820, by cancelling its existing 101,759,452 authorized but unissued ordinary shares at par value of one Baht per share, and the amendment to Clause 4 of the memorandum of association of the Company to reflect the reduction of the Company's registered capital

Opinions of the Board of Directors The Board of Directors views it is appropriate to propose to the AGM to consider and approve the reduction of the Company's registered capital in the amount of Baht 101,759,452 from the existing registered capital of Baht 3,564,096,272 to the new registered capital of Baht 3,462,336,820, by cancelling the Company's existing 101,759,452 authorized but unissued ordinary shares at par value of one Baht per share, which were the remaining ordinary shares that were issued to accommodate the allocation of the Company's newly issued shares under the General Mandate scheme in accordance with the resolutions of the 2019 Annual General Meeting of Shareholders and will expire on the date of this AGM as well as resolved to approve to propose to the AGM to consider and approve the amendment to Clause 4 of the Company's memorandum of association to reflect the reduction of the Company's registered capital.

Agenda 11 To consider and approve the increase of the Company's registered capital under the General Mandate scheme in the amount of Baht 346,233,682, , from the existing registered capital of Baht 3,462,336,820 (which is the registered capital after the reduction of the registered capital as specified in Agenda 10 above) to the new registered capital of Baht 3,808,570,502, by issuing 346,233,682 newly issued ordinary shares at par value of one Baht per share to accommodate the offering of the newly issued ordinary shares by way of private placement, and the amendment to Clause 4 of the memorandum of association of the Company to reflect the increase of the Company's registered capital

Opinions of the Board of Directors The Board of Directors views it is appropriate to propose to the AGM to consider and approve the increase of the Company's registered capital under the General Mandate scheme in the amount of Baht 346,233,682, from the existing registered capital of Baht 3,462,336,820 (which is the registered capital after the reduction of the registered capital as specified in Agenda 9 above) to the new registered capital of Baht 3,808,570,502, by issuing 346,233,682 new ordinary shares at par value of one Baht per share (further details of which are as set out in the Capital Increase Report Form (F53-4)) to accommodate the offering and allocation of the Company's newly issued ordinary shares by way of private placement as well as resolved to approve to propose to the AGM to consider and approve the amendment to Clause 4 of the Company's memorandum of association to reflect the increase of the Company's registered capital.

Agenda 12 To consider and approve the allocation of 346,233,682 newly issued ordinary shares under the General Mandate scheme by way of private placement

Opinions of the Board of Directors The Board of Directors views it is appropriate to propose to the AGM to consider and approve the allocation of not exceeding 346,233,682 newly issued ordinary shares of the Company at par value of one Baht under the General Mandate scheme, representing not exceeding 10 per cent of the Company's paid-up capital as of the date on which this agenda has been approved by the Board of Directors, by way of private placement, including the authorization of the Board of Directors to consider and perform, or cause to be done, any actions relating to the allocation of the Company's newly issued ordinary shares, which include but not limited to the following:

- (1) considering the offering for sale and allocation of the newly issued ordinary shares whether in whole or in part and whether in a single offering or multiple offerings;
- (2) determining the objectives, offering period, offering price, investors to whom the shares will be offered, subscription and settlement methods as well as other terms and conditions in relation to the allocation of such newly issued ordinary shares;
- (3) negotiating, agreeing, entering into and signing any agreements and/or documents necessary and relevant to the allocation of such newly issued ordinary shares, including amending such agreements and documents and information memorandum or related disclosure, as well as considering and

- appointing any financial advisors, legal advisors, underwriters, and/or other service providers (if any or as necessary);
- (4) signing applications, waivers, notices and any documents relating to the allocation of such newly issued ordinary shares, including effecting relevant registrations with the Ministry of Commerce and listing such newly issued ordinary shares on the Stock Exchange of Thailand (the “SET”) as well as contacting, coordinating and filing documents with relevant government authorities or other agencies (whether in Thailand or overseas); and
 - (5) undertaking any acts necessary and relevant to complete the allocation of the newly issued ordinary shares, including authorizing any person(s) the Board of Directors deems appropriate to undertake any actions specified in paragraphs (3) and (4) above.

In this regard, the Company will allocate the newly issued ordinary shares by way of private placement, whereby (a) such shares shall be offered to not exceeding 50 institutional investors and/or specific investors during any 12-month period, such investors not being considered the connected persons pursuant to the Related Party Transaction Rules, and (b) the offering price of the newly issued ordinary shares of the Company under the General Mandate scheme by way of private placement shall be the best price in accordance with the market condition during the offering period and shall be for the best interest of the Company and its shareholders. Such offering price may be discounted at not exceeding 10 per cent of the market price pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 72/2558 entitled Approval for Listed Companies to Offer Newly Issued Ordinary Shares by way of Private Placement, calculated based on the weighted average price of the Company’s shares traded on the SET during the period from between seven consecutive business days to not exceeding 15 consecutive business days prior to the date of determination of the offering price by the Board of Directors. Please refer to the Capital Increase Report Form (Form 53-4) for further details.

Agenda 13 To consider other matters (if any)

As the matters to be proposed to the AGM for consideration and approval pursuant to Agenda 11 and Agenda 12 above concern the increase of the Company’s registered capital under the General Mandate scheme and the allocation of newly issued ordinary shares under the General Mandate scheme by way of private placement, which are related matters, thus, in considering and approving such matters, shareholders should do so by taking into account that Agenda 11 and Agenda 12 are related and conditional upon one another. If any agenda is not approved by the AGM, the other agenda that have already been approved shall be cancelled or such other agenda shall not be further proposed for consideration.

In this regard, the Company has set the date for determining the names of shareholders who shall be entitled to attend the 2020 Annual General Meeting of Shareholders (Record Date) on 10 July 2020, and authorized the Managing Director and/or any person(s) appointed by the Board of Directors with the power and authority to consider and amend the Record Date as well as perform any act in relation to the calling of the AGM, including amending the date, time and venue of the AGM, and other relevant

details and amending the agenda of the AGM as necessary and appropriate taking into consideration the benefits and impacts therefrom on the Company.

Further, the Board of Directors' Meeting acknowledged that no shareholder had proposed any additional agenda of the AGM or candidate for the election of the Company's directors for the 2020 Annual General Meeting of Shareholders following the notification by the Company of the Criteria and Procedures for Minority Shareholders to Submit Additional Agenda for Consideration by the AGM and Nomination of Candidates for the Election of the Company's Directors in advance according to the Good Corporate Governance Principle concerning the Shareholders' Rights.

Under the current outbreak of the coronavirus disease (COVID-19), in order to prevent the risk of infection from such outbreak and to preserve the rights and benefits of the shareholders, the Company wishes to encourage the shareholders to consider appointing the Company's independent directors as their proxy in attending the meeting on behalf of the shareholders.

The Company will also disclose the details of the 2020 Annual General Meeting of Shareholders and its agenda online at <http://www.principalcapital.co.th>. For any inquiry, please contact the Company's Corporate Secretary at the email address secretarywhistle@principalcapital.co.th, or telephone no. 02-714-2173.

Please be informed accordingly

Yours faithfully,

Principal Capital Public Company Limited

-Signature-

(Miss Ritima Jirasuradate)

Corporate Secretary

-Translation-

Enclosure 1

Information Memorandum of Business Restructuring Plan

Principal Capital Public Company Limited

The Board of Directors' meeting of Principal Capital Public Company Limited (the "**Company**") Session 2/2020 held on 27th February 2020 had the resolution approving the Business Restructuring Plan by Partial Business Transfer (PBT) to a newly incorporated subsidiary (the "**Subsidiary**") for business transfer purpose, which will propose to the shareholders meeting for approval. The details of the Business Restructuring Plan are as follows:

1. Business Restructuring through Partial Business Transfer: PBT

Under the Company's business restructuring plan, in order to achieve the Company's expansion policy in Healthcare Business, the Company will restructure its business through Partial Business Transfer, by transferring hotel and serviced apartment business namely Marriott Executive Apartment Sathorn-Vista ("**Marriott Hotel**"), as well as all assets and liabilities in relation to and used for such business, agreements, licenses, and all relevant personnel relating to such business ("**Partial Business Transfer**") to a newly established subsidiary company (the "**Subsidiary Company**") for the purpose of accepting such transfer of business, of which its 100 percent of shares shall be held by V Brilliant Group Holding Co., Ltd. (a subsidiary company which the Company holds 100 percent of shares), resulting the Subsidiary Company be an indirect subsidiary company of the Company.

In this regard, the Company shall submit for the exemption of Value Added Tax, Specific Business Tax and Stamp Duty in connection with the partial business transfer in accordance with the Royal Decree issued under the Revenue Code, Re: Exemption of Taxes (No. 516), B.E. 2554 (2011) and the Notification of Director-General of Revenue Department, Re: Rules, Procedures and Conditions on the Partial Business Transfer of the public companies or limited companies, as well as other relevant notifications. (hereinunder referred to as "**PBT Conditions**")

The consideration of such business transfer shall equal to Book Value or Adjusted Book Value or Fair Value or the appraisal value of the independent appraiser approved by the Office of the SEC (as the case may be) in accordance with types of assets and liabilities of the transferred business as of the transfer date and in accordance with the conditions of the partial business transfer. However, the value of the transferred business will depend on the duration which the Partial Business Transfer is conducted. In order to comply with the PBT Conditions, the Net Asset Value of the Subsidiary Company must be not less than the value of the assets and liabilities transferred from the Company on the date the Partial Business Transfer occurred. Hence, the Subsidiary Company will increase its registered capital to be in line with the consideration for the transferred business pursuant to the PBT Conditions, and the V Brilliant Group Holding Co., Ltd. will subscribe all of the Subsidiary Company's ordinary shares offered therefrom.

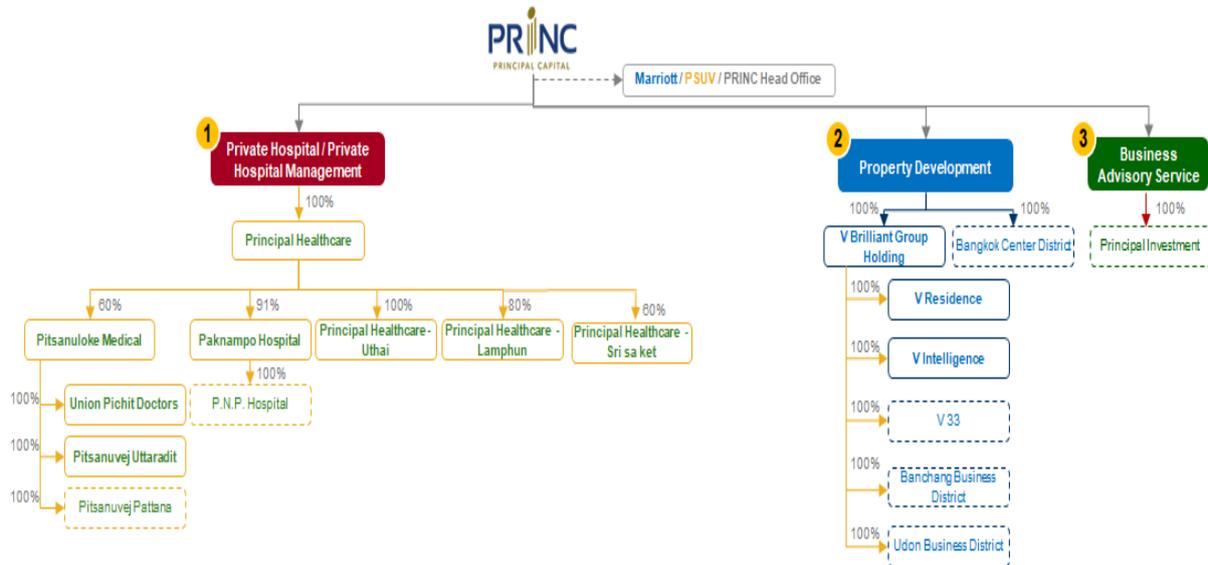
Estimated expenses regarding the Partial Business Transfer which include legal and tax advisor fees, government fee regarding the relevant registration, miscellaneous expenses regarding the Partial Business Transfer's proceeding shall be at approximately Baht 9.7 million.

The Company anticipates that the process of this Partial Business Transfer shall be commenced and completed within the year 2020. In this regard, after the Partial Business Transfer, the Company will maintain its listing status in the Stock Exchange of Thailand by focusing on expanding healthcare business, namely, private hospital business and private hospital management which is the core business

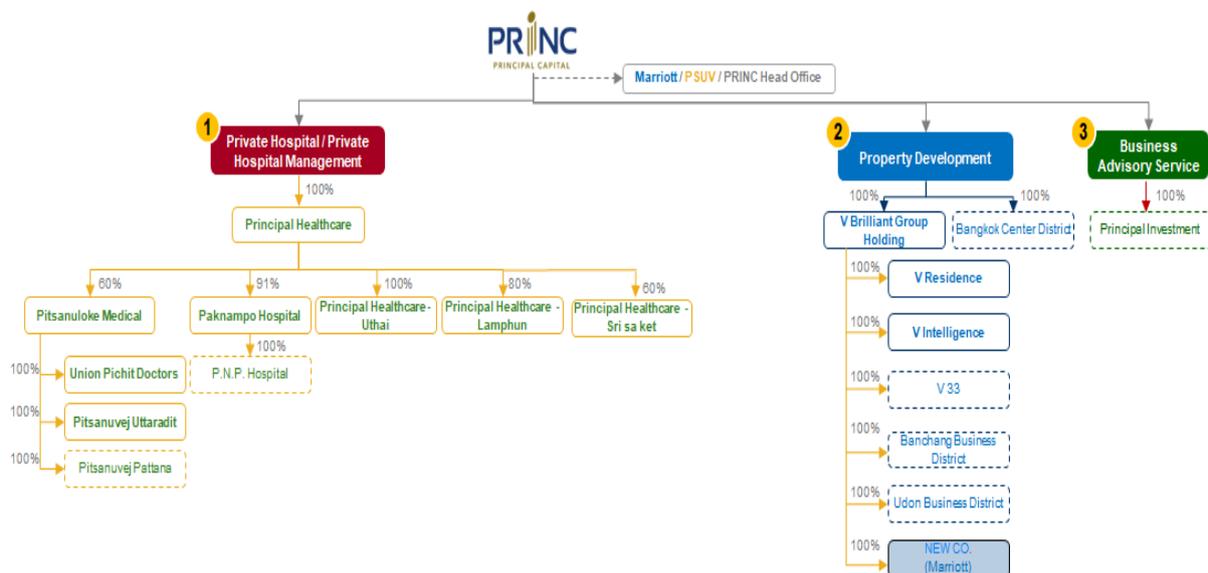
of the Company. The Company will continue its business of property development for rent in form of hotel and service apartment, and full-service office for rent through its subsidiary companies.

2. Flowchart of Structure of Group of Company Pre and Post the Business Restructuring

Current Structure as of 27th February 2020 (Pre-Restructuring)



Post-Structure after the Business Restructuring



3. Details of the Subsidiary Company to be established for acceptance of Partial Business Transfer

Registered Capital:	Initial registered capital shall be at Baht 1 million, divided into 10,000 ordinary shares with a par value of Baht 100 each. To comply with the PBT Rules, the Subsidiary Company's net asset value shall be more than the assets and liabilities to be transferred by the Company as of the transfer date. Therefore, the Subsidiary Company shall increase its registered capital in order to be in accordance with the PBT Rules where V Brilliant Group Holding Co., Ltd. (a subsidiary company which the Company holds 100 percent of shares) shall subscribe the entire increased capital shares.
Shareholders:	V Brilliant Group Holding Co., Ltd. (a subsidiary company which the Company holds 100 percent of shares) shall hold 100% shares in the Subsidiary Company, and to comply with the applicable laws, another 3 executives shall hold 1 share each.
Objectives:	To operate hotel and services apartment business.

4. Principles and Rational for business restructuring

The business restructuring is to achieve the Company's strategy plan in relation to clarity of management and operation in each business, to build business sustainability and continuous growth, to enhance business opportunity in expansion, and to increase efficiency in operation and management of the group of the Company, based on the principles and rational as follows:

4.1 For clarity and business risk management

As the group of the Company operates business in various sectors such as private hospital business and private hospital management, real estate development business, information service business and investment consulting business, the business restructuring by transferring business relating to Marriott Hotel business to the Subsidiary Company, held by V Brilliant Group Holding Co., Ltd. will provide more clarity of the business structure. In addition, such business restructuring shall be able to separate and manage risk in each business more effectively, manage risks to comply with the expected remuneration in such business, and to mitigate risk which may occur in the future transaction to be the appropriate level that shall not affect other core business of the Company.

4.2 For business expansion and opportunity in finding partnership or business alliances

The proposed business restructuring shall cause the Company to be more flexible in business expansion in private hospital business and private hospital management business as the core businesses of the Company, and to enhance opportunity in finding new partnership or business alliances either individual, juristic person or financial institution who has interested in or has specific expertise in certain business. As the new partnership or business alliances shall not be required to jointly invest or bear the risks in other business of the group of the Company, it will make the investment become more interesting. The business restructuring shall also increase the ability in business competition and increase remuneration for the shareholders in long-term.

4.3 For increase of efficiency in operation and organization management

The business restructuring will increase efficiency in operation and organization management of the group of the Company to have more flexibility that it shall be able to adjust its operation as deemed appropriate. Besides, it shall also separate risks in each business which would help the organization management become more flexible. The Company can use the financial report of each business, due to the separation, to analyze and follow its financial status, and to improve efficiency.

5. Steps for Business Restructuring

- 5.1 The Company shall arrange for the 2020 Annual General Meeting of Shareholders on Monday 10 August 2020 to approve the business restructuring by means of Partial Business Transfer, and other actions relating to the business restructuring.
- 5.2 Upon receipt of the approval from the shareholders' meeting, the Company shall establish the Subsidiary Company for acceptance of the Partial Business Transfer as detailed above, and any further proceed shall be further informed.
- 5.3 On the transfer date, the Company shall transfer the business in relation to the Marriott Hotel Business, including related assets and liabilities in relation to and used for such business, agreements, licenses and all relevant personnel, for the consideration amount equivalent to Book Value or Adjusted Book Value or Fair Value or the appraisal value of the independent appraiser approved by the Office of the SEC depending on the types of assets and liabilities of the transferred business as discussed with the authorities to be in accordance with the conditions of the partial business transfer. The Company shall cause the Subsidiary Company to increase its registered capital to be not less than the net asset value as of the transfer date in order to comply with the PBT Conditions. By this mean, the Company may apply for exemption of taxations in relation to the transfer of assets relating to the transferred business under the PBT Conditions.

In this regard, the business restructuring in relation to the Partial Business Transfer is expected to be commenced and completed within the year 2020. Upon completion, the Company shall still be the listed company in the Stock Exchange of Thailand, principally focusing on private hospital business and private hospital management business. The Company shall also be operating real estate development for rent business in hotel and serviced apartment, and full-serviced office for rent through the subsidiary companies.

In addition, for facilitating the business restructuring of the group of Company, the Board of Directors' Meeting deemed to propose to the shareholder's meeting for consideration and approval, and for authorizing the Board of Directors, the Executive Committee and/or persons designated by the Board of Directors to:

- (1) Perform all acts relevant to and necessary for the business restructuring by the Partial Business Transfer to the Subsidiary Company which including but not limited to determination or change of the transfer date, determination or changes of the purchase price for Partial Business Transfer, determination or change of the Subsidiary Company's registered capital to be in line with the consideration for the transferred business pursuant to the Rules, Procedures and Conditions on Partial Business Transfer of Public Limited Companies or Limited Companies for Exemption of Taxation as well as other relevant regulations of the Revenue Department;
- (2) Consider, review, adjust the plan and/or steps of Partial Business Transfer as deemed necessary and appropriate for being suitable to the circumstances and for avoidance of any effect that may happen to the Company's business restructuring or for the flexibility of the business restructuring, including to consider annulling the business restructuring by the Partial Business Transfer as deemed appropriate taking into consideration the benefits and impacts therefrom on the Company and shareholders;
- (3) Prepare, negotiate, and/or execute a Partial Business Transfer Agreement and/or any other agreements relating to the business restructuring, including contacting, preparing and signing in an application and/or any documents relevant to the business restructuring through Partial Business Transfer; and submitting the same to the relevant authorities; and
- (4) Perform any other acts necessary for or relevant to the business restructuring in order to achieve the success of business restructuring.

6. Supervision of Businesses and Management

Due to the business restructuring, there shall be the transfer of assets and liabilities in relation to Marriott Hotel Business, including all related personnel to the Subsidiary Company. The Company shall be supervising and prescribing the policy in business operation of the Subsidiary Company where the main executives of the Subsidiary Company shall be the former executives having managed in such business in the Company.

Upon completion of the business restructuring, the supervision and management structure of the Company shall remain unchanged that the Company shall supervise the business operation of the Subsidiary Company by the Board of Directors, executives, and CEO of the Subsidiary Company, appointed by the Company. The Company shall manage the business with transparency in relation to the Corporate Governance and other official related rules and regulations.

The Company may consider adjustment of the supervision and management structure of the Company in the future as deemed necessary and appropriate for business operation in case there is any new business commencement or business strategy plan adjustment.

7. Effects of the Business Restructuring on the financial status and operation results of the Company

The business restructuring by transferring Marriott Hotel Business to the Subsidiary Company shall not affect the financial status and operation results of the Company, as it is the Partial Business Transfer to the Subsidiary Company which the Company holds 100 shares indirectly. Therefore, the financial status and the operation results of the Company shown in the consolidated financial statement after the business restructuring shall not be different from the financial status and the operation results of the Company shown in the consolidated financial statement prior to the business restructuring, except for costs and expenses incurred in connection with the business transfer such as relevant taxes and government fees etc. The business restructuring shall not materially affect the financial status and the operation results of the Company.

8. Effect of the Business Restructuring on the shareholders of the Company

The business restructuring by transferring Marriott Hotel Business to the Subsidiary Company will cause the Company, after the completion of the business restructuring, to be the shareholder indirectly holding all shares in the Subsidiary Company where its shareholding structure remains unchanged. The business restructuring shall not affect the shareholders of the Company.

9. Board of Directors' Opinion in relation to the Transaction

The Board of Directors of the Company views that the business restructuring by transferring Marriott Hotel Business to the Subsidiary Company is for clarity of business sector separation, risk management in each business to be more effective, business sustainability and continuous growth, increase in business operation and management efficiency, and increase in opportunity of business expansion to be in accordance with the business strategy plan of the group of the Company. Such transaction therefore is appropriate and reasonable. The Board of Directors deemed to approve the business restructuring plan through the Partial Business Transfer.

10. Opinion of Audit Committee or other Directors of the Company which is different from the Board of Directors' Opinion

- None -

**Information Memorandum Concerning the Disposition of Assets and
Connected Transaction of Principal Capital Public Company Limited**

The Board of Directors' Meeting of Principal Capital Public Company Limited (the "**Company**" or "**PRINC**") Session 6/2020 held on 26 June 2020 (the "**Board Meeting**") has resolved to propose to the Annual General Meeting of Shareholders for the year 2020 (the "**AGM**") to consider and approve the disposition of assets by a subsidiary of the Company (the "**Asset**") to Miss Satita Viddayakorn ("**Khun Satita**") which is a related person of the Company, at the total purchase price of not exceeding Baht 433,693,837.10 (the "**Purchase Price**"):

- (a) four plots of land, having the total area of 49-3-93 rai, located in Ang-Thong province and owned by V Brilliant Group Holding Co., Ltd. ("**VB**"), a subsidiary of the Company ("**Ang-Thong Land**"), in consideration of the purchase price of not exceeding Baht 87,274,038.28;
- (b) two plots of land together with certain buildings located thereon, having the total area of 10-0-00 rai, located in Saraburi province and owned by VB, a subsidiary of the Company ("**Saraburi Land**"), in consideration of the purchase price of not exceeding Baht 32,088,166.97;
- (c) one plot of land together with certain buildings located thereon, having the total area of 30-0-03 rai, located in Chiang Mai province and owned by V33 Company Limited ("**V33**"), a subsidiary of the Company in which the Company indirectly hold its shares through VB ("**Chiang Mai Land**"). In lieu of a direct sale of the land, the Company will dispose such land through the sale of 28,124,998 ordinary shares of V33 which are held by VB, representing approximately 99.99 per cent of V33's total issued and outstanding shares, with a par value of Baht 7.50 per share and Baht 6 paid-up per share, in consideration of the purchase price of not exceeding Baht 176,955,771.44 (or approximately not exceeding Baht 6.29176 per share) and under further condition that after the transfer of V33 shares, Khun Satita shall procure V33 to repay all the amounts owed by it to the Company and/or its subsidiary as of the transfer date of V33 shares to the Company and/or its subsidiary within 30 days from the transfer date of V33 shares, which as of 31 March 2020 accounts for a total of Baht 53,500; and
- (d) one plot of land, having the total area of 5-3-32.2 rai, located in Udonthani province and owned by Udon Business District Company Limited ("**UBD**"), a subsidiary of the Company in which the Company indirectly hold its shares through VB ("**Udon Thani Land**"). In lieu of a direct sale of the land, the Company will dispose such land through the sale of 12,899,998 ordinary shares of UBD which are held by VB, representing approximately 99.99 per cent of UBD's total issued and outstanding shares, with a par value of Baht 10 per share, in consideration of the purchase price of approximately not exceeding Baht 137,375,860.42 (or approximately not exceeding Baht 10.64929 per share) and under the condition that after the transfer of UBD shares, Khun Satita shall procure UBD to repay all the amounts owed by it to the Company and/or its subsidiary as of the transfer date of UBD shares to the Company and/or its subsidiary within 30 days from the transfer date of UBD shares, which as of 31 March 2020 accounts for a total of Baht 301,952.06.

The key details of the proposed disposition are as follows:

1. Date / Month / Year of the Transaction

VB, a subsidiary of the Company will enter into the proposed disposition of the Assets after the receipt of approval of the meeting of shareholders of the Company which will be held on 10 August 2020. In light of this, it is initially anticipated that if the transaction is approved by the AGM, the proposed disposition will be completed within September 2020.

2. Relevant Parties and their Relationship with the Company

Relevant Parties

Seller: Miss Satita Viddayakorn (“**Khun Satita**”)

Purchaser: V Brilliant Group Holding Co., Ltd. (“**VB**”)

Relationship with the Company

Khun Satita is considered a related person of the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 entitled Rules on Related Party Transactions and the Notification of the Board of Governors of the SET entitled Disclosure of Information and Act of Listed Company Concerning the Connected Transactions, 2003 (as amended) (the “**Related Party Transaction Rules**”) as Khun Satita is (1) the Company’s major shareholder, both directly and indirectly via UBS AG HONG KONG BRANCH and Peak Development Holdings Ltd., both holding a total of 1,917,852,143 shares or representing approximately 55.39 per cent of the total issued and outstanding shares of the Company; (2) the daughter and a concert party of Dr. Satit Viddayakorn, a director and major shareholder the Company; and (3) a concert party of Peak Development Holdings Ltd., a shareholder of the Company.

3. General Characteristic of the Transactions

VB, a subsidiary of the Company will enter into the proposed disposition of the following assets with Khun Satita which is a related person of the Company, at the total purchase price of not exceeding Baht 433,693,837.10. In this regard, Khun Satita will make a one-time repayment of the Purchase Price in full within the date on which the Assets are transferred to Khun Satita and/or registered for the ownership transfer with the relevant authority.

- (a) Ang-Thong Land, owned by VB, in consideration of the purchase price of not exceeding Baht 87,274,038.28;
- (b) Saraburi Land, owned by VB, in consideration of the purchase price of not exceeding Baht 32,088,166.97;
- (c) Chiang Mai Land, owned by V33, and in lieu of a direct sale of the land, the Company will dispose such land through the sale of 28,124,998 ordinary shares of V33 shares which are held by VB, representing approximately 99.99 per cent of V33’s total issued and outstanding shares, with a par value of Baht 7.50 per share and Baht 6 paid-up per share, in consideration of the purchase price of not exceeding Baht 176,955,771.44 (or approximately not exceeding Baht 6.29176 per share) and under further condition that after the transfer of V33 shares, Khun Satita shall procure V33 to repay all the amounts owed by it to the Company and/or its subsidiary as of the transfer date of V33 shares

to the Company and/or its subsidiary within 30 days from the transfer date of V33 shares, which as of 31 March 2020 accounts for a total of Baht 53,500; and

- (d) Udon Thani Land, owned by UBD, and in lieu of a direct sale of the land, the Company will dispose such land through the sale of 12,899,998 ordinary shares of UBD shares which are held by VB, representing approximately 99.99 per cent of UBD's total issued and outstanding shares, with a par value of Baht 10 per share, in consideration of the purchase price of not exceeding Baht 137,375,860.42 (or approximately not exceeding Baht 10.64929 per share) and under the condition that after the transfer of UBD shares, Khun Satita shall procure UBD to repay all the amounts owed by it to the Company and/or its subsidiary as of the transfer date of UBD shares to the Company and/or its subsidiary within 30 days from the transfer date of UBD shares, which as of 31 March 2020 accounts for a total of Baht 301,952.06.

In this connection, the disposition of the foregoing plots of land is considered the exercise of the Company's rights under the Share Sale and Purchase Agreement in respect of shares in VB entered into between Khun Satita and the Company dated 8 September 2016 (the "SPA") and in accordance with additional agreements between such parties. Pursuant to the SPA, in the event that the Company or its subsidiaries do not wish to develop any project on the foregoing plots of land, the Company or its subsidiaries have the right to sell either one or all of such plots of land back to Khun Satita ("**Right To Sell Back**") pursuant to the agreed conditions under the SPA (Please refer to further details regarding the transaction size calculations and payment in item 5 and item 6 below) within three years from the transfer date of VB shares. Such three-year period, however, has already expired and the parties have agreed to further extend such exercise period (together with extending the relevant promissory notes issued by the Company to Khun Satita under the SPA) to 31 December 2020. In this regard, Khun Satita agrees to make a one-time repayment of the Purchase Price in full within the date on which the Assets are transferred to Khun Satita and/or registered for the ownership transfer with the relevant authority, by (a) endorsing and delivering four promissory notes which the Company has issued to Khun Satita pursuant to the SPA (the "**Promissory Notes**") in a total amount of Baht 390,068,100 with interests accrued thereon at the rate of 1.75 per annum to VB instead of paying the Purchase Price in cash, such mechanism being considered a transfer of Khun Satita's right to claim for the debts under the Promissory Notes VB and thus, the Company will not be required to use its own cash for the repayment of its debts under the Promissory Notes to Khun Satita and can utilise such cash for further expansion of its healthcare business which is currently its main business; and (ii) making payment in cash in the total amount of Baht 16,474,826.40 (which is equivalent to the cash balance of V33 less related expenses as detailed in item 6 below). In addition, Khun Satita undertakes to be solely responsible for the land transfer fees, fees, special business tax, other expenses related to the transfer of land and taxes incurred in respect of the Company and/or its subsidiaries in connection with the resale of the Assets (if any). However, in the event that the Company or its subsidiaries do not exercise their Right to Sell Back such plots of land to Khun Satita within the end of December 2020, the Company will be responsible to repay its debts under the Promissory Notes together with the interest at the rate of 1.75 per cent per annum accrued thereon, which will be due and payable on 31 December 2020, to Khun Satita in accordance with the terms of the Promissory Notes and the SPA.

In light of this, it is initially anticipated that if the transaction is approved by the AGM, the proposed disposition will be completed within September 2020. The entry into this transaction will result in both V33 and UBD being ceased to be the subsidiaries of the Company.

3.1 Disposition of Assets

This proposed disposition is considered a disposition of material assets pursuant to the Notification of the Capital Market Supervisory Board Notification No. TorJor. 20/2551 entitled Rules on the Entering into Material Transactions Deemed as the Acquisition or Disposition of Assets and the Notification of the Board of Governors of the Stock Exchange of Thailand entitled Disclosure of Information and Other Acts of the Listed Company Concerning the Acquisition or Disposition of Assets, 2004 (as amended) (the “Major Transaction Rules”), with details of the transaction size calculations in accordance with relevant basis as follows:

1. Net Tangible Asset Value Basis

Net Tangible Asset Value (Unit: Baht)	V33	UBD
	31 March 2020	
Proportion of the disposition of shares ¹	99.99 %	99.99 %
Net tangible asset value	180,704,399	128,449,796
Net tangible asset value of the Company	6,761,980,486	6,761,980,486
Transaction size calculated based on net tangible asset value basis	2.67 %	1.90 %
Transaction size	4.57 %	

¹ Calculation based only on the disposition of V33 shares and UBD shares were made pursuant to the net tangible asset value basis as the disposition of the Chiang Mai Land, Ang-Thong Land and Saraburi Land is not considered as a disposition of security.

2. Total Value of Consideration Basis

Total Value of Consideration (Unit: Baht)				
	V33	UBD	Ang-Thong Land	Saraburi Land
Value of total transaction	176,955,771.44	137,375,860.42	87,274,038.28	32,088,166.97
Obligation to pay to the Company and its subsidiary	53,500 ¹	301,952.06 ²	-	-
Total value of the Company's asset	14,867,324,727	14,867,324,727	14,867,324,727	14,867,324,727

Total Value of Consideration (Unit: Baht)				
	V33	UBD	Ang-Thong Land	Saraburi Land
Transaction size calculated based on total value of consideration basis	1.19 %	0.93 %	0.59 %	0.22 %
Transaction size	2.92 %			

^{/1} Total value of consideration includes V33's obligations owed to the Company and/or its subsidiary as the disposition of investment in V33 will result in V33 being ceased to be a subsidiary of the Company. As of 31 March 2020, V33 has an obligation to pay to the Company (after the adjustment to set off the loans and interest accrued thereon which VB has an obligation to pay to V33 against the proceed from V33's capital decrease payable to VB of Baht 131,250,000 as of 1 May 2020) in a total amount of Baht 53,500, which comprises project management fees plus value added tax. However, if as of the transfer date of V33 shares, V33 has any obligation to the Company and/or its subsidiary, Khun Satita shall procure V33 to repay all the amounts owed by it to the Company and/or its subsidiary within 30 days from the transfer date of V33 shares.

^{/2} Total value of consideration includes UBD's obligations owed to the Company's subsidiary as the disposition of investment in UBD will result in UBD being ceased to be a subsidiary of the Company. As of 31 March 2020, UBD has an obligation to pay to a subsidiary of the Company in a total amount of Baht 301,952.06 comprising a loan from VB of Baht 300,000 and interest accrued thereon of Baht 1,952.06. However, if as of the transfer date of UBD shares, UBD has any obligation to the Company and/or its subsidiary, Khun Satita shall procure UBD to repay all the amounts owed by it to the Company and/or its subsidiary within 30 days from the transfer date of UBD shares.

3. Net Profit Basis

Unable to calculate since the Company has reported net loss from operations for the past four quarters.

4. Value of Issued Equity Basis

There is no issuance of any shares for settlement purpose.

Based on the calculation of the above transaction size in accordance with various calculation methods prescribed under the Major Transaction Rules and the consolidated financial statements of the Company for the three-month period ended 31 March 2020 reviewed by the Company's auditor, the transaction size is of the highest value when calculated in accordance with the total value of consideration basis, which equals 4.57 per cent of the total net tangible assets of the Company and its subsidiaries. In this connection, the Company has not entered into any previous disposition during the six-month period prior to this disposition. The transaction is therefore classified as the transaction having a total value of less than 15 per cent. Thus, this transaction falls under the approval authority of the Board of Directors of the Company and the Company is neither required to prepare and disclose the information memorandum regarding the acquisition and disposition of assets to the SET nor to obtain any approval from its shareholders as prescribed under the Major Transaction Rules. However, the Board of Directors' Meeting deems it appropriate to propose to the AGM to also consider and approve the disposition of assets under the Major Transaction Rules, pursuant to which the Company shall prepare and disclose to the SET the information

memorandum and undertake any other necessary actions in the similar manner as those required in respect of a Class 1 Disposition Transaction pursuant to the Major Transaction Rules, namely arranging for an independent financial advisor to provide its opinion on the disposition transaction to the shareholders and convening a general meeting of shareholders to approve the entry into such transaction. In light of this, the Company has appointed Sage Capital Limited to be the independent financial advisor providing its opinion on the proposed disposition of assets for consideration by the shareholders.

3.2 Connected Transaction

As Khun Satita is (1) the Company’s major shareholder, both directly and indirectly via UBS AG HONG KONG BRANCH and Peak Development Holdings Ltd., both holding a total of 1,917,852,143 shares or representing approximately 55.39 per cent of the total issued and outstanding shares of the Company; (2) the daughter and a concert party of Dr. Satit Viddayakorn, a director and major shareholder the Company; and (3) a concert party of Peak Development Holdings Ltd., a shareholder of the Company, she is considered a related person of the Company and thus, the proposed disposition is considered a connected transaction pursuant to the Related Party Transaction Rules, with details of transaction size calculations as set out below.

Net Tangible Asset Value Basis

Net Tangible Asset Value	Unit: Baht
Total value of the disposition of V33 shares	176,955,771.44
V33’s obligation to pay to the Company and/or the Company’s subsidiary ¹	53,500
Total value of the disposition of UBD shares	137,375,860.42
UBD’s obligation to pay to the Company’s subsidiary ²	301,952.06
Total value of the disposition of Ang-Thong Land	87,274,038.28
Total value of the disposition of Saraburi Land	32,088,166.97
Net tangible asset value of the Company as of 31 March 2020	6,761,980,486.00
Transaction size calculated based on net tangible asset value basis	6.42 %

¹ Total value of consideration includes V33’s obligations owed to the Company and/or its subsidiary as the disposition of investment in V33 will result in V33 being ceased to be a subsidiary of the Company. As of 31 March 2020, V33 has an obligation to pay to the Company in a total amount of Baht 53,500, which comprises project management fees plus value added tax. However, if as of the transfer date of V33 shares, V33 has any obligation to the Company and/or its subsidiary, Khun Satita shall procure V33 to repay all the amounts owed by it to the Company and/or its subsidiary within 30 days from the transfer date of V33 shares.

² Total value of consideration includes UBD’s obligations owed to the Company’s subsidiary as the disposition of investment in UBD will result in UBD being ceased to

be a subsidiary of the Company. As of 31 March 2020, UBD has an obligation to pay to a subsidiary of the Company in a total amount of Baht 301,952.06 comprising a loan from VB of Baht 300,000 and interest accrued thereon of Baht 1,952.06. However, if as of the transfer date of UBD shares, UBD has any obligation to the Company and/or its subsidiary, Khun Satita shall procure UBD to repay all the amounts owed by it to the Company and/or its subsidiary within 30 days from the transfer date of UBD shares.

When considering the size of the proposed disposition the Related Party Transaction Rules and based on the consolidated financial statements of the Company for the three-month period ended 31 March 2020 reviewed by the Company’s auditor, the transaction size equals 6.42 per cent of the total net tangible assets of the Company and its subsidiaries, which is more than three per cent of the total net tangible assets of the Company and its subsidiaries. In this connection, the Company has not entered into any previous related party transaction during the six-month period prior to this disposition. Based on the foregoing, the Company is therefore obliged to prepare an information memorandum concerning the connected transaction and disclose it to the SET, appoint an independent financial advisor to provide an opinion regarding the connection transaction to the shareholders as well as convene a general meeting of shareholders to approve the entry into such transaction. In light of this, the Company has appointed Sage Capital Limited to be the independent financial advisor providing its opinion on the connected transaction for consideration by the shareholders.

4. Details of the Disposed Assets

4.1 Plot of land in Ang-Thong and Saraburi Province owned by VB

Plot of land in Ang-Thong	
Location	Bangpa-in - Nakonsawan Road (TL.32) Talardkruad Sub-district, Muang Ang-Thong District, Ang-Thong
Description of Asset	4 parcels of vacant land with a gross area of 49 rai 3 ngan 93 sq.w. (19,993 sq.w.)
Title Deed	Title Deed No. 254, 259, and 7322-7323
Owner before transaction	V Brilliant Group Holding Company Limited
Appraisal Method	by market comparable approach for public purpose
Appraisal Value	82,600,000 Baht
Date of Appraisal	February 2020
Appraised By	KnightFrank Charter (Thailand) Company Limited
Obligation	None
Relevant laws	Asset is in the purple zone which can be developed for industrial and warehouse use

Plot of land in Saraburi	
Location	Muaklek-Wangmuang Road (TL.2089) Muaklek Sub-district, Muaklek District, Saraburi
Description of Asset	2 plots of land with the total area of 10 rai (4,000 sq.w.) together with certain buildings located thereon
Title Deed	Title Deed No. 18485 and 19957
Owner before transaction	V Brilliant Group Holding Company Limited
Appraisal Method	by market comparable approach for public purpose
Appraisal Value	30,000,000 Baht
Date of Appraisal	February 2020
Appraised By	KnightFrank Charter (Thailand) Company Limited
Obligation	None
Relevant laws	Asset is in the green zone with brown frame and diagonal lines, which can be developed for agriculture

4.2 V33 Company Limited (“V33”)

- a) Name of the Company : V33 Company Limited
- b) Address : 23rd Floor, Bangkok Business Center Building, No. 29, Soi Sukhumvit 63, Sukhumvit Road, Khlongton Nua Sub-District, Wattana District, Bangkok 10110
- c) Date of incorporation : 13 October 2014
- d) Nature of Business : Property Development
- e) Capital Structure : As of 8 June 2020, the registered capital was Baht 210,937,500, divided into 28,125,000 ordinary shares with par value of Baht 7.50 per share (Baht 6 paid-up per share).
- f) Percentage of shares held by the Company prior to the disposition : 99.99% (the Company indirectly holds V33 shares through VB, a subsidiary of the Company in which the Company holds 99.99 per cent of its capital)
- g) No. of shares to be disposed : 28,124,998 shares
- h) Shares held by the Company after to the disposition : None

i) List of shareholders

As of 8 June 2020

Names	No. of Shares	% of Total Shares
1. V Brilliant Group Holding Co., Ltd.	28,124,998	99.99
2. Miss Monticha Atchapan	1	0.00
3. Miss Satita Vidayakorn	1	0.00
Total	28,125,000	100.00

j) Directors

As of 8 June 2020, the Board of Directors comprises:

1. Dr. Satit Vidayakorn
2. Mr. Veera Srichanachaichok
3. Miss Preeyaporn Apiwatwittaya
4. 3Miss Satita Vidayakorn

k) Investment in subsidiaries

None

l) Financial information

Book value per share as of 31 March 2020 equals Baht 6.42 per share

Profit and Loss Statement (Unit: million Baht)	2018	2019	Q1/2020
Interest income	3.55	3.55	0.88
Management expense	(1.01)	(1.02)	(0.24)
Profit before income tax	2.54	2.53	0.64
Income tax	(0.51)	(0.51)	(0.13)
Net profits	2.03	2.02	0.51

Balance Sheet (Unit: million Baht)	2018	2019	Q1/2020
Cash and cash equivalents	2.67	3.39	3.18
Payable from purchase of shares	0	0	(131.25)
Short-term loan to related parties	154.61	156.08	156.96
Other current assets	0.10	0.14	0.15
Investment property	150.00	150.00	150.00

Building and equipment - net	2.41	2.28	2.24
Total assets	309.79	311.89	181.28
Other payables	0.12	75.10	0.11
Income tax payable	0.25	0.34	0.47
Other current liabilities	0	0	0
Total liabilities	0.37	75.44	0.58
Paid-up capital	300.00	225.00	168.75
Retained earnings	9.42	11.44	11.44
Net profits for the period	0	0	0.51
Total shareholders' equity	309.42	236.44	180.70
Book value per share (Baht)	6.19	6.31	6.42

m) Main Asset

:

Plot of Land in Chiang Mai Land	
Location	Unnamed alley, Mae-rim – Sameung Road (TL.1096) Rim Tai Sub-district, Mae-rim District, Chiang Mai
Description of Asset	1 parcel of land with the total area of 30 rai 0 ngan 3.0 sq. w. (12,003 sq.w.) together with certain buildings located thereon
Title Deed	1 Title Deeds, Deed No. 229
Owner before transaction	V33 Company Limited
Appraisal Method	by market comparable approach for public purpose
Appraisal Value	Baht 120,000,000
Date of Appraisal	February 2020
Appraised By	KnightFrank Charter (Thailand) Company Limited
Obligation	None
Relevant laws	Asset is in the yellow zone, the lightly and densely populated area, which can be developed for residential

4.3 Udon Business District Company Limited (“UBD”)

- a) Name of the Company : Udon Business District Co., Ltd.
- b) Address : 23rd Floor, Bangkok Business Center Building, No. 29, Soi Sukhumvit 63, Sukhumvit Road, Khlongton Nua Sub-District, Wattana District, Bangkok 10110
- c) Date of incorporation : 7 March 2018
- d) Nature of Business : Property Development
- e) Capital Structure : As of 13 February 2020, the registered capital was Baht 129,000,000, divided into 12,900,000 ordinary shares with par value of Baht 10 per share.
- f) Percentage of shares held by the Company prior to the disposition : 99.99%(the Company indirectly holds UBD shares through VB, a subsidiary of the Company in which the Company holds 99.99 per cent of its capital)
- g) No. of shares to be disposed : 12,899,998 shares
- h) Shares held by the Company after to the disposition : None
- i) List of shareholders : As of 13 February 2020

	Names	No. of Shares	% of Total Shares
1.	V Brilliant Group Holding Co., Ltd.	12,899,998	99.99
2.	Mr.Veera Srichanachaichok	1	0.00
3.	Mr.Satit Viddayakorn	1	0.00
	Total	12,900,000	100.00

- j) Directors : As of 13 February 2020, the Board of Directors comprises:
1. Dr. Satit Viddayakorn
 2. Mr. Veera Srichanachaichok
 3. Miss Preeyaporn Apiwatwittaya
- k) Investment in subsidiaries : None
- l) Financial information : Book value per share as of 31 December 2019 equals Baht 9.96 per share

Profit and Loss Statement (Unit: million Baht)	2018	2019	Q1/2020
Revenue from sale	0	0	0
Cost of Sale	(0.43)	(0.12)	0
Gross profit	0	0.12	0
Net profit (loss)	(0.43)	(0.12)	0

Balance Sheet (Unit: million Baht)	2018	2019	Q1/2020
Cash and cash equivalents	0.11	0.30	0.29
Investment property - net	128.50	128.50	128.50
Total assets	128.61	128.80	128.79
Account payables	0.04	0.04	0.04
Loan from related parties	0	0.30	0.30
Other liabilities	0	0	0
Total liabilities	0.04	0.34	0.34
Paid-up capital	129.00	129.00	129.00
Retained earnings	(0.43)	(0.55)	(0.55)
Total shareholders' equity	128.57	128.45	128.45
Book value per share (Baht)	9.97	9.96	9.96

- m) Main Asset : Comprising 17 subplots of land having total area of 5 rai 3 ngan 35.2 sq.w. (2,355.20 sq.w.), with details below

Plot of Land in Udonthani	
Location	Suppakitjanya road, Mark Khaeng Sub-district, Muang Udon Thani District, Udon Thani
Description of Asset	17 parcels of land with the total area of 5 rai 3 ngan 35.2 sq. w. (2,335.20 sq.w.)
Title Deed	17 Title Deeds, Deed No. 252, 1913, 7319-7320, 9154, 24049, 29818-29819, 34600, 34603, 35424, 35770, 35772, 202599-202602 Book value Baht 118.07 million
Owner before transaction	Udon Business District Company Limited
Appraisal Method	by market comparable approach for public purpose

Appraisal Value	Baht 87,600,000
Date of Appraisal	February 2020
Appraised By	KnightFrank Charter (Thailand) Company Limited
Obligation	None
Relevant laws	located in the orange zone, the moderately populated area, which can be developed for residential

5. Total Value of Consideration and Payment

The total consideration value for the disposition of Asset equals to not exceeding Baht 433,693,837.10. In this connection, Khun Satita will make a one-time repayment of the Purchase Price in full within the date on which the Assets are transferred to Khun Satita and/or registered for the ownership transfer with the relevant authority, by (a) endorsing and delivering four promissory notes which the Company has issued to Khun Satita pursuant to the SPA, which the Company and Khun Satita agreed to extend the Promissory Notes to 31 December 2020, in a total amount of Baht 390,068,100 with interests accrued thereon at the rate of 1.75 per annum to VB instead of paying the Purchase Price in cash, such mechanism being considered a transfer of Khun Satita's right to claim for the debts under the Promissory Notes to VB and thus, the Company will not be required to use its own cash for the repayment of its debts under the Promissory Notes to Khun Satita and can utilise such cash for further expansion of its healthcare business which is currently its main business; and (ii) making payment in cash in the total amount of Baht 16,474,826.40.

6. Basis for Determination of the Value of Consideration

The basis for determining the total considerations for the proposed disposition is based on the terms and conditions of the SPA in relation to the Right to Sell Back the plots of land owned by the Company and/or its subsidiaries and the additional agreement between the Company and Khun Satita concerning V33 shares price. In light of this, the total value of consideration equals to (i) the acquisition cost of such plots of land plus carrying cost at the rate of 1.75 per cent per annum throughout the period starting from the date of the sale and purchase of VB shares until the date on which the Assets are transferred to Khun Satita and/or registered for the ownership transfer; plus (ii) the cash balance of V33 which is of a material value, with details as follows:

Nos.	Owner	Location	Acquisition Cost (1)	Carrying Cost ¹ (2)	Buy Back Price (1)+(2)	Cash Balance
(1)	VB	Ang-Thong	81,594,600.00	5,679,438.28	87,274,038.28	-
(2)	VB	Saraburi	30,000,000.00	2,088,166.97	32,088,166.97	-
(3)	V33	Chiang Mai	150,037,500.00	10,443,445.04	160,480,945.04	16,474,826.40 ²
(4)	UBD	Udon Thani	128,436,000.00	8,939,860.42	137,375,860.42	-
			390,068,100.00	27,150,910.07	417,219,010.70	16,474,826.40

^{/1} Carrying period calculated from 10 October 2016 (i.e. the date of the sale and purchase of VB shares) to 30 September 2020 (i.e. the expected completion date of the disposition of Asset) which equals 1,452 days of holding period.

^{/2} Cash balance of V33 calculated from the cash balance as of 15 June 2020, totaling Baht 17,141,062.69 less expenses, totaling Baht 666,236.29 comprising (i) management fee which V33 shall pay to the Company for the period of 5 months from May 2020 to September 2020, in the amount of Baht 53,500 per month (plus value added tax), totaling Baht 267,500; (ii) monthly expenses for maintenance of Chiang Mai Land such as maintenance personnel, water supply fee, electricity fee, and miscellaneous expenses for the period of 4 months from June 2020 to September 2020, in the amount of Baht 15,000 per month, totaling Baht 60,000; and (iii) corporate tax payable for 2019 of V33 in the amount of Baht 338,736.29.

7. Value of the Assets Disposed

The total value of the assets to be disposed by the Company is not exceeding Baht 433,693,837.10. In light of this, the Company has appointed Sage Capital Limited to be the independent financial advisor providing its opinion on the fair value of the disposed assets.

8. The Expected Benefits on the Company

Due to the change in the Company's policy concerning the conducts of its business, i.e. from operating property development business to healthcare business, together with the corresponding cessation of its business expansion in respect of new real estate development projects and rapid expansion on its healthcare business, the Company (by the Executive Committee of the Company) has considered the utilisation of the Assets in light of the policy to maintain an ownership of the plots of land which have the capacity to be used for developing healthcare business, while exercising the Right to Sell Back the plots of land which have no adequate capacity or suitability to be developed for operating healthcare business, to Khun Satita in accordance with the terms of the SPA. Based on the additional studies of the Assets pursuant to the policy above, the Board of Directors viewed that (a) only Udon Thani Land has the capacity to be developed for operating healthcare business and may be developed as hospital, nevertheless, due to the area size limitation, if such plot of land will be developed as hospital, co-operation with the nearby hospital will be required, in which case the Company viewed that there is a relatively low chance in acquiring such hospital business at a reasonable price for the assembly with the land above for the purpose of developing the hospital business in the future; (b) whilst the Chiang Mai Land could be utilised for the construction of a hospital pursuant to the relevant Ministerial Regulations concerning Comprehensive Plan, its location is relatively far from the community area and therefore is not suitable for any development at present; and (c) the Ang-Thong Land and Saraburi Land could not be utilised for the construction of a hospital pursuant to the related Ministerial Regulations concerning Comprehensive Plan. Based on the above reasons, the proposed disposition of the Assets and the extension of the Right to Sell Back and the Promissory Notes to 31 December 2020 in order to proceed with the Company's objectives in the proposed disposition of the Assets will help the Company to operate its business in accordance with the policy above and in light of this, the Company will not be required to use its own cash for the repayment of its debts under the Promissory Notes which were issued by the Company to Khun Satita and can utilise such cash for further expansion of its healthcare business in which it has expertise under its business operation policy.

9. Plan on Utilization of Proceeds from the Disposition of Assets

The Company will utilise the cash proceeds from the proposed disposition of the Assets as its working capital and for the expansion of its hospital and medical services provider businesses which are the main businesses that the Company has expertise, such plan being in accordance

with the Company’s current business operation policy. As for the payment of the Purchase Price, Khun Satita will make a repayment by endorsing and delivering Promissory Notes instead of paying the Purchase Price in cash. The foregoing mechanism will be considered a transfer of Khun Satita’s right to claim for the debts under the Promissory Notes to the subsidiary of the Company. In light of this, the Company will not be required to use its own cash for the repayment of its debts under the Promissory Notes to Khun Satita and can utilise such cash for further expansion of its healthcare business which is currently its main business.

10. Directors Having Interest and/or Being Related Persons who did Not Attend and Vote at the Meeting

Names	Position
1. Dr. Pongsak Viddayakorn	Director
2. Dr. Satit Viddayakorn	Director
3. Miss Tanatorn Viddayakorn	Director

In light of this, the directors having conflict of interests above did not attend and vote at the Board Meeting in respect of the agenda concerning the disposition of Assets which is a connected transaction.

11. Opinion of the Company’s Board of Directors on the Entry into the Transaction

The Board of Directors (excluding non-interested directors) has considered and viewed that the entry into the proposed transaction is in accordance with the business operation policy of the Company which has moved from Property Development sector to Hospital sector, such sector currently being the main business in which the Company has expertise. In addition, the entry into the proposed transaction and the transaction conditions are appropriate and reasonable, which would be beneficial to the Company. When considering the audit and appraisal report prepared by Knight Frank Chartered (Thailand) Co., Ltd, an independent appraiser hired by the Company to evaluate the price of lands, the lands do not have potential or suitability for development as hospital and medical service business which currently are the main business of the Company. Further, it is revealed from an appointment of Nexus Property Agency Co., Ltd., a third party who is not related to the Company and is hired to act as its agent in the sale of lands that based on the current market condition, it would be quite difficult to sell the Assets and the Company may not be offered with a good price, whereas there has been no favourable response from an offer for sale of such Assets to mall operators for their mall expansion. Moreover, the disposition of the Assets is in accordance with the conditions regarding the Right to Sell Back the Assets under the SPA, which was approved by the Extraordinary General Meeting of shareholders No. 1/2016 and the sale of V33 and UBD shares (the owner of only main asset which is the plot of land located in Chiang Mai province and Udon Thani province respectively with no other business operation) in lieu of a direct disposition of such land to Khun Satita would be beneficial to the Company as it help reduce expenses in management, preparation and audit of financial accounts and/or dissolution and liquidation of V33 and UBD in the future.

12. Opinion of the Company’s Audit Committee which is Different from the Opinion of the Board of Directors

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

13. Key Conditions Necessary for the Entry into the Transaction

As the disposition of the Assets is considered a connected transaction pursuant to the Related Party Transaction Rules and a disposition of assets pursuant to the Major Transaction Rules, the Board of Directors’ Meeting deems it appropriate to propose to the AGM to also consider and approve the disposition of the Assets. Therefore, the Company shall prepare an information memorandum concerning the disposition of assets and the connected transaction and disclose it to the SET as well as appoint an independent financial advisor to provide an opinion regarding the proposed transaction to the shareholders and convene the EGM to obtain requisite resolutions of the AGM to be held on 10 August 2020 with affirmative votes of not less than three-fourths of the total votes of the shareholders attending the meeting and eligible to vote, excluding those of the interested shareholders which comprise the following persons:

Information as of 11 May 2020

Names	No. of Shares	% of Total Shares ^{/1}
(1) Miss Satita Viddayakorn	498,054,588	14.38
(2) UBS AG Hong Kong Branch	1,262,060,526	36.45
(3) Peak Development Holdings Ltd.	157,737,029	4.56
(4) Dr. Satit Viddayakorn	808,528,800	23.35
(5) Miss Pallapa Viddayakorn	50,124,400	1.45
(6) Miss Tanatorn Viddayakorn	22,985,100	0.66

The Company certifies that this information memorandum is accurate and complete in all respect.

-Signature-

Dr. Satit Viddayakorn

Director

-Signature-

Mr. Veera Srichanachaichok

Director

(F 53-4)

Capital Increase Report Form
Principal Capital Public Company Limited

27 February 2020

We, Principal Capital Public Company Limited (the “**Company**”), hereby report the resolutions of its Board of Directors’ Meeting Session 2/2020 held on 27 February 2020 relating to the capital increase and allocation of newly issued ordinary shares as follows:

1. Capital Reduction and Capital Increase

1.1 Capital Reduction

The Board of Directors’ Meeting resolved to approve to propose to the 2020 Annual General Meeting of the Shareholders (the “**AGM**”) to consider and approve the reduction of the Company’s registered capital in the amount of Baht 101,759,452 from the existing registered capital of Baht 3,564,096,272 to the new registered capital of Baht 3,462,336,820, by cancelling the Company’s 101,759,452 ordinary shares at par value of one Baht per share

1.2 Capital Increase

The Board of Directors’ Meeting resolved to approve to propose to the AGM to consider and approve the increase of the Company’s registered capital from the existing registered capital of Baht 3,462,336,820 (which is the registered capital after the reduction of the registered capital as specified in paragraph 1.1 above) to Baht 3,808,570,502, by issuing 346,233,682 newly ordinary shares with a par value of one Baht per share, totaling Baht 346,233,682, with details of the capital increase as follows:

Type of Capital Increase	Type of Shares	Number of Shares	Par Value (Baht/Share)	Total (Baht)
<input type="checkbox"/> Specific purpose of utilizing the proceeds	-	-	-	-
<input checked="" type="checkbox"/> General Mandate	Ordinary shares	346,233,682	1.00	346,233,682

2. Allocation of newly issued shares

2.1 Specific Purpose of Utilizing the Proceeds

-None-

2.2 General Mandate

Allocated to	Type of Shares	Number of Shares	Percentage of Paid-Up Capital ^{1/}	Note
Specific persons (Private Placement)	Ordinary Shares	Not exceeding 346,233,682 shares	Not exceeding 10.00	Please see the remarks below for further information.

^{1/}The Company's paid-up capital as of 27 February 2020 which is the date on which the Board of Directors has approved the capital increase under the General Mandate scheme equals Baht 3,462,336,820

Remarks:

1. The Board of Directors' Meeting Session 2/2020 held on 27 February 2020 has resolved to propose to the AGM to consider and approve of the allocation of not exceeding 346,233,682 newly issued ordinary shares with a par value of one Baht per share under the General Mandate Scheme by way of private placement and the authorization of the Board of Directors with power and authority to be authorized to undertake actions in relation to the allocation of the Company's newly issued ordinary shares, including, without limitation, the following:
 - (1) considering the offering for sale and allocation of the newly issued ordinary shares whether in whole or in part and whether in a single offering or multiple offerings;
 - (2) determining the objectives, offering period, offering price, investors to whom the shares will be offered, subscription and settlement methods as well as other terms and conditions in relation to the allocation of such newly issued ordinary shares;
 - (3) negotiating, agreeing, entering into and signing any agreements and/or documents necessary and relevant to the allocation of such newly issued ordinary shares, including amending such agreements and documents and information memorandum or related disclosure, as well as considering and appointing any financial advisors, legal advisors, underwriters, and/or other service providers (if any or as necessary);
 - (4) signing applications, waivers, notices and any documents relating to the allocation of such newly issued ordinary shares, including effecting relevant registrations with the Ministry of Commerce and listing such newly issued ordinary shares on the Stock Exchange of Thailand (the "SET") as well as contacting, coordinating and filing documents with relevant government authorities or other agencies (whether in Thailand or overseas); and

- (5) undertaking any acts necessary and relevant to complete the allocation of the newly issued ordinary shares, including authorizing any person(s) the Board of Directors deems appropriate to undertake any actions specified in paragraphs (3) and (4) above.
 2. The Company will allocate the newly issued ordinary shares by way of private placement, whereby such shares shall be offered to not exceeding 50 institutional investors and/or specific investors within a 12-month period, such investors not being considered the connected persons pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 entitled Rules on Connected Transactions and the Notification of the Board of Governors of the SET entitled Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (A.D. 2003).
 3. The offering price of the newly issued ordinary shares of the Company under the General Mandate scheme by way of private placement shall be the best price in accordance with the market condition during the offering period, and shall be for the best interest of the Company and its shareholders. Such offering price may be discounted at not exceeding 10 per cent of the market price pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 72/2558 entitled Approval for Listed Companies to Offer Newly Issued Ordinary Shares by way of Private Placement, calculated based on the weighted average price of the Company's shares traded on the SET during the period from between seven consecutive business days to not exceeding 15 consecutive business days prior to the date of determination of the offering price by the Board of Directors.
 4. The number of the newly issued ordinary shares to be allocated by way of private placement shall not exceed 10 per cent of the Company's paid-up capital as of the date on which the Board of Directors approves the capital increase under the General Mandate scheme.
- 3. Schedule for a shareholders' meeting to approve the capital increase and allocation shares**
- The 2020 Annual General Meeting of the Shareholders is scheduled to be held on Monday 10 August 2020 at 13.30 p.m. at Auditorium, 5th Floor, Cheer Tower, Somerset Ekamai Bangkok, 18 Ekamai Soi 2, Sukhumvit 63 Road, Phra Khanong Nua, Wattana, Bangkok 10110. The date for determining the names of the shareholders who are entitled to attend the 2020 Annual General Meeting of Shareholders (Record Date) shall be Friday 10 July 2020.
- 4. Approval of the capital increase/shares allotment by relevant government agencies and approval conditions thereto (if any)**
- 4.1 The Company will register the reduction of its registered capital, the increase of its registered capital and the amendment to its memorandum of association with the Department of Business Development, the Ministry of Commerce within 14 days from the date on which the shareholders' meeting resolves to approve the capital reduction and the capital increase, and the Company will register the amendment to its paid-up capital with the Department of Business Development, the Ministry of Commerce

within 14 days from the date on which the newly issued ordinary shares are allocated by way of private placement.

- 4.2 The Company will obtain an approval from the Stock Exchange of Thailand (the “SET”) for the listing of its newly issued ordinary shares which will be allocated by way of private placement on the SET.

5. Objectives of the capital increase and plans for utilizing proceeds from the capital increase

As the Company has an investment plan to continuously expand its business in the future, it wishes to raise fund through the increase of its capital under the General Mandate scheme to be utilized as a source of fund to support its future investment plan and business expansion in a timely manner. The Company will consider the investments which are appropriate and beneficial to the Company’s business as well as provide satisfactory returns and create values toward the Company and its shareholders in the long run. However, the amount of fund to be utilized in such investments remains uncertain, depending on an opportunity and worthiness of such investments at the time.

6. Benefits which the Company will receive from the capital increase/shares allotment

This capital increase under the General Mandate scheme will enable the Company to raise fund within a short period of time and be ready for the implementation of its investment plan and business expansion in a timely manner, and to find strategic partners to co-invest in the Company, creating an opportunity to generate income and profits to the Company, which, in turn, provide good long-term returns for the shareholders. Moreover, it will also keep the Company’s debt-to-equity ratio at a low level.

7. Benefits which the shareholders will receive from the capital increase/shares allotment

The benefits as described in paragraph 6 above would likely be beneficial to the Company’s operating results and help creating an opportunity to generate income and profits to the Company, which will enhance the Company’s ability to further declare dividends to its shareholders.

8. Other details necessary for shareholders to approve the capital increase/shares allotment

The impacts on the shareholders from such issuing and offering of newly issued ordinary shares, on the assumption that all of the 346,233,682 newly issued ordinary shares are fully subscribed at the price of THB 3.71 per share, which is the offering price with a discount of 10 percent of the weighted average price of the Company’s shares traded on the SET for 15 consecutive business days before the date of the Board of Director’s resolution to propose the increase of the Company’s registered capital by means of General Mandate for approval at the shareholders’ meeting, i.e. from February 5, 2020 to February 26, 2020, which was equivalent to THB 4.12 per share (information from SETSMART at www.setsmart.com), are as follows (the final offering price will be determined upon consideration by the Board of Directors of each allocation of newly issued ordinary shares):

A. Price dilution, which can be calculated as per the following formula:

$$\begin{aligned} \text{Price Dilution} &= \frac{\text{Pre-offering market price} - \text{Post-offering market price}}{\text{Post-offering market price}} \\ &= \frac{4.12 - 4.08}{4.12} \\ &= 0.91 \text{ percent} \end{aligned}$$

Whereas

$$\begin{aligned} \text{Pre-offering market price} &= 4.12 \text{ per share} \\ \text{Number of paid-up shares} &= 3,462,336,820 \text{ shares} \\ \text{Offering price} &= 3.71 \text{ per share} \\ \text{Number of shares offered} &= 346,233,682 \text{ shares} \\ \text{Post-offering market price} &= \end{aligned}$$

$$\begin{aligned} &\frac{(\text{Market price} * \text{Number of paid-up shares}) + (\text{Offering price} * \text{Number of shares offered})}{\text{Number of paid-up shares} + \text{Number of shares offered}} \\ &= \frac{(4.12 * 3,462,336,820) + (3.71 * 346,233,682)}{3,462,336,820 + 346,233,682} \\ &= 4.08 \text{ per} \end{aligned}$$

share

B. Control dilution, which can be calculated as per the following formula:

$$\begin{aligned} \text{Control Dilution} &= \frac{\text{Number of shares offered}}{\text{Number of paid-up shares} + \text{Number of shares offered}} \\ &= \frac{346,233,682}{3,462,336,820 + 346,233,682} \\ &= 9.09 \text{ percent} \end{aligned}$$

9. Schedule of actions if the Board of Directors passes resolutions to approve the capital increase/shares allotment

No.	Procedure	Date/Month/Year
1.	Board of Directors' Meeting Session 2/2020	27 February 2020
2.	Date for determining the names of shareholders who are entitled to attend the 2020 Annual General Meeting of Shareholders (Record Date)	10 July 2020
3.	The 2020 Annual General Meeting of Shareholders	10 August 2020

No.	Procedure	Date/Month/Year
4.	Registration of capital reduction and capital increase, including the amendment to the memorandum of association with the Ministry of Commerce	Within 14 days from the date of the shareholders' approval
5.	Registration of paid-up capital with the Ministry of Commerce	Within 14 days from the date of the shares allocation by way of private placement

The Company hereby certifies that the information contained in this report is true and complete in all respects.

Please be informed accordingly.

Yours faithfully,

Principal Capital Public Company Limited

-Signature-

 (Dr. Satit Viddayakorn)
 Authorized Director

-Signature-

 (Mr. Veera Srichanachaichok)
 Authorized Director