

No. PP.243/2017

5 October 2017

Subject : Joint Venture in the Subsidiary Company.
To : Director and Manager,
The Stock Exchange of Thailand.

We, Property Perfect Public Company Limited (the “Company” or “PF”), wished to notify that the Board of Directors Meeting of the Company No. 7/2017, held on 5 October 2017 resolved for approval of the joint venture in Grand Star Co., Ltd. (“Grand Star”) between Grande Asset Hotels and Property Public Company Limited (“GA”), Property Perfect Public Company Limited and a company in the group of Sumitomo Forestry Co., Ltd. (“Sumitomo”) in order for development of the condominium project located in area of Sukhumvit 59 Road for sale with the details as follows:

1. Date, Month, Year of Transaction

After it has been approved by the Board of Directors Meeting of the Company and all parties have already executed the joint venture agreement.

2. Related Parties and Relationship with Listed Company

Buyer : 1. Property Perfect Public Company Limited.
2. The company in the group of Sumitomo Forestry Co., Ltd.

Seller : Grande Asset Hotels and Property Public Company Limited.

Relationship between the Parties : The Buyer and the Seller are not categorized as the connected persons who are required to comply with the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551, Re: Rules on Connected Transactions and the Notification of the Board of Directors of the Stock Exchange of Thailand Re: Disclosure of Information and Actions of Listed Company on Connected Transactions B.E. 2546.

3. General Characteristics of Transaction

The joint venture of Grande Asset Hotels and Property Public Company Limited, Property Perfect Public Company Limited and the company in the group of Sumitomo Forestry Co., Ltd. have the details as follows:

Name of Joint venture company	Registered Capital (Baht)	Number of Shares (Shares)	Par Value (Baht/Share)	Proportion of Shareholding (Percentage)			Investment and providing financial supporting in future
				GA	PF	SM	
Grand Star Co., Ltd.	300,000,000	3,000,000	100	40	11	49	Under the proportion of shareholding of each shareholder

PF will purchase a part of ordinary shares of Grand Star which held by GA in the number of 330,000 shares with the par value of 100.- Baht per share, paid-up of 100.- Baht per share, equivalent to 11% of the total number of shares of Grand Star, at the price of 100.- Baht per share, totaling of 33,000,00.- Baht. Meanwhile, GA will dispose another part of ordinary shares of Grand Star which held by GA in the number of 1,470,000 shares with the par value of 100.- Baht per share, paid-up of 100.- Baht per share, equivalent to 49% of the total number of shares of Grand Star to the company in the group of Sumitomo at the price of 100.- Baht per share, totaling of 147,000,00.- Baht. However, Mr. Chainid Adhyanasakul required to abstain in the voting of the agenda in relation to the said joint venture.

Provided that Grande Asset Hotels and Property Public Company Limited is the listed company in the Stock Exchange of Thailand, whereby PF holds the shares in GA both in itself and via its subsidiaries in the total number of 1,222,658,476 shares, equivalent to 42.32% of the paid-up capital of GA.

Meanwhile, Sumitomo Forestry Co., Ltd. is the company incorporated in Japan on 20 February 1948 with the registered paid-up capital of 54,544 Million Japanese Yen whereby Sumitomo is a proficient and comprehensive network company in the businesses of the environment & resources management, dealing in timber & materials for building and decorating, construction and renovation of buildings and houses including lifestyle services whereby it operates the businesses in many countries such as East Asia, South East Asia, Oceania and North America etc. In the fiscal year ended March 2016 and 2017, Sumitomo has the total revenue about 1,040,542 Million Japanese Yen and 1,113,364 Million Japanese Yen, respectively. And it expected that Sumitomo will have the total revenue about 1,241,000 Million Japanese Yen in the fiscal year ended March 2018.

4. Criteria for determining the Value of Consideration:

It is the price which had been negotiated between the parties in consideration of the book value of the disposed shares.

5. Source of Fund: Working capital of the Company.

6. General information of Joint Venture Company :

Name of Joint Venture Company	: Grand Star Co., Ltd.
Date of Incorporation	: 22 May 2017
Registered Capital	: 300,000,000.- Baht divided into 3,000,000 ordinary shares with a par value of 100.- Baht per share.
Nature of Business Operations	: Investment and development of condominium project for sale.
Assets	: The ownership of the lands located in the area of Sukhumvit 59 Road in the number of 19 land title deeds with the total area of 2-2-18 Rai. However, there is no encumbrance on the said lands except for the lease agreement of a part of the land with the existing lesser.

Names of the Board of Directors of Grand Star Co., Ltd. before and after the joint venture.

Before joint venture		After joint venture	
1. Mr. Chainid	Adhyanasakul	1. Mr. Chainid	Adhyanasakul
2. Mr. Vitavas	Vibhagool	2. Mr. Vitavas	Vibhagool
3. Mr. Amarin	Narula	3. Representative of Sumitomo	
		4. Representative of Sumitomo	

List of the Shareholders of Grand Star Co., Ltd. before and after the joint venture.

Name of shareholders	Before joint venture		After joint venture	
	No. of shares (shares)	Portion (%)	No. of shares (shares)	Portion (%)
1. Grande Asset Hotels and Property Public Company Limited	2,999,997	100.00	1,200,000	40.00
2. Others	3	0.00		
2. Property Perfect Public Company Limited			330,000	11.00
3. The company in the group of Sumitomo Forestry Co., Ltd.			1,470,000	49.00
Total	3,000,000	100.00	3,000,000	100.00

7. Benefits expected to be derived.

The said joint venture with Sumitomo will increase the potential and opportunity for the achievement in the development of the real estate project of the Company. And it will increase the ability of business competition and also contribute the reliability of business

operation of Company. Since Sumitomo is the large and famous company of Japan which invests in various businesses of many foreign countries with strengthen capital including widely marketing network. Moreover, Sumitomo has the expertise in providing the materials and technology in relation to the construction and decoration of various types of buildings which it will encourage the efficiency and achievement for development of real estate project of the Company. In addition, it will encourage the expansion of consumer base and increase the reliability of the Company's businesses especially to the group of Japanese consumers.

The above transaction is not categorized as the connected transaction which is required to comply with the relevant Notification of the Capital Market Supervisory Board and Notification of the Board of Directors of the Stock Exchange of Thailand. And the size of transaction is not also categorized as the significant transaction of the acquisition or disposal of assets under the relevant Notification of the Capital Market Supervisory Board and Notification of the Board of Directors of the Stock Exchange of Thailand. However, the Company disclosed the above transaction to the Stock Exchange of Thailand in accordance with the Regulations of the Stock Exchange of Thailand, Re: Rules, Conditions and Procedures Governing the Disclosure of Information and Other Acts of a Listed Company in relation to the joint venture with the proportion of investment from 10% of the paid-up capital of the joint venture company.

Please be informed accordingly.

Sincerely yours,



Mr. Chainid Adhyanasakul
Chief Executive Officer