

(Translation)

No. PP. 031/2017

15 February 2017

Subject : Allotment and Offering of Capital Increase Ordinary Shares to the Specific Investor under Private Placement

To : Director and Manager,
The Stock Exchange of Thailand

According to the Extraordinary General Meeting of Shareholders No. 1/2016 of Property Perfect Public Company Limited (the "Company"), held on 23 December 2016 resolved to approve for the allotment of capital increase ordinary shares of the Company in the amount not exceeding 1,300,000,000 shares, with the par value of 1.- Baht per share to allot and offer in entirety or to portion and offer in lots from time to time under private placement scheme specified under the Notification of the Capital Market Supervisory Board No. Tor Jor. 72/2558 Re: Approval for a Listed Companies to Offer Newly Issued Shares through Private Placement provided that such persons are not connected persons of the Company, whereby the Board of Directors of the Company or the person designated by the Board of Directors of the Company shall have the authority to determine the offering price of the shares at the best market price in accordance with the market condition during the offering period to the investor(s).

Later, the Board of Directors Meeting of the Company No. 7/2016, held on 26 December 2016, resolved to approval for the Company to offer the newly issued capital increase ordinary shares in the amount of 300,000,000 shares, with the par value of 1.- Baht per share, to Mrs. Pontip Hembrey who is the specific investor, at the offering price of 1.- Baht per share which is the offering price higher than the market price of shares of the Company as of 0.11 Baht, being equivalent to 112.36% of the market price (whereby the market price during such offering period is of 0.89 Baht per share) and the Company had already received the payment of such capital increase ordinary shares. Therefore, the Company has the remaining capital increase ordinary shares for allotment and offering to specific investors under Private Placement in the amount of 1,000,000,000 shares.

In this regard, the Board of Directors Meeting of the Company No. 1/2017, held on 15 February 2017, resolved as follows:

1. Approval for the Company to offer the newly issued capital increase ordinary shares in the amount of 700,000,000 shares, with the par value of 1.- Baht per share, at the offering price of 1.- Baht per share which is the offering price higher than the market price of shares of the Company as of 0.10 Baht, being equivalent to 111.11% of the market price whereby the weighted average of ordinary shares price of the Company trading on the Stock Exchange of Thailand ("SET") for 15 consecutive trading days prior to the determination date of the

offering price of capital increase ordinary shares in this occasion (between 24 January 2017 to 14 February 2017) is of 0.90 Baht per share.

2. Approval for the Company to allot and offer the capital increase ordinary shares in Clause 1. to Viriyah Insurance Public Company Limited in the amount of 500,000,000 shares and Dr. Vivat Vithoontien in the amount of 200,000,000 shares who are the specific investors under Private Placement and not connected persons of the Company under the relevant Notification of the Capital Market Supervisory Board and the Board of Directors of the Stock Exchange of Thailand prior to obtaining the allotment and offering of capital increase ordinary shares of the Company in this occasion, in this regard, the offering and payment date of such shares is scheduled between 20 February 2017 to 10 March 2017, the details are as follows:

2.1 Details of the Specific Investor who will be allotted and offered.

- (1) Name of Investor : Viriyah Insurance Public Company Limited
Nationality : Thai
Type of Business : Non-life Insurance
Registered capital : 2,000,000,000.- Baht, divided into 20,000,000 ordinary shares, with par value of 100.- Baht per share.
Paid-up Capital : 2,000,000,000.- Baht
Name of Directors :
- | | |
|-----------------------|---------------|
| 1. Mrs. Suvaporn | Thongthew |
| 2. Mrs. Orabhan | Bhonghibhat |
| 3. Mrs. Nonglak | Sundaravara |
| 4. Mr. Took | Viriyabhun |
| 5. Mr. Pijarn | Viriyabhun |
| 6. Pol.Lt.Gen.Powthai | Thongthew |
| 7. Mr. Amorn | Thongthew |
| 8. Mr. Prasan | Nilmanat |
| 9. Mr. Somchai | Sawathanuphap |
| 10. Mr. Chamlong | Reanvichit |
| 11. Mr. Jongsak | Norchoovech |
| 12. Mr. Boonlert | Kusolpermool |
| 13. Mr. Suthin | Nophaket |
| 14. Mrs. Nataya | Lothuvachai |

List of Shareholders and Proportion of Shareholders as at 25 April 2016:

	<u>Name</u>	<u>Amount of shares</u>	<u>%</u>
1.	Viriyah Property Co., Ltd.	8,000,000	40.00
2.	The Ancient City Co., Ltd.	2,000,000	10.00
3.	Mr. Took Viriyabhun	1,641,666	8.21
4.	Mr. Pijarn Viriyabhun	1,641,666	8.21
5.	Mr. Robroo Viriyabhun	1,641,666	8.21
6.	Mrs. Orabhan Bhonghibhat	1,591,668	7.96
7.	Mr. Sriwana Viriyabhun	1,500,000	7.50
8.	Mrs. Suvaporn Thongthew	1,425,000	7.12
9.	The Viriyah Panich Co., Ltd.	108,900	0.55
10.	Mr. Kunthorn Thongthew	83,333	0.42
11.	Mr. Amorn Thongthew	83,333	0.42

12. Miss Phitphloen Viriyabhun	70,834	0.35
13. Mr. Phakbhumi Viriyabhun	70,834	0.35
14. Pol.Lt.Gen.Powthai Thongthew	50,000	0.25
15. Mr. Pairoj Bhonghibhat	50,000	0.25
16. Thonburi Automotive Assembly Plant Co., Ltd.	40,000	0.20
17. Mr. Pramuan Buranachot	1,000	0.00
18. Mrs. Nonglak Sundaravara	100	0.00
	<u>20,000,000</u>	<u>100.00</u>

- (2) Name of Investor : Dr. Vivat Vithoontien
Nationality : Thai
Age : 57 years
Address : No. 19/16 Ekamai-Ram-Indra Road,
Ladprao Sub-district, Ladphrao District, Bangkok
Current occupation : Businessman
Work experience : Businessman and Investor both in his name
and joint with other persons.

2. Major shareholders structure of the Company before and after the offering of capital increase ordinary shares.

Name of Shareholders	Before change (as at 31 Jan 2017)		After change	
	No. of shares	%	No. of shares	%
1. Andaman Long Beach Resort Co., Ltd.	893,998,441	11.22	893,998,441	10.31
2. Mr. Chainid Adhyanasakul	580,659,675	7.29	580,659,675	6.70
3. Ms. Kannika Adhyanasakul	559,404,792	7.02	559,404,792	6.45
Viriyah Insurance Public Co., Ltd.	--	--	500,000,000	5.77
4. Andaman Villa Co., Ltd.	355,870,600	4.47	355,870,600	4.11
5. Miss Krisanee Taychachaiwongse	342,016,825	4.29	342,016,825	3.95
6. Mrs. Pontip Hembrey	300,000,000	3.77	300,000,000	3.46
7. Thai NVDR Co., Ltd.	299,468,270	3.76	299,468,270	3.45
Mr. Vivat Vithoontien	83,825,400	1.05	283,825,400	3.27
9. Bualuang Long-Term Equity Fund	177,289,866	2.23	177,289,866	2.05
10. Mr. Denchai Pinkarnchanapibul	167,666,666	2.10	167,666,666	1.93
11. Provident Fund of EGAT employees registered by Bualuang Asset Management Co., Ltd.	160,366,666	2.01	160,366,666	1.85

However, such specific investors in Private Placement will not be the directors of the Company, and its subsidiaries, affiliates or associates and/or not participate in the Company's management.

2.3 Impact on existing shareholders as a result of the offering of such capital increase ordinary shares of the Company.

Impact on existing shareholders that may occur from the offering of such capital increase ordinary shares by way of private placement are as follows:

(1) Control Dilution

$$\frac{\text{Voting rights of new shareholders}}{\text{Voting rights of existing shareholders} + \text{Voting rights of new shareholders}}$$
$$= \frac{700,000,000}{7,967,826,432 + 700,000,000}$$
$$= 8.08 \%$$

(2) Earnings Per Share Dilution

$$\frac{\text{Earnings Per Share before offering} - \text{Earnings Per Share after offering}}{\text{Earnings Per Share before offering}}$$
$$= \frac{\text{Earnings Per Share before offering} = \text{Net profits} / \text{Total issued shares before offering}}{\text{Earnings Per Share before offering} = \text{Net profits} / \text{Total issued shares before offering}}$$
$$= \frac{\text{Earnings Per Share after offering} = \text{Net profits} / \text{Total issued shares after offering}}{\text{Earnings Per Share before offering} = \text{Net profits} / \text{Total issued shares before offering}}$$
$$= \frac{(0.052 - 0.048)}{0.052}$$
$$= 7.69\%$$

(3) Price Dilution

$$\frac{(\text{Market price before offering} - \text{Market price after offering})}{\text{Market price before offering}}$$
$$\text{Market price after offering} =$$
$$\frac{(\text{Market price} \times \text{Number of paid-up shares}) + (\text{Offering price} \times \text{Number of offering shares})}{\text{Number of paid-up shares} + \text{Number of offering shares}}$$
$$= \frac{0.90 - [(0.90 \times 7,967,826,432) + (1.00 \times 700,000,000)] / (7,967,826,432 + 700,000,000)}{0.90}$$
$$= \frac{0.90 - [7,871,043,788 / 8,667,826,432]}{0.90}$$
$$= \frac{0.90 - 0.91}{0.90}$$
$$= -0.01\%$$

Therefore, the offering of such capital increase ordinary shares of the Company will have no impact on the price dilution.

2.4 Opinion of the Board of Directors of the Company.

(1) Appropriateness of the offering price and cause of determination of the offering price of the capital increase ordinary shares offered to the specific investor.

The Board of Directors is of the opinion that the offering price of capital increase ordinary shares offered to the specific persons at the price of 1.- Baht per share shall be deemed appropriate because the offering price is higher than the market price of shares of the Company as of 0.10 Baht, being equivalent to 111.11% of the market price. The market price of ordinary shares of the Company trading on the Stock Exchange of Thailand (“SET”) for 15 consecutive trading days prior to the determination date of the offering price of capital increase ordinary shares is equivalent to 0.90 Baht per share and such offering shares will have no impact on the price dilution.

(2) Reason and necessity of the offering of such capital increase ordinary shares to the specific investor.

The Board of Directors is of the opinion that since the real estate projects of the Company are still under development. Additionally, pursuant to the business plan of the Company for the year 2017, the Company has planned to launch approximately 20 new projects having the total project value of approximately 26,000 Million Baht so that the Company will have the products enough to effectively compete with other real estate operators, the Company shall therefore be required to have a portion of capital reserves for supporting all construction projects in the future, and these reserves shall be used to provide working capital for the business operation of the Company and its associated companies. Therefore, the Company is obligated to offer the capital increase ordinary shares to the aforementioned specific investors who are recognized as the potential investors in investment, and especially interested in purchasing shares of the Company at the price higher than the market price during the offering period as considered and approved by the Board of Directors. As a consequence, it is certain that the Company will receive capital funds as needed within a short period of time; it also will not create any burdens to the existing shareholders of the Company. In addition, the specific investors are considered as the potential investors who have knowledge, capability and can be able to persuade other investors to invest in various projects of the Company and its associated companies as well, which can benefit to the business operation of the Company in the future.

(3) Benefits received by the Company from the offering of such capital increase ordinary shares to the specific investor.

After the Company has received the capital funds from the offering of capital increase ordinary shares to the specific investors as aforementioned, it will be prepared to invest and develop a wide range of real estate projects. Moreover, such capital increase can lessen the burdens incurred in borrowing funds from any financial institutions or issuing debentures to raise funds. In addition, it will help the Company to reduce the debt-to-equity ratio, resulting in the higher ability to apply for credit to support the real estate projects of the Company, together with contributing to the financial stability of Company, and preparedness for effective business operations of the Company in the future.

2.5 Affirmation of the Board of Directors of the Company.

The allotment and offering of such capital increase ordinary shares to the specific investors, the Board of Directors of the Company has carefully considered and examined the information regarding the aforementioned specific investors and opinioned that the specific investors are regarded as the persons with immense potential for investment and they are indeed capable of investing in the Company, it could be concluded that they are extremely talented investors having knowledge, capability and experience which can be helpful to the business operation of the Company in the future.

Please be informed accordingly.

Sincerely yours,

-Signature-

Mr. Chainid Adhyanasakul
Chief Executive Officer