



- Translation -

No. 051/2017/011

1 March 2017

Subject: Information Memorandum regarding Acquisition and Disposal of Assets

To: The President,  
The Stock Exchange of Thailand

Enclosure: Information on Acquisition and Disposal of Assets: Joint-Investment in the Mixed-Use Development Project

With reference to the Board of Directors of Central Pattana Public Company Limited ("CPN") in meeting No. 2/2017, the Board has passed the resolution to approve the acquisition and disposal of assets which is the joint venture between CPN and Dusit Thani Public Company Limited ("DTC") to joint-invest in a mixed-use development project including hotel, residence, shopping mall and office building. The project is located on the corner between Silom Road and Rama 4 Road, Bangkok. CPN's portion of investment is budgeted be no greater than 17,393 million Baht (including the present value of land cost and value of construction cost and operating expenses). CPN's projected use of investment budget from 2017 to 2018 is approximately 2,408 million Baht, while the remaining investment amount will be distributed throughout the project development period up until 2024. The size of this acquisition of assets under the given criteria, the total compensation paid, compared with the total asset value of CPN and its subsidiaries according to CPN's latest audited consolidated financial statements on 31 December 2016, of 104,527.35 million Baht, equivalent to 16.64%. Combined with the 7.83% in other acquired assets of the past six months (25 August 2016 to 27 February 2017), the acquired assets now total 24.47%, which is classified as Type 2 under the announcement of the SET Board on the disclosure of information and practices of listed companies on acquisition and disposition of assets, B.E.2547 (2004). CPN will be sending a notification to shareholders as required by the criteria within 21 days of this notification to SET, along with detailed information under Enclosure.

The approval of the Board of Directors Meeting No. 2/2017 held on 27 February 2017 contained the condition for disclosure of information shall be made after the Board of Directors Meeting of DTC has passed the resolution to approve the joint-investment scheme with CPN.

Your acknowledgment of this matter would be appreciated.

Sincerely,

*-Ampawee Chompoopongkasem-*  
(Ms. *Ampawee Chompoopongkasem*)  
Company Secretary

**Information Memorandum regarding Acquisition and Disposal of Assets**

**Re : Joint-Investment in the Mixed-Use Development Project**

**1. Transaction date**

Within July 2017, upon the approval by Dusit Thani Public Company Limited's shareholders in the AGM which will be held on 27 April 2017

**2. Contract parties and relationship**

Joint venture: Central Pattana Public Company Limited ("CPN") and  
Dusit Thani Public Company Limited ("DTC")

**3. Description of the transaction**

**1) Description of the Project**

CPN will joint-invest with DTC in the Mixed-Use Development Project located on the corner between Silom Road and Rama 4 Road, Bangkok, with the approximated land area of 23 rai 2 ngan 2.72 square wa. Tenure of the project's land are as follows:

Date of transaction:	Within July 2017
Construction Grace Period:	7 years
Leasing Period:	30 years lease duration with rights to extend for another 30 years, totaling 60 years

**2) Establishment of the Joint Venture Companies between CPN and DTC**

To achieve the efficient transactions for the Mixed- Use Development Project, CPN and DTC will establish 4 entities, including 3 joint venture companies and 1 subsidiary in which all shares are held by CPN. Details of each entity are as follows:

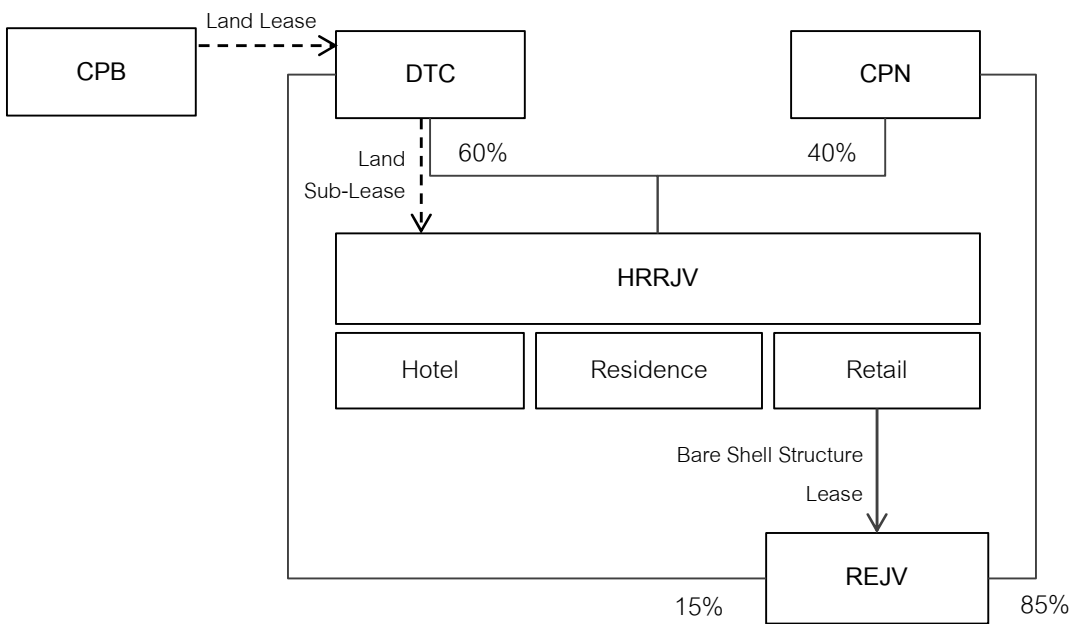
2.1) Vimarnsuriya Co., Ltd. ("HRRJV"), is a joint venture company established with the purpose to oversee the development of hotel and residential components of the project as well the construction of the retail component's bare shell structures. HRRJV will sub-lease the land from DTC for the aforementioned developments (DTC holds the land head lease with the Crown Property Bureau ("CPB")). Shares in HRRJV will be held by CPN and DTC with the proportion of 40:60.

2.2) Suanlum Property Co., Ltd. ("REJV"), is the joint venture company established with the purpose to oversee the operation of the retail component of the project. REJV will lease the bare shell structures from HRRJV, to furnish the interior and undergo shopping mall operations. Shares in REJV will be held by CPN and DTC with the proportion of 85:15.

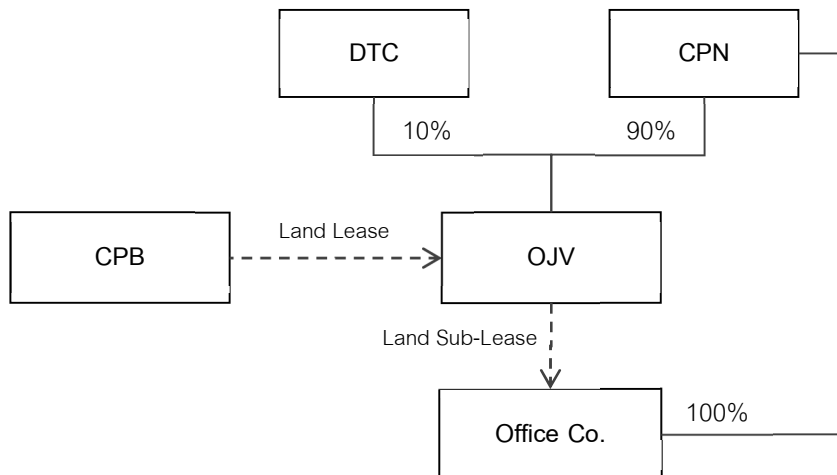
2.3) Phraram 4 Development Co., Ltd. (“OJV”) is the joint venture company with its purpose to lease the land in accordance with the land head lease agreement as set out by the CPB. Shares in OJV will be held by CPN and DTC with the proportion of 90:10.

2.4) Sala Daeng Property Management Co., Ltd. (“Office Co.”) is a company established with the purpose to oversee the development of the office component of the project. Office Co. will sub-lease the land from OJV in order to develop an office building and conduct its operations. All shares in the Office Co. will be held by CPN.

Shareholding structure for the hotel, residence and retail components:



Shareholding structure for the office component:



#### **4. Total investment value**

CPN's portion of investment is budgeted be no greater than 17,393 million Baht (including the present value of land cost and value of construction cost and operating expenses). The size of this acquisition of assets under the given criteria, the total compensation paid, compared with the total asset value of CPN and its subsidiaries under CPN's latest audited consolidated financial statements on 31 December 2016, of 104,527.35 million Baht, equivalent to 16.64%. Combined with the 7.83% in other acquired assets of the past six months (25 August 2016 to 27 February 2017) including the entering into the contract with Harng Central Department Store Ltd. (referring to the Information on connected transaction disclosed on 7 December 2016), the acquired assets total 24.47%.

#### **5. Criteria for determining the investment value**

Determined in accordance with the agreements between joint venture parties and the estimation of the construction costs of the overall project.

#### **6. Expected benefits for CPN as the result of the transaction**

- 1) Expansion of the shopping mall business in line with CPN's long-term business plan
- 2) The investment in the Mixed-Use Development project in each sub-project shall support the joint-investment project to achieve its goal
- 3) Greater competitiveness
- 4) Greater income base for business growth

#### **7. Funding sources**

Source of fund are from loans and internal capital for payment of the investment according to the share proportion of CPN.

#### **8. Transaction conditions**

Since this is Type 2 transaction under the announcement of the SET Board on the disclosure of information and practices of listed companies on acquisition and disposition of assets, B.E. 2547 (2004) with the total value of 15% but does not exceed 50% of the total assets, CPN will be sending a notification to the shareholders about this transaction within 21 days of this notification to SET.

#### **9. Opinion of the Board**

After examining the matters, the Board considers this transaction sensible, with acceptable price determination criteria and good return on investment in line with CPN's long-term business plan. This investment will generate commercial income and support the growth of CPN consecutively and firmly. The condition of such investment is sensible; the Board, therefore, has approved this joint-investment.

**10. Opinion of the Audit Committee and/or director(s) that differs from the opinion of the Board in section 9.**

- None. –

**11. Board's responsibility for information memorandum**

Carefully reviewing the data contained in this information, the Board certifies that the data are all correct, complete, factual, not misleading, and not lacking in essence.

**12. Significant ongoing litigation or demands**

The only litigation being dealt with is the fire incident at the CentralWorld Project, for which CPN sued an insurance company for compensation under an industrial all-risk policy, worth 2,848.4 million Baht, and for compensation under a business interruption policy, worth 989.8 million Baht, plus 7.5% interest per year from 31 March 2011, onward. Today the case is under the deliberation of the Supreme Court, detailed in the information given to the SET on 9 October 2014.

**13. Connected benefits or transactions between the listed company and directors, executives, and shareholders with direct or indirect shareholding of 10% or more**

- None. -