



No. SR-E2561/012

July 23, 2018

Subject: Disclosure on Acquisition of Assets of Siamraj Public Company Limited through the investment of SR Commercial Holding Company Limited in “The project of parking garage management at Chiang Mai Airport” (Revised)

Attention: President
The Stock Exchange of Thailand

Enclosure: Information Memorandum on Asset Acquisition of Siamraj Public Company Limited

Reference is made to the Board of Directors Meeting No. 4/2018 of Siamraj Public Company Limited (the “Company”), convened on July 4, 2018, which resolved to approve, in principle, the investment in the project of parking garage management at Chiang Mai Airport with Airports of Thailand Public Company Limited (“Parking Garage Project”) through SR Commercial Holding Co., Ltd. (“SRCH”) by the incorporation of a subsidiary to enter into the agreement with Airports of Thailand Public Company Limited which has the important conditions as follow:

- 1. Setting-up a subsidiary in order to invest in the Parking Garage Project which is required to be approved by the Extraordinary General Meeting of Shareholders of SRCH before operating.
2. Negotiating the agreements relating to the investment in the Parking Garage Project including but not limited to (1) The License agreement regarding the Parking Garage Project at Chiang Mai Airport and (2) Land Lease agreement at Chiang Mai Airport.

The Company would like to report the progress of investment in the Parking Garage Project as follows:

A. The Extraordinary General Meeting of Shareholders of SRCH No. 1/2018, convened on July 20, 2018, approved the investment in the Parking Garage Project including the details regarding the project. The important information regarding such project is as follows:

- (1) The Company will invest in the Parking Garage Project through SRCH, a subsidiary in which the Company holds 99.99 percent of the total shares.
(2) SRCH will increase its registered capital from THB 82,000,000 to THB 146,000,000 by issuing 6,400,000 newly issued shares at the par value of THB 10 per share. The Company will subscribe for such newly issued shares by the end of July 2018.
(3) SRCH will incorporate a subsidiary within the mid-August 2018 to invest in the Parking Garage Project with Airports of Thailand Public Company Limited, with details as follows:

Table with 2 columns: Company Name, Registered Capital, Paid-Up Registered Capital. Values include CAPS Co., Ltd., THB 100,000,000, and THB 25,000,000.



Shareholders' Equity	SRCH	63.99999 percent
	Triple K. Innovation Agent and Supply Co., Ltd. (94.99 percent shares are held by Mr. Pakin Sampatisiri)	20 percent
	Tekatatn Co., Ltd. (99.99 percent shares are held by Mr. Surasak Chamraskarn)	7.99999 percent
	S&V Communication Service Network Co., Ltd. (99.00 percent shares are held by Mr. Vekin Damrongrat)	7.99999 percent
	Mr. Kosol Sombatsiri	0.00001 percent
	Mr. Vekin Damrongrat	0.00001 percent
	Mr. Surasak Chamraskarn	0.00001 percent
Objectives of Business Operation	Participate in the operating business for “the project of parking garage management at Chiang Mai Airport”, for 15-year term (It is expected that the relevant agreements will be executed within August 2018 after incorporation of CAPS, a subsidiary company)	
Term of Project	15 years	
Head Office Address	No. 289/9 Moo 10 Rot Rang Sai Kao Road, Samrong Subdistrict, Phra Pradaeng District, Samut Prakan Province, 10130	
Source of Funds	Working capital of the Company	

B. The Company has negotiated and revised (1) the license agreement regarding the Parking Garage Project at Chiang Mai Airport and (2) Land Lease agreement at Chiang Mai Airport including the other agreements relating to the Parking Garage Project which is expected to be executed within August 2018.

In this regard, the transaction constitutes an asset acquisition under the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, 2004 (the “**Notifications on Acquisition or Disposal**”). The value of the



transaction is 28.33 percent, with the calculation of the transaction based on the total value of consideration basis compared to the value of the total assets of the Company under the consolidated financial statement of the Company, ending at March 31, 2018, reviewed by the auditor of the Company. When accumulated with the assets acquired during the past 6 months of 2.1 percent, the transaction has the highest value of 30.43 percent. The entering into of the transaction is thus classified as a Class 2 asset acquisition transaction. As a result, the Company therefore has the following obligations:

- (1) Disclose the information memorandum regarding the transaction to the Stock Exchange of Thailand (the “SET”);
- (2) Deliver to the shareholders a letter informing them of the details of such transaction within the period of 21 days from the date on which the information is disclosed to the SET.

Please consider the following Information Memorandum on the Asset Acquisition (Enclosure).

Please be informed accordingly.

Sincerely yours,

(Mrs. Wacharee Atthakorn)
Authorized Reporter



**Information Memorandum on Asset Acquisition of
Siamraj Public Company Limited
Schedule (1) of the Notification of the Board of Governors of the Stock Exchange of Thailand Re:
Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and
Disposition of Assets, 2004**

Reference is made to the Board of Directors Meeting No. 4/2018 of Siamraj Public Company Limited (the “**Company**”), convened on July 4, 2018, which resolved to approve, in principle, the investment in the project of parking garage management at Chiang Mai Airport (“**Parking Garage Project**”) through SR Commercial Holding Co., Ltd. (“**SRCH**”) by the incorporation of a subsidiary to enter into the agreement with Airports of Thailand Public Company Limited which has the important conditions as follow: (1) Setting-up a subsidiary in order to invest in the Parking Garage Project which is required to be approved by the Extraordinary General Meeting of Shareholders of SRCH before operating. The Extraordinary General Meeting of Shareholders of SRCH No. 1/2018, convened on July 20, 2018, approved the investment in the Parking Garage Project including other details regarding the project, and (2) Negotiating the agreements relating to the Parking Garage Project which is expected to be executed within August 2018.

In this regard, investment in the Parking Garage Project constitutes an asset acquisition under the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, 2004 (the “**Notifications on Acquisition or Disposal**”). When calculating the transaction based on the total value of consideration basis, the value of such transaction is 28.33 percent. The entering into of the transaction is thus classified as a Class 2 asset acquisition transaction, i.e. a transaction with a value of 15 percent or higher, but lower than 50 percent. As a result, the Company is obliged to immediately prepare a report and disclose the Information Memorandum regarding the transaction to the Stock Exchange of Thailand (the “**SET**”), whereby the report and the Information Memorandum must comprise details required in the Schedule (1) annexed to the Notifications on Acquisition or Disposal at a minimum, and deliver to the shareholders a letter informing them of the details of such transaction within the period of 21 days from the date on which the information is disclosed to the SET, whereby the details must include the information required under Schedule (2), Clauses 1, 2, 3, 5, (3), 7, and 8 annexed to the Notifications on Acquisition or Disposal at a minimum.

Therefore, the Company hereby discloses the following important information regarding the entering into of the investment in the project pursuant to the Notifications on Acquisition or Disposal:

1. Transaction Date

1.1 Subscription of newly issued shares of SRCH

The Company will subscribe 6,400,000 newly issued shares of SRCH at the par value of THB 10 per share by the end of July 2018.

1.2 Establishment of a subsidiary by SRCH

SRCH will incorporate the subsidiary to invest in the Parking Garage Project within August 2018.

1.3 Investment in the Parking Garage Project



SRCH's subsidiary will sign the license agreement to operate and manage the Parking Garage Project at Chiang Mai Airport and/or other agreement relating to the Parking Garage Project with Airports of Thailand Public Company Limited within August 2018.

2. Related parties and their relationships with the Company

Lessor : Chiang Mai Airport

Lessee : Subsidiary of SRCH (to be incorporated in August 2018)

Relationship : The lessor is not connected person to the Company

3. General characteristic of the transaction, type and size of the transaction

3.1 General characteristic of the transaction

The Company approved the increase in capital of SRCH of THB 64,000,000 and approved the incorporation of a subsidiary (of which incorporation will be registered in August 2018) to enter into the agreement with Airports of Thailand Public Company Limited in the investment in the project of parking garage management at Chiang Mai Airport, **The subsidiary will lease the land with a total area of 5,706 square meters for a 15-year term from the date on which the construction of the premises is completed and the lessor accepts the buildings and premises for the purpose of construction and management of the parking garage at Chiang Mai Airport. In this regard, within such period, the subsidiary of SRCH is entitled to operate or utilize the buildings and premises within the area of Parking Garage Project, under the following steps:**

- (1) Investment in the Parking Garage Project through SRCH, a subsidiary in which the Company holds 99.99 percent of the total shares. In this regard, SRCH will enter into a shareholders' agreement with (1) Tekatatn Co., Ltd.; (2) S&V Communication Service Network Co., Ltd.; and (3) Triple K. Innovation Agent and Supply Co., Ltd. to incorporate a subsidiary for the Parking Garage Project bidding.
- (2) Subscribing for 6,400,000 newly issued shares of SRCH of 6,400,000 shares, which the shareholders meeting of SRCH resolved to approve an increase in capital of THB 64,000,000 from the existing registered capital of THB 82,000,000 to THB 146,000,000 by issuing 6,400,000 newly issued shares, at the par value of THB 10 per share; and
- (3) SRCH will incorporate a subsidiary to invest in the Parking Garage Project with Airports of Thailand Public Company Limited, with details as follows:

Company Name	CAPS Co., Ltd.
Registered Capital	THB 100,000,000
Paid-Up Registered	THB 25,000,000



Capital		
Shareholders' Equity	SRCH	63.99999 percent
	Triple K. Innovation Agent and Supply Co., Ltd. <i>(94.99 percent shares are held by Mr. Pakin Sampatisiri)</i>	20 percent
	Tekatatn Co., Ltd. <i>(99.99 percent shares are held by Mr. Surasak Chamraskarn)</i>	7.99999 percent
	S&V Communication Service Network Co., Ltd. <i>(99.00 percent shares are held by Mr. Vekin Damrongrat)</i>	7.99999 percent
	Mr. Kosol Sombatsiri	0.00001 percent
	Mr. Vekin Damrongrat	0.00001 percent
	Mr. Surasak Chamraskarn	0.00001 percent
Objectives of Business Operation	Participate in the <i>operating business</i> for “the project of parking garage management at Chiang Mai Airport”, <i>for 15-year term (It is expected that the relevant agreements will be executed within August 2018 after incorporation of CAPS, a subsidiary company)</i>	
Term of Project	<i>15 years</i>	
Head Office Address	No. 289/9 Moo 10 Rot Rang Sai Kao Road, Samrong Subdistrict, Phra Pradaeng District, Samut Prakan Province, 10130	
Source of Funds	Working capital of the Company	



3.2 Type and size of the transaction

The entering into of the investment in the Parking Garage Project constitutes an asset acquisition. When based on the calculation for the size of the transaction as defined in the Notifications on Acquisition or Disposal, such transaction has the highest transaction value of 28.33 percent. Based on the total value of consideration basis, the transaction constitutes a Class 2 asset acquisition, i.e. a transaction with a value of 15 percent or higher, but lower than 50 percent, under the Notifications on Acquisition or Disposal. When accumulated with the assets acquired during the past 6 months, the transaction has the highest value of 30.43 percent. The calculation of the transaction is based on the total value of consideration basis compared to the value of the total assets of the Company under the consolidated financial statements of the Company, ending at March 31, 2018, reviewed by the auditor of the Company, with the calculation criteria for the transaction as follows:

Type and size of the transaction

- (1) Lease fee throughout the land lease agreement for 15-year term totaling THB 10,211,400;
- (2) Investment in the construction of the Parking Garage Project totaling THB 450,000,000;

A total transaction of THB 460,211,400 or equivalent to 28.33 percent based on the total value of consideration of the Company basis, with reference to the reviewed financial statements of the Company as at March 31, 2018. The calculation is as follows:

(a) Net Tangible Assets (NTA)

Not applicable as the transaction constitutes a land lease.

(b) Net Profit from the Operation

Not applicable as the transaction constitutes a land lease.

(c) Total Value of Consideration Basis

$$= \frac{(\text{Lease fee to be paid under the Agreement} + \text{Construction cost}) \times 100}{\text{Total assets as at March 31, 2018}}$$

$$= \frac{(10.21+450) \times 100}{1,624} \text{ (THB million)} = 28.33 \text{ percent}$$

(d) Value of securities issued for the assets acquired

Not applicable as there is no issuance of new securities.

In this regard, the accumulated transactions of the assets acquired during the past 6 months are as follows:

Details of acquired assets		THB millions	Date of Board of Directors' resolution	Transaction size (percent)
1.	Right to land lease for the purpose of construction and management of the parking garage at Chiang Mai Airport			
	1.1 Initial investment	450.00	July 4, 2018	
	1.2 Lease fee under the lease agreement (15 years)	10.21		
	Total value of Parking Garage Project	460.21		
	Value under the investment ratio of the Company (100 percent)	460.21		28.33
<i>Assets acquired during the past 6 months</i>				
2.	Construction of NGV Station Bang Chak / King Kaew	19.76	February 22, 2018	1.24
3.	Capital increase in Techtronic Co., Ltd.	14.00	July 4, 2018	0.86
	Total transactions of the assets acquired during the past 6 months			2.1
	Total transaction			30.43

Therefore, the value of the transaction is **30.43** percent, which is classified as a Class 2 asset acquisition transaction, i.e. a transaction with the value of 15 percent or higher, but lower than 50 percent, under the Notifications on Acquisition or Disposal. As a result, the Company is obliged to immediately prepare a report and disclose the Information Memorandum regarding the transaction to the SET within the period of 21 days from the date on which the information is disclosed to the SET.

4. Details of the acquired assets

4.1 General information of SRCH

SRCH registered as a juristic entity, as a company limited, under the Civil and Commercial Code, incorporated on July 5, 2017 with the registered capital of THB 82,000,000, divided into 8,200,000 ordinary shares, at the par value of THB 10 per share. The Company holds 8,199,997 shares, or equivalent to 99.99



percent of the total shares of SRCH. The main objective of SRCH is holding shares in other companies (holding company).

4.2 General Information regarding business operation of SRCH

SRCH is incorporated for the purpose of investment in other companies. Currently, SRCH has co-invested in TKS Venture Co., Ltd. (“TKS”), which is a subsidiary of the Company, holding 7,999,970 shares in TKS, or equivalent to 80 percent of the total shares of TKS and the other 20 percent of total shares held by Tekatam Co., Ltd for 10 percent and S&V Communication Service Network for 10 percent. In addition, at present, TKS has been selected by Thammasat University (Rangsit Center) to be the operator of the construction and management of the parking garage project at Thammasat Chalermprakiat Hospital (Thammasat University Hospital Rangsit) (the “Project”). The term of lease is thirty (30) years from the completion date of the construction.

In addition, the Company co-invested in the incorporation of the subsidiary, with the investment ratio of 63.99999 percent of the total shares, to invest in the Parking Garage Project. In this regard, the subsidiary will lease the land of 5,706 square meters in total from Airports of Thailand Public Company Limited for a 15-year term from the date on which the lessor grants the subsidiary to use the leased property for the construction and management of the parking garage at Chiang Mai Airport. In the meantime, the agreement in relation to the operation of the Parking Garage Project is pending execution, as well as other relevant agreements which is expected to be executed within August 2018. In this regard, SRCH will conduct studies on the project and the feasibility of further investments in other companies.

5. Total value of consideration

The total value of the investment is THB 460,211,400. The total value includes the expenses of the land lease of THB 10,211,400 as specified by Airports of Thailand Public Company Limited. In addition, the invested capital for the construction of the project is THB 450,000,000, which is an average price calculated from the construction fee which numerous contractors quoted for the Company’s consideration.

6. Criteria used in calculating the value of consideration

The transaction is an entering into of a long-term land lease agreement for the purpose of the construction and management of the parking garage at Chiang Mai Airport. In this regard, the value of consideration is determined by Airport of Thailand Public Company Limited.

7. Net profit after tax and special transaction which is an equity of acquired or disposed assets for two years prior to the transaction

-N/A-

8. Expected benefits of the transaction

The Company believes that such asset acquisition, by SRCH’s investment in the project, will be beneficial for the Company and its shareholders. Such asset acquisition will be beneficial to the Company as follows:

- (1) Exceed the capability of the Company for the investment of revenue collection concession system and parking garage management, as well as commercial area management;



- (2) Enhance the potential and commitment to be the leading construction and management company with the public sector and state organizations;
- (3) Enhance the potential to be the leader of parking system management business in Asia; and
- (4) Enhance the potential of the Company to compete on an international level in order to accommodate the construction market, both domestic and overseas.

9. Source of funds

(1) Funds for the acquisition of the capital increase in SRCH of THB 64,000,000 shall be obtained from the internal cash flow of the Company. In this regard, for the first three month period of the year 2018, the Company had a debt-to-equity ratio of 0.39, which displays the stability of the capital structure and loanability. It is expected that the application for loans from financial institutions for the project implementation will not have any conditions which prejudice the rights of the Company's shareholders.

(2) Funds for SRCH towards the incorporation of the subsidiary for the investment in the project shall be obtained from fundraising of shareholders in the subsidiaries of THB 100,000,000, and loans from financial institutions of THB 360,211,400 for the implementation of the Parking Garage Project **which the shareholders of the subsidiary will be the guarantor according to the ratio of the shareholders' equity without any remuneration.**

10. Please expressly clarify in the event that a transaction must be undertaken under a condition which requires an approval from the SET and/or from the shareholders' meeting as the case may be

No.	Conditions	Remark
1.	Approval from the Board of Directors Meeting of the Company	Approved by the Board of Directors Meeting of the Company No. 4/2018 on July 4, 2018
2.	Approval from the Board of Directors Meeting of SRCH	Approved by the Board of Directors Meeting of SRCH No. 2/2018 on June 25, 2018
3.	Approval from the Extraordinary General Meeting of Shareholders of SRCH No. 1/2018	Approved by the Extraordinary General Meeting of Shareholders of SRCH No. 1/2018 on July 20, 2018

11. Opinions of the Board of Directors on the entering into of the transaction

The Board of Directors Meeting No. 4/2018, convened on July 4, 2018, resolved to approve, in **principle**, the subscription of SRCH's newly issued shares to co-invest with its alliance in the incorporation of the subsidiary of SRHC to invest in the Parking Garage Project as the board considered that the transaction is appropriate, and yields utmost benefits for the Company and its shareholders. In this regard,



the Extraordinary General Meeting of Shareholders of SRCH No. 1/2018 resolved to approve, **in principle**, the capital increase of SRCH on July 20, 2018.

12. Opinions of the Audit Committee and/or directors of the Company which are different from those of the Board of Directors

No members of the Company expressed any different opinions from the opinions of the Board of Directors.

The Company hereby certifies that the Information Memorandum is correct and true in every respect. The document was prepared with prudence and caution in the best interests of the shareholders.

Please be informed accordingly.

Sincerely yours,

Mrs. Wacharee Atthakorn
Authorized Reporter