

No. 006/2022

28 February 2022

Subject: Notification regarding the disposal of the asset transaction

To: The President

The Stock Exchange of Thailand

Principal Capital Public Company Limited (the “Company”) would like to notify the Stock Exchange of Thailand (“SET”) of the resolutions passed by the Board of Directors’ Meeting No.9/2021 held on 12 November 2021, that the Company approved to participate in the “Asset Warehousing” program of the Bank of Thailand’s. The details are as follows:

1. Transaction Date : 28 February 2022
2. Involved parties : 2.1 Principal Capital Public Company Limited. (“transferor”)
: 2.2 Bank of Ayudhya Public Company Limited. (“transferee”)
: 2.3 V Residence Company Limited. Ownership interests of Somerset Ekamai Bangkok. (“Owner”)
3. General Characteristics : To participate in the “Asset Warehousing” program, the Bank of Thailand’s measures to support the entrepreneurs affected by Covid-19, between the Company with transferee, to improve the debt structuring of the Company, by transfer the ownership interests in 4 buildings of Somerset Ekamai Bangkok (SEB) to transferee for debt payment according to the Program, and transferee have an option for the company and owner to buy back the assets in 3 years (and the program can be extended for 2 times, 1 year each time). A project duration, owner also lease SEB from transferee to continue business operations.
4. Details of the disposal assets : Land and building, Somerset Ekamai Bangkok (SEB) in 4 buildings, which is used to operate hotels and serviced apartments.
5. Value of consideration : Transaction price of 1,500,000,000 Baht.

This asset disposition transaction when considering the size of the disposition based on each calculation method prescribed under the Major Transaction Rules and based on the consolidated financial statements of the Company for the period year ended as of 31 December 2021, the transaction size is of the highest value when calculated in accordance with the total value of consideration basis, which equals 8.61 per cent. (The Company has not executed any previous acquisition during the six-month period prior to this transaction), which is 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 an 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.

In addition, this transaction is not considered a connected transaction pursuant to the Notification of the Capital Market Supervisory Board and the Notification of the Board of Governors of the SET Concerning the Connected Transactions.

Nevertheless, the Board of Directors deems it appropriate to notify the certain further material information regarding the details abovementioned as per the Board of Directors' resolution this time.

6. The Opinion of the Board of Directors related to the transaction.

Board of Directors had approved the transaction.

7. The approval of the Audit Committee and / or directors which are different from the approval

- none -

Please be informed accordingly.

Yours sincerely

-Signature-

Miss Ritima Jirasuradate

Company Secretary