

PROUD-LC 2021/008

9 August 2021

Subject : Notification of the investment in the new subsidiary and an increase the registered share capital of a subsidiary

Attention: The President

The Stock Exchange of Thai

Proud Real Estate Public Company Limited (“the Company”), would like to inform you that on 9 August 2021, the Board of Directors has approved the following:

1. The investment in a new subsidiary, details are as follows:

Establishment Date	:	August 2021
Name of a new subsidiary	:	Convent Beta Co., Ltd.
Location of Head Office	:	900 Tonson Tower, 6 th Floor, Ploenchit Road, Lumpini Sub-district, Pathumwan District, Bangkok 10330
Registered Capital	:	Baht 1,000,000 (One million Baht) Comprising of 10,000 ordinary shares at a par value of Baht 100 per share
Shareholder Structure	:	The company holds 99.97% of the total shares of the new subsidiary
List of Directors	:	(1) Mr. Pasu Liptapanlop (2) Ms. Proudputh Liptapanlop (3) Mr. Pumipat Sinacharoen (4) Mr. Chuntorn Chuntratip
Source of Fund	:	Cash from working capital
Objective of the investment	:	To invest in real estate development

The transaction is not a connected transaction. Also, the transaction size is not required to be disclosed under the notification of the Stock Exchange of Thailand regarding disclosure rule for the acquisition and disposition of assets.

2. An increase of the registered capital of Hua Hin Alpha 71 Co., Ltd. (“HH71”) (approximately 99.99 percent owned by the Company) by THB 750,000,000 from the existing registered capital of THB 50,000,000 to THB 800,000,000, as per the following details (the “Transaction”):
- (1) The issuance of 6,000,000 newly preferred shares at a par value of THB 100 per share and the subscription price of THB 100 per share, totaling THB 600,000,000. In this regard, the Company will waive its subscription right of newly preferred shares in proportion to the Company’s respective shareholding to the investors who are interested to invest in HH71.

Upon the subscription of newly preferred shares by the investors, shareholding ratio of the Company in HH71's shares with voting rights may be changed. However, the Company's voting rights in HH71 will be equivalent to approximately 94 percent of the total voting rights in HH71 (after the issuance of newly issued shares of HH71). Therefore, HH71 will remain its status as a subsidiary of the Company after the completion of the Transaction.

- (2) The issuance of 1,500,000 newly ordinary issued shares at a par value of THB 100 and the subscription price of THB 100 per share, totaling THB 150,000,000. In this regard, the Company will subscribe all newly ordinary shares.

In this regard, the capital structure and rights of the ordinary share and preferred share of HH71 will be as follows:

Shareholder	Before the entering into of the transaction					After the entering into of the transaction				
	No. of shares	Amount (THB)	Voting Rights	No. of Voting Rights	Percentage	No. of shares	Amount (THB)	Voting Rights	No. of Voting Rights	Percentage
Ordinary share	500,000	50,000,000	1 share to 1 vote	500,000	100%	2,000,000	200,000,000	1 share to 1 vote	2,000,000	94%
Preferred Share	-	-	-	-	-	6,000,000	600,000,000	50 shares to 1 vote	120,000	6%
Total	500,000	50,000,000		500,000	100%	8,000,000	800,000,000		2,120,000	100%

Nature of business : Real estate development

Objective of Fund : Cash for construction of real estate development project was be managed by HH71 and repayment loan to the Company

The transaction size of the Transaction does not constitutes a material transaction deemed as acquisition or disposal of assets under the Notification of the Stock Exchange of Thailand No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (as amended) and 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 B.E. 2547 (as amended) (the "Acquisition and Disposal Notifications") which the Company will be required to prepare a report and disclose an information memorandum related to the acquisition or disposal of assets to the Stock Exchange of Thailand or will be required to obtain an approval from the meeting of shareholders of the Company under the Acquisition and Disposal Notifications.

Currently, the Company and HH71 are in the process of working with the investors and expected to be completed within September 2021. The Company will report to the Stock Exchange of Thailand if there is any further progress.

Please be informed accordingly

Yours faithfully,

- Signature -

(Mr. Pumipat Sinacharoen)

Chief Executive Officer