



No. MM-SET 08/2017

December 25, 2017

Subject Notification of New Set up Company and Asset Acquisition of Subsidiary

To The President
The Stock Exchange of Thailand

Mudman Public Company Limited (“MM” or the “Company”) would like to inform the following topics;

1. New Set up Company

The Company had set up a new company, Mudman International Limited, in Republic of Mauritius with following details:

Company Name	Mudman International Limited
Date of Incorporation	November 27, 2017 (at completion)
Shareholding Structure	Mudman Public Company Limited 100%
Registered Capital	USD 30,000 divided into 30,000 shares at par value of USD 1
Source of Fund	Internal funding
Objective	To support international investments (Holding Company)

In this regard, the value of such transaction is not required to be disclosed under the Stock Exchange of Thailand’s notification regarding Rules and Procedures and Disclosure of information and other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547

2. Asset Acquisition of Subsidiary

The Board of Director of the Company (the “BOD”) No. 4/2017 at October 12, 2017 resolved to approve Mudman International Limited (“MM Inter”), a subsidiary of the Company (in which the Company holds 100 percent of the total issued shares), to acquire 28,298 ordinary shares or 100 percent of the total shares of Societe Langonnaise des Vins et Hotelleries (“SLVH”) at the price of EUR 324.23 per share (approximately THB 12,864 per share at the exchange rate publicized by the Bank of Thailand as of Friday September 29, 2017 at THB 39.6762 per Euro) with total value of EUR 9,175,000 (approximately THB 364 million). The Parties have specified key conditions precedent of the transaction which are the ownership of the trademark Le Grand Vefour and the extension of lease agreement of SLVH. The objectives of the acquisition are to enhance the opportunities and abilities to strengthen the food and beverage business in international markets with following details:

2.1. Transaction date

December 25, 2017 (at completion of all the conditions precedent under terms of the Share Purchase Agreement)

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2.2. Name of connected person and its relationship with the Company

Buyer : Mudman International Limited
 Seller : 1. GM Conseil Limited (100% owned by Mr. Guy Martin)
 2. Mr. Guy Martin

The relationship of the Seller and the Company

The Buyer and the Seller have no relationship with each other in respect of shareholding or director, nor have any connected transaction pursuant to the notifications of the Stock Exchange of Thailand 2003, dated November 19, 2003 including any amendment thereto.

2.3. Size of the transactions in accordance with the assets acquisition criteria

The BOD No. 4/2017 at October 12, 2017 resolved to approve the transaction. The calculation of the transaction referred to the Company's Consolidated Financial Statement for the 9-month period ended September 30, 2017, which has been reviewed by Ms. Sirirat Sricharoensup, the Certified Public Accountant (Thailand) No. 5419 from EY Office Limited. The calculation of the transaction value is as followed:

Summary of financial position

Consolidated Financial Statement	As of September 30, 2017 (THB mm)
Total Assets	3,855.21
Intangible Assets	2,799.90
Total Liabilities	1,000.49
Non-Controlling Interest	-
Net Tangible Assets (NTA)	54.82
Net Profit (9-month period)	(2.88)

Calculation of transaction size of the asset acquisition is as followed:

Criteria	Formula	Transaction Value (%)
1. Net Tangible Assets (NTA)	NTA of SLVH proportionate to the investment / NTA of the Company (Cannot be calculated due to negative NTA of SLVH)	n/a
2. Net Profit	Net profit of SLVH proportionate to the investment / Net profit of SLVH (Cannot be calculated due to negative net profit of the Company)	n/a
3. Total Value of Consideration	Value of consideration paid / Total assets of the Company THB 364.03 mm / THB 3,855.21 mm	9.44
4. Value of Securities	Value of securities issued for acquired assets / Value of issued shares of the Company (Cannot be calculated due to no issuance of securities)	n/a

After considering the accumulation of the asset acquired during the past six months, the maximum value is equal to 12.45 percent, based on total value of calculation criteria as followed:

	Transaction Value (%)			Total Transaction Size
	Current Transaction Size	Transaction Size during the past Six Months		
	Investment in SLVH ordinary shares	Leasehold ⁽¹⁾	Asset Purchase for Operation ⁽²⁾	
1. Net Tangible Assets (NTA)	n/a	n/a	n/a	n/a
2. Net Profit	n/a	n/a	n/a	n/a
3. Total Value of Consideration	9.44	0.51	2.50	12.45
4. Value of Securities	n/a	n/a	n/a	n/a

Remark:

(1) Acquired the leasehold rights for operation (April – September 2017)

(2) Acquired the assets for operation (April – September 2017)

After considering the current transaction of the investment in SLVH and the accumulation of the asset acquired during the past six months, the transaction value was 12.45 percent. Therefore, the transaction is not required to be disclosed under the Stock Exchange of Thailand's notification regarding Rules and Procedures and Disclosure of information and other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547

2.4. Details of acquired assets

The asset to be acquired by MM Inter is 28,298 ordinary shares of SLVH at the price of EUR 324.23 per share (approximately THB 12,864 per share). In addition, SLVH currently operates food and beverage business under the trademark of Le Gand Vefour which is a historic restaurant (since 1784) with more than 230 years of operation. SLVH has only one restaurant located in the area of The Palais Royal's Gardens in Paris, France with two Michelin stars under the owner and head chef, namely Mr. Guy Martin. The key financial figures are as followed:

Unit : EUR mm	2014	2015	2016
Total Assets	2.27	2.12	2.39
Intangible Assets	0.69	0.69	0.70
Total Liabilities	1.51	1.34	1.79
Total Revenues	4.05	3.98	3.56
Net Profit	0.21	0.23	0.04



2.5. Total value of consideration

MM Inter shall pay for SLVH's ordinary shares of EUR 9,175,000 (approximately THB 364 million) in cash which will be divided into two payments. The first payment (in cash) was paid at EUR 8,175,000 (approximately THB 324 million) on December 21, 2017. The second payment (in cash) will be paid at EUR 1,000,000 (approximately THB 40 million) on December 21, 2018. As a result, MM Inter shall hold 100 percent stake in SLVH. The total value of consideration for this investment is in accordance with the agreement of both Parties with reference to the financial position, operating performance, and key financial figures of SLVH. Moreover, the Company has also considered the opportunities to strengthen its future business expansion.

2.6. Source of fund

The Company has entered into a loan agreement with a financial institution to be source of fund for MM Inter to acquire the ordinary shares of SLVH.

2.7. Benefits from the Transaction

The investment in SLVH, a company operating food and beverage business under the trademark of Le Gand Vefour which is a historic restaurant (since 1784) with more than 230 years of operation, will enhance the opportunities and abilities of the Company to expand its food and beverage business in domestic and international markets, including the potential related businesses in the future.

2.8. Opinion of the Board of Directors

The BOD resolved to approve the transaction with the opinion that the transaction will enhance the Company to expand its food and beverage in both domestic and international markets. In addition, the transaction is rational which also create long-term benefits to the Company.

The both transactions above are not required to be disclosed under the Stock Exchange of Thailand's notification regarding Rules and Procedures and Disclosure of information and other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547

Yours Sincerely

(Miss Hansa Serm Sri)

Chief Finance Officer