

Date 29 March 2016

Subject To notify the entering into a memorandum of understanding in relation to a shareholders agreement

To President

The Stock Exchange of Thailand

Land and Houses Public Company Limited (the “**Company**”) would like to inform that the Company was informed by LH Financial Group Public Company Limited (“**LHFG**”), a company of which the Company is the major shareholder, that the board of directors meeting no. 4 of LHFG held on 29 March 2016, has passed a resolution to approve the entering into a memorandum of understanding in relation to a share subscription agreement (the “**SSA MOU**”) with CTBC Bank Co., Ltd. (“**CTBC**”), in order to introduce a strategic investment partner to expand the business and operation of the banking subsidiary of LHFG that is Land and Houses Bank Public Company Limited of which 99.99 percent of shares are held by LHFG.

The SSA MOU was executed by LHFG and CTBC on 29 March 2016. Accordingly, LHFG and CTBC will take relevant steps to implement the Transaction, including conducting due diligence, negotiating and executing a definitive share subscription agreement and proceeding with other required procedures.

Under the SSA MOU, LHFG agrees in principle to issue 7,545 million new ordinary shares (“**Shares**”) through a private placement to CTBC and CTBC agrees in principle to subscribe for the Shares at Baht 2.20 per share (the “**Transaction**”), provided that the price and implementation of the Transaction are subject to adjustment or cancellation to reflect the material adverse findings of the business or financial condition of LHFG discovered in the due diligence.

The obligation of LHFG and CTBC to complete the Transaction is subject to certain conditions precedent, which include the conditions that

- (i) there is no material adverse change in the business or financial conditions of LHFG and CTBC;
- (ii) CTBC has obtained the required regulatory approvals in both Taiwan and Thailand which is in compliance with the relevant laws and regulations to proceed with the Transaction;
- (iii) LHFG has obtained the board's approval and shareholder's approval to proceed with the Transaction, including a waiver from the requirement to make a tender offer for all securities of LHFG by virtue of the resolution of the shareholders meeting (Whitewash); and
- (iv) LHFG has obtained the required regulatory approvals to proceed with the Transaction.

Upon the completion of the Transaction, the shares held by CTBC in LHFG shall be 35.6 percent and the shareholding of the Company in LHFG shall be diluted to 21.9 percent.

In this regard, the Company would like to inform that the board of director meeting no. 3 of the Company which was held on 29 March 2016, has passed a resolution to approve the entering into

a memorandum of understanding in relation to the shareholders agreement (“**SHA MOU**”) with QH and CTBC in order to stipulate our respective rights and obligations as the shareholders of LHFG upon the completion of the Transaction. The SHA MOU was executed by the Company, QH and CTBC on 29 March 2016. Accordingly, the Company, QH and CTBC will use the reasonable best efforts to proceed with the negotiation and execution of a definitive shareholders agreement.

Please be informed accordingly

Your sincerely,

(Mr. Adisorn Thananan-narapool)

Managing Director