

Preliminary Details of the Offer for Sale of the Total of 12,950,000 Increased Ordinary Shares of L.P.N.
Development Public Co., Ltd. to Directors and Employees at the Executive Management Level of the
Company and/or Subsidiary Companies (inclusive of the employees in the position of Directors) under the
Employee Stock Option Plan Scheme (ESOP)

1. Objectives and Needs of the Offer for Sale of the Increased Ordinary Shares

1.1 To reward employees for their commitment and hard work which contribute to better performance enabling the Company to become the leader in property development business.

1.2 To provide an incentive to employees with appropriate returns. This is better than offering cash reward to employees as it will instantly increase the expenses of the Company.

1.3 To retain competent and capable staff of the Company. Offering the shares to employees will enhance a sense of ownership and commitment to the Company.

1.4 To generate shared profits between the shareholders and the Company. The fact that the employees are committed to drive the Company forward will bring about profitable returns to the shareholders in the future.

2. Details of the Issued Securities

<u>Title</u>	:	Ordinary Shares of L.P.N. Development Public Co., Ltd. (LPN)
<u>Type of Shares</u>	:	Ordinary shares Holder-specific and transferrable
<u>Par Value</u>	:	1.- THB per share
<u>Method of Offer for Sale</u>	:	The Company will proceed to offer for sale the increased ordinary shares by allocating the increased ordinary shares of the Company (which means offering the ordinary shares for sale) to the directors and employees at the executive management level of the Company and/or subsidiary companies (inclusive of the employees in the position of directors of the Company) who meet the qualifications in No. 4, 5 and 6 below. The employees under the ESOP project will be entitled the right to reserve to buy increased ordinary shares under the conditions in No. 7 below.

<u>Number of Shares Offered:</u>		The total of no more than 12,950,000 shares at the par value of 1.- THB per share
<u>Offer Price</u>	:	1.- THB per share
<u>Offer Period</u>	:	From 1 April 2012 to 31 March 2013
<u>Registration</u>	:	The increased ordinary shares offered for sale will be registered with the Stock Exchange of Thailand.

3. Effects on Shareholders

The effects on shareholders can be divided into three categories, namely, price dilution, earnings per share dilution and control dilution. The calculation method used is in accordance with that specified by the Securities and Exchange Commission. The details are as follows:

1) Price Dilution

In order to calculate the price dilution, the Company has used the market price stated in the Notifications of the Securities and Exchange Commission Ref. Sor Jor 39/2551 re: Calculation of Securities Selling Price and Market Price Approach for Issuance of New Share at Low Price.

In this context, the “market price” of the company refers to the weighted average closing share price in the Stock Exchange of Thailand in retrospect for 15 consecutive business days prior to the first date on which the shares are offered for sale. The date on which the shares are offered for sale means the date on which the Board of Directors of the Company resolved to propose to the Annual General Meeting of Shareholders to approve the offer for sale of the newly issued shares to directors and employees of the Company under the ESOP project at low price.

The Board of Directors of the Company passed the above resolution on 17 February 2012. The market price of the Company means the weighted average cost of share price in retrospect from 27 January 2012 to 16 February 2012 of 13.90 THB.

As a result, the price dilution is 0.86%

Note: The calculation method of the price dilution is as follows

$$\text{Price Dilution} = \frac{\text{Market Price before Offer for Sale} - \text{Market Price after Offer for Sale}}{\text{Market Price before Offer for Sale}}$$

Market Price after Offer for Sale =

$$\frac{(\text{market price} \times \text{no. of paid-up shares}) + (\text{exercise price} \times \text{no. of shares or underlying shares offered for sale})}{\text{No. of paid-up shares} + \text{No. of shares or underlying shares offered for sale}}$$

The market price is 13.90 THB (weighted average cost in retrospect for 15 days or from 27 February 2012 to 16 February 2012)

Market price before offer for sale	=	13.90 THB which is the same as the market price
Market price after offer for sale	=	13.78 THB
Exercise price	=	1.- THB
No. of paid-up shares	=	1,475,698,768 shares
No. of shares or underlying shares offered for sale	=	12,950,000 shares
No. of paid-up shares + No. of shares or underlying shares offered for sale = 1,488,648,768 shares		

2) Earnings per share Dilution

Earnings per share dilution is 0.1%

Note: The Calculation method of the earnings per share dilution is as follows:

Earnings per share dilution =

$$\frac{\text{Earning per share before offer for sale} - \text{Earning per share after offer for sale}}{\text{Earning per share before offer for sale}}$$

Earning per share before offer for sale	=	net profit/no. of paid-up shares = 1.299
Earning per share after offer for sale	=	net profit/ (no. of paid up shares + no. of shares or underlying shares offered for sale) = 1.298 THB
Net profit (Consolidated financial statement) = 1,917,349,314.01 THB		

3) Control Dilution

Control dilution is 0.9%

Note: The Calculation method of the earnings per share dilution is as follows:

$$\text{Control dilution} = \frac{\text{No. of shares or underlying shares offered for sale}}{\text{No. of paid-up shares} + \text{No. of shares or underlying shares offered for sale}}$$

4. Methods of the Offer for Sale

The Company will offer for sale of no more than 12,950,000 increased ordinary shares to the directors and employees at the executive management level of the Company and/or subsidiary companies (inclusive of the employees in the position of directors of the Company) under the ESOP project.

The Board of Directors of the Company will have the authority to identify the name list of the directors and employees of the Company who are entitled the right to be offered the increased ordinary shares of the Company as well as the number of shares offered to each of the directors and employees.

Moreover, the Board of Directors of the Company will have the authority to assign an individual and/or a group of individual to set the date of the offer for sale of the increased ordinary shares, including the criteria, conditions and other details.

Other than that indicated in No. 5 below, the number of the increased ordinary shares which the Company will offer for sale to each employee under the ESOP project will not be more than 5% of all the increased ordinary shares offered under the ESOP project.

5. Details of the Directors and Employees who might be Entitled the Right to be Offered the Increased Ordinary Shares more than 5% of the Total of the Increased Ordinary Shares Offered.

1) Mr. Opas Sripayak

Position: Director, Executive Director and Managing Director

L.P.N. Development Public Co., Ltd.

Year of Service: 17 years (started in 1995)

Number of the Board of Directors' Meeting Attended: 10/10 meetings

Remuneration in 2011: Monthly remuneration, bonus and employee's health insurance

Opinions of the Board of Directors and the Nomination and Remuneration Committee (“director”)

Mr. Opas Sripayak is one of the key executives of the Company and the important workforce identifying the strategy of the direction of the business operation of the Company and implementing the policy of the Board of Directors of the Company together with other executive directors. He also played a significant role in leading the Company through the economic crisis in 2008 and was appointed by the Board of Directors of the Company to take up the position of the Managing Director who is responsible for the overall business operation of the Company since 2006. At the time, the income of the Company was 5,020 million THB and the net profit was 765 million THB. The efficiency of the management competency of Mr. Opas Sripayak has been enabling the Company to achieve continuous growth and become one of the leading companies of the property development sector. In 2012, the income of the Company is 12,372 million THB and the net profit is 1,917 million THB which are the result of the commitment of Mr. Opas Sripayak. The Board of Directors, therefore, agrees to offer increased ordinary shares for sale to Mr. Opas Sripayak as a reward for his commitment and an incentive for Mr. Opas Sripayak to lead the operation of the Company to achieve continuous growth and to develop in a sustainable manner.

2) Mr. Charan Kesorn

Position: Director and Managing Director,

Lumpini Property Management Co., Ltd. (subsidiary company) and

Director and Managing Director,

Lumpini Property Service and Care Co., Ltd. (subsidiary company)

Year of Service: 8 years (started in 2003)

Number of the Board of Directors’ Meeting Attended: 10/10 meetings

Remuneration in 2011: Monthly remuneration, bonus and employee’s health insurance.

Opinions of the Board of Directors and the Nomination and Remuneration Committee (“director”)

Mr. Charan Kesorn is one of the key executives of the Company and has been appointed by the Board of Directors of the Company to take up the position of the Managing Director of Lumpini Property Management Co., Ltd. which provides community management services to the residents after the handover of the condominium units. The role and responsibility of the company is to create services value of the Company to build trust and loyalty to “Lumpini” brand. At present, Mr. Charan Kesorn is responsible for managing 80 condominium juristic persons comprising 50,000 families with more than 120,000 members under the “vibrant

community” strategy. Mr. Charan’s endurance and commitment enable the Company to achieve the targets of the “vibrant community” strategy in all projects which are positively accepted by the public and the residents of the condominiums. This is the realization of the corporate social and environmental responsibilities strategy for sustainable development of the Company. As a result, the Board of Directors agrees to offer increased ordinary shares for sale to Mr. Charan Kesorn as a reward for his commitment and an incentive for Mr. Charan Kesorn to spread the “vibrant community” thinking to all communities to be managed by the Company in the future.

3) Mr. Pramode Chaipoon

Position: Director and Managing Director,

Lumpini Project Management Service Co., Ltd. (subsidiary company)

Year of Service: 5 years (started in 2007)

Number of the Board of Directors’ Meeting Attended: 10/10 meetings

Remuneration in 2011: Monthly remuneration, bonus and employee’s health insurance.

Opinions of the Board of Directors and the Nomination and Remuneration Committee (“director”)

Mr. Pramode Chaipoon is one of the key executives of the Company and has been appointed to take up the position of the Managing Director of Lumpini Project Management Service Co., Ltd. which is responsible for the overall management of all project constructions of the Company. The target is to deliver product value to customers under QCSES strategy i.e. Quality of product with low Cost, Speedy construction and concerns for Environment and Safety. Under Mr. Pramode Chaipoon’s leadership, the product of the Company has been developed to be of great value and acceptable to customers and related parties. Each year, Mr. Pramode Chaipoon has to manage more than 10 projects with the construction value of more than 6,000 million THB under the QCSES strategy to deliver the products which meet the expectation of the customers. Moreover, he has to develop the products and control the costs in order for the turnover of the Company to achieve the target as according to the policy of the Board of Directors. As a result of Mr. Pramode Chaipoon’s commitment, the Company has always achieved the planned profits. The Board of Directors, therefore, agrees to offer increased ordinary shares for sale to Mr. Pramode Chaipoon as a reward for his commitment and an incentive for Mr. Pramode Chaipoon to manage the construction work of the Company to follow the sustainability policy of the Company.

4) Ms. Somsri Techakraisri

Position: Deputy Managing Director and Company Secretary,

L.P.N. Development Public Co., Ltd. and

Director and Managing Director, Pornsanti Co., Ltd. (subsidiary company)

Year of Service: 23 years (started in 1989)

Number of the Board of Directors' Meeting Attended: 10/10 meetings

Remuneration in 2011: Monthly remuneration, bonus and employee's health insurance

Opinions of the Board of Directors and the Nomination and Remuneration Committee ("director")

Human resources of the organization are considered to be of highest value to the Company. Human resources management is the important function entrusted to Ms. Somsri Techakraisri to manage and develop. Ms. Somsri Techakraisri was one of the executives who took part in leading the Company through the economic crisis of 1997 and has been working in the supporting department i.e. human resources management department. She has been appointed the Deputy Managing Director of L.P.N. Development Public Co., Ltd. to be responsible for the management of supporting departments and human resources as well as the Managing Director of Pornsanti Co., Ltd. which is the subsidiary company developing non-condominium projects. Ms. Somsri Techakraisri is the pioneer staff of the Company and is thus aware of the overall operation of the Company and is appointed as a Secretary of the Company. She has been working in collaboration with three other executives, namely, Mr. Opas Sripayak , Mr. Charan Kesorn and Mr. Pramode Chaipoon. As a result of the commitment of Ms. Somsri Techakraisri, the human resources management as well as the work of the supporting departments of the Company has become effective both in terms of the performance and quality of the operation. Ms. Somsri Techakraisri has developed the human resources of the Company in terms of the capacity and organization's values and culture, all of which are considered to be the strengths of the Company. The Board of Directors, therefore, agrees to offer increased ordinary shares for sale to Ms. Somsri Techakraisri as a reward for her commitment and an incentive for Ms. Somsri Techakraisri to oversee the human resources management of the Company and manage a subsidiary company to generate profits for the Company.

Benefits for the Directors or Employees in Cash

Name	Highest number of ordinary shares which might be offered (Shares)	Increased ordinary shares which might be offered per all the increased ordinary shares under ESOP project (%)	Benefits for employees in cash (calculated from the difference of the offer price and market price) ***
Mr. Opas Sripayak	No more than 2,000,000 Shares	No more than 15.44%	No more than 25,800,000 THB
Mr. Charan Kesorn	No more than 2,000,000 Shares	No more than 15.44%	No more than 25,800,000 THB
Mr. Pramode Chaipoon	No more than 2,000,000 Shares	No more than 15.44%	No more than 25,800,000 THB
Ms. Somsri Techakraisri	No more than 2,000,000 Shares	No more than 15.44%	No more than 25,800,000 THB

Note: ***Calculated from the difference of the offer price of 1.- THB and market price of 13.90 THB

6. Qualifications of Directors and Employees

1) Must be a director and/or employee of the Company and/or subsidiary company on the day of the offer for sale of the ordinary shares.

2) The number of ordinary shares entitled to each director and employee does not need to be the same, subject to the position and roles and responsibilities of each director and employee. The Board of Directors of the Company will identify the list of the employees of the Company who will be offered the ordinary shares as well as the number of shares to be sold to each employee under the ESOP project.

7. Criteria of the Reservation to Buy

1) The Board of Directors of the Company and/or the individual assigned by the Board of Directors will have the authority to set the date to reserve to buy increased ordinary shares under the ESOP project which each director and employee are entitled to as well as to decide the number of increased ordinary shares entitled to each director and employee. Furthermore, the Board of Directors and/or the individual assigned by the Board of Directors will have the authority to take necessary and appropriate action related to the establishment of details and criteria of the reservation to buy increased ordinary shares offered under the ESOP project.

2) Directors and/or employees under ESOP project who are to reserve to buy the increased ordinary shares on the date must be the directors and employees of the Company and/or subsidiary company on the date of the reservation.

3) Directors and employees under ESOP project must reserve to buy the increased ordinary shares in accordance with their rights and make a payment for such shares on the reservation day or any other day identified by the Board of Directors of the Company and/or the individual assigned by the Board of Directors.

8. Permission Request to Offer the Increased Ordinary Shares for Sale from Related Authorities

The Company will offer increased ordinary shares for sale to the employees of the Company according to the regulations, conditions and criteria stated in the Notification of Capital Market Supervisory Board Ref. Tor Jor 32/2551 re: The Offer for Sale of Newly Issued Shares to Directors or Employees dated 15 December 2008.

9. Rights of Shareholders to Oppose the Offering

1) The issuance and offer for sale of the increased ordinary shares under ESOP project must be approved from the Annual General Meeting of Shareholders by a vote of no less than three-quarters of all the votes of shareholders present and entitled to vote. Shareholders holding more than 10 (Ten) percent of shares of all the voting rights of the shareholders present at the Meeting have the right to oppose the offer for sale of the increased ordinary shares of the Company.

2) The resolution of the Annual General Meeting of Shareholders which approve the issuance and offer for sale of the increased ordinary shares to directors and employees of the Company and/or subsidiary company under ESOP project (including the employees who are in the position of directors of the Company) of more than 5 percent of all the issued shares offered to any director or employee must be the approving resolution for each individual director or employee. The approving resolution for each individual must be by a vote of no less than three-quarters of all the votes of shareholders present and entitled to vote. Shareholders holding more than 5 (Five) percent of shares of all the voting rights of the shareholders present at the Meeting have the right to oppose the offer for sale of the increased ordinary shares of the Company.
