

(Translation)

No.Tor 17/2561

29 June 2018

Re : Clarification on Judgment on Contracting Agreement for Services of Lottery-Games System Lawsuit

To : President
The Stock Exchange of Thailand

Reference is made to the Information Disclosure Report No. Tor 16/2561 dated 29 June 2018 which Loxley Public Company Limited (“Company”) notified the result of judgment on Contracting Agreement for Services of Lottery-Games System lawsuit and SET asked the Company to clarify on the following issues:

- (1) the number of shares held by the Company in LOXLEY GTECH Technology Co., Ltd. (“LOXLEY GTECH”),
- (2) the amount of damages LOXLEY GTECH claimed from Government Lottery Office (“GLO”),
- (3) the meaning of the Central Administrative Court’s judgment which ruled that the Contracting Agreement for Services of Lottery-Games System is not void,
- (4) the meaning of the Central Administrative Court’s judgment which ruled that the Contracting Agreement for Services of Lottery-Games System is terminated,
- (5) when LOXLEY GETCH will receive from GLO Baht 945,649,656 given under the judgment together with interest at the rate of 7.5% per year,

the Company would like to clarify as follows:

- (1) The Company holds, directly and indirectly, shares in LOXLEY GTECH, totaling 35%, details of which are as follows:
 - (a) the Company directly holds 550,500 shares being 18.35% in LOXLEY GTECH, and
 - (b) the Company indirectly holds, through Loxley Global Co., Ltd. (“Loxley Global”) which is 51% owned by the Company, 979,500 shares being 32.65% in LOXLEY GTECH.
- (2) LOXLEY GTECH filed a lawsuit against GLO to the Central Administrative Court requesting the Court order GLO to comply with the Contract and pay damages to LOXLEY GTECH or render a judgment revoking or terminating the Contract and ordering GLO to pay damages to LOXLEY GTECH at the sum of Baht 3,167,387,768 together with interest at the rate of 7.5% per year in case GLO cannot be forced to comply with the Contract.

- (3) The Central Administrative Court rendered its judgment that the Contracting Agreement for Services of Lottery-Games System is not void, reasoning that any act with an objective clearly not permitted under the laws which shall be void under Section 150 of the Civil and Commercial Code, in the contract which is a juristic act entered into between two parties, both parties must have knowledge of the benefits which are ultimately required by both parties. According the facts, at the time of entering into the Contract, it did not appear that LOXLEY GTECH had knowledge that GLO has no authority to enter into the disputed Contract which is not permitted under Section 9 of the Government Lottery Act A.D. 1974, thus, the disputed Contract is not void under Section 150 of the Civil and Commercial Code.
- (4) The Central Administrative Court rendered its judgment that the Contracting Agreement for Services of Lottery-Games System is terminated, reasoning that performance under the disputed Contract is not possible. When LOXLEY GTECH brought a lawsuit to the administrative court on 7 April 2011 requesting the Court render a judgment or a ruling that the administrative contract be terminated, LOXLEY GTECH expressed its intention to terminate the Contract with GLO. As a result, it shall be deemed that the Contract be terminated as from 7 April 2011, the date which LOXLEY GTECH filed the lawsuit to Court.
- (5) The Central Administrative Court rendered its judgment ordering GLO to complete its payment to LOXLEY GTECH Baht 945,649,656 together with interest at the rate of 7.5% per year of such principal amount until payment is made in full, within 60 days from the date the lawsuit is finally over.

Please be informed accordingly.

Yours Sincerely,
Loxley Public Company Limited

(Mr. Pichai Mooputtarak)
Company Secretary