

(English Translation)

Opinion of the Independent Financial Advisor  
regarding SET Delisting

of



**GOLDENLAND**

GOLDEN LAND PROPERTY DEVELOPMENT PUBLIC COMPANY LIMITED ("GOLD")

Proposed to

Shareholders of GOLD

Prepared by



Maybank Kim Eng Securities (Thailand) Public Company Limited

7 October 2019

(In case of any discrepancies between the original Thai version and this English Translation, the Thai version shall prevail.)

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Abbreviation	Full Wordings
Requirement for Maintaining SET Listing Status	SET rules concerning maintaining SET listing status
Free Float Requirement	SET rules concerning distribution of minority shareholding which stipulates at least 150 minority shareholders shall hold in aggregate at least 15% of total issued and paid-up shares of the company
SET Delisting Rules	Notification of the Stock Exchange of Thailand re: SET Delisting B.E. 2542
The Independent Financial Advisor	Maybank Kim Eng Securities (Thailand) Public Company Limited or MBKET
Business Takeover Rules	Notification of the Capital Market Supervisory Board no. Tor.Chor 12/2554 re: Rules, Conditions and Procedures for Securities Acquisitions for Business Takeovers Dated 13 May 2011 (as amended)
The Tender Offeror or FPT	FRASERS PROPERTY (THAILAND) PUBLIC COMPANY LIMITED
The SET	The Stock Exchange of Thailand
The SEC	The Securities and Exchange Commission, Thailand
GOLD or the Company	GOLDEN LAND PROPERTY DEVELOPMENT PUBLIC COMPANY LIMITED

7 October 2019

To Shareholders of

GOLDEN LAND PROPERTY DEVELOPMENT PUBLIC COMPANY LIMITED (“GOLD” or the “Company”))

Re: Opinion of the Independent Financial Advisor regarding SET Delisting by GOLDEN LAND PROPERTY DEVELOPMENT PUBLIC COMPANY LIMITED

Reference is made to the written notice dated 20 September 2019 GOLDEN LAND PROPERTY DEVELOPMENT PUBLIC COMPANY LIMITED (“GOLD” or the “Company”) obtained from FRASERS PROPERTY (THAILAND) PUBLIC COMPANY LIMITED (“FPT” or the “Tender Offeror”). FPT is the major shareholder of GOLD, whereby FPT held GOLD shares totaling 2,202,086,001 as of 20 September 2019 which represent 94.77% of total issued and paid-up shares of GOLD. Such written notice requested GOLD to proceed on delisting of its securities from the Stock Exchange of Thailand (the “SET”). In relation to this, FPT will conduct a tender offer for the entire securities of GOLD which are currently not held by it, the amount of which is 121,633,999 which represent 5.23% of total issued and paid-up shares of GOLD. This is in line with the stipulation under the post-tender offer operating plan for GOLD which FPT notifies in Section 3 Information of the Business, Sub-Section 2.1 Business Status in the 247-4 form dated 4 June 2019 (as amended) that FPT may delist GOLD from the SET when GOLD obtains sufficient votes from its meeting of shareholders approving its SET Delisting in accordance with relevant SET Delisting Rules. Delisting GOLD from the SET may occur within the period of 12 months from the last date of the initial tender offer period which is 8 August 2019.

Thus, the meeting of board of directors of GOLD no. 6/2018-2019 which was held on 20 September 2019 resolved to propose for consideration and approval by its extraordinary general meeting of shareholders of its SET Delisting. As such, GOLD shall comply with Notification of the Stock Exchange of Thailand re: SET Delisting B.E. 2542 (“SET Delisting Rules”). SET Delisting Rules require GOLD obtain approval from the shareholders or proxies (if any) attending the meeting with a required affirmative votes of at least three-fourths of GOLD’s total issued and paid-up shares, with no objection of more than 10% of its total issued and paid-up shares. In observance of SET Delisting Rules, FPT will conduct a tender offer for GOLD shares at the tender offer price of THB 8.55. FPT may however adjust the tender offer price in case any of the followings: (1) GOLD makes dividend payment to its shareholders or (2) GOLD changes the par value of its shares, thus resulting in an increase or decrease in number of its shares or (3) GOLD grants the right to subscribe for its newly issued shares or for transferable share warrants to its shareholders pro rata to their shareholdings in accordance with Notification of the Capital Market Supervisory Board no. Tor.Chor 12/2554 re: Rules, Conditions and Procedures for Securities Acquisitions for Business Takeovers dated 13 May 2011 (as amended) (“Business Takeover Rules”).

FPT will conduct a tender offer for GOLD shares for its voluntary SET Delisting when the following conditions precedent are fully satisfied:

- 1) GOLD obtains an approval from the meeting of shareholders for its SET Delisting, with a required affirmative votes of at least three-fourths of its total issued and paid-up shares, with no objection of more than 10% of its total issued and paid-up shares; and
- 2) The relevant agencies of GOLD in accordance with relevant agreements, including the SET, financial institutions, bondholders and other related contractual parties, approve or waive the matters related to the delisting of GOLD's shares from the SET (if necessary).

In this regard, GOLD's board of directors appointed Maybank Kim Eng Securities (Thailand) Public Company Limited (the "**Independent Financial Advisor**") to act as GOLD's Independent Financial Advisor in rendering our independent opinion to its public shareholders concerning its SET Delisting.

GOLD will hold its extraordinary general meeting of shareholders no. 1/2019-2020 on 20 November 2019 starting from 1.30 p.m. at The Mitr-ting Room, Samyan Mitrtown Hall, 5th Floor, Samyan Mitrtown Plaza, 944 Rama 4 Road, Wangmai, Pathumwan, Bangkok 10330 to consider and approve its SET Delisting.

<b>Part 1     Executive Summary</b>
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Based on our analysis of information we obtained directly from GOLD and those related to tender offer for GOLD shares for voluntary SET Delisting which are from reliable public sources, we are of the opinion that GOLD shareholders should approve its SET Delisting based on the followings:

1. As GOLD's minority shareholders held the aggregated proportion of 5.23% of its total issued and paid-up shares as of 20 September 2019, this is not in compliance with SET rules concerning distribution of minority shareholding which stipulates at least 150 minority shareholders shall hold in aggregate at least 15% of total issued and paid-up shares of GOLD ("Free Float Requirement"). At present, FPT has no policy to significantly reduce its shareholding in GOLD in which case it may expose GOLD to the risk of being unable to correct such SET incompliance.
2. The tender offer price of THB 8.55 is in the range of the fair value of GOLD shares from THB 7.61 to 9.57. Details of which are presented in Section 4 of this report of the Independent Financial Advisor. Note that such tender offer price is not lower than the highest price which is computed in accordance with Clause 56 of Business Takeover Rules.
3. After its SET Delisting, GOLD's shareholders could no longer trade their shares via an organized secondary market like the SET. There will be no reliable and acceptable benchmark prices which can serve to aid them in making sound investment evaluations and decisions related to GOLD's securities, and GOLD's shareholders will thus face serious trading illiquidity. Opportunities for GOLD's shareholders to obtain investment return in the form of capital gain would of course be limited, and their return from investment in GOLD shares will be restricted to only dividend. Dividend return from GOLD may change from year to year, depending upon GOLD's operating performance in each year and GOLD's dividend payment policy as prescribed by its major shareholder. GOLD's individual shareholders will no longer be exempted from capital gain tax.
4. Although GOLD is still a public limited company and a subsidiary of a SET-listed company, its shareholders would obtain fewer information after its SET Delisting. GOLD is no longer obligated to prepare and disclose information in accordance with rules and regulations as applicable to all SET-listed companies after its SET listing status lapses. Post-tender offer for SET Delisting, if other shareholders who are not the tender offeror, persons acting in concert and their respective related persons under Section 258 will hold GOLD shares in the aggregate amount of not more than 5% of its total issued and paid-up shares or total number of shareholders or holders of warrants will not be higher than 100, (1) GOLD will no longer need to comply with provisions under Notification of the Capital Market Supervisory Board no.Tor.Jor 44/2556 (2) GOLD as well as its directors and executives will no longer need to comply with Section 3/1 of the Securities and Exchange Act B.E.

2535 (as amended) such as provisions related to entering into connected transactions, those related to entering into material transactions, those related to reports of interests by directors and executives and etc and (3) directors, executives and auditors of GOLD will no longer need to comply with provisions under Notification of the Capital Market Supervisory Board no.Sor.Jor 38/2561. Note however that GOLD as a subsidiary of FPT is still obligated to prepare and provide necessary financial and business information to FPT so that its parent could fulfil its regulatory disclosure requirement. Public shareholders could still follow and obtain necessary information related to GOLD via financial and business information as prepared and disclosed by FPT.

This report of the Independent Financial Advisor was prepared on the basis of data and documents we obtained from GOLD including resolutions of the meetings of board of directors of GOLD and FPT regarding GOLD's SET Delisting, report form for SET Delisting (10-6 form), GOLD's 56-1 form, GOLD's audited financial statements for the periods ended 30 September 2017 and 2018 and its reviewed financial statements for the 9-month period ended 30 June 2019, 247-4 form dated 4 June 2019 (as amended) which was prepared and submitted by FPT as well as our interview of GOLD's management and relevant staffs. Our independent opinion is prepared on the ground that such documents and data we received is complete, accurate and true, taking into account prevalent economic and industry conditions at the time of study. In case there are any significant changes in the economic and industry conditions or in data we used to prepare our report of the Independent Financial Advisor, this may significantly affect our independent opinion as contained in the report of the Independent Financial Advisor. Some numerical figures as contained in this report may be rounded, and thus differing from the actually computed ones.

In preparing this report of the Independent Financial Advisor dated 7 October 2019, the Independent Financial Advisor hereby confirms that we studied and analyzed data and documents we obtained in accordance with applicable professional standards and we provide our fairness opinion regarding this SET Delisting by GOLD with no bias, taking into account the interests of GOLD's public shareholders. Our independent opinion regarding SET Delisting by GOLD was obtained and concluded on the ground that data and documents we received from GOLD and from other public sources are reliable, complete and accurate at the time we prepared this report of the Independent Financial Advisor. If they are inaccurate and/or untrue and/or incomplete and/or change significantly in the future, this may affect our independent opinion concerning this SET Delisting by GOLD. The Independent Financial Advisor thus cannot confirm about consequential impacts to GOLD and its shareholders in the future due to such factors. The main purpose of this report of the Independent Financial Advisor is to provide our independent opinion regarding this SET Delisting by GOLD to the Board of Directors and shareholders of GOLD. Whether to vote for this SET Delisting hinges mainly on judgment of shareholders. Shareholders shall thoroughly study information and details as contained in this report of the Independent Financial Advisor as well as other documents as contained in the invitation to the meeting of shareholders prior to casting their votes. In

expressing our independent opinion, the Independent Financial Advisor does not provide any guarantee either directly or indirectly that this SET Delisting will be completely and successfully executed. Neither do we confirm about its consequential impacts either directly or indirectly to GOLD and its shareholders. The Independent Financial Advisor thus holds no responsibility either directly or indirectly for the consequential impacts of this SET Delisting by GOLD.



## Part 2 Background and Details of SET Delisting by GOLD

### 2.1 Details of the Transaction

Reference is made to the written notice dated 20 September 2019 GOLDEN LAND PROPERTY DEVELOPMENT PUBLIC COMPANY LIMITED (“GOLD” or the “Company”) received from FRASERS PROPERTY (THAILAND) PUBLIC COMPANY LIMITED (“FPT” or the “Tender Offeror”). FPT is the major shareholder of GOLD, whereby FPT as of 20 September 2019 held GOLD shares for the total amount of 2,202,086,001 which represent 94.77% of total issued and paid-up shares of GOLD. Such written notice requested GOLD to proceed as reasonably and necessarily to delist its shares from the Stock Exchange of Thailand (the “SET”). This is in line with the stipulation under the post-tender offer operating plan for GOLD which FPT notifies in Section 3 Information of the Business, Sub-Section 2.1 Business Status in the 247-4 form dated 4 June 2019 (as amended) that FPT may delist GOLD from the SET when GOLD obtains sufficient votes from its meeting of shareholders approving its SET Delisting in accordance with SET Delisting Rules. Delisting GOLD from the SET may occur within the period of 12 months from the last date of the initial tender offer period which is 8 August 2019.

FPT as the tender offeror will conduct a tender offer for GOLD shares for the purpose of SET Delisting after the following conditions precedent are fully satisfied:

- (1) The extraordinary general meeting of shareholders of GOLD no.1/2019-2020 to be held on 20 November 2019 approves this SET Delisting whereby GOLD shall obtain approval from the shareholders or proxies (if any) attending the meeting with a required affirmative votes of at least three-fourths of its total issued and paid-up shares with no objection of more than 10% of its total issued and paid-up shares in accordance with SET Delisting Rules; and
- (2) The relevant agencies of GOLD in accordance with relevant agreements, including the SET, financial institutions, bondholders and other related contractual parties, approve or waive the matters related to the SET Delisting (if necessary).

In this regard, FPT will conduct a tender offer for GOLD shares for the purpose of SET Delisting at the tender offer price of THB 8.55. FPT as the tender offeror may adjust the tender offer price under any of the followings: (1) GOLD makes dividend payment to its shareholders or (2) GOLD changes the par value of its shares, thus resulting in an increase or decrease in number of its shares or (3) GOLD provides rights to subscribe for its newly issued shares or transferable share warrants to its shareholders pro rata to their shareholdings in accordance with Clause 40 of Business Takeover Rules.

In observance of SET Delisting Rules, GOLD will arrange for a person to conduct a tender offer for its shares currently held by public shareholders in accordance with the longest required length of tender offer period which is 45 business days under Business Takeover Rules. When all conditions precedent as stated above are fully satisfied, FPT will conduct a tender offer for all GOLD shares currently held by public shareholders.

## **2.2 GOLD's Business and Financial Information**

See Enclosure 1 of this report.

<b>Part 3     Opinion of the Independent Financial Advisor concerning SET Delisting</b>
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### **3.1     Rationales for SET Delisting**

#### **3.1.1     Necessity for GOLD to raise funds via the SET**

GOLD no longer needs to raise funds directly via the SET. In recent years, it has used loans from financial institutions and debt instruments to support its business operation and expansion. Although GOLD will no longer be a SET-listed company, it could still raise financing in the form of loans from financial institutions and debts to be issued and offered for sale to institutional investors and/or high net-worth investors. GOLD could as well employ its internal working cash flows to support its business. If necessary and appropriate, GOLD could also ask for financial supports from the SET-listed FPT which is its parent.

#### **3.1.2     FPT is the controlling person of GOLD**

At present, GOLD is under the control of FPT, and GOLD's minority shareholders could not accumulate sufficient votes to counter the matter (s) as proposed by its major shareholder for consideration and approval by the meeting of shareholders. At of 20 September 2019, FPT held 2,202,086,001 shares of GOLD, representing 94.77% of its total issued and paid-up shares. FPT thus has a control over GOLD's business policies and operations as well as key policies such as dividend payment and etc. FPT also has a control over all matters to be considered and approved in GOLD's meeting of shareholders, whether the matters which require a majority votes of the meeting of shareholders or those which require affirmative votes of the meeting of shareholders including capital increase, capital decrease, business merger and etc. With such stake of FPT in GOLD, GOLD's minority shareholders could not accumulate sufficient votes to counter the matter(s) as proposed by FPT.

#### **3.1.3     GOLD's capability to comply with SET's Free Float Requirement**

GOLD now fails to meet SET's Free-Float Requirement which stipulates that at least 150 minority shareholders shall in aggregate hold at least 15% of its total issued and paid-up capital. This is because there are currently minority shareholders who accumulatively hold just 5.23% of its total issued and paid-up capital, and this is not in compliance with the SET's Free-Float Requirement.

Although the SET will provide a relaxation for this incompliance by GOLD by giving it a period of 1 year from the due date of submission of a free-float report to the SET to rectify such free-float incompliance, FPT however has no policy to significantly reduce its stake in GOLD at the moment. This has thus exposed GOLD to the risk of inability to comply with the SET's Free Float Requirement. With FPT's equity stake of 94.77% in GOLD as of 20 September 2019, GOLD has faced the risk of failure to maintain its SET listing status due to its inability to fulfil the SET's Free Float Requirement which stipulates at least 150 minority shareholders shall in aggregate hold at least 15% of its total issued and paid-up capital.

### **3.2 Conditions Precedent for SET Delisting**

#### **3.2.1 Approval by the meeting of shareholders**

Prior to its SET Delisting, GOLD requires approval from the shareholders or proxies (if any) attending the meeting of shareholders, with a required affirmative votes of at least three-fourths of GOLD's total issued and paid-up shares with no objection of more than 10% of its total issued and paid-up shares. In this regard, GOLD's meeting of board of directors held on 20 September 2019 resolved to propose this SET Delisting for consideration and approval by its extraordinary general meeting of shareholders no.1/2019-2020 to be held on 20 November 2019.

Note that FPT is currently the only major shareholder of GOLD, whereby it held GOLD shares for the amount of 2,202,086,001 as of 20 September 2019 which represent 94.77% of GOLD's total issued and paid-up capital. With such proportion of equity stake in GOLD which well exceeds three-fourths of its total issued and paid-up capital, FPT now holds sufficient number of votes to approve this SET Delisting. Minority shareholders who hold in aggregate just 5.23% of GOLD's total issued and paid-up capital as of the same date could not accumulate sufficient number of votes to object this SET Delisting. Note that SET Delisting could not be proceeded if there are sufficient number of shareholders who in aggregate hold shares for the amount exceeding 10% of total issued and paid-up shares objecting to the SET Delisting.

#### **3.2.2 Permission for SET Delisting**

After GOLD obtains an approval for its SET Delisting from the meeting of shareholders, GOLD will submit a SET Delisting request to the SET. This will take 30 days for consideration and approval by the SET from the date the SET obtains a complete set of required data and documents from GOLD.

### **3.3 Tender offer for GOLD's shares**

After GOLD obtains a delisting approval from the SET, FPT will conduct a tender offer for GOLD shares for the purpose of voluntary SET delisting in accordance with Business Takeover Rules, with the tender offer price of THB 8.55. FPT may adjust the proposed tender offer price under any of the followings: (1) GOLD makes dividend payment to its shareholders or (2) GOLD changes the par value of its shares, thus resulting in an increase or decrease in number of its shares or (3) GOLD provides right to its shareholders in subscribing for its newly issued shares or transferable share warrants pro rata to their shareholdings in accordance with Business Takeover Rules.

### **3.4 Post-delisting impacts to GOLD and its minority shareholders**

#### **3.4.1 Impacts to GOLD**

Post-SET delisting, GOLD will still engage in the business of residential and commercial property developments. Note that SET Delisting will impact GOLD's business operation and management as follows:

**(1) Fund raising via the SET**

Post-SET delisting, GOLD could no longer raise funds directly via the SET. Although GOLD is no longer a SET-listed company, it could still raise required financing via loans from financial institutions and issuance and offer for sale of debt securities to institutional investors and/or high net-worth investors. GOLD could also employ internal operating cashflows to support its business. Thus, SET Delisting will have no material long-term impact to GOLD's business. If necessary and appropriate, GOLD may ask its parent company (FPT) to provide it with necessary financial supports.

**(2) Its fewer information to shareholders and public investors**

After GOLD's SET listing status lapses, fewer information of it will be available to shareholders and public investors. This may somewhat impact its corporate and business images. Nonetheless, having no SET listing status will not materially impact GOLD's business operation. GOLD will still engage in the business of commercial and residential property developments in accordance with its long-term business plan. GOLD's products and services have been widely known for a long period of time, and it will continuously launch necessary marketing and PR campaigns to the target groups of clients to create and maintain their awareness of GOLD. Note also that as a subsidiary of the SET-listed FPT, GOLD is still obligated to prepare and provide FPT with necessary business and financial information to support its parent in fulfillment of its regulatory disclosure requirement. Public shareholders could thus obtain GOLD's key business and financial information via SET disclosure by FPT.

**3.4.2 Impacts to minority shareholders**

Post-SET Delisting, GOLD's minority shareholders may be impacted as follows:

**(1) Lack of trading liquidity**

After its SET Delisting, GOLD's shares will no longer be traded in the SET. Its shareholders will thus face serious trading illiquidity. Information about GOLD's trading prices and liquidity will no longer be publicly available. Public shareholders will thus face more difficulty in gathering sufficient reliable information to aid their investment evaluations and decisions related to GOLD's securities.

**(2) Limitation of investment return**

Post-SET Delisting, investment return GOLD shareholders will obtain will be restricted to only dividend. Their opportunities to obtain return in the form of capital gain will be limited as GOLD shares are no longer traded in an organized exchange like the SET. They will face serious trading illiquidity, and no reliable information about GOLD's securities trading price and volume will be available to serve public shareholders in their investment evaluations and decisions. GOLD's

dividend payment in the future is however still uncertain and may change from year to year, depending upon its future operating performance and dividend payment policy as prescribed by its existing major shareholder.

**(3) No tax privilege for individual shareholders**

After SET Delisting, GOLD's individual shareholders will no longer be exempted from capital gain tax. This is a special tax privilege available to individual investors who trade SET-listed securities via the SET. In transferal of GOLD shares, share transferor will also have to bear stamp duty.

**(4) Limited access to GOLD's information**

Although GOLD is still a public limited company post-SET Delisting, its shareholders will have limited access to its business and financial information. This is because GOLD is longer obligated to prepare and disclose its information to public investors after its SET listing status lapses. Post-tender offer for SET Delisting, if other shareholders who are not the tender offeror, persons acting in concert and their respective related persons under Section 258 will hold GOLD shares in aggregate amount of not more than 5% of its total issued and paid-up capital or total number of shareholders or holders of warrants will not be higher than 100, (1) GOLD is no longer obligated to prepare and submit its financial statements and reports on its financial position and operating result to the SEC pursuant to the Capital Market Supervisory Board's Notification no.Tor.Jor 44/2556 re: Rules, Conditions and Procedures for Disclosure of Financial Position and Operating Performance of Securities Issuing Companies (2) GOLD as well as its directors and executives no longer need to comply with provisions under Section 3/1 of the Securities and Exchange Act B.E. 2535 (as amended) such as provisions related to connected transactions, those related to material transactions, those related to reports of interests by directors and executives and etc. Likewise, GOLD's directors, executives and auditors are not obligated to prepare and submit a report on their holdings of GOLD securities in accordance with the SEC Notification no.Sor.Jor.38/2561 re: Preparation and Disclosure of Reports on Securities Holdings of Directors, Executives, Auditors, Rehabilitation Plan Preparers and Managers. GOLD is still however required to comply with provisions under the Public Company Act B.E.2535 (as amended) such as preparation and submission of audited financial statements and annual reports. Minority shareholders who need GOLD's memorandum of association, shareholders list and audited financial statements could obtain them from Department of Business Development, the Ministry of Commerce.

Note however that as a subsidiary of SET-listed FPT, GOLD is still obligated to prepare and provide FPT with necessary business and financial information to aid its parent in fulfillment of its regulatory disclosure requirement. Public shareholders could thus obtain GOLD's key business and financial information via SET disclosure by FPT.

<b>Part 4     Opinion of the Independent Financial Advisor regarding Fairness of the Tender Offer Price</b>
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The Independent Financial Advisor employed the following valuation approaches in determining whether the proposed tender offer price of THB 8.55 is reasonable.

1. Book Value Approach
2. Adjusted Book Value Approach
3. Market Value Approach
4. Price to Book Value Ratio
5. Price to EPS Ratio
6. Sum-of-the-Parts Approach

**Key Assumptions Employed by the Independent Financial Advisor**

Our opinion is based on the followings:

- The Independent Financial Advisor determined fair value of GOLD shares by making reference to financial statements, public information, public documents, disclosed documents by GOLD, financial projections, business plans, key operating assumptions which were prepared by GOLD, management interview, other data as prepared by GOLD as well as asset appraisal reports prepared by professional asset appraisers appointed by GOLD. The Independent Financial Advisor exercised our judgements as necessary in adjusting key operating assumptions for conservative purposes.
- At the time of preparing this report, the Independent Financial Advisor had no grounds to suspect that documents and data we obtained including financial statements, public information, financial projections and business plans as prepared by management of GOLD as well as those we obtained from our interview of management of GOLD materially lacked of accuracy and completeness which may affect our analysis.
- At the time of preparing this report, there is no incident that already occurred, is going to occur or is likely to occur which may affect the assumptions employed by the Independent Financial Advisor and may materially affect financial performance and condition of GOLD. This includes:
  - This report of the Independent Financial Advisor is prepared based on prevalent industry and economic conditions at the time of report preparation only. The Independent Financial Advisor thus cannot confirm how changes in industry and economic conditions after the period of preparing this report of the Independent Financial Advisor will affect our opinion. We are not obligated to update this report of the Independent Financial Advisor to reflect such changes.
  - There are no material adverse events including but not limited to economic, political and legal factors that may materially affect GOLD.

## 1) Book Value Approach

The Book Value Approach determines fair value of GOLD shares based on the shareholders' equity part of GOLD's reviewed consolidated statement of financial position as of 30 June 2019. Details of which are tabled below:

Item (Unit: Millions of THB)	30 June 2019 (reviewed) <sup>/1</sup>
1) Issued and Paid-up Shares	
– Ordinary Shares	11,037.67
2) Premium (Discount)	
– Ordinary Shares	1,714.25
3) Retained Earnings	
– Appropriated	463.41
– Unappropriated	3,519.13
4) Share Premium from Business Combination	
– Under Common Control	29.53
<b>Equity belonging to the Parent Company</b>	<b>16,763.99</b>
Number of Shares Outstanding (Millions of Shares)	2,323.72
<b>Book Value per Share (THB)</b>	<b>7.21</b>

**Note :** 1. Reviewed financial statements as of 30 June 2019 as reviewed by KPMG Poomchai Audit Company Company Limited

Based on this approach, value of equity of GOLD as of 30 June 2019 was THB 16,763.99 million. This valuation approach yields the value of GOLD shares at THB 7.21.

## 2) Adjusted Book Value Approach

This valuation approach appraises value of GOLD shares as of 30 June 2019 with securities with comparable market prices and those which are appraised by independent asset appraisers. Details of which are summarized below:

### (a) Adjustments with Comparable Market Prices

As of 30 June 2019, GOLD held financial assets with comparable market prices including investments in GOLDPF for the amount 68,000,000 units and in GVREIT for the amount 184,500,000 units. Details of which are tabled below:



Investment	% of Holding by GOLD	(1) 90-Day Weighted Average Market Price (Millions of THB) <sup>/1</sup>	(2) Book Value as of 30 June 2019 (Millions of THB)	(1)-(2) Book Value Adjustment (Pre-Tax) (Millions of THB)	(3) Capital Gain Tax (Millions of THB) ((1)-(2)) x 20%	(1) - (2) - (3) Value Adjustment (Millions of THB)
GOLDPF	33.00	499.32	210.16	289.16	57.83	231.33
GVREIT	22.64	2,933.23	1,635.04	1,298.19	259.64	1,038.55
Total		3,432.55	1,845.20	1,587.35	317.47	1,269.88

Note : 1. As of 30 June 2019

**(b) Adjustments with Asset Appraised Value**

Knight Frank Charter (Thailand) Company Limited (“Knight Frank” or the “Independent Asset Appraiser”) which is an asset appraiser under SEC approve list was hired conduct asset appraisal for public purposes. Details of valuation methodologies employed by the Independent Asset Appraiser in valuing property assets of GOLD is discussed below:

- 1) **Comparative Method:** Under the Comparative Method of Valuation, the value is derived from the direct comparison of capital values of similar properties. That is comparing the Subject Property with other properties which are near substitutes for one another. Such properties should be of similar size, shape, location and the data should also reflect recent transactions. This method takes into account of general economic factors affecting the property market. A standardized method is the application of the comparative method to land markets under review. Adjustments are made for divergences from the standard site by the use of a specific set of rules.
- 2) **Cost Method:** Under the Cost Method of Valuation, the value of the Subject Property is derived from a combination of the valuation of land using the Comparative Method, plus the cost of the building and improvements using the Cost-To-Date Method. The Cost-To-Date Method is the construction cost of the subject building and improvements, estimated up to the date of the construction. In calculating the Cost-To-Date, it is an estimate of the current construction cost of the building, improvements, systems and machinery, as currently built on site, or as percentage of the completion as at the date of valuation.
- 3) **Residual Method:** The Residual Method of Valuation requires analysis of potential income generated by the subject development. In this valuation, the residual value is derived by estimating the completed development value under the existing concept and deducting the direct and indirect outstanding development costs thereof.
- 4) **Income Method:** Under the Income Method of Valuation, the Subject Property’s value will be derived via the following process 1) An estimation of the gross income that will be received from the Subject operation, assuming that additional income is included above existing levels. 2) An estimate of the

operating expenses, comprising salary and related expenses, Management expenses, and expense such as water supply, electricity, household tax, repairs and maintenance etc. 3) NPV of Net Operating Income (after deducting the operating expenses) and Terminal Value of property at the end of Year 10 (net of related selling, transfer fee and other costs) are to achieve property value. 4) The Discount Rate or Rate of Return using in this report is derived from the business investment or expected yield of investor. The rate is also adjusted by Valuer's opinion and considering the building's standard, condition, age, and operational performance.

Details of valuation method for each property asset of GOLD and opinion of the Independent Financial Advisor toward its appropriateness are tabled below:

Asset Valuation Method	Type of Property Asset	Opinion of the IFA
Comparative Method	<ul style="list-style-type: none"> <li>- Vacant land or land that has yet to generate income</li> <li>- Residential property project not yet under development (Project with only vacant land)</li> <li>- Already completed project with a few unsold units such as Sky Villa Project</li> </ul>	<p>This valuation method appropriate applies for such property assets of GOLD as they have yet to be developed and thus not being able to generate income for GOLD. Thus, the Comparative Method well applies for assets with such characteristics.</p> <p>For the already completed project with a few unsold units, the Comparative Method well applies for property assets with such characteristics.</p> <p>In appraising property assets with such characteristics, the Independent Asset Appraiser, selects specific comparable assets which can well reflect values of the appraised assets such as those with similar asset characteristics, those with nature of usage as well as adjustments with relevant factors such as asset location, asset characteristic, surrounding environment, asset entrance-exit as well as legal constraint of the asset for purpose of valuation comparison. Such all factors are then weighted average for achieving appropriate comparison prior to determining final asset valuation under applicable valuation standards.</p>
Cost Method	<ul style="list-style-type: none"> <li>- Residential property project under development, with no specific sale proportion plan.</li> </ul>	<p>This valuation method applies well for GOLD's projects with such characteristics as they are still under development, with no commercial revenue from them.</p> <p>Moreover, under this valuation method, the Independent Asset Appraiser takes into account costs related to the assets such as cost of land determined under the Comparative Method and construction cost determined based on projected construction cost of the project and construction progress as of the asset valuation date. This is in compliance with applicable valuation standards.</p>

Asset Valuation Method	Type of Property Asset	Opinion of the IFA
Residual Method	<ul style="list-style-type: none"> <li>- Residential property project under development, with already specified sale proportion</li> <li>- Existing residential property project</li> </ul>	<p>This asset valuation method works for residential property project under development, with already specified sale proportion. Although this project is still under development, its income and cost could be estimated with high certainty, thus allowing the residual method to work for this kind of property.</p> <p>For existing residential property project, the residual valuation method also works, given its income and cost could be estimated with high certainty.</p> <p>In employing the residual method for asset valuation, the Independent Asset Appraiser takes into account commercial potential of the property based on the premise that the property is best developed and used in the prevalent market condition, with cost and profit of the project being deducted. The residual method works for appraisal of property asset under development. Note that the residual method depends on several assumptions employed by the Independent Asset Appraiser, namely revenue, cost, various expense, profit as well as discount rate assumptions. The residual method is one of the appraisal methods widely employed by professional asset appraisers.</p>
Income Method	<p>Commercial property projects with development and construction completion, thus being able to generate commercial revenues. Such properties include:</p> <ul style="list-style-type: none"> <li>- Hotel</li> <li>- Office building</li> <li>- Service apartment</li> <li>- Golf course</li> </ul>	<p>This asset appraisal method works for commercial property projects with development and construction fully completed. This is because they are able to generate commercial revenues for GOLD. Thus, this method works well for GOLD's existing property projects which have provided revenues and cash flows.</p> <p>In employing the Income Method, the Independent Asset Appraiser takes into account assumptions regarding revenue, cost, expenses, profit as well as discount rate which are derived from actual asset data, data from management interview as well as that from analysis of prevalent market condition. The income method is one of the appraisal methods widely employed by professional asset appraisers.</p>

Details of asset valuation by the Independent Asset Appraiser as of 30 June 2019 are tabled below:

Unit: Millions of THB

No	Asset	Asset Valuation Approach	Appraised Value (Millions of THB)	Book Value as of 30 June 2019 (Millions of THB)	Value Adjustment
1	Panorama Golf and Country Club	Income Method, Comparative Method and Residual Method	476.50	438.85	37.65
2	Land at Nong Talae, Krabi	Comparative Method	188.00	148.47	39.53
3	Samyan MitrTown	Residual Method	1,516.99 <sup>/1</sup>	1,350.12	166.87
4	FYI Center-Office Building	Income Method	4,870.00	2,949.22	1,920.78
5	FYI Center- Modena by Frasers Hotel	Income Method	1,000.00	813.63	186.37
6	The Ascott Bangkok, Land	Comparative Method	875.00	529.16	345.84
7	The Ascott Bangkok Hotel	Income Method	679.20 <sup>/2</sup>	534.35 <sup>/2</sup>	144.85
8	Sky Villas	Comparative Method	36.60 <sup>/2</sup>	24.05 <sup>/2</sup>	12.55
9	Golden Heritage 2	Comparative Method	25.90	26.40	(0.50)
10	Golden Land Building	Income Method	118.00	81.07	36.93
11	Ratchapruek-Wongwan-Petkasem	Comparative Method	21.40	19.78	1.62
12	Ramindra-Wongwan-Leased Land	Comparative Method	18.30	15.91	2.39
13	Vacant Land-Ku Bon	Comparative Method	35.70	14.84	20.86
14	The Grace (Scene Scenery)	Comparative Method	42.80	40.39	2.41
15	Lake-Grand the Ose	Comparative Method	50.90	48.02	2.88
16	Bliss	Residual Method	131.50	97.11	34.39
17	Grandeo-Samutsakorn	Residual Method	385.00	300.15	84.85
18	The Grand Pinklao Phase 1 (Alpena)	Residual Method	1,250.90	1,157.12	93.78
19	The Grand Pinklao Phase 2 (The Pine)	Comparative Method	53.90	67.54	(13.64)
20	Golden Prestige Watcharaphol-Sukha Piban 5	Residual Method	147.00	147.85	(0.85)
21	Golden Prestige Ekachai-Wongwan	Comparative Method	29.40	32.34	(2.94)
22	Golden Biz Bangna-King Kaew	Comparative Method	42.70	30.46	12.24
23	Golden Town-Chiyapruek-Wongwan	Residual Method	186.30	180.01	6.29
24	Golden Neo-Chiyapruek-Wongwan	Comparative Method	16.70	13.79	2.91
25	Golden Town-Sriracha Assumption	Residual Method	402.20	410.45	(8.25)
26	Golden Neo-Ladprao-Kaset Nawamin	Residual Method	60.00	44.26	15.74
27	Golden Town 2-Ladprao-Kaset Nawamin	Residual Method	25.60	15.85	9.75
28	Golden Town-Rattanaibet-Sai Ma Station	Residual Method	47.10	43.30	3.80
29	Golden Town 2-Pinklao-Charansanitwong	Residual Method	409.80	419.29	(9.49)
30	Two Grand Monaco-Bangna-Wongwan	Residual Method	543.80	419.65	124.15
31	Golden Town 3-Sussawat-Buddhabucha	Residual Method	359.20	358.09	1.11
32	Golden Town 2-Rama 2	Residual Method	100.10	95.18	4.92
33	Golden Neo 2-Rama 2	Residual Method	124.20	118.63	5.57

No	Asset	Asset Valuation Approach	Appraised Value (Millions of THB)	Book Value as of 30 June 2019 (Millions of THB)	Value Adjustment
34	Golden Town-Vibhawadi-Changwattana	Residual Method	296.20	289.37	6.83
35	Golden Town-Wongsawang-Kae Rai	Residual Method	202.80	202.03	0.77
36	Goldent Town-Petkasem	Residual Method	230.30	209.70	20.60
37	Golden Town-Srinakharin-Sukhumwit	Residual Method	248.00	256.92	(8.92)
38	Golden-Ayudhya	Residual Method	360.50	351.88	8.62
39	Golden Neo-Bangkae	Comparative Method	45.30	43.49	1.81
40	Golden Town-Bangkae	Residual Method	217.10	234.88	(17.78)
41	Grandeo-Bangkae	Residual Method	872.10	959.92	(87.82)
42	Golden Town-Ramindra-Wongwan	Residual Method	493.40	561.47	(68.07)
43	Golden Town-Phaholyothin-Saphanmai	Residual Method	623.20	717.19	(93.99)
44	Golden Neo 2-Ladprao-Kasetnawamin	Residual Method	196.80	201.85	(5.05)
45	Golden Neo-Sathorn Kallaprapruek	Residual Method	672.20	704.52	(32.32)
46	Golden Town 3-Bangna-Suanluang	Residual Method	439.00	426.98	12.02
47	Goldent Town 3-Ladprao-Kasetnawamin	Residual Method	160.20	140.08	20.12
48	Golden Neo- Ramindra-Wongwan	Residual Method	155.20	224.03	(68.83)
49	The Grand Lux-Bangna-Suanluang	Residual Method	733.70	790.28	(56.58)
50	Golden Neo 2-Bangna-Kingkaew	Residual Method	765.00	842.03	(77.03)
51	Golden Town-Sathorn-Kallaprapruek	Residual Method	750.10	764.68	(14.58)
52	Golden Town Chiangrai – BIGC Airport	Residual Method	233.10	292.52	(59.42)
53	Golden Town Sukhumwit – Barring BTS Station	Residual Method	454.10	363.04	91.06
54	Grand Deo-Petkasem 81	Residual Method	433.70	406.95	26.75
55	Golden Town-Ngamwongwan-Kaerai(Tivanont 45)	Residual Method	478.80	475.34	3.46
56	Golden City-Sathorn	Residual Method	308.10	305.27	2.83
57	Changwattana-Tivanont - Golden City - Golden Neo - Golden Town	Cost Method	1,290.90	1,522.45	(231.55)
58	Golden Town Rangsit-Klong 3 Phase 1 and Phase 2	Cost Method	572.80	613.26	(40.46)
59	Golden Town-Rattathibet-West Gate	Cost Method	338.20	326.77	11.43
60	Golden Town-Chomthong-Wutthakart	Comparative Method	758.10	1,282.68	(524.58)
61	Golden Town-Chomthong-Ekachai	Comparative Method	1,045.70	1,172.55	(126.85)
62	Golden BIZ2-Bangna-Kingkaew	Comparative Method	50.40	39.88	10.52
63	Golden Town-Chalermprakiat-Suanluang	Cost Approach	148.20	135.42	12.78
64	Bangna-KM5 - Golden Neo	Comparative Method	468.50	480.21	(11.71)

No	Asset	Asset Valuation Approach	Appraised Value (Millions of THB)	Book Value as of 30 June 2019 (Millions of THB)	Value Adjustment
	- Golden Town				
65	Golden Neo- Ngamwongwan-Prachachuen	Comparative Method	396.50	409.56	(13.06)
66	Golden Town-Putthamonthon Sai 3	Comparative Method	297.90	243.28	54.62
67	Rama 2 - Golden Neo 3 - Golden Neo 4 - Golden Town 3 - Golden Town 4	Comparative Method and Residual Value	1,016.80	958.49	58.31
68	Golden Town 2-Bangkae	Comparative Method	344.10	378.24	(34.14)
69	Ladprao-Kasetnawamin - Golden City - Golden City 2	Comparative Method	131.70	123.70	8.00
70	Ramindra-Wongwan2 - Grand Deo - Golden Town	Comparative Method and Residual Value	1,475.30	1,288.49	186.81
71	Golden Town 2-Ngamwongwan-Prachachuen	Cost Approach	261.50	213.90	47.60
72	Golden Town-Ramlukka-Kukhod	Cost Approach	281.80	264.17	17.63
73	Golden Town-Petkasem 81	Comparative Method	328.70	337.44	(8.74)
74	Ratthanatibhet-Ratchapruet - Grand Deo - Golden Town	Comparative Method	1,088.40	1,127.32	(38.92)
75	Phaholyothin-Rangsit - Grand Deo - Golden Town - Golden Town2	Cost Approach	944.20	1,057.43	(113.23)
76	Golden Town-Thivanont-Chanawattana	Cost Approach	203.60	191.60	12.00
77	Golden Town-Charoenmuang-Super Highway (Chiangmai)	Cost Approach	133.10	115.34	17.76
78	Golden Town-South Pattaya	Cost Approach	194.40	187.36	7.04
79	Golden Avenue-Chonburi-Angsira	Comparative Method	616.80	636.14	(19.34)
80	Chiangrai - Grand Deo - Golden Town 2	Cost Approach	437.70	394.32	43.38
81	Golden Avenue-Korat	Cost Approach	227.80	200.01	27.79
82	Golden Town-Chachoengsao	Residual Method	272.70	255.56	17.14
83	Golden Neo-Wongwan-Bangkae	Comparative Method	417.60	301.49	116.11
84	The Grand Rama 2-Phase 8	Comparative Method	63.50	33.52	29.98
85	The Grand Rama 2-Phase 14	Comparative Method	59.50	48.13	11.37

No	Asset	Asset Valuation Approach	Appraised Value (Millions of THB)	Book Value as of 30 June 2019 (Millions of THB)	Value Adjustment
86	Golden Neo-Charansanitwong 35	Comparative Method	52.00	93.18	(41.18)
87	Golden Town 4-Suksawat-Buddhabucha	Comparative Method	371.70	456.98	(85.28)
88	Golden Town-Chiangmai-Ruamchoke	Comparative Method	427.70	430.41	(2.71)
	Total		38,357.39	36,069.04	2,288.35
				Less Corporate Tax at 20%	457.67
				Net Adjustment	1,830.68

- Note :**
1. Value of Samyan MitrTown Project in the financial statements of Kasemsubbhakdi Company Limited was adjusted with the appraised value given the independent asset appraiser. This adjusted asset value was then proportionated in accordance with GOLD's proportionate stake in Kasemsubbhakdi Company Limited
  2. In accordance with GOLD's proportionate stake in Sathorn Supsin Company Limited which is 60%.

The table above shows that adjusted book value based on the asset appraisal reports by the Independent Asset Appraiser -net of tax is THB 1,830.68 million.

Note that appraised values of some property assets are lower than their respective book values. Such assets are property for sale projects which are in the initial development phase and vacant land GOLD needs to acquire more to obtain full land plots for project development. As of the asset appraisal date, GOLD has yet to obtain full and complete land plots for development of some projects, and this will negatively affect appraised values of such land due to entrance/exit constraints.

Summary of GOLD's asset appraisal reports is showed in Enclosure 2 of this report.

In determining fair value of GOLD shares based on the Adjusted Book Value Approach, the Independent Financial Advisor uses all adjusted items as showed above to add to GOLD's book value as of 30 June 2019. Details of which is tabled below:

Item (Unit: Millions of THB)	Pre-Tax	Post-Tax
GOLD's Book Value as of 30 June 2019	16,763.99	16,763.99
Adjustments		
Add Value adjustments for assets with comparable market prices	1,587.36	1,269.88
Add Value adjustments for property investments by appraised values	2,288.35	1,830.68
Adjusted Book Value	20,696.69	19,864.55
Number of shares outstanding (Millions of shares)	2,323.72	2,323.72
Adjusted Book Value per Share (THB)	8.88	8.55

Adjusted Book Value Approach yields the fair value of GOLD shares at THB 8.55.

Note that adjusted book value reflects the value to be obtained by shareholders from GOLD, taking into account valuation of its total assets. Incremental value from book value adjustments will of course result in tax burden for shareholders when GOLD is sold. Note that in valuation with the Adjusted Book Value Approach, the Independent Financial Advisor takes into account asset revaluation-net of tax as showed in the table above.

### 3) Market Value Approach

The Market Value Approach determines fair value of GOLD shares based on weighted-average market prices of GOLD shares which are traded on the SET (Market price is weighted average market prices for the period of at least 7 but not more than 360 consecutive business days) at different periods. The Independent Financial Advisor considers weighted average market prices of GOLD shares (Total trading value/Total trading volume) for the periods of 7, 15, 30, 90, 180, 270 and 360 business days as such periods could well and appropriately reflect movement of GOLD market capitalization and correspond to its business operations.

Thus, GOLD's market price based on the Market Value Approach could be tabled below:

(Unit: THB)	Number of Business Days						
	7	15	30	90	180	270	360
Maximum Price	8.45	8.45	8.50	8.50	8.90	11.10	11.50
Minimum Price	8.30	8.20	8.05	8.05	6.60	6.60	6.60
Weighted Average Price	8.38	8.34	8.40	8.40	8.01	8.74	9.34

Source : SETSMART

Thus, fair value of GOLD shares based on the Market Value Approach falls in the range between THB 8.01 and 9.34.

Market price is largely influenced by demand for and supply of GOLD shares which could well reflect share value at that moment, its business fundamental and investor demand for GOLD business potential and growth. In some cases, past market price could be used as a reference for fundemanetal share value of a company. Market Value Approach yields the fair value of GOLD shares from THB 8.01 to 9.34.

### 4) Price to Book Value Ratio Approach

This valuation approach determines GOLD share price based on its consolidated book value as of 30 June 2019 which was reviewed an auditor under the SEC list. GOLD's book value per share as of that date is THB 7.21. Such value is multiplied with median of P/BVs of 5 comparable listed firms for the period of 7, 15, 30, 90, 180, 270 and 360 business days. Such comparable listed firms are selected based on the proportion of revenue from low-rise properties to total revenues and their market capitalizations. Market capitalizations of selected property development firms fell in the range from THB 10,000 to 40,000 million. They are listed as follows:



- 1) Pruksa Holding Public Company Limited ("PSH") which is a holding company, with Pruksa Real Estate Public Company Limited as its core company. Develop residential property under the brands such as The Palm, The Plant, Baan Pruksa, Pruksa Town etc.
- 2) Quality House Public Company Limited ("QH") which engages in the residential and commercial property development businesses. Its businesses include land and house projects, residential projects, service apartment for rent, hotel, office building for rent, residential and commercial buildings management services, investment business and others.
- 3) AP (Thailand) Public Company Limited ("AP") which engages in the property development such as single detached houses, townhouses and condos in Bangkok.
- 4) Sansiri Public Company Limited ("SIRI") which engages in 1. Property development consists of: 1.1 For sale includes landed property - single detached house, detached house, townhouse, and high-rise property - condominium projects 1.2 For rent includes office buildings and leasehold commercial building and 2. Property services : Providing property and asset management, property brokerage services, property sales management, property development consultancy, and property management.
- 5) SC Asset Corporation Public Company Limited ("SC") which operates fully integrated property development activities which are 1. for sales: single detached houses, townhouses and condominiums, 2. for rental purposes, 3. consultancy and management services: services include consultancy management and administration, engineering techniques and support systems.

No.	Company	Ticker	Total Assets (Millions of THB) <sup>/1</sup>	Total Equity (Millions of THB) <sup>/1</sup>	Total Revenue (Millions of THB) <sup>/1</sup>	Market Capitalization (Millions of THB) <sup>/1</sup>
1	Pruksa Holding Public Company Limited	PSH	81,845.12	41,170.95	45,070.52	37,861.14
2	Quality House Public Company Limited	QH	54,147.87	26,269.49	18,117.66	28,071.68
3	AP (Thailand) Public Company Limited	AP	49,283.66	24,392.75	28,890.09	18,875.40
4	Sansiri Public Company Limited	SIRI	95,356.74	30,848.33	27,590.09	17,538.03
5	SC Asset Corporation Public Company Limited	SC	42,573.81	16,205.27	15,647.41	11,284.99
	Golden Land Property Development Public Company Limited	GOLD	39,201.66	16,187.99	15,795.66	16,266.04

Source : SETSMART

Note : 1. Based on 2018 audited financial statements and 56-1 form of each firm

Numerical data of such comparable firms from 31 August 2019 could be tabled as follows:

P/BV : (x)	Average						
	7 days	15 days	30 days	90 days	180 days	270 days	360 days
PSH	1.01	1.03	1.08	1.06	1.02	1.06	1.10
QH	1.20	1.19	1.19	1.20	1.20	1.27	1.28
AP	0.91	0.92	0.93	0.96	0.93	1.02	1.07
SIRI	0.65	0.65	0.66	0.66	0.64	0.69	0.72
SC	0.68	0.69	0.71	0.73	0.75	0.82	0.87
Median	0.91	0.92	0.93	0.96	0.93	1.02	1.07
Value of GOLD Share Price (THB/Share)	6.59	6.63	6.71	6.94	6.72	7.37	7.74

Source : SETSMART

Based on this valuation approach, fair value of GOLD shares falls in the range between THB 6.59 and 7.74.

#### 5) The Price to EPS Ratio Approach

This valuation approach determines fair value of GOLD shares by multiplying GOLD's latest 4 quarter EPS as of 30 June 2019 which is THB 0.93 per share with average P/Es of its comparable listed firms for the last 7, 15, 30, 90, 180, 270 and 360 business days. Comparable listed firms are those selected and showed in Section 3.4 earlier.

Numerical data of comparable firms from 31 August 2019 could be tabled as below:

P/E : (x)	Average Closing P/E						
	7 days	15 days	30 days	90 days	180 days	270 days	360 days
PSH	6.76	6.90	6.96	6.80	6.75	7.19	7.51
QH	8.84	8.80	8.64	8.57	8.31	8.68	8.87
AP	6.57	6.50	6.16	6.11	5.67	6.09	6.62
SIRI	9.24	9.16	9.29	9.40	9.80	10.16	9.95
SC	6.54	6.62	6.55	6.62	6.93	7.68	8.60
Median	6.76	6.90	6.96	6.80	6.93	7.68	8.60
Value of GOLD Share Price (THB/Share)	6.31	6.44	6.49	6.35	6.47	7.17	8.03

Source: SETSMART

Based on this valuation approach, fair value of GOLD shares falls in the range between THB 6.31 and 8.03.

#### 6) Sum-of-the-Parts Valuation Approach

This valuation approach determines fair value of GOLD shares by summing together fair values of each of the business components of GOLD. Fair values of each of the business components of GOLD are mainly derived from the discounted cash flow approach (DCF). Under the DCF Approach, projected operating results and net cash flows of each of the business components are prepared, taking into account appropriateness of their

operating assumptions. Such cash flows are discounted based on an appropriate discount rate. Fair values of each of the business components of GOLD are also obtained based on the market comparable approach, the asset appraisal reports as well as the residual book value approach. Business components of GOLD that are valued are listed below:

Business Component 1: Residential property business

Business Component 2: Hotel and service apartment business

Business Component 3: Office building business

Business Component 4: Mixed-use complex business

Business Component 5: Other business components

#### 6.1) Key Assumptions Used in Determining Discount Rate and Terminal Value

The discount rate used in the DCF valuation approach is GOLD's weighted average of capital (WACC) which is determined to be 8.68%. Note that the discount rate may vary depending upon assumptions used to determining it. Thus, the Independent Financial Advisor used the discount rate that falls in the range between 8.18% and 9.18% to determine fair value of GOLD shares. Calculation details are as below:

$$WACC = \%W_d * (K_d)(1 - T) + \%W_e * (K_e)$$

whereas  $K_e$  Cost of equity which is approximately 13.27%

$K_d$  Cost of long-term interest-bearing debts which is approximately 4.22%. This is determined based on the sum of risk-free rate and credit spread for debt securities of firms with credit ratings of BBB to A which was at approximately 2.07% as of 30 June 2019 (Source: Thai BMA). GOLD's credit rating as given by TRIS is BBB+. Determination of cost of long-term debts of GOLD using this method is proper than its derivation based on GOLD's cost of existing interest-bearing debts which consist of interest-bearing debts with quite short-term to maturities of 3 to 5 years. Note that such applicable cost of long-term interest-bearing debts has yet to take into account cost of additional obtaining of interest-bearing debts in the future to replace the existing ones that will be retired. They will of course be impacted by market and interest rate volatilities.

$T$  Corporate income tax rate which is 20%

$\%W_e$  Proportion of equity to total long-term financing which is approximately 53.61%. This is made based on management view regarding GOLD's long-term target capital structure along with proportion of GOLD's equity financing as of 30 June 2019

$\%W_d$  Proportion of interest-bearing debts to total long-term financing which is approximately 46.39%. This is made based on management view regarding GOLD's long-term target capital structure along with proportion of GOLD's interest-bearing debts as of 30 June 2019

### Equity Return

Equity return is derived based on the Capital Asset Pricing Model (CAPM) which is illustrated as below:

$$K_e = R_f + \beta(R_m - R_f)$$

whereas  $R_f$  or the risk-free rate is referenced to the yield of 10-year government bond as of 30 June 2019 which was approximately 2.16% (Source: Thai BMA). Government bond yield which would appropriately serve as a benchmark for risk-free rate must be able to well reflect long-term risk-free rate. Given this, 10-year government bond yield is the appropriate benchmark for risk-free rate as its tenor is quite long, with trading more liquid than government securities with longer tenors.

$\beta$  or Beta which well reflects systematic risk of GOLD. As GOLD is a SET-listed company, the Independent Financial Advisor thus uses the approximate Beta of 1.04 which is 2-year average Beta of GOLD (Source: Bloomberg)

$R_m$  or the Market Return which is referenced to average SET return since its inception in 1975. Such period is appropriate and could be used as a reference for future Market Return. Market Return as of 30 June 2019 is 12.84% (Source: SETSMART).

$K_e$  or equity return of 13.27% is determined based on the CAPM Model.

### Terminal Value

The Independent Financial Advisor determines terminal value based on the following formula:

$$T = \frac{CF (1 + g)}{WACC - g}$$

CF is the last year's cash flow prior to determining the terminal value

g is long-term terminal growth of cash flows after the cash flow projection period which is 0.8%. This is referenced to long-term inflation forecast as given by the Bank of Thailand. This figure comes from the document for analysts meeting no.3/2019 dated 17 July 2019 prepared by the Bank of Thailand. The Independent Financial Advisor is of the opinion that GOLD could achieve a long-term growth of 0.80% as GOLD's core business lies in the residential property business which are basic goods and vital for Thai people's livings.

WACC is the discount rate which is determined by the Independent Financial Advisor.

## 6.2) Residential Property Business

GOLD has engaged in the business of residential property with concentration in low-rise property such as single house, single-detached house, townhouse and home office. They include different brands such as the Grand , Golden Prestige Grandio , Golden Village , Golden Town, Golden Neo and etc.

### Revenue Assumptions

#### Current Projects

GOLD's current projects as of 30 June 2019 totaled 47, with total project value of THB 55,939 million. Number of remaining units for future transfer and revenue recognition have total value of THB 25,496 million. They are tabled below:

Type of Property	Number of Projects	Total		Already Transferred and Revenue Fully Recognized		Number of Units to be Transferred and Revenue to be Later Recognized	
		Unit	Value (Millions of THB)	Unit	Value (Millions of THB)	Unit	Value (Millions of THB)
Townhouse	23	8,164	24,338	3,953	12,171	4,211	12,167
Single-detached house	15	1,951	23,326	1,308	14,087	643	9,238
Twin house	8	1,446	8,095	700	4,046	746	4,049
Home Office	1	33	181	24	139	9	42
<b>Total</b>	<b>47</b>	<b>11,594</b>	<b>55,939</b>	<b>5,985</b>	<b>30,443</b>	<b>5,609</b>	<b>25,496</b>

According to GOLD sales plan, all such remaining units will be gradually transferred in accordance with its sale plan and management interview by taking into account past sales records. Projected revenue figures from sales of existing units are tabled below:

Type of Property (Unit: Millions of THB)	3-Month Period Ended 30 September 2019	2020	2021	2022	2023	2024
Townhouse	1,966	5,837	2,728	1,394	121	121
Single-detached house	639	2,288	2,579	1,155	339	448
Twin house	517	1,458	1,157	713	102	102
Home Office	11	31	-	-	-	-
<b>Total</b>	<b>3,133</b>	<b>9,614</b>	<b>6,464</b>	<b>3,262</b>	<b>562</b>	<b>671</b>

#### Future Projects

- Total values of projects of GOLD expected to be launched in 2019 and 2020 are THB 26,180 and 23,000 million consecutively. It is projected that GOLD could achieve 73.14% of its total grand opening plan. This

is derived from the comparison of actual grand opening with grand opening plan during the last few years which are tabled below:

Unit: Millions of THB	2016	2017	2018	2019	Average
Grand Opening Plan	15,600	21,000	37,163	26,180	n.a.
Actual Grand Opening	11,000	14,217	23,030	24,182	n.a.
Ratio of Actual Grand Opening to Grand Opening Plan	70.5%	67.7%	62.0%	92.37%	73.14%

Source : GOLD's 56-1 Form for 2018 and Presentation for Opportunities Day

- GOLD's property sale pattern will be the transfer of land along with house after construction completion. They will be developed and sold on a phase-by-phase basis. Most of GOLD property projects will be launched within the period of 4 years. Sales progress of GOLD's new projects in each year after their launches is projected to be as below:

	Year1	Year2	Year3	Year4
% of new projectes that could be sold in each year after their launches	40%	20%	20%	20%

The table below shows projected revenue from sale of property in each of the next five years:

Revenue (in Millions of THB)	3 months Ended 30 September 2019	2020	2021	2022	2023	2024
Sale revenue from existing projects	3,133	9,614	6,464	3,262	562	671
Sale revenue from new projects	1,241	7,977	11,711	15,714	19,256	19,908
Total sale revenue	4,374	17,590	18,175	18,976	19,818	20,579

#### Assumptions of Cost of Goods Sold

Cost of goods sold includes cost of land, cost of construction of utilities systems, cost of property construction and allocated cost of financing which will be recognized when revenue is recognized. Cost of goods sold and gross profit are projected to be 68.2% and 31.8% consecutively based on the respective figures for the period from 2016 to 9-month period ended 30 June 2019.

#### Assumptions of SG&A

SG&A consists mainly of commission fee, marketing & promotional fees, transfer fee, special business tax, sales management fee and relevant staffs & employee expenses. SG&A is assumed to be approximately 16.6% of revenue from sales of property. This ratio is derived based on the average EBIT margin of GOLD for the residential property business from 2016 to 9-month period ended 30 June 2019.

### **Assumptions of Depreciation and Amortization**

This is referenced to 3-year average ratio of depreciation and amortization from the residential business to sale revenue from 0.09% to 0.18% (from 2016 to 2018). They including depreciation for office equipment are expenses not included in cost of project development and thus quite minimal. Depreciation and amortization are accounting and non-cash expenses and are thus added back for deriving free cash flows to the firm.

### **Corporate Income Tax Rate**

20% of earnings before tax

### **Assumptions for Expenditures for New Project Development**

#### Assumption for Cost of Land Acquisition

It is assumed that GOLD would acquire land for project development approximately 2 years prior to project launch to reflect GOLD's nature of business which will gradually collect land so that large pieces of land could be accumulated for property project development. Cost of land acquisition accounts for approximately 40.9% of total project development cost which is referenced to total project development cost of each of the existing GOLD projects.

#### Assumption for Project Development and Construction

Expenditures for project development and construction comprise those for construction of project utilities systems and those for construction of housing units for sale. Construction of project utilities system is assumed to commence in the year the project is launched. Housing units for sale is assumed to be gradually constructed in accordance with units demand. Housing units will be constructed for delivery, with no substantial housing units in stock. Construction of a housing unit takes approximately 5 months. Cost of project development and construction accounts for approximately 59.1% of total project development cost which is referenced to total project development cost of each of the existing GOLD projects.

#### **Assumption for Non-Cash Expenses**

All non-cash expenses will be added back in determining free cash flows to the firm.

#### Assumption for Cost of Property Distribution

Given GOLD would recognize revenue from sale of housing units once housing construction is completed, with housing unit being transferred concurrently along with land. Cost of property distribution thus comprises land cost, cost of construction of project utilities system, cost of housing construction and allocated finance cost. Note that finance cost is an accounting cost that is allocated in accordance with Matching Principle to match with revenue from property sale once housing unit is transferred to clients. This is regarded as a non-cash expense when it is recognized and recorded. Thus, it is added back to determine free cash flows to the firm. Free cash flows to the firm is then subtracted by expenditures for development of new projects.

### Depreciation and Amortization

Depreciation and amortization are all accounting related and non-cash items which will be added back in determining cash flows to the firm.

### **Assumption for Capital Expenditures (CAPEX)**

The assumption for CAPEX is derived based on the assumption that GOLD invests in each year for CAPEX with the aim to replace its operating assets which are fully depreciated. Thus, CAPEX in a year is assumed to be equal to its cost of depreciation in the same year to be in line with the going concern assumption. The objective of CAPEX in a year is to relace the operating assets which are fully utilized and depreciated.

### **Valuation Assumption**

Valuation of the residential property business will employ the discounted cash flow approach (DCF), with a terminal value being determined at the end of 2024. Please refer to Enclosure 4 of this report of the Independent Financial Advisor for project cash flows.

### **Sky Villa Project**

Appraisal value of 3 unsold units of Sky Villa Project which is located in the Ascott Sathorn Project is based on appraised value as given an independent asset appraiser which well reflect respective market values of those unsold ones. Appraised value of those 3 unsold units as of 31 July 2019 was THB 61 million (Appraised by Knight Frank Charter (Thailand) Company Limited which is a professional asset appraiser under the SEC approve list.). The Independent Asset Appraiser used the Comparative Method to appraise this asset. The Independent Financial Advisor deems that this appraisal approach is proper as this helps to obtain the asset's appraised value which can reflect the Sky Villa Project's market value, taking into account those of similar assets. See details of the valuation method and opinion of the Independent Financial Advisor regarding its applicability in 2) Adjusted Book Value Approach.

### **6.3) Hotel and Service Apartment Business**

Project	Type	Project Owner
The Ascott Sathorn	177-room service apartment which commenced operation in 2006	Sathorn Asset Company Limited <sup>1</sup> holds ownership in buildings while GOLD holds land ownership.
Modena by Frasers Bangkok	239-room hotel which commenced operation in 2016	GOLD holds land ownership and possesses right to use land until 28 February 2047, with right to extend the contract for another 30 years.
W Bangkok Hotel	403-room hotel	North Sathorn Hotel Company Limited <sup>2</sup>

**Note :** 1. GOLD holds a 60% ownership in Sathorn Asset Company Limited.

2. An associate company in which GOLD holds a 20% stake.



(a) The Ascott Sathorn Hotel

Key Underlying Assumptions

Item	Underlying Assumption	How Assumption Is Derived
Age of Asset	Unlimited lives	GOLD holds ownership in land on which the hotel is located. Its terminal value is derived as of the Year 2024.
Number of Rooms	177 rooms	Based on relevant documents from GOLD
Long-Term Occupancy Rate	84.1%	Based on historical occupancy rate (from 2016 to 9 months of 2019)
Average Daily Room Rate at the base year (2019)	THB 3,086 per night	Based on average daily room rate for the 9-month period ended 30 June 2019
Growth of average daily room rate from the base year (2019)	2.5% year-on-year	Based on historical growth of average daily rate (from 2016 to 9 months of 2019)
F&B Revenue and Other Revenues	15.8% of total hotel room revenue	Based on historical average proportion of F&B revenue and other revenues to total revenue from 2016 to 9 months of 2019
Net Operating Income	40.2% of total revenue	Based on historical average net operating income margin of this property asset from 2016 to 9 months of 2019
FF&E Reserve	3.5% of total revenue	HOTOUR Hotel Consulting
Land Lease Rate	According to land lease agreement	

(b) Modena by Frasers Bangkok Hotel

Key Underlying Assumptions

Item	Underlying Assumption	How Assumption Is Derived
Age of Asset	Until 2076	Based on the tenor of land lease agreement including GOLD's option to extend the agreement for another 30 years and 6-month grace period prior to the date of contract expiration.
Number of Rooms	239 rooms	Based on relevant documents from GOLD
Occupancy Rate	71.8%	STR Global & CBRE
Base average daily room rate (for 2019)	THB 1,611/room/night	Based on current average daily room rate for the 9-month period ended 30 June 2019
Growth of average daily room rate from the base year	3.0% year-on-year	STR Global & CBRE
F&B Revenue and Other Revenues	18.6% of total room revenue	Based on historical average proportion of F&B revenue and other revenues to total revenue from 2017 to 9 months of 2019
Net Operating Income	40.2% of total revenue	The assumption is derived based on those of other hotels in the GOLD Group.

Item	Underlying Assumption	How Assumption Is Derived
FF&E Reserve	3.5% of total revenue	HOTOUR Hotel Consulting
Land Lease Rate	According to land lease agreement	

## (c) W Bangkok Hotel

W Bangkok Hotel is operated by North Sathorn Hotel Company Limited which is a 20% associate company of GOLD. Book value of North Sathorn Hotel Company Limited based on the equity method as of 30 June 2019 was THB 70 million. In appraising value of investment in such associate company, book value under the equity method is employed. This figure well reflects financial performance and position of North Sathorn Hotel Company Limited which holds investment in this asset.

## 6.4) Office Building Business

Project	Type of Project	Owner Company
Golden Land Building	8-storey office building with approximate net leasable area of 11,231 sq.m. Commencing operation in 1992.	Narai Pavillion Company Limited has ownership in buildings and possesses right to use land until 31 August 2022.
FYI Center	12-storey office building with approximate net leasable area of 50,109 sq.m. Commencing operation in 2016	GOLD has ownership in buildings and possesses right to use land until 28 February 2047, with the right to extend the agreement for another 30 years.

## (a) Golden Land Building

Key Underlying Assumptions

Item	Assumption	How to Derive Assumption
Asset Age	Until 2022	Based on the tenor of land lease agreement, with a 6-month grace period prior to the date of contract expiration.
Net Leasable Area	11,231 sq.m.	Based on relevant documents from GOLD
Occupancy Rate	91.3%	Based on existing occupancy rate of the asset from 2016 to the 9-month period ended 30 June 2019
Base Rental Rate for 2019	THB 567/sq.m./month	Based on existing rental rate of the asset for the 9-month period ended 30 June 2019
Rental Rate Growth from the Base Year (2019)	1.4% year-on-year	Based on historical growth from 2016 to 9-month period ended 30 June 2019
Other revenues	20.1% of total rental revenue	Based on historical data from 2016 to 9-month period ended 30 June 2019
Net Operating Income Margin	75.9% of total revenue	Average historical net operating income margin of the asset

Item	Assumption	How to Derive Assumption
		from 2016 to 9-month period ended 30 June 2019
FF&E Reserve	3.0% of total revenue	Data of other office buildings in Bangkok
Land Lease Expense	According to land lease agreement	

## (b) FYI Center

Key Operating Assumptions

Item	Assumption	How to Derive Assumption
Asset Age	Until 2076	According to land lease agreement including the option of GOLD to extend the agreement for another 30 years and 6-month grace period prior to the date of contract expiration.
Net Leasable Area	50,109 sq.m.	Data from GOLD
Occupancy Rate	88.5%	Historical data from 2016 to 9-month period ended 30 June 2019
Base Rental Rate for 2019	THB 756 /sq.m./month	Based on existing rental rate of the asset for the 9-month period ended 30 June 2019
Rental Rate Growth from the Base Year	1.9% year-on-year	Historical data from 2016 to the 9-month period ended 30 June 2019
Other revenues	9.6% of total rental revenue	Historical data from 2016 to the 9-month period ended 30 June 2019
Net Operating Income Margin	73.4% of total revenue	Historical data from 2016 to the 9-month period ended 30 June 2019
FF&E Reserve	3.0% of total revenue	Data of other offices in Bangkok
Land Lease Expense	According to land lease agreement	

## 6.5) Mixed-Use Complex Business

SamYan MitrTown Project is a mix-used complex project in which GOLD (via Kasemsapphakdee Company Limited) has co-invested with the TCC Group. GOLD and the TCC Group hold 49% and 51 stakes in the project consecutively. This project is located on a 14-rai land lot and next to the MRT SamYan station. The project could be commercially utilized for the period of 30 years after its construction is completed. The project is scheduled to start its commercial operation in September 2019. Main components of the project consists of:

Component	Nature of Component
Exhibition Hall	6-storey Exhibition Hall consists of plaza area of approximately 33,688 sq.m. and exhibition area of approximately 2,162 sq.m.
Office Area	A 31-storey office building with net leasable area of approximately 48,468 sq.m.
Hotel	A 112-room hotel

Component	Nature of Component
Condominium	A 516-unit condominium

### Underlying Assumptions

#### (a) Exhibition Hall

Item	Assumption	How Assumption Is Derived
Net Leasable Area	Plaza : 33,688 sq.m. Exhibition Area : 2,162 sq.m.	GOLD's business plan
Occupancy Rate	Plaza: 85% in the first year and 95% in the second year and thereafter Exhibition Area: 25% in the first year and 40% in the third year and thereafter	CBRE Colliers
Base Rental Rate for 2020	Plaza : THB 989 /sq.m./month (including common maintenance expense) Exhibition Area : THB 4,163 /sq.m./month	Data of other offices in Bangkok
Rental Rate Growth	Plaza : 10% year-on-year for the first 4 years and 4% year-on-year thereafter Exhibition Area : 35% year-on-year for the first 4 years, 10% year-on-year for the next 5 years and 3% year-on-year thereafter	CBRE Colliers
Other Revenues	30% of total rental revenue on average	Data used in the project feasibility study
Net Operating Income Margin	42.3% of total revenue	
FF&E Reserve	4.0% of total revenue	
Land Lease Expense	According to land lease agreement	

#### (b) Office Building

Item	Assumption	How Assumption Is Derived
Net Leasable Area	48,468 sq.m.	Construction plan
Occupancy Rate	65% in the first year and reach 90% in the fourth year	Knight Frank Charter
Base Rental Rate in 2020	THB 850/sq.m./month	Based on the existing average rental rate of THB 832/sq.m./month
Rental Rate Growth	3% year-on-year	Assumptions used in project feasibility study and data of other offices in Bangkok
Other Income	17% of total rental revenue	
Net Operating Income Margin	67.3% of total revenue	
FF&E Reserve	3.0% of total revenue	
Land Lease Expense	According to land lease agreement	

(c) Triple Y Hotel

Item	Assumption	How Assumption Is Derived
Number of Hotel Rooms	112 rooms	Construction plan
Occupancy Rate	60% in the first year and reach 71.6% in the third year	- Assumptions used in project feasibility study - Data of other similar projects in downtown Bangkok
Base Average Daily Room Rate in 2020	THB 2,300/room/night	
Growth of Daily Room Rate	3.0% year-on-year	
F&B Revenue and Other Revenues	25% of total hotel room revenue	
Net Operating Income Margin	42.5% of total revenue	
FF&E Reserve	3.5% of total revenue	
Land Lease Expense	According to land lease agreement	

(d) Condominium

- Total condominium units are 516, with average area of 37 sq.m. per room. Average sale price is THB 142,000 per sq.m. As condominium building is located on land plots under a lease agreement, sale of condo units is equivalent to lease of condo units on a long-term basis until project expiration. Nevertheless, cash flow and revenue streams is similar to sale of condo units with sale and cash flows recognition when unit is sold and transferred.
- All condominium units will be sold within 2 years based on the existing sales plan where 51.6% of total condo units are sold out.

(e) Additional Construction Costs

According to GOLD's business plan, construction of SamYan MitrTown Project will be completed in September 2019, and it will start commercial operation in the same month. The Independent Financial Advisor projects additional construction costs to allow project completion after 30 June 2019 based on total project development and construction costs and management account of Kasemsapphakdee Company Limited as of 30 June 2019.

(f) Renovation Costs

According to the land lease agreement, the project will be renovated every 10 years, with projected renovation costs of THB 100, 150 and 250 million in the 10<sup>th</sup>, 20<sup>th</sup> and 30<sup>th</sup> years consecutively.

(g) Value of SamYan MitrTown Project in the Part Belonging to GOLD

Given GOLD has invested in SamYan MitrTown Project via a 49% associate company called Kasemsapphakdee Company Limited ("KSB"), the Independent Financial Advisor thus determines equity

value of KSB at the proportion of 49% to obtain value of SamYan MitrTown Project in the part belonging to it. Details is showed in Appendix 4 of this report of the Independent Financial Advisor.

## 6.6) Value from Other Components

### (a) Securities Investments with Comparable Market Value

GOLD has invested in GOLDPF and GVREIT which are both traded in the SET. Their respective fair values are thus derived based on their market values.

Item	GOLDPF	GVREIT
Number of Units Held by GOLD	68,000,000	184,500,000
Price per Unit <sup>(1)</sup>	THB 7.34	THB 15.90
Total Value	THB 499.32 million	THB 2,933.23 million

Note : 1. 90-day weighted average price as of 30 June 2019.

### (b) Panorama Golf and Country Club

Valuation of Panorama Golf and Country Club as of 30 June 2019 is based on the appraisal report prepared by Knight Frank Charter Company Limited which is a professional asset appraiser under the SEC approve list. Valuation of Panorama Golf and Country Club as of 30 June 2019 was THB 477 million. In appraising this property asset, the Independent Asset Appraiser employs the Comparative Method, the Income Method and the Residual Method. The Independent Financial Advisor is of the opinion that all such approaches can well measure each component of Panorama Golf and Country Club. Details of each approach and opinion of the Independent Financial Advisor regarding their applicability could be seen in 2) Adjusted Book Value Approach.

### (c) Property Management Business

GOLD has acted as the property manager for GVREIT and will act as the property manager for SamYan MitrTown Project. Valuation of this business is based on the following key assumptions:

- Property management fee for GVREIT is approximately THB 98 million per year and that for SamYan MitrTown Project is approximately THB 140 million per year. They are derived based on past property management fees GOLD earned and from management interview.
- Annual growth rate for property management fee is 0.8% year-on-year which is referenced to projected inflation rate as given by the Bank of Thailand.
- Operating profit margin from the property management business is 10% which is referenced to past operating profit margin of the business and management interview.
- Time period that GOLD will recognize property management revenue is determined based on the lives of GVREIT and SamYan MitrTown Project.

**(d) Value from Exercise of Right to Acquire Land and Hotel Buildings of the Mayfair Marriott Executive Apartment**

The GOLD Group leased land and hotel buildings of the Mayfair Marriott Executive Apartment to GOLDPF for the period of 30 years from 8 May 2007 to 7 May 2037, in which GOLDPF could extend the lease period for another 30 years. Upon lease expiration, GOLDPF could exercise its right to acquire such land and hotel buildings for the amount of THB 984 million. The Independent Financial Advisor discounts such expected cash flow to its PV.

**(e) Non-core Operating Assets**

Valuation of GOLD's non-core operating assets is tabled below:

Items	Value (Millions of THB)	Value Derivation
Cash and cash equivalents	1,100	Book value as of 30 June 2019
Short-term investments-fixed deposits	9	
Deposits with restriction of use	1	
Long-term loans and unearned interest	233	
<b>Total</b>	<b>1,343</b>	

**(f) Land at Nong Tale, Krabi**

Valuation of Land at Nong Tale, Krabi as of 30 June 2019 is based on the appraisal report prepared by Knight Frank Charter Company Limited which is a professional asset appraiser under the SEC approve list. Valuation of such land as of 30 June 2019 was THB 188 million. In valuing this property asset, the Independent Asset Appraiser employs the Comparative Method as this approach can well reflect its fair value by taking into account those of comparable ones. See details of this approach and opinion of the IFA regarding its applicability in 2) Adjusted Book Value Approach.

**(g) PV of Corporate Overhead**

Corporate overhead is common costs and expenses for the entire GOLD Group. It includes cost of holding shareholders' meeting, management remuneration, director fee, accounting expense, HR, legal, IR and corporate secretary expenses. It is projected based on past corporate overhead which is THB 83.6 million on average. It is projected to grow 5% year-on-year which is in line with salary increase rate.

**(h) PV of Future Tax Liabilities from Recognition of Rental Revenue from Sathorn Square Project**

GOLD leased Sathorn Square Project to GVREIT in 2016. GOLD obtained all proceeds on the date of entering into the lease agreement. However, GOLD will recognize such lease revenue on a straight-line basis throughout the lease term. It would recognize annual lease revenue amounting THB 30 million. Thus, it needs to recognize tax liabilities from recognition of such lease revenue throughout the lease term. Such future tax liabilities would be discounted to PV.

## 6.7) Summary of GOLD Valuation

Business Value Component (Unit: Millions of THB)	Value
Residential Property Business	29,873
Hotel and Service Apartment Business	1,639
Office Building Business	3,705
Mix-Used Complex Business	2,016
Value from Other Components	3,441
(a) Investment in securities with comparable market value	3,433
(b) Panorama Golf and Country Club	477
(c) Value of property management business	97
(d) Value from exercise of right to acquire land and building of the Mayfair Mariott Executive Apartment of GOLDPF	14
(e) Value of non-core operating assets	1,343
(f) Land at Nong Talae, Krabi	188
(g) PV of Corporate Overhead	(1,826)
(h) PV of future tax liabilities from recognition of rental revenue from the Sathorn Square Project	(284)
<b>Valuation based on the Sum-of-the Parts Valuation</b>	<b>40,674</b>
Add (Subtract) : Change in Working Capital	(2,549)
Subtract : Interest-Bearing Debts	(18,062)
Subtract : Non-controlling interests	(245)
<b>Value Belonging to Equity of the Parent Company</b>	<b>19,818</b>
Number of Shares Outstanding (Millions of Shares)	2,323.72
<b>Value per Share (THB)</b>	<b>8.53</b>

## Sensitivity Analysis

The Independent Financial Advisor is of the opinion that the discount rate is an assumption that depends heavily on other related assumptions. If the market environment changes markedly in the future, the discount rate will be substantially affected as well. The Independent Financial Advisor thus conducts a sensitivity analysis of how GOLD's share value will change in response to change in the discount rate. Details of which is tabled below:



GOLD's Share Value if the Discount Rate is 9.18%	GOLD's Share Value if the Discount Rate is 8.68% (Base Discount Rate)	GOLD's Share Value if the Discount Rate is 8.18%
7.61	8.53	9.57

Thus, value of GOLD shares based on the sum-of-the-parts valuation approach falls in the range between THB 7.61 and 9.57.

#### 7) Valuation of GOLD Shares under Different Valuation Approaches

Valuation Method	Share Value of the Business (THB/Share)	Tender Offer Price (THB/Share)	Premium (Discount) to the Tender Offer Price (THB/Share)	Premium (Discount) to the Tender Offer Price (%)
1. Book Value	7.21	8.55	(1.34)	(15.7%)
2. Adjusted Book Value	8.55	8.55	-	-
3. Market Value	8.01 – 9.34	8.55	(0.54) – 0.79	(6.3%) – 9.2%
4. P/BV	6.59 – 7.74	8.55	(1.96) – (0.81)	(22.9%) – (9.5%)
5. P/E	6.31 – 8.03	8.55	(2.24) – (0.52)	(26.2%) – (6.1%)
6. Sum-of-the-Parts	7.61 – 9.57	8.55	(0.94) – 1.02	(11.0%) – 11.9%

The Independent Financial Advisor deems that Adjusted Book Value, Market Value and Sum-of-the-Parts valuations are appropriate for determining fair value of shares of the Business which will be used to decide whether to accept or reject this Tender Offer. This is because:

- Adjusted Book Value Approach is a proper share valuation approach as it determines fair value of GOLD shares by taking into account 1) market values of securities with available market prices information and 2) appraised values of GOLD's property assets. Fair value of GOLD shares under this approach is THB 8.55.
- Market Value Approach determines fair value of GOLD shares by making reference to past trading prices of shares of other comparable firms. Such past trading prices well reflect demand and supply of such shares in the secondary market. Fair value of GOLD shares under this approach falls in the range between THB 8.01 and 9.34.
- Sum-of-the-Parts Approach determines fair value of GOLD shares by valuing different business components of GOLD based on the DCF approach and summing them together. DCF valuation approach applies well in this situation as it reflects GOLD's business operations & industry conditions, projected revenues and costs and adjustments with other asset & liabilities items as well

as minority interests on GOLD's financial statements. Fair value of GOLD shares under this approach falls in the range between THB 7.61 and 9.57.

Based on different appropriate valuation approaches we employed, the Independent Financial Advisor deems that fair value of GOLD's ordinary shares falls in the range between THB 7.61 and 9.57.

<b>Part 5    Opinion of the Independent Financial Advisor regarding Resolution of Shareholders</b>
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It is of the opinion of the Independent Financial Advisor that this SET Delisting by GOLD and the tender offer price of GOLD shares at THB 8.55 as proposed by FPT make sense due to the followings:

1. As GOLD's minority shareholders as of 20 September 2019 held the aggregated sum of 5.23% of its total issued and paid-up shares, this is not in compliance with SET rules concerning distribution of minority shareholding which stipulates at least 150 minority shareholders shall hold in aggregate at least 15% of total capital of GOLD. Although GOLD has a period of 1 year to rectify its failure to meet SET Free Float Requirement, FPT has no policy to significantly reduce its shareholding in GOLD at the moment. This has thus exposed GOLD to the risk of being unable to correct such regulatory incompliance.
2. The tender offer price of THB 8.55 falls in the range of the fair value of GOLD shares from THB 7.61 to 9.57 as determined by the Independent Financial Advisor. Details of which are presented in Section 4 of this report of the Independent Financial Advisor. Range of the fair value of GOLD shares is determined based on the Adjusted Book Value Method, the Market Value Approach and the Sum-of-the-Parts Approach. Note that such tender offer price as proposed by FPT is not lower than the highest price which is computed in accordance with Clause 56 of Business Takeover Rules.
3. After its SET Delisting, GOLD's shareholders could not trade its shares via an organized secondary market like the SET. There will be no reliable and acceptable benchmark prices that can well serve public shareholders in making their sound investment evaluations and decisions, and they will face serious trading illiquidity. Opportunities for GOLD's shareholders to obtain investment return in the form of capital gain would of course be limited, and their return from investment in GOLD will be restricted to only dividend. Dividend return from GOLD may change from year to year, depending upon its operating performance in the future and its dividend payment policy as prescribed by its current major shareholder. Individual shareholders will no longer be exempted from capital gain tax.
4. Although GOLD is still a public limited company, its shareholders would obtain fewer information after its SET Delisting. GOLD is no longer obligated to prepare and disclose information in accordance with applicable disclosure requirements after its SET listing status lapses. Post-tender offer for SET Delisting, if other shareholders who are not the tender offeror, persons acting in concert and their respective related persons under Section 258 will hold GOLD shares in the aggregate amount of not more than 5% of its total issued and paid-up shares or total number of shareholders or holders of warrants will not be higher than 100, (1) GOLD will no longer need to comply with provisions under Notification of the Capital Market Supervisory Board no.Tor.Jor 44/2556 (2) GOLD as well as its directors and executives will no longer need to comply with Section 3/1 of the Securities and

Exchange Act B.E. 2535 (as amended) such as provisions related to entering into connected transactions, those related to entering into material transactions, those related to reports of interests by directors and executives and etc and (3) directors, executives and auditors of GOLD will no longer need to comply with provisions under Notification of the Capital Market Supervisory Board no.Sor.Jor 38/2561. Note however that GOLD as a subsidiary of FPT is still obligated to prepare and provide necessary financial and business information to FPT so that its parent could fulfil its regulatory disclosure requirements. Public shareholders could still follow and obtain necessary information related to GOLD via financial and business information as prepared and disclosed by FPT.

The main purpose of this report of the Independent Financial Advisor is to provide our independent opinion regarding SET Delisting by GOLD to its Board of Directors and shareholders. Whether to vote for SET Delisting by GOLD hinges mainly on judgment of shareholders. Shareholders shall thoroughly study information and details as contained in this report of the Independent Financial Advisor as well as other documents as contained in the invitation to the meeting of shareholders prior to casting their votes. In expressing our independent opinion, the Independent Financial Advisor does not provide any guarantee either directly or indirectly that this SET Delisting by GOLD will be completely and successfully executed. Neither do we confirm about its consequential impacts either directly or indirectly to GOLD and its shareholders. The Independent Financial Advisor thus holds no responsibility either directly or indirectly for the consequential impacts of this SET Delisting.

The Independent Financial Advisor hereby confirms that we analyze data and provide our opinion as showed above based on applicable professional standards, taking into account the interests of shareholders.

Yours truly,

- *Mr.Montree Sornpaisarn* -

Mr.Montree Sornpaisarn

Chief Executive Officer

Maybank Kim Eng Securities (Thailand) Public Company Limited

Acting in the Capacity of the Independent Financial Advisor

- *Ms.Wantana Petlerkwong* -

Ms.Wantana Petlerkwong

Financial Advisory Supervisor

Maybank Kim Eng Securities (Thailand) Public Company Limited

Acting in the Capacity of the Independent Financial Advisor

**Enclosure 1 Business information of GOLD**

**1. General Business Information of GOLD**

<b>Company Name</b>	GOLDEN LAND PROPERTY DEVELOPMENT PUBLIC COMPANY LIMITED or GOLD
<b>Core Business</b>	Property Development
<b>Company Registration Number</b>	0107537002273
<b>Total Paid-up Capital</b>	THB 11,037,670,000 comprising 2,323,720,000 shares with a par value of THB 4.75 each
<b>Registered Address</b>	Mirttown Office Tower on 20th Floor at 944 Mirttown Office Tower Rama 4 Road, Wang Mai, Pathumwan Bangkok 10330
<b>Dividend Payment Policy</b>	At least 50% of its net profit after deducting tax and all reserves of the consolidated financial statement(with additional conditions)
<b>URL</b>	<a href="http://www.goldenland.co.th">www.goldenland.co.th</a>

Source: SET

**2. Nature of Business**

Golden Land Property Development Public Company Limited or GOLD is a leading residential and commercial property development company. Its residential projects, which are offered in all price ranges under various brands, include single homes, semi-detached homes and townhomes. Details of its businesses are as follows:

**Residential Property Projects**

GOLD engages in the real estate development business that offers a wide range of residential products, brands and development styles. The development includes low rise residential projects that offer sales of single-detached houses, semi-detached houses, and townhouses. The development tasks comprise infrastructure work within each development project, and for all product pricing, which are differentiated by product lines under different brand names to cover diverse market segments and different clientele groups.

**Commercial Property Projects**

For commercial developments, it is GOLD's policy to develop management efficiency and quality to better respond to its customer needs. It also promotes activities that encourage growth in its rental occupancy and enable continual increase in its revenues. At present, GOLD has followed commercial developments which are serviced apartments, hotels and office buildings.

(Additional business information of GOLD can be accessed at [https://investor-th.goldenland.co.th/compay\\_business.html](https://investor-th.goldenland.co.th/compay_business.html).)

### 3. Revenue Structure

Type of Product and Service	Year 2017 (October 2016 to September 2017) <sup>(1)</sup>		Year 2018 (October 2017 to September 2018)		For the 9-month period ended 30 June 2019 (October 2018 to June 2019)	
	Millions of THB	% of Total Revenue	Millions of THB	% of Total Revenue	Millions of THB	% of Total Revenue
Revenue from sales of real estate	10,571.39	86.3	14,052.93	88.9	11,591.04	89.0
Revenue from rental and services	837.24	6.8	958.89	6.1	710.17	5.5
Revenue from hotel business	508.27	4.1	551.42	3.5	426.40	3.3
Project management fee	106.99	0.9	142.78	0.9	166.93	1.3
Golf course revenue	22.64	0.2	26.99	0.2	24.90	0.2
Other revenues:						
- Gain from disposal of investment in associate	90.04	0.7	-	-	-	-
- Gain from disposal of investment in subsidiary	-	-	-	-	18.06	0.1
- Revenue from investment	15.84	0.1	13.53	0.1	10.38	0.1
- Other revenues	102.46	0.9	49.12	0.3	69.83	0.5
<b>Total</b>	<b>12,254.87</b>	<b>100.0</b>	<b>15,795.66</b>	<b>100.0</b>	<b>13,017.71</b>	<b>100.0</b>

Note: Prepared for purpose of comparison as GOLD changed its accounting period in this particular year.

Source: SET

### 4. Shareholding Structure

GOLD's total registered and paid-up capital is THB 11,037.67 million. Its total paid-up shares amount 2,323.72 million, each with a par value of THB 4.75. Its latest shareholding structure is tabled below:

No.	Shareholder	Number of Shares Held	% of Total Paid-up Shares
1	FRASERS PROPERTY (THAILAND) PUBLIC COMPANY LIMITED	2,202,086,001	94.77
2	Other shareholders	121,633,999	5.23
	<b>Total</b>	<b>2,323,720,000</b>	<b>100.00</b>

Source : GOLD

### 5. Board of Directors

GOLD's board of directors comprise 7 directors including:

No.	Director	Position
1	Mr. Wanchai Sarathulthat	Chairman and member of the Audit Committee
2	Mr. Panote Sirivadhanabhakdi	Vice Chairman
3	Mr. Thapana Sirivadhanabhakdi	Director

No.	Director	Position
4	Mr. Chotiphat Bijananda	Director
5	Mr. Sithichai Chaikriangkrai	Director
6	Mr. Udom Pwasakul	Independent director and member of the Audit Committee
7	Mr. Thanapol Sirithanachai	Director

Source: SET

## 6. Financial Information

### Statement of Financial Position

(Unit: Millions of THB)	30 September 2017	% of Total Assets	30 September 2018	% of Total Assets	30 June 2019	% of Total Assets
<b>Assets</b>						
<b>Current Assets</b>						
Cash and cash equivalents	905.97	2.9%	1,018.44	2.6%	1,099.93	2.4%
Short-term investments-fixed deposits	9.86	0.0%	8.75	0.0%	8.81	0.0%
Trade receivables	68.271	0.2%	66.62	0.2%	121.66	0.3%
Other receivables	82.10	0.3%	120.21	0.3%	123.96	0.3%
Amounts due from related parties	9.75	0.0%	-	-	0.03	0.0%
Real estate projects under development	15,553.18	50.5%	23,508.79	60.0%	29,461.97	64.4%
Deposit land - real estate projects under development	-	-	238.36	0.6%	917.14	2.0%
Other current assets	161.06	0.5%	195.96	0.5%	241.64	0.5%
<b>Total current assets</b>	<b>16,790.19</b>	<b>54.5%</b>	<b>25,157.13</b>	<b>64.2%</b>	<b>31,975.13</b>	<b>69.9%</b>
<b>Non-Current Assets</b>						
Deposit at banks under commitments	5.46	0.0%	5.25	0.0%	1.25	0.0%
Investments in associates	2,030.63	6.6%	1,965.09	5.0%	1,915.20	4.2%
Investments in joint ventures	921.44	3.0%	1,435.22	3.7%	1,387.74	3.0%
Long-term loans and accrued interest to related parties	232.58	0.8%	232.58	0.6%	232.58	0.5%
Goodwill	1.63	0.0%	1.63	0.0%	1.63	0.0%
Investment properties	6,557.55	21.3%	6,222.99	15.9%	6,016.21	13.2%
Leasehold rights	1,019.31	3.3%	966.84	2.5%	928.44	2.0%
PP&E	2,539.67	8.2%	2,462.61	6.3%	2,451.21	5.4%
Intangible assets	20.19	0.1%	37.91	0.1%	49.59	0.1%
Deferred tax assets	244.22	0.8%	277.63	0.7%	337.40	0.7%
Withholding income tax	406.79	1.3%	394.98	1.0%	375.97	0.8%
Other non-current assets	35.00	0.1%	41.81	0.1%	40.77	0.1%
<b>Total non-current assets</b>	<b>14,014.48</b>	<b>45.5%</b>	<b>14,044.53</b>	<b>35.8%</b>	<b>13,738.00</b>	<b>30.1%</b>
<b>Total assets</b>	<b>30,804.67</b>	<b>100.0%</b>	<b>39,201.66</b>	<b>100.0%</b>	<b>45,713.13</b>	<b>100.0%</b>

(Unit: Millions of THB)	30 September 2017	% of Total Assets	30 September 2018	% of Total Assets	30 June 2019	% of Total Assets
<b>Liabilities and Shareholders' Equity</b>						
<b>Current Liabilities</b>						
Short-term loans from financial institutions	-	-	3,412.66	8.7%	4,615.41	10.1%
Trade accounts payable	1,442.50	4.7%	2,242.97	5.7%	2,444.54	5.3%
Other payables	1,000.41	3.2%	1,123.52	2.9%	1,176.62	2.6%
Amounts due to related parties	0.16	0.0%	0.03	0.0%	0.16	0.0%
Current portion of long-term loans from financial institutions	144.62	0.5%	249.00	0.6%	859.35	1.9%
Current portion of long-term note payable	-	-	-	-	249.51	0.5%
Current portion of debentures	-	-	-	-	4,000.00	8.8%
Current portion of unearned leasehold rights	306.06	1.0%	306.06	0.8%	306.82	0.7%
Income tax payable	136.06	0.4%	241.56	0.6%	140.40	0.3%
Short-term provisions	2.24	0.0%	16.57	0.0%	-	-
Other current liabilities	260.08	0.8%	276.53	0.7%	383.51	0.8%
<b>Total current liabilities</b>	<b>3,292.13</b>	<b>10.7%</b>	<b>7,868.91</b>	<b>20.1%</b>	<b>14,176.30</b>	<b>31.0%</b>
<b>Non-Current Liabilities</b>						
Long-term loans from financial institutions	357.33	1.2%	705.62	1.8%	1,807.02	4.0%
Long-term loans and accrued interest from shareholder of subsidiary	510.74	1.7%	525.54	1.3%	536.61	1.2%
Long-term note payable	-	0.0%	245.39	0.6%	-	-
Debentures	4,995.72	16.2%	6,996.19	17.8%	5,993.83	13.1%
Unearned leasehold rights	6,741.67	21.9%	6,435.61	16.4%	6,205.87	13.6%
Deferred tax liabilities	219.18	0.7%	190.28	0.5%	184.72	0.4%
Non-current provision for employee benefits	60.17	0.2%	75.62	0.2%	106.12	0.2%
Long-term provisions	131.64	0.4%	119.72	0.3%	85.44	0.2%
Other non-current liabilities	132.37	0.4%	149.09	0.4%	158.20	0.3%
<b>Total non-current liabilities</b>	<b>13,148.80</b>	<b>42.7%</b>	<b>15,443.06</b>	<b>39.4%</b>	<b>15,077.80</b>	<b>33.0%</b>
<b>Total liabilities</b>	<b>16,440.93</b>	<b>53.4%</b>	<b>23,311.96</b>	<b>59.5%</b>	<b>29,254.11</b>	<b>64.0%</b>
<b>Shareholders' Equity</b>						
<b>Share capital</b>						
Authorised share capital	11,037.67	35.8%	11,037.67	28.2%	11,037.67	24.1%
Issued and paid-up share capital	11,037.67	35.8%	11,037.67	28.2%	11,037.67	24.1%
Share premium	1,714.25	5.6%	1,714.25	4.4%	1,714.25	3.8%
Retained earnings						
Appropriated						



Legal reserve	264.76	0.9%	446.96	1.1%	463.41	1.0%
Unappropriated	1,607.04	5.2%	2,959.59	7.5%	3,519.13	7.7%
Surplus on business combination under common control	29.53	0.1%	29.53	0.1%	29.53	0.1%
Equity attributable to owners of the parent	14,653.25	47.6%	16,187.99	41.3%	16,763.99	36.7%
Non-controlling interests	(289.51)	(0.9%)	(298.30)	(0.8%)	(304.97)	(0.7%)
<b>Total shareholders' equity</b>	<b>14,363.74</b>	<b>46.6%</b>	<b>15,889.70</b>	<b>40.5%</b>	<b>16,459.02</b>	<b>36.0%</b>
<b>Total liabilities and equity</b>	<b>30,804.67</b>	<b>100.0%</b>	<b>39,201.66</b>	<b>100.0%</b>	<b>45,713.13</b>	<b>100.0%</b>

Source : SET

## Statement of Comprehensive Income

(Unit: Millions of THB)	For 9-Month Period of 2017 (Ended 30 September 2017)	% of Total Revenue	Year 2018 (Ended 30 September 2018)	% of Total Revenue	For 9-Month Period Ended 30 June 2019	% of Total Revenue
<b>Revenue</b>						
Revenue from sales of real estate	8,069.78	86.3%	14,052.93	89.0%	11,591.04	89.0%
Revenue from rental and service	636.79	6.8%	958.89	6.1%	710.17	5.5%
Revenue from hotel business	394.45	4.2%	551.42	3.5%	426.40	3.3%
Revenue from golf course operation	16.95	0.2%	26.99	0.2%	24.90	0.2%
Management fee income	79.22	0.8%	142.78	0.9%	166.93	1.3%
Investment income	9.80	0.1%	13.52	0.1%	10.38	0.1%
Gain from sale of investment in associate	90.04	1.0%	-	0.0%	-	-
Gain from sale of investment in subsidiary	-	-	-	-	18.06	0.1%
Other revenues	55.09	0.6%	49.12	0.3%	69.83	0.5%
<b>Total revenue</b>	<b>9,352.12</b>	<b>100.00%</b>	<b>15,795.66</b>	<b>100.00%</b>	<b>13,017.71</b>	<b>100.0%</b>
<b>Expense</b>						
Cost of sale of real estate	5,519.66	59.0%	9,502.38	60.2%	7,925.11	60.9%
Cost of rental and services	416.70	4.5%	567.34	3.6%	402.37	3.1%
Cost of hotel business	278.96	3.0%	377.82	2.4%	293.82	2.3%
Cost of golf course operation	8.77	0.1%	13.67	0.1%	8.75	0.1%
Cost of management income	43.68	0.5%	86.17	0.5%	134.75	1.0%
Distribution expenses	669.92	7.2%	1,146.70	7.3%	935.02	7.2%
Administrative expenses	1,016.40	10.9%	1,416.36	9.0%	1,228.01	9.4%
Bad and doubtful debt expenses	8.55	0.1%	20.31	0.1%	13.46	0.1%
Finance costs	136.28	1.5%	67.71	0.4%	62.30	0.5%
<b>Total expenses</b>	<b>8,098.91</b>	<b>86.60%</b>	<b>13,198.45</b>	<b>83.56%</b>	<b>11,003.60</b>	<b>84.50%</b>
<b>Profit before share of profit in</b>	<b>1,253.21</b>	<b>13.4%</b>	<b>2,597.21</b>	<b>16.4%</b>	<b>32.85</b>	<b>0.3%</b>

(Unit: Millions of THB)	For 9-Month Period of 2017 (Ended 30 September 2017)	% of Total Revenue	Year 2018 (Ended 30 September 2018)	% of Total Revenue	For 9-Month Period Ended 30 June 2019	% of Total Revenue
associates and joint ventures						
Share of profit of associates and joint ventures	69.62	0.7%	75.63	0.5%	32.85	0.3%
Earnings before taxes	1,322.83	14.14%	2,672.85	16.92%	2,046.96	15.8%
Corporate income tax	236.35	2.5%	572.24	3.6%	408.73	3.1%
Profit for the year/period	1,086.48	11.62%	2,100.61	13.30%	1,638.24	12.7%

Source : SET

## MD&A

### Operation Results

#### Revenues

For the 9-month period ended 30 June 2019, GOLD's revenue totaled 13,017.71 million. Revenue from sale of properties accounted for 89.0% of total revenue. The second highest revenue of GOLD was revenue from rental and services which accounted for 5.5% of GOLD's total revenue.

For the fiscal period ended 30 September 2018, GOLD recognized total revenue of THB 15,795.67 million, an increase by THB 6,443.54 million or 68.90% from that of the 9-month period ended 30 September 2017. Such increase was attributable to change in GOLD's accounting period and recognition of more revenue from its properties sales business. During the year, GOLD recognized operating revenue from 50 properties projects whereas it recognized revenue from 36 properties projects during the preceding year. During the year, GOLD also recognized more rental and service revenues, mainly from FYI Center Office Building Project which achieved higher occupancy rate.

#### Expenses

For the 9-month period ended 30 June 2019, GOLD's expense totaled THB 11,003.60 million. 72.02% of which were cost of properties sale. The second largest expense was administrative expense.

For the fiscal period ended 30 September 2018, GOLD recognized total expenses of THB 13,198.44 million which increased in line with its revenue increase. Nevertheless, GOLD's cost of financing declined due mainly to its capacity to well manage financing costs and more inclusion of financing costs as a part of costs of properties project development.

## **Net Profit**

For the 9-month period ended 30 June 2019, GOLD's net profit totaled THB 1,638.24 million which represents a net profit margin of 12.70%.

For the fiscal period ended 30 September 2019, GOLD recognized total net profit of THB 2,100.61 million, an increase by THB 1,014.13 million or 93.94%. This represents a net profit margin of 13.30%.

## **Analysis of Financial Position**

### **Assets**

As of 30 June 2019, GOLD's total assets totaled THB 45,713.13 million, an increase by THB 6,511.47 million or 16.61% from that as of 30 September 2019 which were THB 39,201.66 million. This was mainly attributable to an increase in real estate projects under development for the amount of THB 5,953.18 million.

For the period ended 30 September 2018, GOLD's total assets were THB 39,201.66 million, an increase by THB 8,396.99 million from that as at 30 September 2017. Such asset increase was mainly attributable to an increase in property projects under development by the amount of THB 8,193.97 million associated with land acquisition for new projects development, an increase in joint ventures for the amount of THB 539 million associated with GOLD's investment in Kasemsubbhakdi Company Limited with the aim to develop Samyan Mitrtown Project and a decrease in investment properties for the amount of THB 334.56 million due to their depreciations. In 2018, GOLD had no major asset acquisition / disposal.

### **Liabilities and Shareholders' Equity**

As of 30 June 2019, GOLD's liabilities totaled THB 29,254.11 million, an increase by THB 5,942.15 million or 25.49% from that as of 30 September 2019 which stood at THB 23,311.96 million. This was mainly attributable to increase in the amount of debentures and loans from financial institutions. GOLD's shareholders' equity as of 30 June 2019 was THB 16,459.02 million whereas that as of 30 September 2019 was THB 15,889.70 million.

As of 30 September 2018, GOLD's total liabilities stood at THB 23,311.96 million, an increase by THB 6,871.03 million from that as of 30 September 2017. Such increase in liabilities was mainly attributable to issuance of debentures for the amount of THB 2,000 million and increase in loans and promissory notes for the amount of THB 4,110.70 million. GOLD's shareholders' equity as of 30 September 2018 stood at THB 15,889.70 million, an increase by THB 1,525.96 million from that as of 30 September 2017 due mainly to recognition of net profit during the period. For the period from 1 October 2017 to 30 September 2018, GOLD made dividend payment amounting THB 580.93 million.

Enclosure 2	Information about Land and Property Appraisal of Golden Land Property Development Public Company Limited
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### Asset Appraisal Principles and Valuation Assumptions by the Independent Asset Appraiser

<b>Asset Appraiser</b>	Knight Frank Charter (Thailand) Company Limited
<b>Date of Appraisal</b>	30 June 2019 for housing projects and 31 July 2019 for office building, condo, service apartment and hotel projects
<b>Appraisal Methodologies</b>	
<b>Residual Method</b>	Under the Residual Method of Valuation requires analysis of potential income generated by the subject development. In this valuation, the residual value is derived by estimating the completed development value under the existing concept and deducting the direct and indirect outstanding development costs thereof
<b>Comparative Method</b>	Under the Comparative Method of Valuation, the value is derived from the direct comparison of capital values of similar properties. That is comparing the Subject Property with other properties which are near substitutes for one another. Such properties should be of similar size, shape, location and the data should also reflect recent transactions. This method takes into account of general economic factors affecting the property market. A standardized method is the application of the comparative method to land markets under review. Adjustments are made for divergences from the standard site by the use of a specific set of rules.
<b>Cost Method</b>	Under the Cost Method of Valuation, the value of the Subject Property is derived from a combination of the valuation of land using the Comparative Method, plus the cost of the building and improvements using the Cost-To-Date Method. The Cost-To-Date Method is the construction cost of the subject building and improvements, estimated up to the date of the construction. In calculating the Cost-To-Date, it is an estimate of the current construction cost of the building, improvements, systems and machinery, as currently built on site, or as percentage of the completion as at the date of valuation.
<b>Income Method</b>	<p>Under the Income Method of Valuation, the Subject Property's value will be derived via the following process:</p> <p>An estimation of the gross income that will be received from the Subject operation, assuming that additional income is included above existing levels.</p> <p>An estimate of the operating expenses, comprising salary and related expenses, Management expenses, and expense such as water supply, electricity, household tax, repairs and maintenance etc.</p> <p>NPV of Net Operating Income (after deducting the operating expenses) and Terminal Value of property at the end of Year 10 (net of related selling, transfer fee and other costs) are to achieve property value.</p> <p>The Discount Rate or Rate of Return using in this report is derived from the business investment or expected yield of investor. The rate is also adjusted by Valuer's opinion and considering the building's standard, condition, age, and operational performance.</p>

**Note:** The Independent Financial Advisor is of the view that there is no significant difference whether office building, condo, service apartment and hotel projects would be appraised on 30 June 2019 or 31 July 2019.

# 1. Panorama Golf and Country Club Project

- Part 1 : Golf Course

Item	Assumption
Appraisal Method	Income Method
Appraisal Horizontal	10 years and also taking into account terminal value after the appraisal period
Number of Memberships per year	3,336
Number of Guests per year	10,008
Number of Visitors per year	7,300 and increase by 3% year-on-year
Number of Agencies & Tourists per year	15,695 and increase by 3% year-on-year
Green Fee (Guest)	THB 700 for Monday to Friday and THB 900 for Saturday and Sunday. This will increase by 10% every 3 years.
Green Fee (Visitor)	THB 1,400 for Monday to Friday and THB 1,800 for Saturday and Sunday. This will increase by 10% every 3 years.
Green Fee (Agency & Tourist)	THB 1,150 for Monday to Friday and THB 1,350 for Saturday and Sunday. This will increase by 10% every 3 years.
Caddy Fee	THB 300 per person and this will increase by 5% every 2 years.
Number of Golf Carts	80
Revenue from Golf Cart Rental	THB 600 per cart and this will increase by 5% every 2 years.
Food and Beverage Revenue	THB 450 per person and this will increase by 3% year-on-year.
Cost of Green Fee	10% of total green fee revenue
Cost of Caddy	90% of total caddy revenue
Cost of Golf Cart	40% of total golf cart revenue
Cost of Food	50% of total food revenue
Employee Expenses	THB 7,300,000 per year and this will increase 3% year-on-year.
Discount Rate	12%
Sum of PV (THB)	192,495,497
Approximate Value (THB)	192,000,000

- Part 2 : Vacant Land Waiting for Development

Item	Assumptions
Appraisal Method	Comparative Method
<b>Plot 1 – Land on the western side of the project</b>	
Total area (rai)	310
Price (THB/rai)	167,000
Current Value of the Asset (THB)	51,770,000
<b>Plot 2 – Land on the southern side of the project</b>	
Total area (rai)	270
Price (THB/rai)	176,000
Current Value of the Asset (THB)	47,520,000
<b>Plot 3 – Land on the eastern side of the Project</b>	
Total area (rai)	202.5
Price (THB/rai)	235,000
Current Value of the Asset (THB)	47,587,500
Total Value of the Assets (THB)	146,877,500
<b>Rounded to (THB)</b>	<b>146,900,000</b>

- Part 3 : Housing Project

Item	Assumption
Appraisal Approach	Residual Method
<b>Housing Project under Construction Phase 1</b>	
Total Area (sq.wah)	4,577
Sale Price (THB/sq.wah)	3,000
<b>Housing Project under Construction Phase 2</b>	
Total Area (sq.wah)	73,066
Sale Price (THB/sq.wah)	2,500
Asset Construction and Development Costs (THB)	27,000,000
Reserve for Construction and Development of Assets (THB)	5% of total costs of asset construction and development
Consulting Fee (THB)	5% of total costs of asset construction and development
Project Management Cost (THB)	3% of total revenue
Advertising and Sale Promotion Expenses (THB)	5% of total revenue

Item	Assumption
Other Expenses (THB)	5% of total costs of asset construction and development
Asset Transfer Fee and Sale Tax (THB)	1% of total revenue
Special Business Tax (THB)	3.3% of total revenue
Cost of Asset Sale (THB)	20% of total revenue
Residual Value of Asset (THB)	110,860,400
<b>Rounded to (THB)</b>	<b>110,900,000</b>

- **Part 4 : Vacant Land Outside Project**

Item	Assumption
Appraisal Methodology	Comparative Method
<b>Land No.1</b>	
Area (rai)	17.4493
Price (THB/rai)	250,000
Land Value (THB)	4,362,313
<b>Land No.2</b>	
Area (rai)	61.7
Price (THB/rai)	6,000
Land Value (THB)	370,200
Total Land Value (THB)	4,732,513
<b>Rounded to (THB)</b>	<b>4,700,000</b>

- **Part 5 : Condominium**

Item	Assumption
Appraisal Approach	Income Method
Appraisal Horizontal	10 years including terminal value after appraisal horizontal
Number of Units	12
Average Occupancy Rate	Year 1 : 40% Year 2-10 : 60%
Average Room Rate	THB1,300 /night which will increase 3% year-on-year
Other Revenues (THB)	3% of total room revenue
Overhead and Employee Costs (THB)	22% of total revenue
Advertising and Sale Promotion Expense (THB)	5% of total revenue
Renovation and Maintenance Cost (THB)	3% of total revenue

Item	Assumption
Tax Cost (THB)	12.50% of 40% of total revenue
Discount Rate	13%
Total Asset Value (THB)	21,838,014
Rounded to (THB)	22,000,000

- Summary of Valuation of Panorama Golf and Country Club

Component	Value (THB)
Part 1 : Golf Course	192,000,000
Part 2 : Vacant Land Waiting for Development	146,900,000
Part 3 : Housing Project	110,900,000
Part 4 : Vacant Land Outside Project	4,700,000
Part 5 : Condominium	22,000,000
<b>Total Value</b>	<b>476,500,000</b>

## 2. Land at Nong Talae, Krabi

- Example Details of Comparable Land

Item	Appraised Asset	Comparable Land No.1	Comparable Land No.2	Comparable Land No.3
Location	Ta Lane Bay	Ban Din Dang Noi	Ban Tub Kaek	Ban Tab Lane
Total Area (rai)	118.80	100.00	80.00	80.00
Preliminary Sale Price (THB/rai)		3,200,000	7,500,000	4,500,000
<b>Adjustments</b>				
Location				
- Location and Nearby Areas		0%	(25)%	(10)%
- Proximity to Beach		20%	(5)%	15%
- Land Accessibility		0%	(10)%	(10)%
Land Potential		20%	0%	0%
Legal Constraints		0%	0%	0%
<b>Total</b>		<b>40%</b>	<b>(40)</b>	<b>(5)%</b>
<b>Price after Adjustments (THB/rai)</b>		<b>4,480,000</b>	<b>4,500,000</b>	<b>4,275,000</b>



- Land Appraisal

Item	Assumption
Appraisal Method	Comparative Method
<b>Land No.1 – Land Not Adjacent to National Parks</b>	
Total Area (rai)	10.9475
Price (THB/rai)	4,400,000 (Based on past sale prices of plots of land in the nearby areas adjusted with relevant factors)
Asset Value (THB)	48,169,000
<b>Land No.1 – Land Adjacent to National Parks</b>	
Total Area (rai)	107.85250
Price (THB/rai)	1,3000,000 (Based on past sale prices of plots of land in the nearby areas adjusted with relevant factors)
Asset Value (THB)	140,208,250
Total Asset Value (THB)	188,377,250
<b>Rounded to (THB)</b>	<b>188,000,000</b>

### 3. Samyan MitrTown Project

- Part 1 : Retail and Convention Hall

Item	Assumption
Appraisal Method	Residual Method
Apprasial Horizontal	31 July 2019 to 9 June 2049
Net Leasable Area	Retail Area: 33,688 sq.m. Convention Hall: 2,162 sq.m.
Base Rental Rate (THB)	Retail Area: THB 1,500/sq.m./month Convention Hall: THB 220/sq.m./month
Rental Growth Rate	Retail Area: 5% year-on-year Convention Hall: 3% year-on-year
Occupancy Rate/Area Utilization Rate	Retail Area: Year 1: 80%    Year 2: 85%    Year 3: 90%    From Year 4 on: 95% Convention Hall: Year 1: 30%    Year 2: 40%    From Year 3 on: 50%
Other Revenues (THB)	10% of total rental revenue
Administrative Expense (THB)	THB 87,500,000 per year and this will increase 3% year-on-year

Item	Assumption
Sale and Marketing Expense (THB)	3% of total rental revenue
Asset Maintenance Expense (THB)	3.5% of total rental revenue
Tax Expense (THB)	12.50% of 40% of rental revenue from retail area
FF&E Reserve (THB)	4.0% of total revenue
Discount Rate	11%
Total Construction Area	Retail: 54,015 sq.m. Convention Hall: 10,581 sq.m. Parking Area: 22,779.8 sq.m.
Construction Cost/sq.m. (THB)	Retail: THB 34,000 Convention Hall: THB 38,000 Parking Area: THB 20,500
Consulting Fee (THB)	5.0% of total construction costs
Construction Management Fee (THB)	2.0% of total construction costs
FF&E Reserve (THB)	3.0% of total construction costs
Construction Progress as of 31 July 2019	Retail Area and Convention Hall: 90.06% Parking Area: 98.73%
Value of Assets (THB)	3,716,513,585

- Part 2 : Office Building

Item	Assumption
Appraisal Method	Residual Method
Appraisal Horizontal	31 July 2019 to 9 June 2049
Net Leasable Area (sq.m.)	48,468
Base Rental Rate (THB)	THB 950/sq.m./month
Rental Rate Growth	3% year-on-year
Occupancy Rate/Asset Utilization Rate	Year1: 70%    Year2: 80%    Year3: 90%    From Year 4 on: 92%
Other Revenues (THB)	5% of total rental revenue
Administrative Expense (THB)	THB 57,000,000/year and this will increase by 3% year-on-year.
Sale and Marketing Expense (THB)	1.0% of total rental revenue
Asset Maintenance Expense (THB)	3.0% of total rental revenue
Tax Expense (THB)	12.50% of 40% of total rental revenue
FF&E Reserve (THB)	3.5% of total revenue
Discount Rate	10%
Total Construction Area	Office Area: 63,788 sq.m.

Item	Assumption
	Parking Area: 22,494.9 sq.m.
Construction Cost/sq.m. (THB)	Office Area: 35,000/sq.m. Parking Area: 20,500/sq.m.
Consulting Fee (THB)	5.0% of total construction costs
Construction Management Fee (THB)	2.0% of total construction costs
FF&E Reserve (THB)	3.0% of total construction costs
Construction Progress as of 31 July 2019	Office Area: 99.34% Parking Area: 98.73%
Value of Assets (THB)	3,441,137,170

- Part 3 : Residential Condominium

Item	Assumption
Appraisal Method	Residual Method
Appraisal Horizontal	31 July 2019 to 9 June 2049
Net Salable Area (sq.m.)	19,034
Average Sale Price/sq.m. (THB)	THB 132,000 which will increase by 5% year-on-year
Number of Units to be Sold Each Year to Total Units	Year 1: 50% of Total Net Salable Area Year 2: 35% of Total Net Salable Area Year 3: 15% of Total Net Salable Area
Sale and Marketing Expense (THB)	3.5% of total rental revenue
Transfer Fee and Tax (THB)	1.0% of total rental revenue
Total Construction Area	Condo Area: 29,774 sq.m. Parking Area: 10,499.8 sq.m.
Construction Cost/sq.m. (THB)	Condo Area: 34,000/sq.m. Parking Area: 20,500/sq.m.
Consulting Fee (THB)	5.0% of total construction costs
Construction Management Fee (THB)	2.0% of total construction costs
FF&E Reserve (THB)	3.0% of total construction costs
Construction Progress as of 31 July 2019	Condo Area: 98.06% Parking Area: 98.06%
Total Asset Value (THB)	1,853,000,000

• Part 4 : Hotel

Item	Assumption
Appraisal Method	Residual Method
Appraisal Horizontal	31 July 2019 to 9 June 2049
Number of Hotel Rooms	112
Base Room Rate (THB)	THB 2,800/room/night which will increase by 3.5% year-on-year
Occupancy Rate	Year 1: 60%    Year 2: 70%    Year 3: 80%    From Year 4 on: 85%
Cost of operation per room (THB)	THB 365/room/night which will increase by 3% year-on-year
F&B Cost (THB)	50.73% of total F&B Revenue
Management Cost (THB)	2% of total revenue
FF&E Reserve (THB)	3% of total revenue
Discount Rate	12%
Total Construction Area	Hotel Area: 6,620 sq.m. Parking Area: 2,334.5 sq.m.
Construction Cost/sq.m. (THB)	Hotel Area: THB 50,000/sq.m. Parking Area: THB 20,500/sq.m.
Consulting Fee (THB)	5.0% of total construction costs
Construction Management Fee (THB)	2.0% of total construction costs
Reserve for Asset Construction and Development (THB)	3.0% of total construction costs
Construction Progress as of 31 July 2019	Retail and Convention Area: 96% Parking Area: 99%
Total Asset Value (THB)	501,766,509

• Part 5 : PV of Total Project Rental

Item	Assumption
Appraisal Horizontal	31 July 2019 to 10 June 2049
Land Rental Rate	Referred to land lease agreement
Discount Rate	10%
PV of Total Project Rental (THB)	1,098,070,396

- Summary of Valuation of SamYan Mitrown Project

Component	Value (THB)
Part 1 : Retail and Convention Center	3,716,513,585
Part 2 : Office Building	3,441,137,170
Part 3 : Condominium	1,853,000,000
Part 4 : Hotel	501,766,509
Total Value (THB)	9,512,417,265
Less PV of Total Project Rental	1,098,070,396
Project Fair Value	8,414,346,869
Rounded to	8,414,000,000

#### 4. FYI Center

##### 4.1 FYI Center-Office Building

Item	Assumption
Appraisal Method	Income Method
Appraisal Horizontal	31 July 2019 to 28 February 2047
Net Leasable Area	Office Building : 46,753 sq.m. Plaza : 3,711 sq.m.
Occupancy Rate of Office	Year1 : 97%      From Year 2 on: 95%
Rental Rate Growth of Office	Approximately 3.5% year-on-year
Occupancy Rate of Plaza	Year1 :90%      From Year 2 on : 95%
Rental Rate Growth of Plaza	Approximately 5% year-on-year
Other Revenues	3% of total revenue
Administrative Cost	THB 67,000,000/year which will increase by 3% year-on-year
Sale and Marketing Expense	2.5% of total revenue
Maintenance Expense	3.0% of total revenue
FF&E Reserve	3.5% of total revenue
Land Lease Expense	Referred to Land Lease Agreement
Discount Rate	9.5%
Total Value (THB)	5,135,742,321
Rounded to (THB)	5,136,000,000

#### 4.2 FYI Center – Modena by Frasers Hotel

Item	Assumption
Appraisal Method	Income Method
Appraisal Horizontal	31 July 2019 to 28 February 2047
Number of Hotel Rooms	239
Base Room Rate	THB 1,950/room/night and will increase by 2.97% year-on-year
Occupancy Rate	Year1: 80%      Year2: 82%      From Year 3 on: 85%
F&B Reveue	THB 1,135/room/night and will increase by 3% year-on-year
Cost of Operation per Room	THB 250/room/night and will increase by 3% year-on-year
F&B Cost	50.37% of total F&B revenue
FF&E Reserve	3.5% of total revenue
Discount Rate	11%
Total Asset Value (THB)	1,056,030,836
Rounded to (THB)	1,056,000,000

#### 4.3 PV of Total Project Rental

Component	Assumption
Valuation Horizontal	31 July 2019 to 28 February 2047
Land Lease Payment	Referred to Land Lease Agreement
Discount Rate	9.5%
PV of Total Project Rental (THB)	322,252,185

#### ● Valuation Summary of the FYI Center

Component	Value (THB)
FYI Center-Office Building	5,136,000,000
FYI Center-Modena by Fraser Hotel	1,056,000,000
Total sum of asset value (THB)	6,192,000,000
Deduct PV of total rental (THB)	322,252,185
Appraisal Value of the FYI Center Project (THB)	5,869,747,815
Rounded to (THB)	5,870,000,000

## 5. Golden Land Building

Item	Assumption
Appraisal Method	Income Method
Appraisal Horizontal	31 July 2019 to 31 August 2022
Net Leasable Area (sq.m.)	11,231.18
Occupancy Rate	92%
Rental Rate (THB/sq.m./month)	Approximately 570 and will increase by 4% year-on-year.
Other revenues	5% of total rental revenue
Overhead Cost	THB 7,500,000 per year and will increase by 3% year-on-year
Sale and Marketing Expense	2% of total revenue
Maintenance expense	2.5% of total revenue
Tax Expense	12.50% of 50% of total rental revenue
FF&E Reserve	3% of total revenue
Land Lease Expense	According to land lease agreement
Discount Rate	20%
Total Asset Value (THB)	125,971,133
<b>Rounded to (THB)</b>	<b>126,000,000</b>

## 6. The Ascott Bangkok Project

### 6.1 Land

#### ● Example Details of Comparable Land Plots

Item	Appraised Asset	Comparable Land 1	Comparable Land 2	Comparable Land 3
Location	South Sathorn Road	South Sathorn Road (close to Australian Embassy)	Silom Road	Rama 4 Road
Land Size (sq.wah)	1,766.10	3,182.00	1,396.00	625.00
Sale Price (THB/rai)		1,450,000	1,428,000	1,200,000
Period Land Was Sold		December 2017	October 2015	The End of 2016
Time Value Adjustment (THB/rai)		72,500	357,000	84,000
Preliminary Sale Price (THB/rai)		1,522,500	1,785,000	1,284,000
<b>Adjustments</b>				
Location				
- Location and Nearby Areas		5%	(10)%	12%
Adjustments based on Land Nature				

Item	Appraised Asset	Comparable Land 1	Comparable Land 2	Comparable Land 3
- Size		2%	0%	(2)%
- Shape		0%	0%	3%
- Front Area		0%	(1)%	(2)%
- Business Potential		0%	0%	0%
Legal Constraints		0%	0%	15%
<b>Total</b>		<b>7%</b>	<b>(11)%</b>	<b>26%</b>
<b>Sale Price after Adjustments (THB/rai)</b>		<b>1,629,075</b>	<b>1,588,650</b>	<b>1,617,840</b>

### Land Appraisal Value

Item	Assumption
Appraisal Method	Comparative Method
Land Size (sq.wah)	1,766.10
Sale Price (THB/rai)	1,600,000 (based on historical sale prices of land in the nearby areas adjusted with factors like land location, land characteristics and applicable rules in the area)
Land Value (THB)	2,825,760,000

### Land Value at the Expiration of Land Lease Agreement

Item	Assumption
Land Value (THB)	2,825,760,000
Remaining Land Lease Tenor	44 years and 65 days
Land Price Growth	7% year-on-year
Land Value at the Expiration of Land Lease Agreement (THB)	15,982,162,303
Discount Rate	7%
PV of Land Value at the Expiration of Land Lease Agreement (THB)	804,482,481

### Appraisal of Rental Revenue based on Land Lease Agreement

Item	Assumption
Appraisal Method	Income Method
Remaining Lease Life	44 years and 65 days
Land Lease Rate	Referred to land lease agreement
Tax Expense	12.50% of 50% of land rental revenue
Discount Rate	7%
PV of Rental Revenue based on Land Lease Agreement (THB)	70,990,375



### Summary of Land Appraised Value

Item	Value (THB)
PV of Land Value at the Expiration of Land Lease Agreement (THB)	804,482,481
PV of Rental Revenue based on Land Lease Agreement (THB)	70,990,375
Total Land Value (THB)	875,472,856
Rounded to (THB)	875,000,000

### 6.2 The Ascott Bangkok Hotel

Item	Assumption
Appraisal Method	Income Method
Appraisal Horizontal	44 years and 65 days
Number of Hotel Rooms	177
Average Occupancy Rate	85%
Average Room Rate	THB 2,900/room/night and this will increase by 3.32% year-on-year
Net Leasable Commercial Area (sq.m.)	4,121.85
Occupancy Rate for Commercial Area	95%
Rental Rate for Commercial Area (THB/sq.m./month)	360 and increase by 10% every 3 years
Service Expense	2% of total revenue
FF&E Reserve	3.5% of total revenue
Discount Rate	11%
Asset Value (THB)	1,131,168,092
Rounded to (THB)	1,131,000,000

### 6.3 Sky Villas

#### ● Example Details of Comparable Assets

Item	Appraised Asset	Comparable Asset 1	Comparable Asset 2	Comparable Asset 3
Location	Sky Villas	Sky Villas	Sky Villas	Sky Villas
Storey	30	22	29	30
Size (s.m.)	193.89	126	198	126
Remaining Lease Life (Years)	44.419	44.419	44.419	44.419
Sale Price (THB/sq.wah)		1,450,000	1,428,000	1,200,000
Preliminary Sale Price (THB/sq.m.)		71,000	73,000	75,000
Adjustments				
Asset Characteristics				

Item	Appraised Asset	Comparable Asset 1	Comparable Asset 2	Comparable Asset 3
- Size		(10)%	0%	(10)%
- Condition		(5)%	(5)%	(5)%
- Room Views		12%	0%	8%
Total		(3)%	(5)%	(7)%
Sale Price after Adjustments (THB/sq.m)		68,870	69,350	69,750

- Asset Appraisal

Item	Assumption
Appraisal Method	Comparative Method
Room1-Storey30	
Size (sq.m)	193.89
Price (THB/sq.m.)	69,000 (based on historical sale prices of land in the nearby areas adjusted with factors like land location, land characteristics and applicable rules in the area)
Asset Value (THB)	13,378,410
Room2-Storey31	
Size (sq.m)	193.89
Price (THB/sq.m.)	70,000 (based on historical sale prices of land in the nearby areas adjusted with factors like land location, land characteristics and applicable rules in the area)
Asset Value (THB)	13,572,300
Room3-Storey34	
Size (sq.m)	405.87
Price (THB/sq.m.)	85,000 (based on historical sale prices of land in the nearby areas adjusted with factors like land location, land characteristics and applicable rules in the area)
Asset Value (THB)	34,498,950
Total Asset Value (THB)	61,449,660
Rounded to (THB)	61,000,000

## 7. Real Estate Project for Sale

No.	Project	Type of Asset	Area (sq.wah)	Appraisal Method	Appraised Value (Millions of THB)
1	The Grace (Seen Scenery)	Existing Housing Project	639.40	Comparative Method	42.80
2	The Grandiosae	Existing Housing Project	647.40	Comparative Method	50.90
3	Bliss	Existing Housing Project	1,922.80	Residual Method	131.50
4	The Grandio Samutsakorn	Existing Housing Project	5,462.90	Residual Method	385.00
5	The Grand Pinklao Phase 1 (Alpena)	Existing Housing Project	15,624.20	Residual Method	1,250.90
6	The Grand Pinklao Phase 2 (The Pine)	Existing Housing Project	587.50	Comparative Method	53.90
7	Golden Prestige Watcharaphol-Sukha Piban 5	Existing Housing Project	1,435.00	Residual Method	147.00
8	Golden Prestige Ekachai-Wongwan	Existing Housing Project	383.80	Comparative Method	29.40
9	Golden Bliss Bangna-Kingkaew	Existing Housing Project	153.40	Comparative Method	42.70
10	Golden Town Chaiyapruet-Wongwan	Existing Housing Project	3,007.30	Residual Method	186.30
11	Golden Neo Chaiyapruet-Wongwan	Existing Housing Project	331.00	Comparative Method	16.70
12	Golden Town Sriracha-Assumption	Existing Housing Project	5,298.80	Residual Method	402.20
13	Golden Neo Ladprao-Kaset Nawamin	Existing Housing Project	495.90	Residual Method	60.00
14	Golden Town 2 Ladprao-Kaset Nawamin	Existing Housing Project	224.70	Residual Method	25.60
15	Golden Town Ratana Thibet-Saima Skytrain Station	Existing Housing Project	513.40	Residual Method	47.10
16	Golden Town 2 Pinklao-Charan Sanitwong	Existing Housing Project	3,829.10	Residual Method	409.80
17	To Grand Monaco Bangna-Wongwan	Existing Housing Project	5,556.20	Residual Method	543.80
18	Golden Town 3 Suksawat-Puttabucha	Existing Housing Project	4,444.70	Residual Method	359.20
19	Golden Town 2-Rama 2	Existing Housing Project	1,383.90	Residual Method	100.10
20	Golden Neo 2-Rama 2	Existing Housing Project	1,853.80	Residual Method	124.20
21	Golden Town Vibhawadi-Changwattana	Existing Housing Project	2,987.30	Residual Method	296.20
22	Golden Town 2 Wong Sawang-Kaerai	Existing Housing Project	1,711.40	Residual Method	202.80
23	Golden Town Petkasem	Existing Housing Project	3,157.30	Residual Method	230.30
24	Golden Town Srinakharin-Sukhumwit	Existing Housing Project	4,601.70	Residual Method	248.00
25	Golden Town Ayudhya	Existing Housing Project	5,650.40	Residual Method	360.50
26	Golden Neo Bangkai	Existing Housing Project	342.90	Comparative Method	45.30
27	Golden Town Bangkai	Existing Housing Project	2,173.10	Residual Method	217.10
28	Grand Deo Bangkai	Existing Housing Project	12,524.80	Residual Method	872.10
29	Golden Town Ramindra-Wongwan	Existing Housing Project	7,120.50	Residual Method	493.40
30	Golden Town Phaholyothin-Saphan Mai	Existing Housing Project	8,001.60	Residual Method	623.20
31	Golden Neo 2 Ladprao-Kaset Nawamin	Existing Housing Project	1,968.60	Residual Method	196.80
32	Golden Neo-Sathorn-Kallapruet	Existing Housing Project	5,316.00	Residual Method	672.20

No.	Project	Type of Asset	Area (sq.wah)	Appraisal Method	Appraised Value (Millions of THB)
33	Golden Town 3 Bangna-Suan Luang	Existing Housing Project	3,875.20	Residual Method	439.00
34	Golden Town 3 Ladprao-Kaset Nawamin	Existing Housing Project	1,584.10	Residual Method	160.20
35	Golden Neo Ramindra-Wongwan	Existing Housing Project	2,008.60	Residual Method	155.20
36	The Grand Lux Bangna-Suan Luang	Existing Housing Project	7,466.90	Residual Method	733.70
37	Golden Neo 2 Bangna-Kingkaew	Existing Housing Project	29,722.70	Residual Method	765.00
38	Golden Town Sathorn-Kallapruet	Existing Housing Project	6,096.80	Residual Method	750.10
39	Golden Town Chiangrai-BIG C Airport	Existing Housing Project	5,601.00	Residual Method	233.10
40	Golden Town Sukhumvit-Bearing Skytrain Station	Existing Housing Project	4,072.80	Residual Method	454.10
41	Grand Deo Petkasem 81	Existing Housing Project	5,140.50	Residual Method	433.70
42	Golden Town Ngam Wongwan-Kaerai (Tivanont 45)	Existing Housing Project	5,347.00	Residual Method	478.80
43	Golden City Sathorn	Existing Housing Project	2,650.10	Residual Method	308.10
44	Chanwattana-Tivanont - Goldent City -Chanwattana-Tivanont - Golden Neo Changwattana – Tivanont - Goldent Town Changwattana – Tivanont	Existing Housing Project	44,708.20	Cost Method	1,290.90
45	Golden Town Rangsit Klong 3 Phase 1 and Phase 2	Existing Housing Project	37,929.50	Cost Method	572.80
46	Golden Town Rattanaibet-West Gate	Existing Housing Project	10,882.20	Cost Method	338.20
47	Golden Town Chomthong-Wuthakart	Future Housing Project	21,661.10	Comparative Method	758.10
48	Golden Town Chomthong-Ekachai	Future Housing Project	37,346.40	Comparative Method	1,045.70
49	Golden Biz 2 Bangna-Kingkaew	Future Housing Project	1,201.18	Comparative Method	50.40
50	Golden Town Chalerm Pakiat-Suan Luang	Existing Housing Project	5,974.40	Cost Method	148.20
51	Bangna KM.5 - Golden Neo Bangna KM.5 - Golden Town Bangna KM.5	Future Housing Project	36,602.00	Comparative Method	468.50
52	Golden Neo Ngamwongwan-Prachachuen	Future Housing Project	11,661.50	Comparative Method	396.50
53	Golden Town Bhuddhamonthon Sai 3	Existing Housing Project	10,338.20	Comparative Method	297.90
54	Rama 2 - Golden Neo 3 Rama 2 - Golden Neo 4 Rama 2 - Golden Town 3 Rama 2 - Golden Town 4 Rama 2	Future Housing Project	70,001.55	Comparative Method and Residual Value	1,016.80
55	Golden Town 2 Bang Khae	Future Housing Project	13,765.50	Comparative Method	344.10

No.	Project	Type of Asset	Area (sq.wah)	Appraisal Method	Appraised Value (Millions of THB)
56	Ladprao-Kaset Nawamin - Golden City Ladprao-Kaset Nawamin - Golden City 2 Ladprao-Kaset Nawamin	Future Housing Project	4,389.00	Comparative Method	131.70
57	Ramindra-Wongwan 2 - Grand Deo Ramindra-Wongwan 2 - Golden Town Ramindra-Wongwan 2	Existing Housing Project	53,951.90	Comparative Method and Residual Value	1,475.30
58	Golden Town 2 Ngamwongwan- Prachachuen	Future Housing Project	5,641.50	Cost Method	261.50
59	Golden Town Lamlukka-Kukot Skytrain Station	Existing Housing Project	11,997.60	Cost Method	281.80
60	Golden Town Petkasem 81	Existing Housing Project	13,147.80	Comparative Method	328.70
61	Rattanatibet-Ratchapruek - Grand Deo Rattanatibet-Ratchapruek - Golden Land Rattanatibet- Ratchapruek	Future Housing Project	53,696.70	Comparative Method	1,088.40
62	Phaholyothin-Rangsit - Grand Deo Phaholyothin-Rangsit - Golden Town Phaholyothin-Rangsit - Golden Town 2 Phaholyothin-Rangsit	Existing Housing Project	53,273.50	Cost Method	944.20
63	Golden Town Tivanont-Changwattana (close to Klong Prapa)	Future Housing Project	12,610.90	Cost Method	203.60
64	Golden Town Charoen Muang-Super Highway (Chiangmai)	Existing Housing Project	4,432.50	Cost Method	133.10
65	Golden Town South Pattaya	Existing Housing Project	9,436.00	Cost Method	194.40
66	Golden Avenue Chonburi-Ang Sira	Future Housing Project	33,341.30	Comparative Method	616.80
67	Chiangrai - Grand Deo Chiangrai - Golden Town 2 Chiangrai	Existing Housing Project	27,961.00	Cost Method	437.70
68	Golden Avenue Korat	Future Housing Project	24,565.00	Cost Method	227.80
69	Golden Town Chachoengsao	Existing Housing Project	8,957.90	Residual Method	272.70
70	Golden Neo Wongwan-Bangkhae	Future Housing Project	16,705.60	Comparative Method	417.60
71	Grand Rama 2 Phase 8	Future Housing Project	3,385.40	Comparative Method	63.50
72	Grand Rama 2 Phase 14	Future Housing Project	3,466.00	Comparative Method	59.50
73	Golden Neo-Charan Sanitwong 35	Future Housing Project	2,166.00	Comparative Method	52.00
74	Golden Town 4-Sukswat-Buddhabucha	Future Housing Project	12,401.10	Comparative Method	371.70
75	Golden Town-Chiangmai-Ruamchoke	Future Housing Project	15,006.60	Comparative Method	427.70

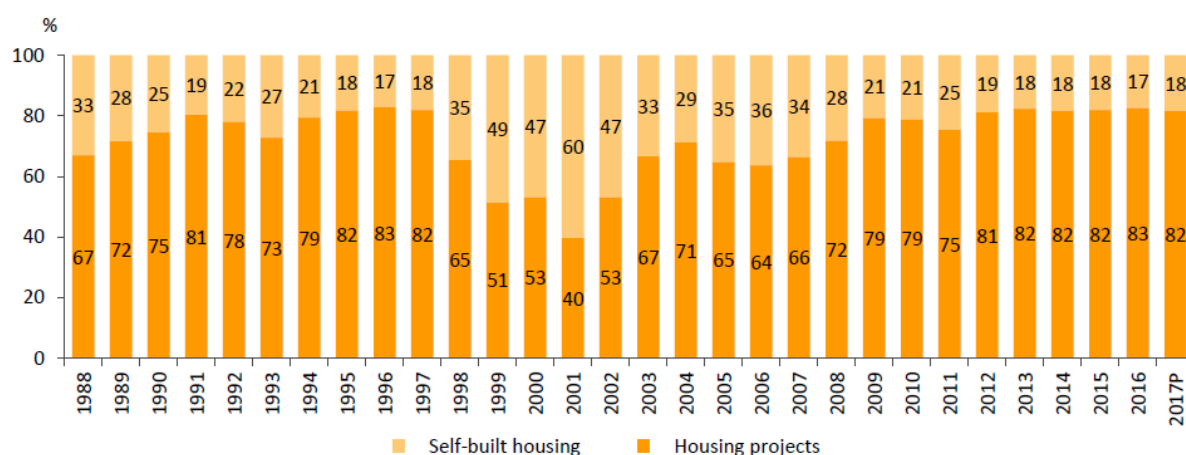
Enclosure 3	Overview of Real Estate Industries in which Golden Land Property Development Public Company Limited Has Operated in
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## 1. Housing Market in Bangkok Metropolitan Area

### 1.1 Overview of Housing Market in Bangkok Metropolitan Area

Currently, over 80% of new residential units in Bangkok Metropolitan Area (BMA) were developed by residential developers. The data for 2017 show that large-scale property operators (those that are listed in the SET and their subsidiaries) cumulatively held over 80% of market share in the residential sector in BMA, both in terms of the number of new units and total development value. They have gained benefits from economies of scale in their operations which allow them to manage costs more effectively than can smaller operators. They are also be able to accumulate large land banks. These two factors in turn help to lower their operating costs. Their business sizes also allow them to develop many projects simultaneously and to leverage their expertise in building client trust in their brands.

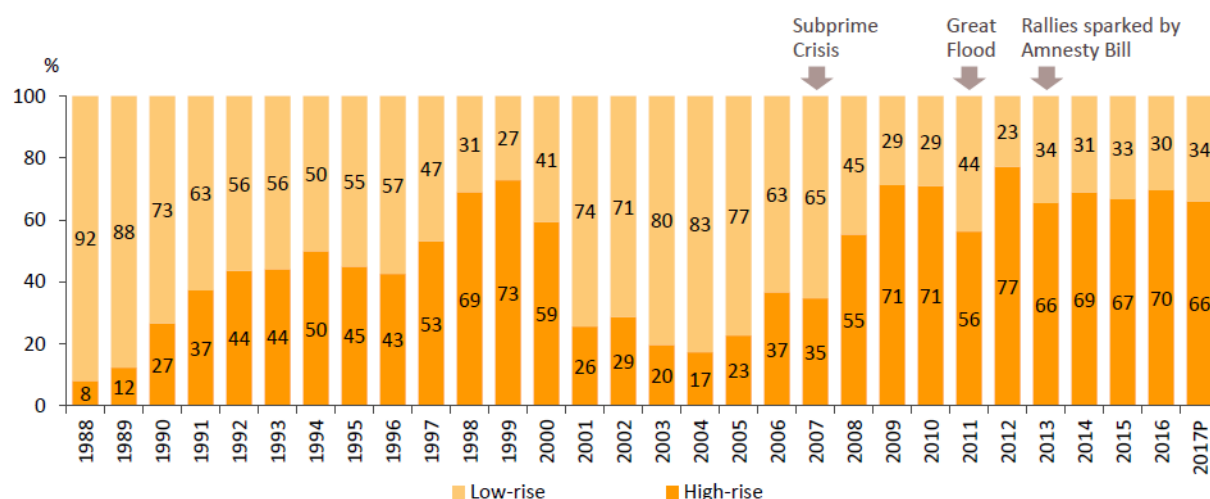
#### New Housing Units in BMA



Source : Thailand Industry Outlook 2018-2020 : Housing in BMA (November 2018 Issue) by Krungsri Research

Since 2008, high-rise building projects have accounted for a higher proportion of new projects than have low-rise building ones. This has been due to shrinking availability and consequent rising price of land that has potential for development, and to the post-2006 extension of rapid mass transit lines (the MRT and the BTS), which has led to developments springing up alongside these new routes. The outcome of these changes is that high-rise developments have become increasingly popular and since 2009, an average of almost 70% of new housing units have been in condominium developments.

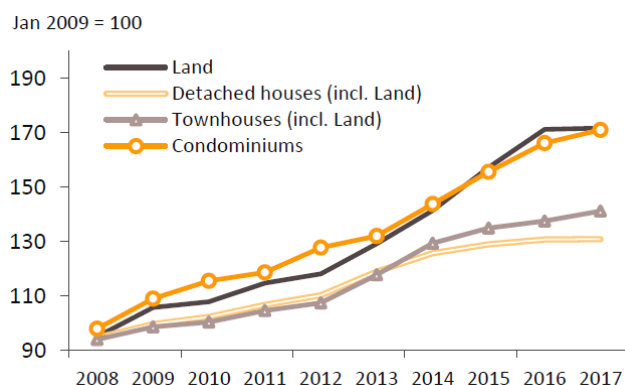
## New Housing Projects in BMA



Source : Thailand Industry Outlook 2018-2020 : Housing in BMA (November 2018 Issue) by Krungsri Research

The price index for detached housing and townhouses in 2017 slightly increased relative to that in 2016 due to both substantial price increase seen over the previous five years and limited recovery in purchasing power. Thus, from 2016 to 2017, the price index of detached housing rose to 130.9 from 130.8 (+0.1% YoY) while the price index of townhouse moved from 137.6 to 141.2 (+2.6% YoY). The price index of condominium saw slightly stronger gains, rising 2.9% YoY to 171.0 from 166.2. This rise was driven mainly by rise in land prices that is the highest cost component of property developers (the cost of land purchase for property development typically accounts for 25-30% of all development costs). Indeed, for the period from 2009 to 2017, land price in BMA rose by 6.9% on average. Land price increase was mainly attributable to limited supply of land that has development potential. These increases are not, however, evenly spread, and exact land location will play an important role in determining by how much price will rise. Over the past 2-3 years, land in the center of Bangkok and that close to rapid mass transit lines (for example around Sukhumvit and Sathorn areas) has increased in price sharply, and this in turn has caused the prices of new condominiums, many of which are located in these areas, to rise swiftly.

## Housing Price Index

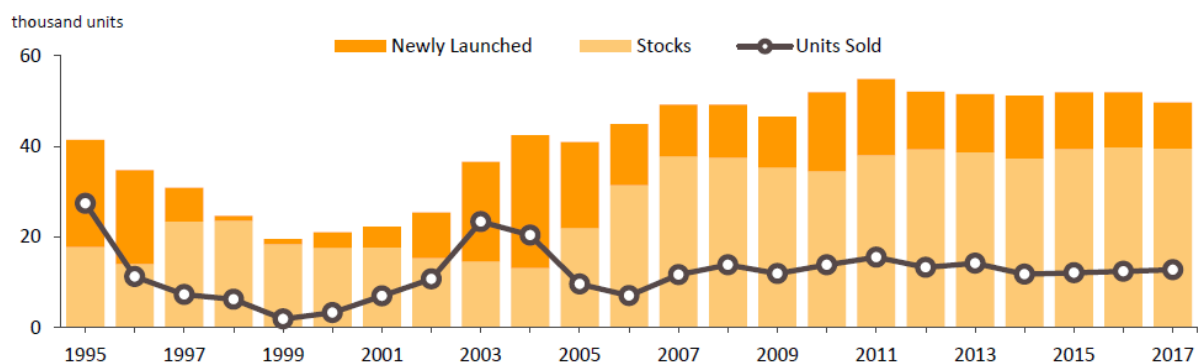


Source : Thailand Industry Outlook 2018-2020 : Housing in BMA (November 2018 Issue) by Krungsri Research

## 1.2 Detached Houses

In 2017, developers cut back on the number of detached houses that they released and consequently, detached houses accounted for 8.9% of all new residential units, a fall from the 11.0% seen in the previous year. A total of 10,217 detached houses came to the market in 2017 (down 15.9% YoY) and these had an average price of THB 7.5 m, with 60% of those sold being at the middle and upper end of the market, defined as those carrying a price tag of THB 5 m or more. The relatively high price of detached housing makes it harder to sell and so it takes longer for the market to absorb this new supply. The total for all units sold, including old housing, increased for the year, up 2.6% YoY to 12,773 units, which left the number of unsold detached houses at 36,971 units, down 6.5% YoY.

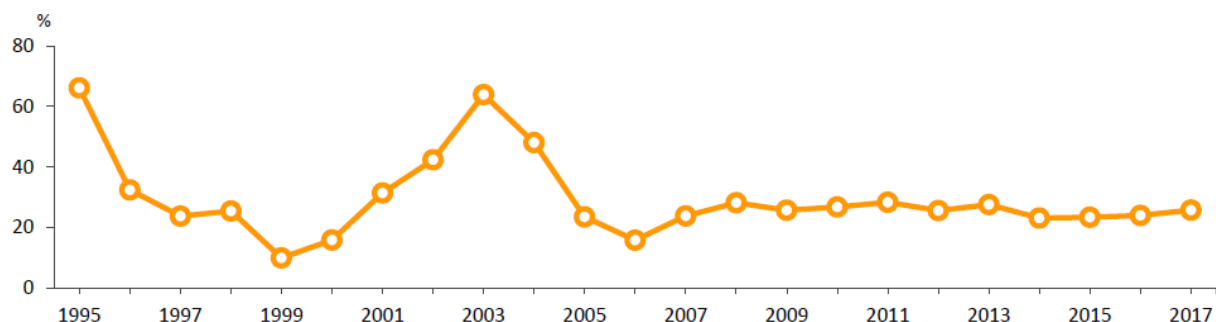
## Annual Housing Supply and Units Sold – Detached Houses



Source : Thailand Industry Outlook 2018-2020 : Housing in BMA (November 2018 Issue) by Krungsri Research

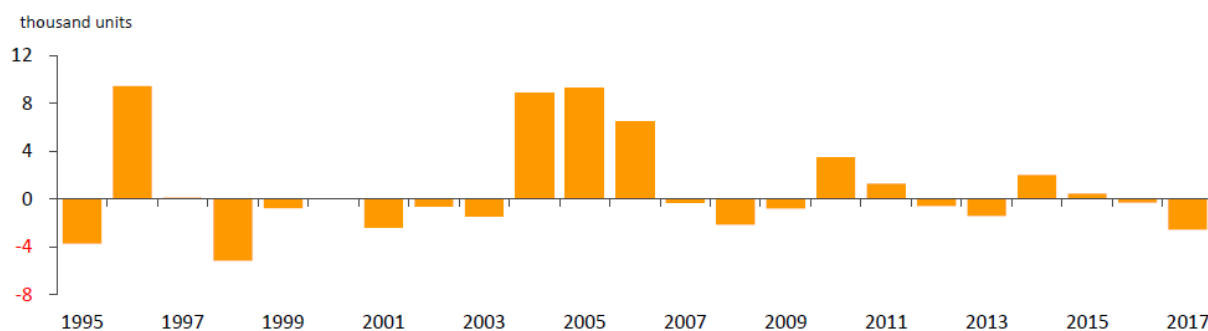


### Absorption Rate – Detached Houses



Source : Thailand Industry Outlook 2018-2020 : Housing in BMA (November 2018 Issue) by Krungsri Research

### Annual Surplus/Deficit – Detached Houses



Source : Thailand Industry Outlook 2018-2020 : Housing in BMA (November 2018 Issue) by Krungsri Research

### Unsold Supply by Price – Detached Houses

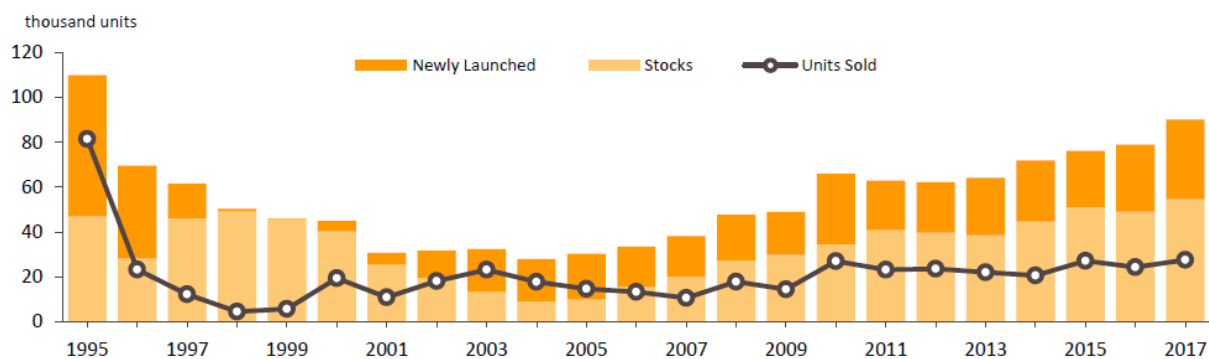
	2013	2014	2015	2016	2017
<b>Detached houses</b>					
THB< 3m	4,844	5,077	3,953	3,859	2,112
THB3-5m	18,156	17,922	17,950	17,048	16,690
THB5-10m	11,178	11,178	14,236	14,836	13,910
THB> 10m	3,183	3,504	3,687	3,784	4,259
<b>Total units</b>	<b>37,361</b>	<b>37,681</b>	<b>39,826</b>	<b>39,527</b>	<b>36,971</b>

Source : Thailand Industry Outlook 2018-2020 : Housing in BMA (November 2018 Issue) by Krungsri Research

## 1.3 Townhouses

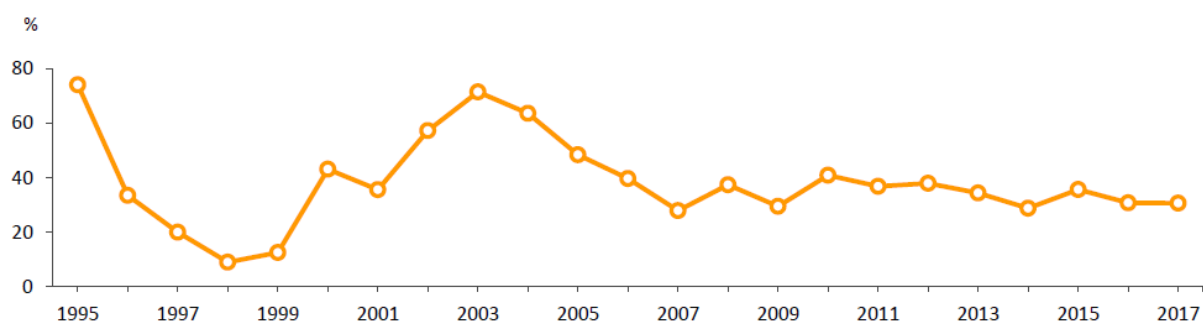
In 2017, 35,462 new townhouses were released to the market, up 19.7% YoY, but a softening of consumer purchasing power coupled with, in response to high levels of household debt, a tightening of lenders' regulations on credit led to sales of only 27,545 units, (up 13.5% YoY) and so inevitably, this expanded the stock of unsold units, which increased by 14.5% YoY to 62,571 units.

### Annual Housing Supply and Units Sold - Townhouses



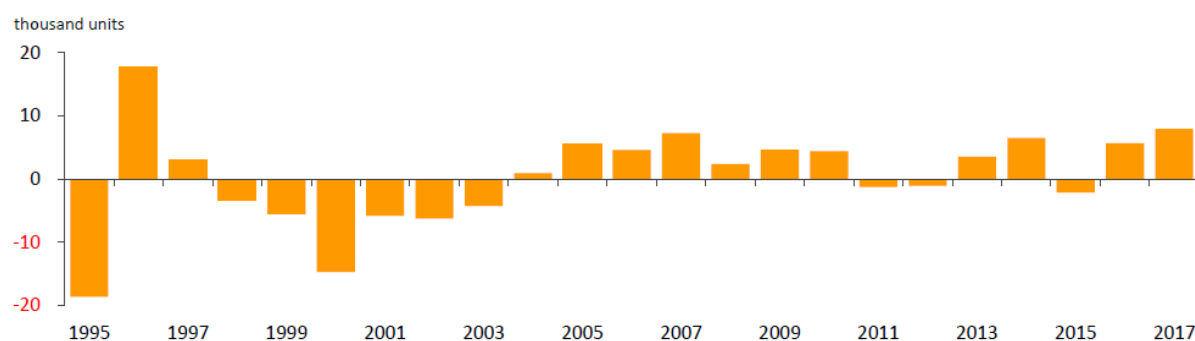
Source : Thailand Industry Outlook 2018-2020 : Housing in BMA (November 2018 Issue) by Krungsri Research

### Absorption Rate – Townhouses



Source : Thailand Industry Outlook 2018-2020 : Housing in BMA (November 2018 Issue) by Krungsri Research

### Annual Surplus/Deficit - Townhouses



Source : Thailand Industry Outlook 2018-2020 : Housing in BMA (November 2018 Issue) by Krungsri Research

## Unsold Supply by Price – Townhouses

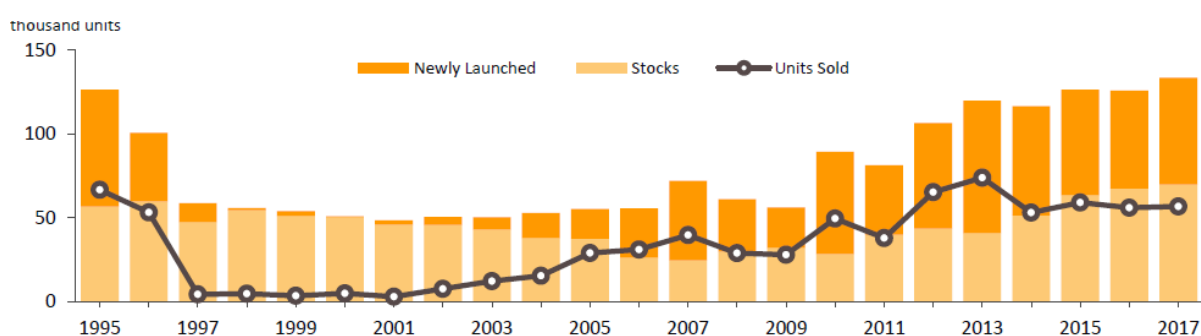
	2013	2014	2015	2016	2017
<b>Townhouses</b>					
THB< 3m	34,390	39,884	38,212	43,648	50,972
THB3-5m	8,917	8,560	9,032	9,540	10,093
THB5-10m	1,316	2,449	1,422	1,303	1,408
THB> 10 m	16	251	333	163	98
<b>Total units</b>	<b>44,639</b>	<b>51,144</b>	<b>48,999</b>	<b>54,654</b>	<b>62,571</b>

Source : Thailand Industry Outlook 2018-2020 : Housing in BMA (November 2018 Issue) by Krungsri Research

## 1.4 Condominiums

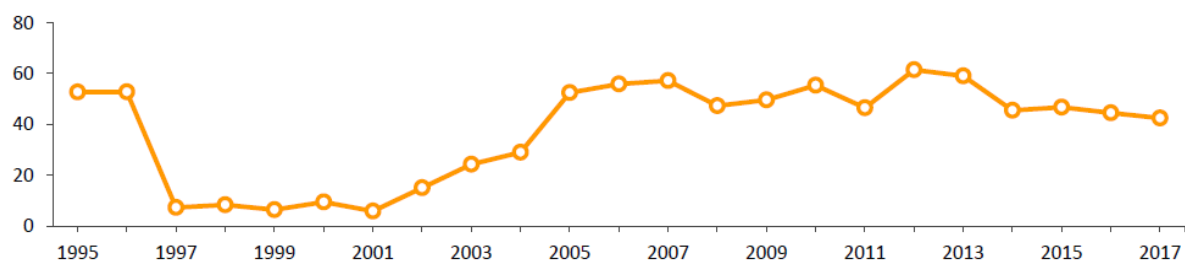
In 2017, 63,626 new condominiums came to the market, a rise of 9.0% YoY and the largest number in four years, representing 56% of all new housing stock released in the year. This large increase was in part a result of government measures to stimulate the real estate sector that had run in 2015-2016 and rather than break ground on new projects, developers tended to try to run down their existing stocks. On the other hand, the number of units sold rose only slightly, up 1.3% YoY to 56,634 properties. Given this difference, the total accumulated unsold stock also increased, rising 10.0% YoY to 76,790 units. On the positive side, though, the absorption rate was better, and this indicates that it may be easier for operators to reduce their holdings of unsold condominiums than will be the case for their low-rise properties.

## Annual Housing Supply and Units Sold - Condominiums



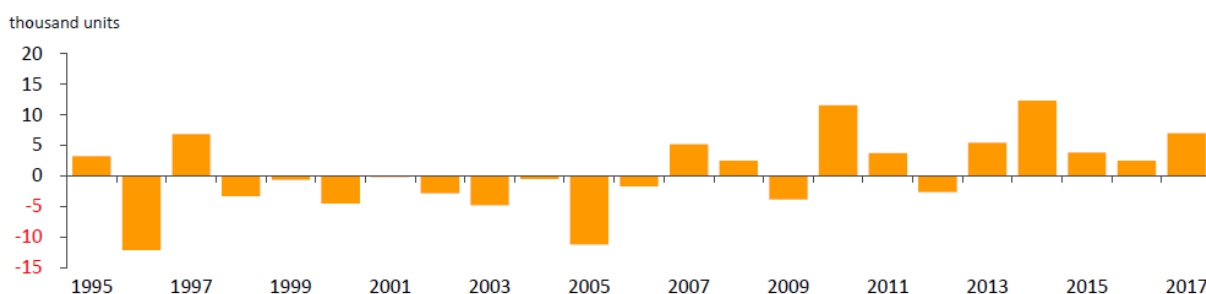
Source : Thailand Industry Outlook 2018-2020 : Housing in BMA (November 2018 Issue) by Krungsri Research

### Absorption Rate - Condominiums



Source : Thailand Industry Outlook 2018-2020 : Housing in BMA (November 2018 Issue) by Krungsri Research

### Annual Surplus/Deficit - Condominiums



Source : Thailand Industry Outlook 2018-2020 : Housing in BMA (November 2018 Issue) by Krungsri Research

### Unsold Supply by Price – Condominiums

	2013	2014	2015	2016	2017
<b>Condominiums</b>					
THB< 3m	39,402	48,520	49,713	49,846	54,514
THB3-5m	7,075	9,459	9,195	11,151	11,075
THB5-10m	3,088	3,911	5,442	5,555	7,515
THB> 10m	1,695	1,646	2,999	3,247	3,686
<b>Total units</b>	<b>51,260</b>	<b>63,536</b>	<b>67,349</b>	<b>69,798</b>	<b>76,790</b>

Source : Thailand Industry Outlook 2018-2020 : Housing in BMA (November 2018 Issue) by Krungsri Research

## 1.5 Outlook for Housing Sector in BMA from 2018 to 2020

It is expected that this improvement in the housing market will occur thanks to: (i) strengthening domestic demand, driven by an expanding economy; (ii) investment by the government in expanding the BMA rapid mass transit network, including the Pink Line Khae Rai-Minburi and Yellow Line Lat Phrao-Samrong projects, which are helping to build investor confidence; and (iii) increasing economic links within the countries of the wider region and following on from this, the increasing investment by foreign players in Thailand and the growing number of

foreign workers coming to the country, which will together tend to increase demand for housing from non-Thais in the BMA.

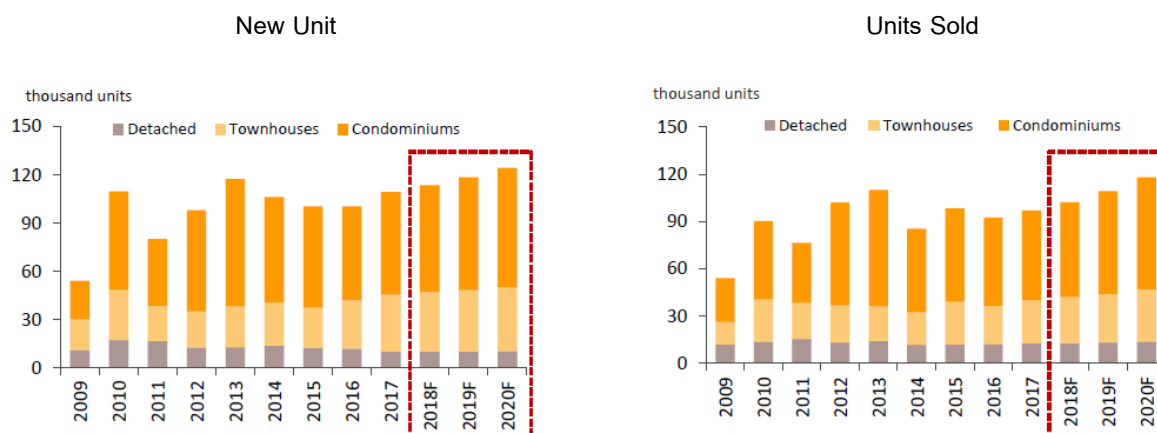
The volume of new housing coming to the market is forecast to grow by 3-5% per year between 2018 and 2020. The majority of this new supply will come from projects undertaken by large developers and condominiums will remain the mainstay of the market, followed in importance by townhouses and detached housing. However, developers will tend to increase the proportion of low-rise developments in their portfolios as this will help them to retain their profit rates (at around 3-6 months, returns are made more rapidly on low-rise developments) and because market demand for low-rise properties reflects a higher level of 'real demand' and less speculative demand. Developers will also look more to the mid-and upper-levels of the housing market as purchasing power remains strong in those segments, while at the middle and lower end of the market, a combination of high levels of household debt.

In addition, the product mix in developers' portfolios will also become more varied and whereas in the past, competition took place on location, price and product, this will tend to change as operators move into developing mixed-use projects that may include hotels, shopping centers and residential accommodation all within the same development. In addition, buyers will also increasingly encompass overseas purchasers from China, Hong Kong, Singapore, Britain and Japan, and a proportion of these will be buying for investment purposes.

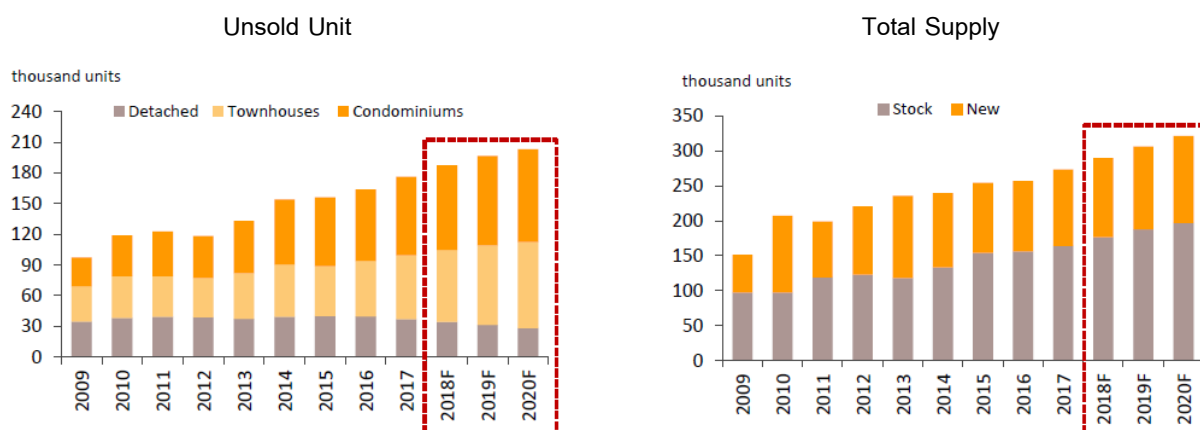
Looking out over the next three years, it is likely that the BMA residential property market will be driven mainly by large developers since, as of 2017, in terms of both value and the number of new launched, large developers dominate with an 80% market share. In the future, it is expected that a greater number of such joint ventures will be seen, and this should help to build trust in players in the sector, increase the use of high-tech applications in construction in Thailand, and expand developers' customer base to include a greater number of foreign buyers with higher purchasing power.

However, the market will also face a number of obstacles. In some locations, the oversupply of unsold stock remains high, purchasing power continues to be weak in some segments of the market and household debt is at elevated levels. Those cause lenders to put more cautions on offering housing loans, especially to low-income groups, while trend of increasing rate will restrict the ability of consumers to take on more debt. In addition, the costs of property development continue to inflate as the prices of land, labor and construction materials steadily increase.

The real estate market may also be affected by the new Land and Building Tax Act, which is expected to come into force in 2019. The proposed act will impose taxes on unused land and this may lead to land changing hands more rapidly and developments being pushed through in the run up to the law's enforcement, though if this happens, this may then lead to the oversupply of unsold housing stock persisting for many more years.



Source : Thailand Industry Outlook 2018-2020 : Housing in BMA (November 2018 Issue) by Krungsri Research



Source : Thailand Industry Outlook 2018-2020 : Housing in BMA (November 2018 Issue) by Krungsri Research

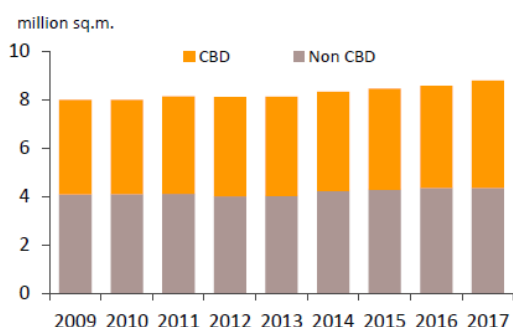
## 2. Overview of the Office Building Market in Bangkok Metropolitan Area

### 2.1 Supply of Office Buildings in Bangkok Metropolitan Area

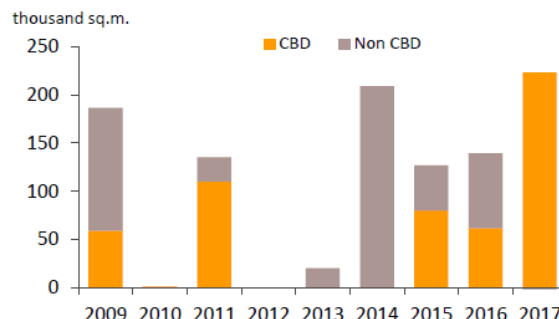
The majority of rentable office space in Thailand is in the Bangkok Metropolitan Area (BMA), which is in fact home to 80% of Total rented office space nationwide. Office space in Bangkok has tended to cluster in the central business district (CBD) and here developments typically include leading shopping complexes and high-end hotels and residential units, developers and consumers being attracted to the area by the fact that it is well served by communication links, including the BTS, MRT and expressways that link the central districts of Silom, Sathorn, Ploenchit, Wireless Road, Asoke, and the top end of Sukhumvit (to Soi24) to outer areas of Bangkok. However, comes at a price, though, and further development in the CBD is limited by a lack of available land and high prices. Given the development of rapid mass transit systems since 2006, most new office developments

have taken place in areas around the CBD and in the suburbs, in areas such as Ratchadaphisek, Phahonyothin, VibhavadiRangsit, Chaengwattana and Bangna

Total Supply in Bangkok Metropolitan Region

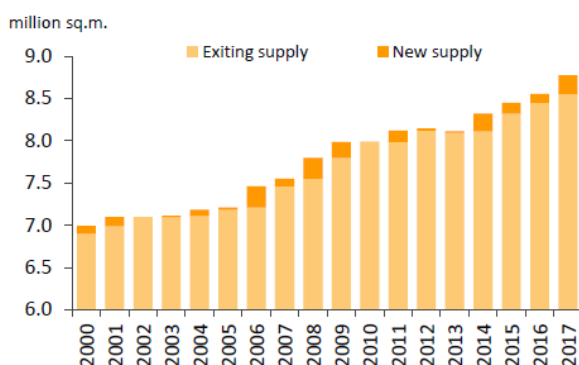


New Supply in Bangkok Metropolitan Region



Source : Thailand Industry Outlook 2018-2020 : Office Building in BMA (October 2018 Issue) by Krungsri Research

Existing and New Supply



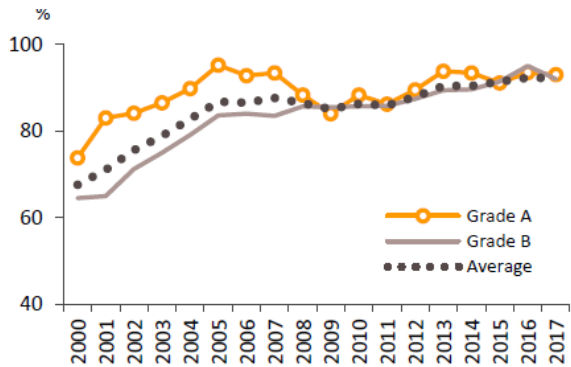
Source : Thailand Industry Outlook 2018-2020 : Office Building in BMA (October 2018 Issue) by Krungsri Research

## 2.2 Occupancy Rate of Office Buildings in BMA

Demand for office spaces in Bangkok comes from both Thai and multinational companies that have set up offices in Thailand, particularly now from tech companies (including operators in the telecommunications sector and online retailers of goods and services), demand from which is tending to increase, both from existing operations that are expanding and from new players looking to rent sites. In terms of domestic demand, the Thai economy contains a large number of SMEs and these companies are restricted in their ability to fund building purchases or construction and so they are forced to rent instead. Historically, these rentals have been concentrated in Bangkok's CBD, where new supply is limited so occupancy rates within the CBD have averaged 92.4%, a rate that is considered high when compared to those of other cities in the Asia-Pacific region, and this in turn has enabled property developers to use their more advantageous negotiating position to extract higher rents, which continue to rise.

In 2017, a large number of new projects with a combined footprint of 221,000 sq. m. came to the market, including G Tower (North Tower), SC Tower, PhairojkijjaTower, M Tower, GaysornTower, Cosmo Office Park, Pearl Bangkok and the OsotspaBuilding but despite this, the occupancy rate averaged 92.2%, reflecting continuing high levels of demand for office rentals.

Occupancy Rate



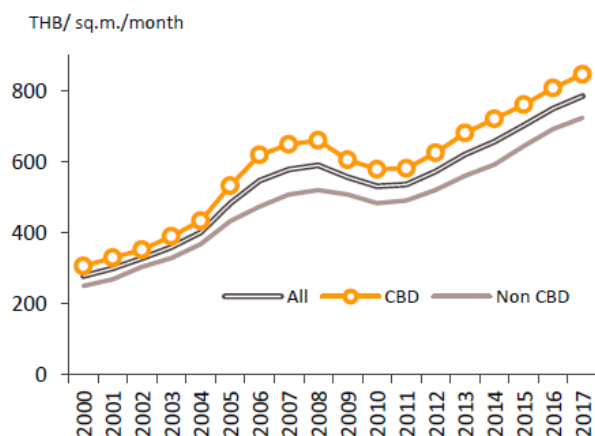
Source : Thailand Industry Outlook 2018-2020 : Office Building in BMA (October 2018 Issue) by Krungsri Research

2.3 Rental Rate of Office Buildings in Bangkok Metropolitan Area

As regards office rents in the BMA, these also rose over the past five years from 2013 to 2017, going up by an average of 6.5% per year and in 2017, rents increased in all areas and for all grades of building by 4.7% YoY, though the rate of increase has slowed down due to growth in the supply of new properties. These increases in rents are being supported by positive conditions for business, especially for players in IT and e-commerce. Therefore, demand for office spaces continued to increase, especially for grade A properties in the Bangkok CBD. Rents for grade A space thus now average THB 980 per sq. m. per month (up 4.7% YoY). These rates are, however, somewhat low when compared to other cities in the Asia-Pacific region; the rates for Tokyo, Hong Kong and Singapore (the three most expensive cities in Asia-Pacific in terms of office rents) are THB 3,187 THB 3,128 and THB 2,456 per sq. m. per month, respectively.

Average Rental Revenue by Area





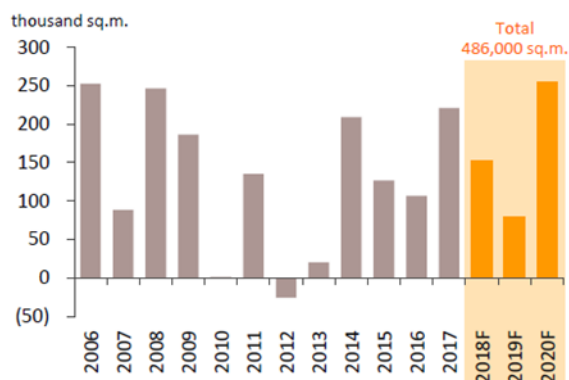
Source : Thailand Industry Outlook 2018-2020 : Office Building in BMA (October 2018 Issue) by Krungsri Research

## 2.4 Office Building Business Outlook from 2018 to 2020

Krungsri Research estimates that through the period 2018-2020, demand for office space in BMA will expand at the rate of 200,000-250,000 sq. m. per year. This increase will be underpinned by a recovery of domestic economy and progress on government infrastructure investment projects, which will help to pull in increasing investment from private sector sources. Indeed, in 2017 signs of rising investment began to be seen in the number of applications submitted for investment support, which increased by 22.4% YoY to a value of THB 642 billion, and this points to increasing demand for office rental space in the next period. Research from Jones Lang La Salle Incorporated (JLL) also indicates that 70-75% of international companies that will open offices in Thailand will require premises with a floorspace of over 1,000 sq. m.

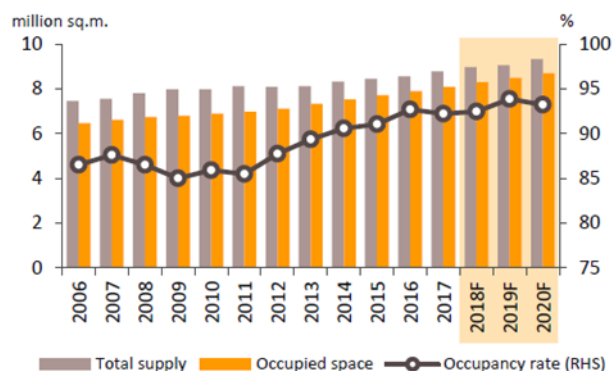
However, despite this continuing strong demand, the increasing scarcity of land suitable for development, especially within the CBD, will mean that new supply to the market will be limited and this is expected to be restricted to an annual average of 162,000 sq. m., although these new projects will include the Singha Complex, Wisdom 101, MS Siam Tower, SamyanMitrTown, TipcoTower 2 and The Parq (Phase 1). As a consequence of demand running ahead of new supply, the occupancy rate is expected to stay high and in the range of 92-95%.

### New Supply in Bangkok Metropolitan Area



Source : Thailand Industry Outlook 2018-2020 : Office Building in BMA (October 2018 Issue) by Krungsri Research

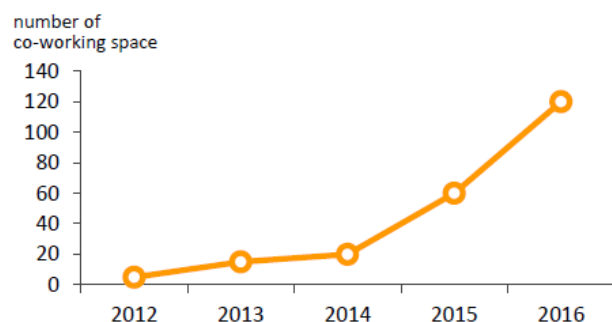
### Total Supply and Occupancy Rate



Source : Thailand Industry Outlook 2018-2020 : Office Building in BMA (October 2018 Issue) by Krungsri Research

In terms of competition, in addition to that coming from traditional providers of office spaces, growing levels of competition are also now appearing from co-working spaces, which rent space for work, meetings, and other uses at hourly, daily and monthly rates. Co-working spaces began to appear on the market in around 2012 and although supply was limited at first, these have gained in popularity and by 2016, 120 co-working spaces were in operation providing services to a growing number of customers who are not yet ready to take on a regular office lease. Information from Colliers International (Thailand) shows that over the next three years, providers of office rental space will increasingly incorporate co-working models into their operations by offering co-working spaces alongside more traditionally organized rental spaces and the volume of co-working spaces on the market is therefore expected to increase. In addition, a report by CBRE indicates that a total of 1 million sq. m. of floorspaces in large mixed-use developments will come onto the market by 2025 as so within the next 7-8 years, competition will increase from this source, too.

### Number of Co-working Spaces in Thailand



Source : Thailand Industry Outlook 2018-2020 : Office Building in BMA (October 2018 Issue) by Krungsri Research

For rents, the expectation is that these will tend to increase in step with both demand and rising development costs, as the supply of new spaces will tend to emphasize spending on design to make buildings as

attractive as possible and to equip them with the best services, and this will carry a higher price tag. Older buildings will tend to be renovated and modernized but increasing competition will likely cause rents to rise at a slower rate.

Over the long-term, the market for office spaces in Thailand should remain attractive to investors relative to markets in other countries in the ASEAN zone for a number of different reasons: (i) Thailand enjoys natural advantages arising from its geographical position in the center of the region, which makes it easy to connect to and coordinate trade and investment in surrounding areas; (ii) office rents remain low relative to other countries that might be considered competitors; (iii) the government has continued to implement measures to stimulate the sector, for example through the offering of tax breaks to companies that establish regional operating headquarters (ROHs) in the country; and (iv) corporate tax exemption has been extended to maximum of 8 and 13 years under amendments to the Investment Promotion Act and to 15 years under competitiveness enhancement act for 10 targeted industries. These are all important factors in making Thailand a more attractive proposition for investors than are other possibilities in the ASEAN region and this will help to support increased demand for office space in the future.

### **3. Overview of the Hotel Sector in Thailand**

#### **3.1 Overview of the Tourism Sector**

Thailand is considered one of the world's foremost tourist destinations, and this is partly because of its wealth of tourism attractions. These are spread throughout the country but include most notably Bangkok, which consistently wins tourism awards, the seaside and beach destinations in the south and east, and the eco-tourism travel options offered in the north. In addition, the country benefits from the competitive pricing of its accommodation and low cost of living which, provides considerable value for money. Beyond this, the transportation network become more convenient along with constantly upgraded infrastructure, and these factors help to give Thailand an advantage over its competitors, especially those in the Asia-Pacific region.

#### **3.2 Tourists in Thailand**

In 2017, the number of Thai and international tourists gradually expanded, supported by: (i) the potential of Thai tourist attractions and Thai tourism's unique characteristics; (ii) growth in the number of direct and charter flights, and of expansion in the number of low-cost airlines flying to Thailand, especially of Chinese carriers; (iii) the improving Thai and international economies, and with regards to the latter especially of the American and European economies, which has strengthened the ability of consumers in these countries to spend on travel; and (iv) the rescinding of the red flag issued by the ICAO to Thailand and announced on its website <sup>2/</sup>, which helped to rebuild confidence in the safety of Thai carriers. Domestic tourists rose in line with economic recovery. Therefore, this could buoy up the occupancy rate.

For 2017, 35.4 million international arrivals were recorded, an expansion of 8.8% YoY, up from the 8.7% YoY growth seen in 2016. The most important segment was East Asian tourists (i.e. those from China, Japan, South Korea, Hong Kong and Taiwan) and here, growth was higher at 11.6% YoY (Table 4). As stated above, with 9.8 million arrivals, Chinese tourists were the most numerous and comprised 26.9% of all international arrivals to Thailand (up 12.0% YoY, the rate of growth itself up from 10.3% YoY in 2016). China was followed in importance by Malaysia, South Korea, Laos PDR, and Japan. As for European tourism, the arrivals from Europe rose 5.4% YoY following the recovery of the Russian tourists, which saw very strong growth of 23.5% YoY on an improving Russian economy and an increasing number of direct flights between Russia and Thailand. Total receipts from foreign arrivals came to THB 1.82 trn, an increase of 11.7% YoY.

International Tourist Arrivals by Region

Region	2015	% YoY	2016	% YoY	2017	% YoY
<b>ASEAN</b>	<b>7,920,481</b>	<b>19.3</b>	<b>8,585,251</b>	<b>8.4</b>	<b>9,119,941</b>	<b>6.2</b>
Malaysia	3,418,855	30.8	3,494,890	2.2	3,354,800	-4.0
<b>CLMV</b>	<b>2,769,312</b>	<b>16.8</b>	<b>3,234,841</b>	<b>16.8</b>	<b>3,767,165</b>	<b>16.5</b>
<b>East Asia</b>	<b>11,988,304</b>	<b>50.6</b>	<b>13,008,034</b>	<b>8.5</b>	<b>14,522,728</b>	<b>11.6</b>
China	7,936,795	71.2	8,757,646	10.3	9,805,753	12.0
Japan	1,381,702	9.0	1,439,510	4.2	1,544,328	7.3
Korea	1,373,045	22.3	1,464,200	6.6	1,709,070	16.7
<b>Europe</b>	<b>5,631,438</b>	<b>-8.6</b>	<b>6,174,957</b>	<b>9.7</b>	<b>6,511,195</b>	<b>5.4</b>
France	681,114	7.3	738,878	8.5	739,853	0.1
Germany	761,819	6.5	837,885	10.0	849,283	1.4
Russia	884,136	-45.0	1,090,083	23.3	1,346,219	23.5
UK	947,568	4.4	1,004,345	6.0	994,468	-1.0
<b>The Americas</b>	<b>1,235,468</b>	<b>12.3</b>	<b>1,407,458</b>	<b>13.9</b>	<b>1,541,520</b>	<b>9.5</b>
USA	867,505	13.6	975,643	12.5	1,056,124	8.2
<b>South Asia</b>	<b>1,404,271</b>	<b>13.3</b>	<b>1,523,555</b>	<b>8.5</b>	<b>1,770,166</b>	<b>16.2</b>
India	1,069,422	14.7	1,194,508	11.7	1,411,942	18.2
<b>Oceania</b>	<b>922,977</b>	<b>-2.1</b>	<b>910,901</b>	<b>-1.3</b>	<b>938,687</b>	<b>3.1</b>
Australia	807,450	-2.9	796,370	-1.4	817,091	2.6
<b>Middle East</b>	<b>658,278</b>	<b>10.1</b>	<b>747,219</b>	<b>13.5</b>	<b>789,847</b>	<b>5.7</b>
<b>Africa</b>	<b>161,968</b>	<b>-1.5</b>	<b>172,213</b>	<b>6.3</b>	<b>187,126</b>	<b>8.7</b>
<b>Total</b>	<b>29,923,185</b>	<b>20.6</b>	<b>32,529,588</b>	<b>8.7</b>	<b>35,381,210</b>	<b>8.8</b>

International Tourism Receipts

(mn.baht)						
Region	2015	% YoY	2016	% YoY	2017	% YoY
<b>ASEAN</b>	<b>225,668</b>	<b>26.4</b>	<b>248,725</b>	<b>10.2</b>	<b>269,972</b>	<b>8.5</b>
Malaysia	86,539	42.0	88,613	2.4	87,132	-1.7
<b>CLMV</b>	<b>80,170</b>	<b>21.5</b>	<b>97,170</b>	<b>21.2</b>	<b>113,739</b>	<b>17.1</b>
<b>East Asia</b>	<b>546,923</b>	<b>68.0</b>	<b>633,467</b>	<b>15.8</b>	<b>728,861</b>	<b>15.1</b>
China	380,874	90.5	452,991	18.9	524,451	15.8
Japan	57,792	18.4	61,560	6.5	67,512	9.7
South Korea	57,425	30.9	63,773	11.1	76,196	19.5
<b>Europe</b>	<b>406,170</b>	<b>-4.3</b>	<b>442,746</b>	<b>9.0</b>	<b>480,776</b>	<b>8.6</b>
France	46,453	9.0	49,993	7.6	51,492	3.0
Germany	48,667	3.8	53,962	10.9	56,346	4.4
Russia	69,220	-38.7	81,603	17.9	105,051	28.7
UK	70,363	11.0	75,579	7.4	76,619	1.4
<b>The Americas</b>	<b>86,311</b>	<b>10.9</b>	<b>103,720</b>	<b>20.2</b>	<b>116,583</b>	<b>12.4</b>
USA	58,291	8.1	69,479	19.2	77,571	11.6
<b>South Asia</b>	<b>61,534</b>	<b>23.1</b>	<b>66,021</b>	<b>7.3</b>	<b>79,289</b>	<b>20.1</b>
India	47,780	24.6	50,688	6.1	62,404	23.1
<b>Oceania</b>	<b>72,770</b>	<b>8.6</b>	<b>69,868</b>	<b>-4.0</b>	<b>73,570</b>	<b>5.3</b>
Australia	65,049	8.0	61,988	-4.7	65,118	5.0
<b>Middle East</b>	<b>47,106</b>	<b>19.7</b>	<b>57,146</b>	<b>21.3</b>	<b>61,872</b>	<b>8.3</b>
<b>Africa</b>	<b>10,669</b>	<b>7.1</b>	<b>11,805</b>	<b>10.6</b>	<b>13,118</b>	<b>11.1</b>
<b>Total</b>	<b>1,457,151</b>	<b>24.3</b>	<b>1,633,498</b>	<b>12.1</b>	<b>1,824,041</b>	<b>11.7</b>

Source : Thailand Industry Outlook 2018-2020 : Hotel Sector (August 2018 Issue) by Krungsri Research

A total of 152 million trips by Thai tourists were recorded within the country in 2017 (there thus being more than 1 trip per head of population). This represented growth of 4.4% YoY, down slightly from the 5.0% YoY growth seen the year earlier, though the sector continued to benefit from the recovery of the Thai economy. Tourism in secondary destinations also gained from the expansion in the areas served by a number of different airlines, and this is reflected in the statistics collected by the Airports of Thailand Public Company Limited, which show that the number of trips taken within the country (the 'domestic aircraft movement' rate) grew by 9.1% YoY, while the number of Thai travelers flying on domestic routes rose by 9.2% YoY. Other factors have also played a role in developing the market, including ongoing government measures to stimulate domestic tourism, such as the '12 Cities Hidden Gem' and '12 Cities Hidden Gem...Plus' campaigns, along with government-organized activities at important festivals.

2017 receipts from domestic tourism came to THB 960 bn, up 10.4% YoY. Bangkok and the southern region accounted for almost 60% of this total, although the eastern region is seeing a rapid increase in domestic tourism and operators would be advised to watch these developments closely. This change may be partly explained by progress on the development of the Eastern Economic Corridor (EEC), which is likely to be supporting growth in business travel in the provinces of Chonburi, Rayong and Chachoengsao.

### Receipts from Thai Tourists

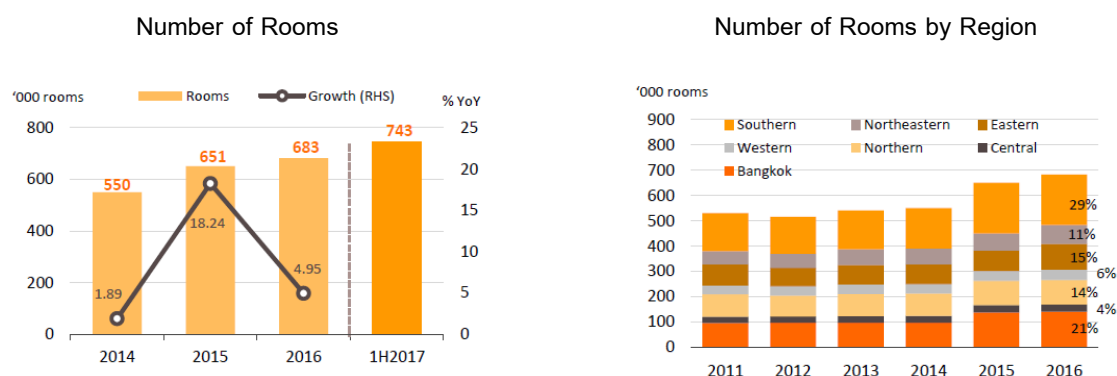
(mn. baht)

Number	2015	% YoY	2016	% YoY	2017	% YoY
Bangkok	297,331	18.5	309,430	4.1	352,763	14.0
Central	38,880	10.5	42,132	8.4	41,265	-2.1
North	109,339	12.6	116,767	6.8	122,458	4.9
Northeast	63,265	12.0	71,409	12.9	76,384	7.0
East	77,698	12.7	93,666	20.6	113,381	21.0
West	61,398	15.3	67,002	9.1	71,976	7.4
South	155,162	11.2	169,103	9.0	181,535	7.4
<b>Total</b>	<b>803,703</b>	<b>14.5</b>	<b>869,509</b>	<b>8.2</b>	<b>959,762</b>	<b>10.4</b>

Source : Thailand Industry Outlook 2018-2020 : Hotel Sector (August 2018 Issue) by Krungsri Research

### 3.3 Supply of Hotel Rooms in Thailand

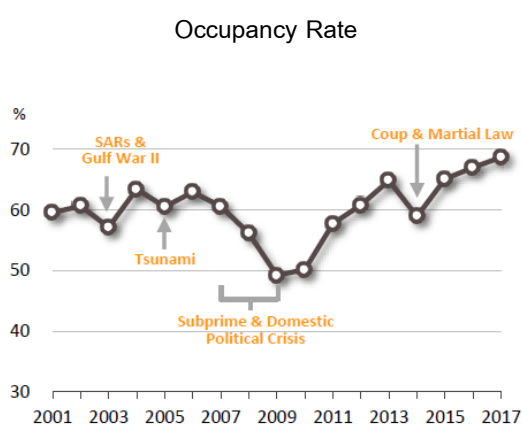
In terms of the total supply of hotel rooms, the most recent data available, which covers the first half of 2017, show that 743,000 rooms were available, a rise of 8.8% from the end of 2016



Source : Thailand Industry Outlook 2018-2020 : Hotel Sector (August 2018 Issue) by Krungsri Research

### 3.4 Occupancy Rate of Hotel Rooms in Thailand

The average occupancy rate nationwide for 2017 rose to 68.7%, an increase on the 2016 level of 67.0%. Occupancy rates in the main tourist areas, which are largely dependent on foreign tourists, thus saw substantial increases, with the rate in Bangkok hitting 79.3% (compared to 74.3% in 2016), 82.4% in Chonburi (up from 78.8% the year earlier) and 75.6% in Phuket (up from 71.7%). The occupancy rate in regional centers and in secondary provinces also improved. In terms of the average length of stay for foreign visitors, this rose slightly from 9.47 days in 2015 to 9.56 days in 2016 (the latest data available). European visitors had the longest average stay, a result of the fact that they travel from such distant countries and that they tend to be traveling to Thailand to escape the cold in their home countries.



**Occupancy Rate by Location**

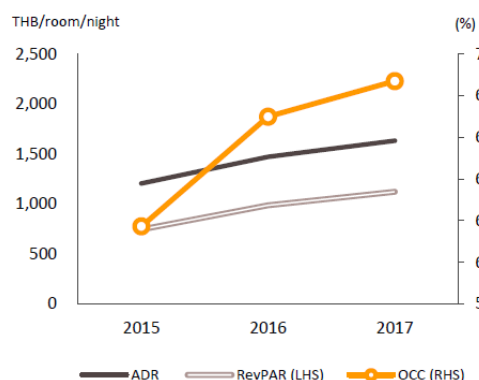
Area/Location	Occupancy Rate (%)				
	2013	2014	2015	2016	2017
Bangkok	69.1	77.1	78.6	74.3	79.3
Chonburi	69.0	78.5	83.0	78.8	82.4
Phuket	77.8	71.6	75.3	71.7	75.6
Petchaburi (Cha-Am)	57.1	61.2	66.9	67.7	69.0
Chiang Mai	54.7	68.0	72.2	75.2	79.8
Suratthani (Koh Samui)	49.5	54.0	59.8	60.8	61.9
Rayong	52.6	56.5	62.5	63.4	63.7
Prachuap Kiri Khan (Hua Hin)	59.2	62.7	68.3	68.9	70.7
Krabi	61.4	66.0	68.5	70.1	72.2
Trad	53.1	56.3	61.6	63.6	65.8
Nakhon Ratchasima	58.5	61.4	63.6	65.9	70.4
Tak	51.7	56.4	59.1	62.8	66.4
Nong Khai	60.0	57.0	59.3	60.7	64.0
Sa Kaew	45.7	47.4	51.6	53.9	55.3
<b>Nationwide</b>	<b>64.9</b>	<b>58.9</b>	<b>65.1</b>	<b>67.0</b>	<b>68.7</b>

Source : Thailand Industry Outlook 2018-2020 : Hotel Sector (August 2018 Issue) by Krungsri Research

### 3.5 Average Daily Rate of Hotel Rooms in Thailand

Returns for major players in the hotel sector continued to grow through 2017 on increasing occupancy rates, though it remains possible for operators to continue to expand their income by investing in operations in Thailand and abroad, as well as by managing hotels overseas.

#### Average Daily Rate, Occupancy Rate and RevPar

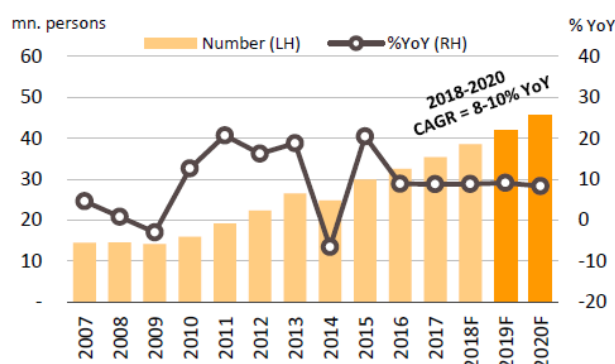


Source : Thailand Industry Outlook 2018-2020 : Hotel Sector (August 2018 Issue) by Krungsri Research

### 3.6 Hotel Industry Outlook

Over the next three years (2018-2020), hotel businesses are expected to see growth on the continuing expansion of the tourism sector, the forecast being for an average annual increase in foreign and domestic tourism in Thailand of 8-10% and 5-7%, respectively (figures 14 and 15) and this positive outlook underlies an expectation that hotel occupancy rates will rise to 68-70%, up from 68.7% in 2017. The outlook for hotels that are located in major tourist destinations is strongly positive. This is supported by the expectation that there will be increasing numbers of travelers using these services as a consequence of the strengthening world economy. At the same time, however, SMEs in the sector will likely face stiffening competition.

#### International Tourist Arrival



Source : Thailand Industry Outlook 2018-2020 : Hotel Sector (August 2018 Issue) by Krungsri Research

Improving economic conditions domestically and internationally will help to support this, as will expansion in the services offered by low-cost airlines and improvements in national infrastructure, such as upgrades and expansions of airports and the investment in transportation systems (e.g. rail and motorway networks). In addition to this, government policy to help the tourism sector and Thailand's competitive advantages when compared to other countries in the region will also help. According to the World Travel & Tourism Council (WTTC) report, over the decade from 2016, the Thai tourism sector should grow by an average of 6.7% per year, somewhat ahead of the 6.2% forecast for the ASEAN zone as a whole, as the former enjoys advantages in terms of potential demand growth and transportation networks that are comprehensive and easy to use.

In terms of both total numbers and receipts, foreign arrivals will remain the main engine driving the Thai tourism sector, and this will be doubly so for Chinese tourists. McKinsey estimates that by 2025, 90% of urban Chinese will be members of the middle class (up from 76% in 2015) and this group tends to spend relatively

heavily on travel so in light of this, outbound Chinese tourists are expected to increase to 150 million trips annually by 2020 from its level of 128 million trips in 2016.

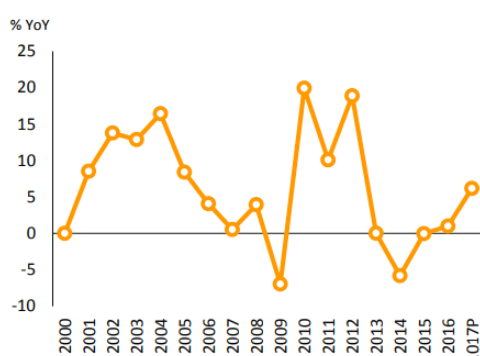
The MICE3/(meetings, incentives travel, conventions, and exhibitions) market is also rapidly becoming more important to the sector as a whole and Thailand is now one of the premier MICE destinations in Asia (Figure 16). Hotels serving this market are able to improve their earnings from room rates, hiring of conference facilities and sales of food and beverages since travelers in this group are traveling on business and usually have high spending power and require better quality goods and services. Thus, in the 2017 financial year (October 2016 to September 2017), the MICE segment contributed THB 177 bn to the sector's earnings (source: 'Directions in strategy for the Thai MICE sector, 2018 financial year' by the Thailand Convention and Exhibition Bureau). This was a 14.8% YoY increase and was split between international MICE travelers (THB 86 bn, up 6.2% YoY) and domestic MICE travelers (THB 91 bn, up 24.3%). At a ratio of 49:51, international and domestic MICE travelers were of almost exactly equal importance.

#### 4. Overview of Retail Spaces in BMA

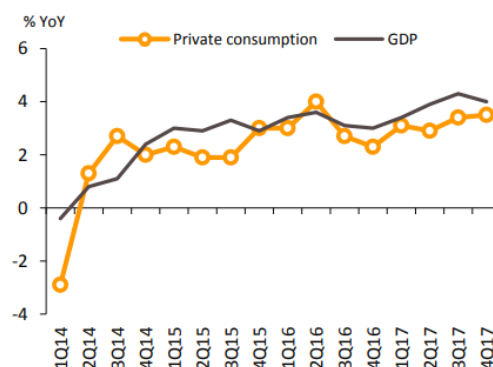
##### 4.1 Overview of Retail Sector in Thailand

Through 2016 and 2017, overall business conditions for the retail rental sector improved only slightly but positive factors in the form of improved purchasing power reflected in retail sales index. Operators shift to focus on improving their marketing strategies and renovating exiting malls to more directly attract target customer groups, especially shopping malls in downtown areas which are more focused on high-spending business customers. In addition, the increase in the number of tourist arrivals helped to counterbalance this and underpinned a degree of growth in retail rentals. However, the slow economic recovery tended to restrain demand growth. Private consumption will gradually improve. Operators experienced increasing competition in this period and this caused developers of retail rental spaces to delay decisions both over whether or not to make new investments.

Retail Sales Growth



GDP Growth and Private Consumption

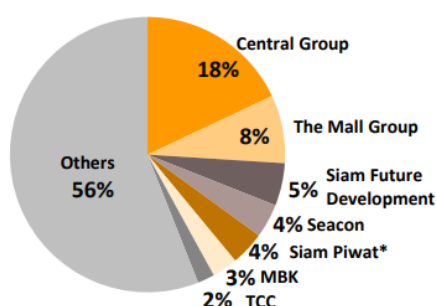


Source : Thailand Industry Outlook 2018-2020 : Retail Space in BMA (June 2018 Issue) by Krungsri Research



The three biggest operators in the shopping mall/retail rental sector are the Central Group, the Mall Group, both of which have focused on large-scale retail developments, and Siam Future Development, which mainly develops small-scale community malls but which in 2012 also began to move into investing in large malls with the Mega Bang Na development. Despite these differences, all three have made most of their investments in BMA, though for some years they have expanded investments in regional centers, too. Other mall developers include major players in other sectors that have invested in mall developments, and investors with access to land banks. The latter usually invest in small developments, especially community malls.

#### Total Supply BMA by Developers

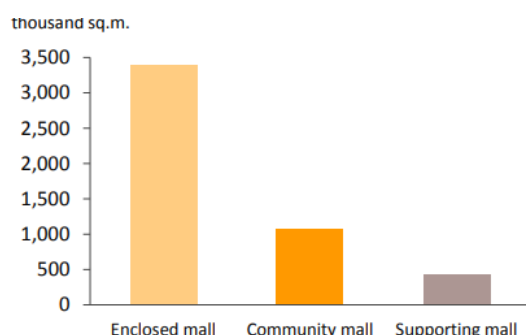


Source : Thailand Industry Outlook 2018-2020 : Retail Space in BMA (June 2018 Issue) by Krungsri Research

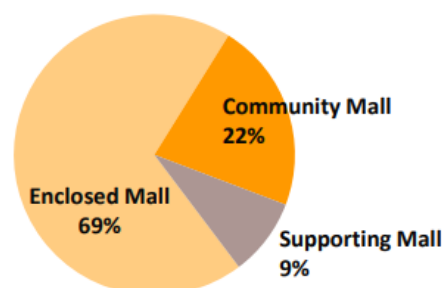
#### 4.2 Supply of Retail Space in Bangkok Metropolitan Area

For 2017, total supply of completed retail spaces available for rent in BMA came to 4.9 million sq. m. The majority of this (70%) was in enclosed malls, followed in importance by community malls (22% of the total). For the year, 91,342 sq. m. of new retail spaces came to the market and of this, over 50% was in enclosed malls.

##### Supply of Retail Space in BMA by Type (Q4 2017)



##### Total Supply of Retail Space in BMA by Type (Q4 2017)

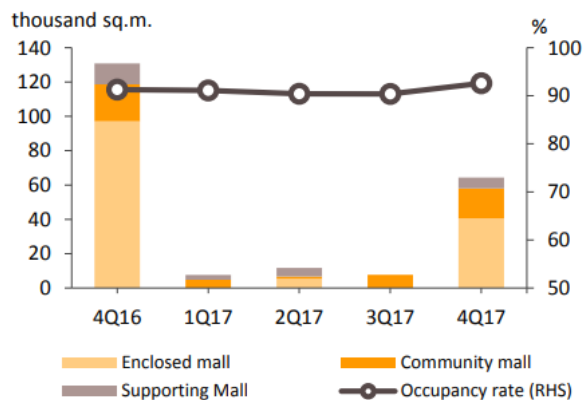


Source : Thailand Industry Outlook 2018-2020 : Retail Space in BMA (June 2018 Issue) by Krungsri Research

4.3 Occupancy Rate of Retail Spaces in BMA

Occupancy rate in 2017 stood at 92.6%, a slight improvement on the 91.3% recorded the year earlier. From the end of 2016 onwards, many large malls had undergone renovation works and from the start of 2017, spaces in these malls gradually became available again; as it became re-occupied, the occupancy rate rose. At the same time, average rents also began to rise slightly compared to rents the year earlier, which had averaged THB 4,000/sq. m./month.

New Supply and Occupancy Rate

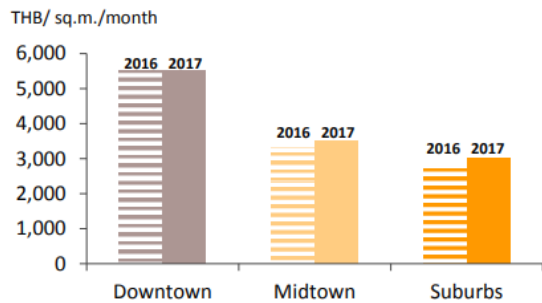


Source : Thailand Industry Outlook 2018-2020 : Retail Space in BMA (June 2018 Issue) by Krungsri Research

4.4 Rental Rate of Retail Spaces in BMA

Naturally, at an average of THB 5,500/sq. m./month, rents in the downtown area are the highest. This is followed by those in the midtown, while rents in the suburbs are the cheapest. The higher rents of retail space could be partly explained by the investments made by owners and operators in renovating and upgrading downtown locations and by the fact that the supply of downtown space is limited.

Highest Retail Rent by Location

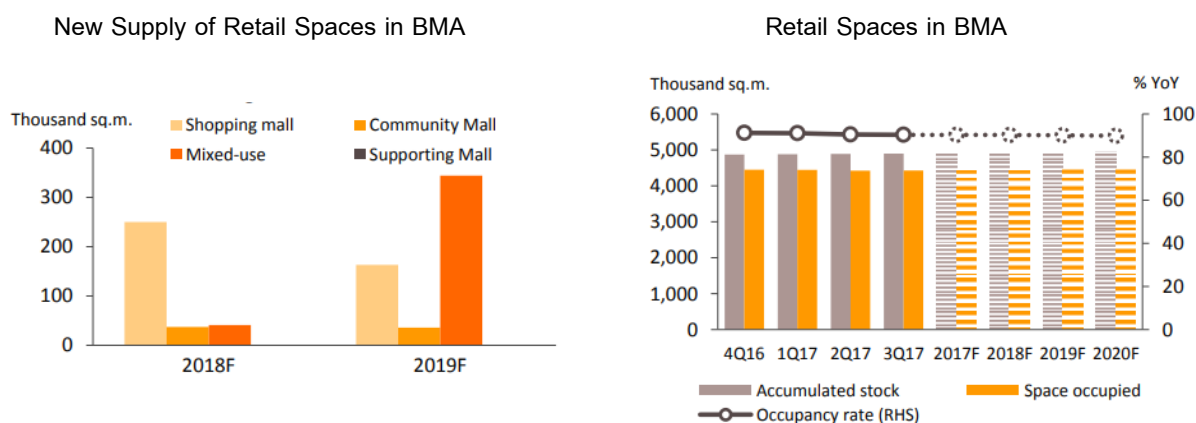


Source : Thailand Industry Outlook 2018-2020 : Retail Space in BMA (June 2018 Issue) by Krungsri Research

#### 4.5 Outlook for Retail Spaces Sector in Bangkok Metropolitan Area from 2018 to 2020

The prospects for the sector over the next three years are for generally improving conditions, due to a strengthening economy and increasing government infrastructure spending, which will help to stimulate investment in related sectors, including in rented retail spaces. Over the same period, tourist arrivals are forecast to continue to rise at a solid rate and this will help to increase spending, a sign pointing to future improvements in the sector. On the down side, competition will tend to increase as many players have continued to invest in new retail developments. These new retail units would steadily come to the market. (causing supply to gradually expand)

For new supply in BMA, over 900,000 sq. m. of new rented retail space are forecast to come to the market over the next three years, including major projects such as Ikea At Central Westgate, The Market By Platinum, Gateway Bangsue, Century The Movie Plaza 2, Smile Square and Wisdom 101. Annual new supply is therefore expected to be slightly above the median for the previous five years, when new retail space coming to the rental market averaged under 270,000 sq. m. per year. This new supply may cause the occupancy rate to fall slightly but will likely remain above 90%. Indeed, demand for rental space is forecast to grow, both from domestic retailers and from international chains looking to expand their presence in malls in Bangkok. Retail spaces in central business and shopping districts within Bangkok that is easily accessible through good communications links and which has high footfall is likely to experience notably high demand and these advantages will present an opportunity for increased income for operators. Nevertheless, the expanding total supply of retail space, coupled with consumers' changing lifestyles, will tend to increase competition between players to modernize and to renovate their operations, and while they will be able to increase rents.



Source : Thailand Industry Outlook 2018-2020 : Retail Space in BMA (June 2018 Issue) by Krungsri Research

Over the long-term, competition in the sector will stiffen, driven by trends in real estate development that are emphasizing a move to mixed-use projects<sup>3/</sup> since they help to meet demand from middle-class consumers, who have a wide range of different lifestyles. A large number of these developments are now in the pipeline and

CBRE estimates that the combined floorspace of large mixed-use projects incorporating offices, hotels, serviced apartments, condominiums and retail units that will come to the market by 2025 will exceed 1 million sq. m. reflecting supply of new retail space that will expand considerably.

## Enclosure 4 Summary of Cashflow Projections

## Projected Cashflows from the Residential Property Business

Unit: Millions of THB (For the Fiscal Year Ended 30 September)	3 Months of 2019	2020	2021	2022	2023	2024
Revenue from property sales	4,374	17,590	18,175	18,976	19,818	20,579
Cost of property sales	(2,986)	(11,967)	(12,347)	(12,910)	(13,507)	(14,028)
Gross profit	1,388	5,624	5,829	6,066	6,311	6,551
SG&A	(728)	(2,927)	(3,024)	(3,157)	(3,297)	(3,424)
Depreciation and amortization	(3)	(12)	(12)	(12)	(12)	(12)
EBIT	658	2,685	2,793	2,897	3,002	3,115
Corporate income tax	(132)	(537)	(559)	(579)	(600)	(623)
Net profit after tax	526	2,148	2,234	2,317	2,402	2,492
Add : Non-cash items	2,989	11,979	12,359	12,922	13,519	14,040
Deduct: CAPEX for new project developments	(2,993)	(11,941)	(12,585)	(13,135)	(13,632)	(13,993)
Deduct : Other capex	(3)	(12)	(12)	(12)	(12)	(12)
Free cashflows to the firm	519	2,174	1,996	2,092	2,277	2,527

## Projected Cashflows from the Office Building Business

Unit: Millions of THB (For the Fiscal Year Ended 30 September)	3 Months of 2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Rental revenue	118	480	488	455	434	443	451	460	469	478
Other revenues	13	53	54	47	42	42	43	44	45	46
Total revenue	131	533	542	502	476	485	494	504	514	524
Operating expenses	(34)	(140)	(142)	(133)	(127)	(129)	(132)	(134)	(137)	(139)
Net operating income (NOI)	97	393	400	369	349	356	363	370	377	384
FF&E reserve	(4)	(16)	(16)	(15)	(14)	(15)	(15)	(15)	(15)	(16)
Land rental	(6)	(25)	(25)	(26)	(24)	(24)	(24)	(24)	(24)	(28)
Corporate income tax	(9)	(37)	(38)	(35)	(34)	(35)	(36)	(38)	(39)	(40)
Free cashflows to the firm	78	315	320	293	277	282	288	293	298	300

Unit: Millions of THB (For the Fiscal Year Ended 30 September)	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Rental revenue	487	496	506	516	525	536	546	556	567	578
Other revenues	47	48	49	50	50	51	52	53	54	56
<b>Total revenue</b>	<b>534</b>	<b>544</b>	<b>554</b>	<b>565</b>	<b>576</b>	<b>587</b>	<b>598</b>	<b>610</b>	<b>622</b>	<b>634</b>
Operating expenses	(142)	(145)	(148)	(150)	(153)	(156)	(159)	(162)	(166)	(169)
<b>Net operating income (NOI)</b>	<b>392</b>	<b>399</b>	<b>407</b>	<b>415</b>	<b>423</b>	<b>431</b>	<b>439</b>	<b>447</b>	<b>456</b>	<b>465</b>
FF&E reserve	(16)	(16)	(17)	(17)	(17)	(18)	(18)	(18)	(19)	(19)
Land rental	(28)	(28)	(28)	(28)	(32)	(32)	(32)	(32)	(32)	(37)
Corporate income tax	(42)	(43)	(45)	(46)	(48)	(49)	(51)	(53)	(87)	(89)
<b>Free cashflows to the firm</b>	<b>306</b>	<b>312</b>	<b>317</b>	<b>323</b>	<b>325</b>	<b>331</b>	<b>338</b>	<b>344</b>	<b>318</b>	<b>319</b>

Unit: Millions of THB (For the Fiscal Year Ended 30 September)	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048
Rental revenue	589	601	612	624	636	648	661	673	686	700
Other revenues	57	58	59	60	61	62	63	65	66	67
<b>Total revenue</b>	<b>646</b>	<b>658</b>	<b>671</b>	<b>684</b>	<b>697</b>	<b>710</b>	<b>724</b>	<b>738</b>	<b>752</b>	<b>767</b>
Operating expenses	(172)	(175)	(179)	(182)	(186)	(189)	(193)	(197)	(200)	(204)
<b>Net operating income (NOI)</b>	<b>474</b>	<b>483</b>	<b>492</b>	<b>502</b>	<b>511</b>	<b>521</b>	<b>531</b>	<b>542</b>	<b>552</b>	<b>563</b>
FF&E reserve	(19)	(20)	(20)	(21)	(21)	(21)	(22)	(22)	(23)	(23)
Land rental	(37)	(37)	(37)	(37)	(43)	(43)	(43)	(43)	(37)	(37)
Corporate income tax	(91)	(93)	(94)	(96)	(98)	(100)	(102)	(104)	(106)	(108)
<b>Free cashflows to the firm</b>	<b>326</b>	<b>333</b>	<b>340</b>	<b>348</b>	<b>349</b>	<b>357</b>	<b>364</b>	<b>372</b>	<b>387</b>	<b>395</b>

Unit: Millions of THB (For the Fiscal Year Ended 30 September)	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058
Rental revenue	713	727	741	755	770	784	800	815	831	847
Other revenues	68	70	71	73	74	75	77	78	80	81
<b>Total revenue</b>	<b>782</b>	<b>797</b>	<b>812</b>	<b>828</b>	<b>844</b>	<b>860</b>	<b>876</b>	<b>893</b>	<b>910</b>	<b>928</b>
Operating expenses	(208)	(212)	(216)	(220)	(225)	(229)	(233)	(238)	(242)	(247)
<b>Net operating income (NOI)</b>	<b>573</b>	<b>584</b>	<b>596</b>	<b>607</b>	<b>619</b>	<b>631</b>	<b>643</b>	<b>655</b>	<b>668</b>	<b>681</b>
FF&E reserve	(23)	(24)	(24)	(25)	(25)	(26)	(26)	(27)	(27)	(28)
Land rental	(37)	(37)	(37)	(43)	(43)	(43)	(43)	(43)	(50)	(50)
Corporate income tax	(110)	(112)	(114)	(116)	(119)	(121)	(123)	(126)	(128)	(131)
<b>Free cashflows to the firm</b>	<b>403</b>	<b>412</b>	<b>420</b>	<b>423</b>	<b>432</b>	<b>441</b>	<b>450</b>	<b>460</b>	<b>463</b>	<b>473</b>

Unit: Millions of THB (For the Fiscal Year Ended 30 September)	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068
Rental revenue	863	880	897	914	931	949	968	986	1,005	1,025
Other revenues	83	84	86	88	89	91	93	95	97	98
<b>Total revenue</b>	<b>946</b>	<b>964</b>	<b>983</b>	<b>1,002</b>	<b>1,021</b>	<b>1,041</b>	<b>1,061</b>	<b>1,081</b>	<b>1,102</b>	<b>1,123</b>
Operating expenses	(252)	(257)	(262)	(267)	(272)	(277)	(282)	(288)	(293)	(299)
<b>Net operating income (NOI)</b>	<b>694</b>	<b>707</b>	<b>721</b>	<b>735</b>	<b>749</b>	<b>763</b>	<b>778</b>	<b>793</b>	<b>808</b>	<b>824</b>
FF&E reserve	(28)	(29)	(29)	(30)	(31)	(31)	(32)	(32)	(33)	(34)
Land rental	(50)	(50)	(50)	(64)	(64)	(64)	(64)	(64)	(74)	(74)
Corporate income tax	(133)	(136)	(138)	(141)	(144)	(146)	(149)	(152)	(155)	(158)
<b>Free cashflows to the firm</b>	<b>483</b>	<b>493</b>	<b>503</b>	<b>500</b>	<b>511</b>	<b>522</b>	<b>533</b>	<b>545</b>	<b>546</b>	<b>558</b>

Unit: Millions of THB (For the Fiscal Year Ended 30 September)	2069	2070	2071	2072	2073	2074	2075	2076
Rental revenue	1,044	1,065	1,085	1,106	1,127	1,149	1,171	1,094
Other revenues	100	102	104	106	108	110	112	105
<b>Total revenue</b>	<b>1,145</b>	<b>1,167</b>	<b>1,189</b>	<b>1,212</b>	<b>1,235</b>	<b>1,259</b>	<b>1,284</b>	<b>1,199</b>
Operating expenses	(305)	(311)	(317)	(323)	(329)	(335)	(342)	(319)
<b>Net operating income (NOI)</b>	<b>840</b>	<b>856</b>	<b>872</b>	<b>889</b>	<b>906</b>	<b>924</b>	<b>942</b>	<b>880</b>
FF&E reserve	(34)	(35)	(36)	(36)	(37)	(38)	(39)	(36)
Land rental	(74)	(74)	(74)	(86)	(86)	(86)	(86)	(86)
Corporate income tax	(161)	(164)	(167)	(171)	(174)	(177)	(181)	(169)
<b>Free cashflows to the firm</b>	<b>570</b>	<b>583</b>	<b>595</b>	<b>596</b>	<b>610</b>	<b>623</b>	<b>637</b>	<b>589</b>

### Projected Cashflows from Hotel and Service Apartment Businesses

Unit: Millions of THB (For the fiscal period ended 30 September)	3 months of 2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Room revenue	68	276	283	291	299	307	121	124	128	132
F&B and other revenues	11	47	48	49	50	52	22	23	24	24
<b>Total revenue</b>	<b>79</b>	<b>322</b>	<b>331</b>	<b>340</b>	<b>349</b>	<b>359</b>	<b>143</b>	<b>147</b>	<b>152</b>	<b>156</b>
Operating expenses	(47)	(193)	(198)	(204)	(209)	(215)	(86)	(88)	(44)	(45)
<b>Net operating income (NOI)</b>	<b>32</b>	<b>129</b>	<b>133</b>	<b>137</b>	<b>140</b>	<b>144</b>	<b>57</b>	<b>59</b>	<b>61</b>	<b>63</b>
FF&E reserve	(2)	(8)	(8)	(9)	(9)	(9)	(1)	(1)	(2)	(2)
Land rental	(4)	(7)	(7)	(7)	(7)	(8)	(3)	(3)	(3)	(3)
Corporate income tax	(1)	(6)	(6)	(6)	(7)	(7)	-	-	-	-
<b>Free cashflows to the firm</b>	<b>24</b>	<b>109</b>	<b>112</b>	<b>115</b>	<b>117</b>	<b>120</b>	<b>53</b>	<b>55</b>	<b>57</b>	<b>58</b>

Unit: Millions of THB (For the fiscal period ended 30 September)	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Room revenue	136	140	144	148	153	157	162	167	172	177
F&B and other revenues	25	26	27	28	28	29	30	31	32	33
<b>Total revenue</b>	<b>161</b>	<b>166</b>	<b>171</b>	<b>176</b>	<b>181</b>	<b>187</b>	<b>192</b>	<b>198</b>	<b>204</b>	<b>210</b>
Operating expenses	(47)	(48)	(50)	(51)	(53)	(54)	(56)	(57)	(59)	(61)
<b>Net operating income (NOI)</b>	<b>65</b>	<b>67</b>	<b>69</b>	<b>71</b>	<b>73</b>	<b>75</b>	<b>77</b>	<b>79</b>	<b>82</b>	<b>84</b>
FF&E reserve	(6)	(6)	(6)	(6)	(6)	(7)	(7)	(7)	(7)	(7)
Land rental	(3)	(3)	(3)	(3)	(4)	(4)	(4)	(4)	(4)	(4)
Corporate income tax	-	-	-	(0)	(13)	(13)	(13)	(14)	(14)	(15)
<b>Free cashflows to the firm</b>	<b>56</b>	<b>58</b>	<b>59</b>	<b>61</b>	<b>50</b>	<b>52</b>	<b>53</b>	<b>55</b>	<b>57</b>	<b>58</b>

Unit: Millions of THB (For the fiscal period ended 30 September)	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048
Room revenue	182	188	193	199	205	211	218	224	231	238
F&B and other revenues	34	35	36	37	38	39	40	42	43	44
<b>Total revenue</b>	<b>216</b>	<b>223</b>	<b>229</b>	<b>236</b>	<b>243</b>	<b>251</b>	<b>258</b>	<b>266</b>	<b>274</b>	<b>282</b>
Operating expenses	(63)	(65)	(67)	(69)	(71)	(73)	(75)	(77)	(80)	(82)
<b>Net operating income (NOI)</b>	<b>87</b>	<b>89</b>	<b>92</b>	<b>95</b>	<b>98</b>	<b>101</b>	<b>104</b>	<b>107</b>	<b>110</b>	<b>113</b>
FF&E reserve	(8)	(8)	(8)	(8)	(9)	(9)	(9)	(9)	(10)	(10)
Land rental	(4)	(4)	(4)	(4)	(5)	(5)	(5)	(5)	(4)	(4)
Corporate income tax	(15)	(15)	(16)	(16)	(17)	(17)	(18)	(19)	(19)	(20)
<b>Free cashflows to the firm</b>	<b>60</b>	<b>62</b>	<b>64</b>	<b>66</b>	<b>68</b>	<b>70</b>	<b>72</b>	<b>74</b>	<b>77</b>	<b>79</b>

Unit: Millions of THB (For the fiscal period ended 30 September)	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058
Room revenue	245	252	260	268	276	284	293	301	310	320
F&B and other revenues	46	47	48	50	51	53	54	56	58	59
<b>Total revenue</b>	<b>291</b>	<b>299</b>	<b>308</b>	<b>318</b>	<b>327</b>	<b>337</b>	<b>347</b>	<b>357</b>	<b>368</b>	<b>379</b>
Operating expenses	(84)	(87)	(90)	(92)	(95)	(98)	(101)	(104)	(107)	(110)
<b>Net operating income (NOI)</b>	<b>117</b>	<b>120</b>	<b>124</b>	<b>128</b>	<b>131</b>	<b>135</b>	<b>139</b>	<b>144</b>	<b>148</b>	<b>152</b>
FF&E reserve	(10)	(10)	(11)	(11)	(11)	(12)	(12)	(13)	(13)	(13)
Land rental	(4)	(4)	(4)	(5)	(5)	(5)	(5)	(5)	(6)	(6)
Corporate income tax	(20)	(21)	(22)	(22)	(23)	(24)	(24)	(25)	(26)	(27)
<b>Free cashflows to the firm</b>	<b>82</b>	<b>84</b>	<b>87</b>	<b>89</b>	<b>92</b>	<b>95</b>	<b>98</b>	<b>101</b>	<b>104</b>	<b>107</b>



Unit: Millions of THB (For the fiscal period ended 30 September)	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068
Room revenue	329	339	349	360	371	382	393	405	417	430
F&B and other revenues	61	63	65	67	69	71	73	75	78	80
<b>Total revenue</b>	<b>391</b>	<b>402</b>	<b>414</b>	<b>427</b>	<b>440</b>	<b>453</b>	<b>466</b>	<b>480</b>	<b>495</b>	<b>510</b>
Operating expenses	(113)	(117)	(120)	(124)	(128)	(132)	(135)	(140)	(144)	(148)
<b>Net operating income (NOI)</b>	<b>157</b>	<b>162</b>	<b>166</b>	<b>171</b>	<b>177</b>	<b>182</b>	<b>187</b>	<b>193</b>	<b>199</b>	<b>205</b>
FF&E reserve	(14)	(14)	(15)	(15)	(15)	(16)	(16)	(17)	(17)	(18)
Land rental	(6)	(6)	(6)	(7)	(7)	(7)	(7)	(7)	(8)	(8)
Corporate income tax	(28)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)
<b>Free cashflows to the firm</b>	<b>110</b>	<b>114</b>	<b>117</b>	<b>119</b>	<b>123</b>	<b>127</b>	<b>131</b>	<b>135</b>	<b>138</b>	<b>143</b>

Unit: Millions of THB (For the fiscal period ended 30 September)	2069	2070	2071	2072	2073	2074	2075	2076
Room revenue	443	456	470	484	498	513	528	500
F&B and other revenues	82	85	87	90	93	95	98	93
<b>Total revenue</b>	<b>525</b>	<b>541</b>	<b>557</b>	<b>574</b>	<b>591</b>	<b>608</b>	<b>627</b>	<b>592</b>
Operating expenses	(153)	(157)	(162)	(167)	(172)	(177)	(182)	(172)
<b>Net operating income (NOI)</b>	<b>211</b>	<b>217</b>	<b>224</b>	<b>230</b>	<b>237</b>	<b>244</b>	<b>252</b>	<b>238</b>
FF&E reserve	(18)	(19)	(19)	(20)	(21)	(21)	(22)	(21)
Land rental	(8)	(8)	(8)	(10)	(10)	(10)	(10)	(10)
Corporate income tax	(37)	(38)	(39)	(40)	(41)	(43)	(44)	(42)
<b>Free cashflows to the firm</b>	<b>147</b>	<b>152</b>	<b>157</b>	<b>161</b>	<b>166</b>	<b>171</b>	<b>176</b>	<b>166</b>

## Projected Cashflows from the Mixed-Use Complex Business

Unit: Millions of THB (For the Fiscal Period Ended 30 April)	2020	2021	2022	2023	2024	2025	2026	2027	2028
Total revenue	2,894	1,552	1,253	1,471	1,611	1,700	1,761	1,824	1,900
Operating cost	(263)	(414)	(453)	(541)	(600)	(637)	(661)	(685)	(715)
Cost of sales	(1,064)	(188)	-	-	-	-	-	-	-
Gross operating profit (GOP)	1,567	950	801	930	1,011	1,063	1,100	1,139	1,185
Other operating expenses	(150)	(189)	(194)	(213)	(225)	(232)	(237)	(243)	(249)
Land rental	(70)	(70)	(70)	(80)	(80)	(80)	(100)	(100)	(100)
FF&E reserve	(14)	(28)	(30)	(32)	(34)	(35)	(37)	(38)	(39)
Depreciation	(223)	(223)	(223)	(223)	(223)	(223)	(223)	(223)	(223)
EBIT	1,110	440	284	382	449	492	503	536	574
Corporate income tax	(222)	(88)	(57)	(76)	(90)	(98)	(101)	(107)	(115)
Net operating profit after tax	888	352	227	306	359	394	403	429	459
Add: Non-cash items	1,287	410	223	223	223	223	223	223	223
Deduct : Building improvement	-	-	-	-	-	-	-	-	-
Free cashflows to the firm	2,175	762	450	529	582	617	625	651	682

Unit: Millions of THB (For the Fiscal Period Ended 30 April)	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Total revenue	1,972	2,059	2,132	2,197	2,262	2,345	2,450	2,523	2,618	2,698
Operating cost	(744)	(779)	(807)	(832)	(857)	(890)	(930)	(958)	(995)	(1,016)
Cost of sales	-	-	-	-	-	-	-	-	-	-
Gross operating profit (GOP)	1,228	1,280	1,325	1,364	1,405	1,455	1,520	1,566	1,623	1,682
Other operating expenses	(255)	(262)	(268)	(273)	(279)	(286)	(295)	(301)	(308)	(316)
Land rental	(120)	(120)	(120)	(140)	(140)	(140)	(190)	(190)	(190)	(210)
FF&E reserve	(41)	(42)	(44)	(45)	(47)	(48)	(50)	(52)	(54)	(55)
Depreciation	(227)	(227)	(227)	(227)	(227)	(227)	(227)	(227)	(227)	(227)
EBIT	585	628	665	678	712	754	758	796	844	874
Corporate income tax	(117)	(126)	(133)	(136)	(142)	(151)	(152)	(159)	(169)	(175)
Net operating profit after tax	468	503	532	543	570	603	607	637	675	699
Add: Non-cash items	227	227	227	227	227	227	227	227	227	227
Deduct : Building improvement	(100)	-	-	-	-	-	-	-	-	-
Free cashflows to the firm	595	730	760	770	797	831	834	864	902	926

Unit: Millions of THB (For the Fiscal Period Ended 30 April)	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048
Total revenue	2,780	2,927	3,017	3,108	3,234	3,334	3,481	3,626	3,738	3,852
Operating cost	(1,047)	(1,107)	(1,142)	(1,177)	(1,227)	(1,265)	(1,325)	(1,383)	(1,427)	(1,470)
Cost of sales	-	-	-	-	-	-	-	-	-	-
Gross operating profit (GOP)	1,733	1,820	1,875	1,931	2,007	2,068	2,156	2,243	2,312	2,382
Other operating expenses	(307)	(319)	(326)	(333)	(343)	(350)	(362)	(374)	(382)	(391)
Land rental	(210)	(210)	(230)	(230)	(230)	(250)	(250)	(250)	(270)	(270)
FF&E reserve	(57)	(59)	(62)	(64)	(66)	(68)	(71)	(73)	(76)	(78)
Depreciation	(241)	(241)	(241)	(241)	(241)	(241)	(241)	(241)	(241)	(241)
EBIT	918	991	1,017	1,064	1,127	1,159	1,232	1,305	1,342	1,401
Corporate income tax	(184)	(198)	(203)	(213)	(225)	(232)	(246)	(261)	(268)	(280)
Net operating profit after tax	734	793	814	851	902	927	986	1,044	1,074	1,121
Add: Non-cash items	241	241	241	241	241	241	241	241	241	241
Deduct : Building improvement	(150)	-	-	-	-	-	-	-	-	-
Free cashflows to the firm	825	1,034	1,055	1,092	1,143	1,168	1,227	1,285	1,315	1,362

Unit: Millions of THB (For the fiscal period ended 30 April)	2049
Total revenue	4,022
Operating cost	(1,539)
Cost of sales	-
Gross operating profit (GOP)	2,483
Other operating expenses	(404)
Land rental	(270)
FF&E reserve	(81)
Depreciation	(491)
EBIT	1,236
Corporate income tax	(247)
Net operating profit after tax	989
Add: Non-cash items	491
Deduct : Buildings improvement	(250)
Free cashflows to the firm	1,230