

No. L013/2018

March 8, 2018

Subject: Submission of the Opinion of the Business on the Tender Offer (Form 250-2)

**To: President
The Stock Exchange of Thailand**

**Enclosure: 1. Copy of the Opinion of the Business on the Tender Offer (Form 250-2); and
2. Copy of the Opinion of the Independent Financial Advisor on the Tender Offer**

Pursuant to Laguna Resorts & Hotels Public Company Limited (the "**Company**") has received a copy of Announcement of Intention to make a Tender Offer (Form 247-3) dated February 26, 2018 and a copy of Tender Offer document (Form 247-4) dated March 2, 2018 from Banyan Tree Holdings Limited and Banyan Tree Resorts & Spas (Thailand) Company Limited (the "**Group of Offerors**"), In these regards, the Company has appointed Silom Advisory Company Limited act as the independent financial advisor ("**Independent Financial Advisor**") to render opinion on the tender offer for the shareholders and the Company has prepared the Opinion of the Business on the Tender Offer (Form 250-2) pursuant to the Notification of the Capital Market Supervisory Board No. TorChor 40/2552 re: Statement Form and Period for Preparing Opinion on Tender Offer.

The Company hereby submits the Opinion of the Business on the Tender Offer (Form 250-2) and the Opinion of the Independent Financial Advisor on the Tender Offer to the Stock Exchange of Thailand as details of which are shown in the enclosures.

Please be informed accordingly.

Yours faithfully,

(Mr. Kuan Chiet)

Vice President – Finance & Administration

(Translation)

Opinion of the Business on the Tender Offer for Securities

(Form 250-2)

of



Laguna Resorts & Hotels Public Company Limited

by

1. Banyan Tree Holdings Limited and
 2. Banyan Tree Resorts & Spas (Thailand) Company Limited
- (Group of Offerors)

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DISCLAIMER

The English translation of this report has been prepared solely for the convenience of the foreign shareholders of Laguna Resorts & Hotels Public Company Limited and should not be relied upon as a definitive and official report. The Thai version of the report is the definitive and official document and shall prevail in all respects in the event of any inconsistency with the English translation.

Opinion of the Business on the Tender Offer for Securities

March 8, 2018

To Securities Holders of Laguna Resorts & Hotels Public Company Limited

On 26 February 2018, Laguna Resorts & Hotels Public Company Limited (the “**Business**” or the “**Company**” or “**LRH**”) received a copy of the Tender Offer to purchase the securities of the Business from Banyan Tree Holdings Limited (“**BTH**”) and Banyan Tree Resorts & Spas (Thailand) Company Limited (collectively called the “**Group of Offerors**”), of which the details are as follows:

Type of Securities	Number of securities to be purchased		Proportion of securities to be purchased		Offer price per share (Baht)	Total Tender Offer Value (Baht)
	Shares/Units	Voting Rights	Of total paid-up shares of the Company	Of total voting rights of the Company		
Ordinary shares	76,312,552	76,312,552	45.78	45.78	40.00	3,052,502,080
Preferred shares	-	-	-	-	-	-
Warrants	-	-	-	-	-	-
Convertible debentures	-	-	-	-	-	-
Other securities (if any)	-	-	-	-	-	-
			Total	45.78	Total	3,052,502,080

- Remark: 1) The offer price of Baht 40.00 per share is the final offer. The shareholders who accept this Tender Offer (the “Offeree”) will bear the commission fee at the rate of 0.25 percent of the Tender Offer Price, together with the applicable value added tax (VAT) at the rate of 7 percent on such portion of the commission fee. Thus, the net proceed of the Tender Offer Price payable to the Offerees is Baht 39.89 per share.
- 2) In calculating the net proceed to each Offeree, The Tender Offer Agent shall multiply the net offering price by the number of shares tendered and round the amount to two decimal points. If the number in the third decimal point is greater than or equal to five, such number will be round up, while the number less than five shall be disregarded.

The Tender Offer Agent will deduct withholding tax of 15 percent of the capital gains of the Offeree who is a foreign juristic person not carrying on business in Thailand and residing in a country that has no double tax treaty with Thailand, or residing in a country that is the party to a double tax treaty with Thailand but such double

tax treaty does not exempt such foreign juristic person from withholding tax on the capital gains realized from the sale of securities in Thailand. The withholding tax will be calculated on capital gains from the sale of shares.

The Offeree who is a Thai juristic person must pay withhold tax of 3 percent of the brokerage fee, as well as issue a withholding tax certificate to SCB Securities Company Limited, who is acting as the Tender Offer Agent.

The tender offer period will be a total of 25 business days during 9:00 am to 4.00 pm from 5 March 2018 to 9 April 2018.

The Business has considered the tender offer statement by taking the interest of the shareholders into account and would like to express our opinion as follows:

1. Status of the Business related to the historical operating results

1.1. Overview of the business operation

Laguna Resorts & Hotels Public Company Limited (The Company) was founded in 1983. It shortly thereafter acquired a large parcel of land on the site of an abandoned tin mine at Bangtao Bay, Phuket, Thailand which was later developed to become the Laguna Phuket integrated resort complex.

Major businesses of the Company and its subsidiaries (the “Group”) are hotel business and property development. The subsidiaries also engage in operating golf clubs, sales of merchandise, office and retail rental and sales of holiday club memberships.

1.2. Key milestones

- 1987 • Dusit Thani Laguna Phuket (formerly known as Dusit Laguna Resort) opened.
- 1991 • Laguna Beach Resort opened.
- 1992 • Sheraton Grande Laguna Phuket and the Laguna Phuket Golf Club opened.
- 1993 • The Company listed on Stock Exchange of Thailand and Property Sales operations commenced with the Allamanda condominium units.
- 1995 • The resort’s flagship hotel, Banyan Tree Phuket’s Grand Opening.
- 1998 • Laguna Holiday Club commenced operations.
- 2002 • The Group acquired a large parcel of land adjacent to Laguna Phuket for future development opportunities.

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|------|---|
| 2005 | <ul style="list-style-type: none">• The Group acquired Thai Wah Plaza Limited which owns Banyan Tree Bangkok and commercial offices. |
| 2006 | <ul style="list-style-type: none">• Banyan Tree Lijiang, People's Republic of China and Laguna Holiday Club Phuket Resort opened. The latter is operated under the Holiday Club Business. |
| 2008 | <ul style="list-style-type: none">• The Group entered into an agreement to acquire additional land adjacent to Laguna Phuket for future development. |
| 2009 | <ul style="list-style-type: none">• The Group invested in the Banyan Tree Indochina Hospitality Fund which has developed an integrated resort in Hue, Vietnam.• Outrigger Laguna Phuket Resort & Villas commenced operations in December. |
| 2010 | <ul style="list-style-type: none">• Divestment of Dusit Thani Laguna Phuket Hotel in October. |
| 2011 | <ul style="list-style-type: none">• Divestment of Laguna Beach Resort in May.• Closure of the former Sheraton Grande Laguna Phuket in mid 2011 for a major renovation and rebranding and reopening as Angsana Laguna Phuket in December. |
| 2013 | <ul style="list-style-type: none">• Upgrade of Laguna Phuket Golf Club from mid 2013 to end 2014 which included the golf course, club house and the introduction of golf carts. |
| 2015 | <ul style="list-style-type: none">• Reopening of Laguna Phuket Golf Club in January.• Grand opening of Cassia Phuket in October. |
| 2016 | <ul style="list-style-type: none">• Angsana Vacation Club commenced operations in January.• Rebranding of Outrigger Laguna Phuket Resort & Villas to Angsana Villas Resort Phuket in August.• The Company further invested 1.25 percent in Thai Wah Public Company Limited. |

1.3. Nature of the business

The key businesses of the Group are hotel operations, property development operations and office rental. The Group's major business investment largely revolves around the operation and management of the integrated resort of Laguna Phuket, located on the island of Phuket in Thailand, as well as its investments in Banyan Tree Bangkok.

Hotel Operations

The Group has ownership in 2 hotels in Phuket and 1 hotel in Bangkok all of which are top-tier and luxury properties. Additionally, the Group has ownership interests in 2 branded residences which are operated as hotels and a hotel which is used for the timeshare business in Laguna Phuket. The hotels offer diverse range of accommodations which also include bars and restaurants, swimming pools, fitness centres, meeting rooms and facilities, business centres, etc. The hotels are as follows:

1. Banyan Tree Phuket
2. Angsana Laguna Phuket
3. Banyan Tree Bangkok
4. Angsana Villas Resort Phuket
5. Cassia Phuket
6. Laguna Holiday Club Phuket Resort

The Group owns majority of the room inventories in those hotels but some are owned by property investors who receive a return on their investment by joining a hotel management scheme and renting their properties to guests while some units are sold as holiday club membership.

Golf Operations

Laguna Golf - Phuket

Laguna Golf Phuket is an 18-hole, par 71 award-winning golf course, set within the world-renowned Laguna Phuket Resort. The skillfully designed golf course provides the perfect golf experience for players of all abilities. The Laguna Golf Phuket offers annual and 5- & 10-year memberships with exclusive membership privileges.

Laguna Golf - Bintan

Laguna Golf Bintan is an 18-hole, par 72 golf course, set within Laguna Bintan. Originally designed by Greg Norman, the course was leased and upgraded by Laguna Golf in 2016. Local golf memberships are available.

Property Development Operations

Property Sales offers a range of residential and vacation properties such as apartments, townhomes, semi-detached and detached villas including hotel residences such as the high-end Banyan Tree Residences that are situated within a resort or hotel property. Investors in some Laguna properties have the option to receive a return on their investment by joining a hotel management scheme and renting their properties to guests.

Other businesses

Laguna Property Management and Estate Services

A vital differentiation from other property developers, Laguna Property Management and Estate Services started operation in 2007 to provide services to the customers who buy properties within Laguna Phuket. The services comprise of pool maintenance, handyman services, ground and landscape maintenance, engineering services and common area management.

Laguna Phuket Rental

Launched in late 2014, Laguna Phuket Rental offers holiday and long-term rentals service for all non-hotel branded residential properties developed by the Group in Laguna Phuket. The objective of this service is to further enhance the ease of property ownership in Laguna Phuket which is unmatched by any other development in Phuket. The service now provides a one stop shop for housekeeping, maintenance and rental services on an optional basis for property owners.

Holiday Club Business

Laguna Holiday Club commenced operations in 1998 selling memberships that entitle participants to annual vacations at the current participating member home resorts of Laguna Holiday Club Phuket Resort, Allamanda Laguna Phuket, Angsana Laguna Phuket, Laguna Holiday Club Private Pool Villas, Angsana Resort & Spa Bintan, Twin Peaks Chiang Mai, Boathouse Hua Hin and View

Talay Residence 6 Pattaya. At the end of 2015, the company ceased selling new memberships under Laguna Holiday Club. Existing members of Laguna Holiday Club continue to enjoy all club home resorts and privileges they are entitled to under their membership.

In January 2016, Angsana Vacation Club (ANVC) was launched. ANVC is a 25-year point-based membership club which allows its members the use of predominantly Angsana properties and some selected participating Banyan Tree properties. To safe guard the rights and interest of its members, ANVC is incorporated and owned by an independent trustee and the Company is engaged in selling and marketing only.

Office Rental

Strategically located on South Sathorn Road, Thai Wah Tower I is a 24-storey granite clad building and is one of the very first office condominium buildings in Bangkok. The entire building has approximately 20,000 sq.m. of usable area of which 15,389 sq.m. is owned by the Group. Through the years the building has maintained its reputation as a premium office building with timely refurbishments.

In 2013, the lobby of the building underwent a renovation to improve its competitiveness against newer office buildings which have opened in the vicinity in recent years.

Overseas Investment in Hotels and Resorts

The Group has an investment in the Banyan Tree Indochina Hospitality Fund which has developed an integrated resort in Laguna Langco in Vietnam.

Additionally, the Group has other investments overseas through Tropical Resorts Limited (TRL) which invests in luxury resorts largely throughout the Pacific Rim area.

1.4. Revenue Structure

The percentage of income generated by each individual line of business is detailed as follows:

Unit : Baht	2015	%	2016	%	2017	%
Revenue from Hotels	3,108,617,130	55	3,483,554,597	65	3,657,314,373	75
Revenue from Property Development	2,348,479,352	42	1,305,895,061	24	927,254,458	19
Revenue from Office Rental	86,427,410	1	90,827,134	2	95,118,935	2
Other Income	114,705,625	2	461,380,608	9	177,876,349	4
Total Revenue	5,658,229,517	100	5,341,657,400	100	4,857,564,115	100

1.5. Industry Overview

Total tourism revenue for Thailand increased by 9 percent over 2016 mainly supported by strong Asian Markets. The high-end hospitality industry was also able to benefit from the new strategy of Tourism Authority of Thailand's (TAT) to transform the country from a mass market to a more quality leisure destination this year.

Advanced by a strong low season and double-digit China growth, Phuket hit a historic high with arrivals up to 8.4 million. Tourism in Phuket remains dominated by Chinese and Russian holidaymakers.

Phuket real estate began to pick up momentum after a soft past few years where various ructions including the collapse of the Russian rouble, the worldwide slump in oil prices and the fallout from the UK's Brexit vote took their toll on investor confidence. The high-end segment on Thailand's most popular island is also expected to be boosted by the recent extension and increased capacity to its international airport.

CompetitionHotels

Top Tier Properties - Phuket	Luxury Villa Properties – Phuket	Top Tier Properties - Bangkok
<ul style="list-style-type: none"> ● Dusit Thani Laguna Phuket ● Outrigger Laguna Phuket Beach Resort ● Le Meridien Phuket Beach Resort ● JW Marriott Resort & Spa ● Hyatt Regency Phuket Resort ● Pullman Phuket Arcadia Naithon Beach 	<ul style="list-style-type: none"> ● The Amanpuri ● Trisara ● Six Senses ● Anantara 	<ul style="list-style-type: none"> ● The Sukhothai Hotel ● Conrad Bangkok ● Le Meridien Bangkok ● Dusit Thani Bangkok ● Sofitel So Bangkok

Phuket: The competitive sets of Laguna Phuket are upper-tier hotels and luxury villas. There continue to be development activity. In addition, hotels in Phuket continue to face competition from rental properties, which offer competitive rates for longer stay visitors, as well as competition from other resort destinations within the region.

Bangkok: The number of newly built hotels in recent years has led to an oversupply in downtown Bangkok. Moreover, the increased supply of new hotels and serviced apartments in Bangkok has resulted in a highly competitive market.

Property

The majority of Laguna Phuket's direct competitors are located along the northwest coast where much of the newer, upper-end properties are located. The less developed east-coast does not have the same quality of infrastructure and lacks good quality beaches. Further, due to the high price of land and freehold ownership being unavailable to foreigners, there has been an increased number of condominium developments in recent years.

Laguna Phuket has a combination of its brand, location, quality and range of products to set it apart from its competitors. There are many developers targeting buyers in the sub Baht 10 million segment, including large Bangkok based developers such as Sansiri, Supalai and Land & House. However, they are primarily targeting the domestic market and do not compete directly with the resort based product such the Company's. Other developments targeting secondary homebuyers currently are not as well located or have a strong brand identity.

Laguna Phuket has a lot to offer property buyers, which cannot be matched by other competing projects. These include a long history of developing quality homes in a safe, secure and beautifully landscaped environment supported by a team of well-trained after sales staff offering a myriad of home services. Laguna Phuket also offers homeowners a wide variety of dining and recreational facilities including an 18-hole multi award winning golf course right at their doorstep.

1.6. Authorized Capital and Paid-Up Capital

The Business currently has authorized capital of Baht 1,666,827,010 consisting of 166,682,701 ordinary shares at the par value of Baht 10 per share

1.7. The Board of Directors

The Board of directors of the Business as of 7 March 2018 is as follows:

Name	Position
1. Mr. Ho KwonPing	Chairman of the Board
2. Mr. Shankar Chandran	Director & Managing Director
3. Mr. Surapon Supratya	Non-Executive Director
4. Mr. Ariel P Vera	Non-Executive Director
5. Mr. Ho KwonCjan	Director
6. Mr. Eddy See Hock Lye	Director
7. Mr. Ho Ren Hua	Director
8. Mr. Stuart D. Reading	Director
9. Miss Srinthorn Ounayakovit	Independent Director
10. Mr. Vudhiphol Suriyabhivadh	Independent Director & Audit and Risk Committee Chairman
11. Dr. Jingjai Hanchanlash	Independent Director & Audit and Risk Committee Member
12. Mr. Thongchai Ananthothai	Independent Director & Audit and Risk Committee Member

The authorized directors are Mr. Ho KwonPing, Mr. Ho KwonCjan, Mr. Stuart D. Reading, Mr. Ho Ren Hua, Mr. Eddy See Hock Lye, and Mr. Shankar Chandran, where any two of these six directors must jointly sign and affix company seal.

After the completion of the tender offer, the Group of Offerors has no policy to change its business structure, significant management teams and the member of Board of Directors of the Business; therefore, the Board of directors after the tender offer shall remain unchanged.

1.8. Shareholders

The top 10 shareholders as of the latest list of shareholders of the Business as of 29 December 2017 are as follows:

Name	Number of Shares	Percentage of	
		Total paid-up shares	Total voting rights
1. Group of Banyan Tree Holdings Limited	91,422,911	54.85	54.85
1.1 Banyan Tree Holdings Limited	74,632,342		
1.2 Banyan Tree Resorts & Spas (Thailand) Company Limited *	15,737,807		
1.3 Maybank Kim Eng Securities Pte. Ltd. **	1,052,762		
2. Thai Trust Fund Management Company Limited of LRH 1 ***	22,487,465	13.49	13.49
3. Thai NVDR Company Limited	13,661,458	8.20	8.20
4. Mr. Suvit Laohapholwattana	5,183,900	3.11	3.11
5. Mr. Watshira Tayanaraporn	4,250,000	2.55	2.55
6. Thai Wah Public Company Limited	3,480,200	2.09	2.09
7. Goldman Sachs International	2,947,800	1.77	1.77
8. Dusit Thani Public Company Limited	1,250,000	0.75	0.75
9. The Viriyah Insurance Public Company Limited	1,103,725	0.66	0.66
10. State Street Europe Limited	1,053,202	0.63	0.63
Top 10 Shareholders	146,840,661	88.10	88.10
Minority shareholders	19,842,040	11.90	11.90
Total	166,682,701	100.00	100.00

Remark * a company which is under the control of Banyan Tree Holdings Limited.

** holds the Business's shares for and on behalf of Banyan Tree Hotels & Resorts Pte. Ltd. (formerly known as Banyan Tree Corporate Pte. Ltd.), a wholly-owned subsidiary of BTH.

*** BTH holds 18,175,265 units in Thai Trust Fund Management Company Limited.

In the event that all shareholders of the Business except the Group of the Offerors accept the Tender Offer, the shareholders will be as follows:

Name	Number of Shares	Percentage of	
		Total paid-up shares	Total voting rights
Group of Offerors			
1. Banyan Tree Holdings Limited	74,632,342	44.78	44.78
2. Banyan Tree Resorts & Spas (Thailand) Company Limited	92,050,359	55.22	55.22
Total	166,682,701	100.00	100.00

1.9. Summary of Financial Positions and Operating Results of the Business

Summary of Consolidated Financial Positions and Operating Results of the Business for the fiscal year as of 31 December 2015 - 2017

<i>Unit : million Baht</i>	2015		2016		2017	
	Amount	%	Amount	%	Amount	%
Assets						
Current assets						
Cash and cash equivalents	859.88	4.3	669.77	3.2	1,009.98	4.8
Current investment - short-term fixed deposit	10.72	0.1	12.88	0.1	13.00	0.1
Short-term restricted deposit at financial institution	75.93	0.3	-	-	-	-
Trade and other receivables	635.44	3.2	671.73	3.2	704.57	3.4

<i>Unit : million Baht</i>	2015		2016		2017	
	Amount	%	Amount	%	Amount	%
Inventories	129.49	0.6	114.94	0.6	112.60	0.5
Property development cost	3,787.14	18.9	3,539.96	17.1	3,985.98	19.1
Other current assets	200.79	1.0	156.82	0.8	138.88	0.7
Total current assets	5,699.39	28.4	5,166.10	24.9	5,965.01	28.6
Non-current assets						
Long-term restricted deposit at financial institution	0.04	0.0	0.04	0.0	0.04	0.0
Long-term fixed deposit	2.18	0.0	2.18	0.0	2.18	0.0
Long-term trade accounts receivable	457.99	2.3	393.40	1.9	322.18	1.5
Investments in associates	383.09	1.9	1,082.79	5.2	928.40	4.4
Other long-term investments	1,132.19	5.6	606.37	2.9	606.36	2.9
Investment properties	1,120.76	5.6	1,149.51	5.5	1,165.33	5.6
Property, plant and equipment	10,687.45	53.2	11,742.22	56.7	11,299.86	54.1
Deferred tax assets	113.54	0.6	83.96	0.4	98.13	0.5
Goodwill	407.90	2.0	407.90	2.0	407.90	2.0
Leasehold rights	17.28	0.1	14.21	0.1	11.46	0.1
Other non-current assets	69.46	0.3	76.67	0.4	76.85	0.4
Total non-current assets	14,391.88	71.6	15,559.25	75.1	14,918.70	71.4
Total assets	20,091.27	100.0	20,725.35	100.0	20,883.71	100.0

<i>Unit : million Baht</i>	2015		2016		2017	
	Amount	%	Amount	%	Amount	%
Liabilities and shareholders' equity						
Current liabilities						
Short-term loans from financial institutions	554.80	2.8	515.00	2.5	510.00	2.4
Trade and other payables	959.25	4.8	819.84	4.0	924.89	4.4
Current portion of long-term loans from financial institutions	469.75	2.3	590.86	2.9	518.61	2.5
Current portion of unsecured debenture	-	-	-	-	497.98	2.4
Income tax payable	62.55	0.3	43.80	0.2	38.18	0.2
Advance received from customers	546.55	2.7	391.62	1.9	812.25	3.9
Other current liabilities	140.48	0.7	163.64	0.7	166.56	0.8
Total current liabilities	2,733.38	13.6	2,524.76	12.2	3,468.47	16.6
Non-current liabilities						
Long-term loans from financial institutions - net of current portion	2,819.39	14.0	2,456.96	11.8	2,207.87	10.6
Unsecured debenture	493.85	2.5	495.91	2.4	-	0.0
Provision for long-term employee benefits	63.61	0.3	59.61	0.3	55.17	0.3
Long-term provision - provision for legal case	40.13	0.2	40.58	0.2	41.02	0.2
Deferred tax liabilities	2,166.33	10.8	2,356.96	11.4	2,339.13	11.2

<i>Unit : million Baht</i>	2015		2016		2017	
	Amount	%	Amount	%	Amount	%
Other non-current liabilities	99.41	0.5	105.27	0.5	111.37	0.5
Total non-current liabilities	5,682.72	28.3	5,515.29	26.6	4,754.56	22.8
Total liabilities	8,416.10	41.9	8,040.05	38.8	8,223.03	39.4
Shareholders' equity						
Registered capital	2,116.75	10.5	2,116.75	10.2	2,116.75	10.1
Issued and fully paid-up capital	1,666.83	8.3	1,666.83	8.0	1,666.83	8.0
Share premium	2,062.46	10.3	2,062.46	10.0	2,062.46	9.9
Capital reserve	568.13	2.8	568.13	2.7	568.13	2.7
Retained earnings – Statutory reserve	211.68	1.1	211.68	1.0	211.68	1.0
Retained earnings – Unappropriated	2,642.74	13.2	2,952.37	14.2	2,970.28	14.2
Other components of shareholders' equity	4,239.62	21.1	4,935.42	23.9	4,922.51	23.6
Equity attributable to owner of the Company	11,391.46	56.7	12,396.89	59.8	12,401.89	59.4
Equity attributable to non-controlling interests of the subsidiaries	283.71	1.4	288.41	1.4	258.79	1.2
Total shareholders' equity	11,675.17	58.1	12,685.30	61.2	12,660.68	60.6
Total liabilities and shareholders' equity	20,091.27	100.0	20,725.35	100.0	20,883.71	100.0

<i>Unit : million Baht</i>	2015		2016		2017	
	Amount	%	Amount	%	Amount	%
Revenue						
Revenue from hotel operations	3,108.62	55.0	3,483.55	65.2	3,657.31	75.3
Revenue from property development operations	2,348.48	41.5	1,305.90	24.5	927.25	19.1
Revenue from office rental operations	86.43	1.5	90.83	1.7	95.12	1.9
Other income	114.70	2.0	461.38	8.6	177.88	3.7
Total revenue	5,658.23	100.0	5,341.66	100.0	4,857.56	100.0
Expenses						
Cost of hotel operations	1,839.23	32.5	2,002.26	37.5	2,085.77	42.9
Cost of property development operations	1,504.47	26.6	842.84	15.8	619.15	12.8
Cost of office rental operations	44.26	26.2	49.58	13.1	43.02	68.2
Selling expenses	382.74	6.8	359.09	6.7	408.73	8.4
Administrative expenses	1,360.50	24.0	1,336.41	25.0	1,389.52	28.6
Total expenses	5,131.20	90.7	4,590.18	85.9	4,546.19	93.6
Profit before share of loss from investment in associates, finance cost and income tax expenses	527.03	9.3	751.48	14.1	311.37	6.4
Share of loss from investment in associates	(45.04)	(0.8)	(49.61)	(0.9)	(3.12)	(0.1)
Finance cost	(166.15)	(2.9)	(190.19)	(3.6)	(176.78)	(3.6)

<i>Unit : million Baht</i>	2015		2016		2017	
	Amount	%	Amount	%	Amount	%
Income tax expenses	(139.41)	(2.5)	(133.89)	(2.5)	(68.36)	(1.4)
Profit for the year	176.43	3.1	377.79	7.1	63.11	1.3
Profit (loss) attributable to:						
Equity holders of the Company	175.26	3.1	380.25	7.2	59.54	1.2
Non-controlling interest of the subsidiaries	1.17	0.0	(2.46)	(0.1)	3.57	0.1
	176.43	3.1	377.79	7.1	63.11	1.3

Source: Audited financial statements of LRH by the auditor. Shareholders may gather more financial information from the websites of the SEC (www.sec.or.th), or the SET (www.set.or.th)

Analysis of Historical Operating Results and Financial Positions

For the year ended 31 December 2016, the Company recorded a net profit of Baht 380 million which was Baht 205 million higher when compared to the year before.

Total revenue for the year decreased by Baht 317 million as compared to the previous year and this was mainly due to the following:

- The overall revenue from hotel operations which comprise of hotel, golf and retail operations increased by Baht 375 million as a result of the improved performances of Laguna Phuket hotels and Banyan Tree Bangkok over the same period in the previous year.
- Revenues from property development operations which comprise of property sales and the sale of holiday club memberships declined by Baht 1,043 million due largely to the lower revenue recognition of two property sales projects namely Cassia Phuket and Laguna Park. The two said property sales projects were completed in 2015 and the Company was able to recognize the backlog of sales done in the prior years. Office rental operations which include retail leasing benefited from the higher occupancy in Thai Wah Tower I which contributed to an increase of Baht 4 million in revenue.
- Other income grew by Baht 347 million and this is attributed to the Baht 346 million gain in fair value adjustment of the Company's investment in Thai Wah Public Company Limited when it was moved from "other investment" to "investment in associates" in 2016.

Total expenses decreased by Baht 541 million as compared to the previous year due mainly to the following:

- Cost of hotel operations increased by Baht 163 million which is in line with the higher hotel revenue.
- Cost of property development operations decreased by Baht 661 million as less property sales were recognized during the period.
- Cost of office rental operations increased by Baht 5 million due mainly to common area charges for building renovations.

- Selling expenses decreased by Baht 24 million due mostly to the reduction in selling expenses of the original-style share club of which the selling of new memberships was stopped, and offset by the increase in selling expenses of the hotels.
- Administrative expenses decreased by Baht 24 million from lower payroll costs, hotel repair and maintenance expenses and insurance expenses offset by higher hotel management and legal fees.

The Baht 4 million increase in share of loss from investment in associates relates to the higher loss of Lijiang Banyan Tree Hotel company Limited.

Finance cost increased by Baht 24 million as compared to last year because of higher loan balances in 2016.

Income tax expenses fell by Baht 5 million in 2016 as a result of lower taxable profit offset by higher unused tax losses in 2016.

For the reasons stated above, the Company's profit in 2016 is higher as compared to the prior year.

For the year ended 31 December 2017, the Company recorded a net profit of Baht 60 million which was Baht 320 million lower when compared to the prior year.

Total revenue for the year decreased by Baht 484 million as compared to the prior year and this was mainly due to the following:

- The overall revenue from hotel operations which comprise of hotel, golf and retail operations increased by Baht 174 million over the prior year as a result of the improved performances of Laguna Phuket hotels and Banyan Tree Bangkok.
- Revenue from property development operations which comprise of property sales and the sale of holiday club memberships decreased by Baht 379 million. The revenue recognition of the property sales projects (Dusit Villa, Banyan Tree Grand Residences, Banyan Tree Spa Pool Villas and Cassia Phuket) and the sale of holiday club memberships was lower when compared to the year before. This was partially offset by an increase in the revenue recognition of Laguna Village projects.
- Revenue from office rental operations which includes retail leasing improved by Baht 4 million due largely to the increase in occupancy and rental rate of Thai Wah Tower I.

- Other income declined by Baht 283 million and this is essentially due to the one-off gain and dividend income of Thai Wah Public Company Limited totaling Baht 373 million when it was transferred from other investment to investment in associate in 2016 which was partly compensated by a gain on sales of investment amounting to Baht 116 million in 2017.

Total expenses decreased by Baht 44 million as compared to last year mainly due to the following:

- Cost of hotel operations increased by Baht 84 million which is in line with the higher hotel revenue.
- Cost of property development operations decreased by Baht 224 million as less property sales were recognized during the period and also lower cost of sales of holiday club memberships.
- Cost of office rental operations fell by Baht 7 million. This is largely attributed to lower common area charges for building renovations.
- Selling expenses increased by Baht 50 million which is principally due to higher property sales commission.
- Administrative expenses increased by Baht 53 million largely as a result of higher payroll costs and loss on exchange rate offset by a reduction in allowance for doubtful debts.

Share of loss from investment in associates decreased by Baht 46 million mainly relates to the profit from Thai Wah Public Company Limited (The Company started to take equity from January 2017).

Finance cost decreased by Baht 13 million as compared to last year which is essentially due to lower loan balances and interest rate in 2017.

Income tax expenses decreased by Baht 66 million as compared to the prior year and this is largely because it had lower unused tax losses in 2017.

Profit attributable to non-controlling interests of the subsidiaries amounted to Baht 4 million in 2017 as compared to a loss of Baht 2 million in the prior year largely because of the sales of investment in subsidiary in the current year together with a lower loss of Gallery sales operations.

For the reasons stated above, the Company's profit in 2017 is lower as compared to the prior year.

Hotel Operations

Unit : million Baht

	2015	%	2016	%	2017	%
Revenues	3,109	100	3,484	100	3,657	100
Expenses	<u>1,839</u>	59	<u>2,002</u>	57	<u>2,086</u>	57
Gross Operating Profits	<u>1,270</u>	41	<u>1,482</u>	43	<u>1,571</u>	43

For the year ended 31 December 2016, hotel revenues and expenses were Baht 3,484 million and Baht 2,002 million, respectively, higher than the prior year resulting in operating profit which was Baht 1,482 million higher than the prior year. The operating margin of 43 percent was higher than the 41 percent in 2015.

For the year ended 31 December 2017, Hotel revenues and expenses were Baht 3,657 million and Baht 2,086 million, respectively, higher than last year resulting in operating profit which was Baht 1,571 million higher than last year. The operating margin of 43 percent was the same as year 2016 but higher than the 41 percent of 2015.

Property Sales and Holiday Club Membership Operations

Unit : million Baht

	2015	%	2016	%	2017	%
Revenues	2,349	100	1,306	100	927	100
Expenses	<u>1,504</u>	64	<u>843</u>	65	<u>619</u>	67
Gross Operating Profits	<u>845</u>	36	<u>463</u>	35	<u>308</u>	33

For the year ended 31 December 2016, revenues and expenses were Baht 1,306 million and Baht 843 million lower than the prior year respectively, resulting in a gross operating profit which is Baht 463 million lower than the prior year. The operating margin of 35 percent was lower than the 36 percent achieved in 2015. The main reasons for the lower revenue is that only 80 units were recognized in 2016 due to accounting income recognition policy as compared to 243 units in the prior year. The income of the remaining units will be recognized over the next several years.

For the year ended 31 December 2017, Revenues and expenses were Baht 927 million and Baht 619 million, respectively, lower than prior year, resulting in a gross operating profit which is Baht 308 million lower than last year. The operating margin of 33 percent was lower than the 2016 and 2015 level of 35 percent and

36 percent respectively. The main reasons for the lower revenue is that only 58 units could be recognized in 2017 due to accounting income recognition policy as compared to 80 units in 2016 and 243 units in 2015. The income of the remaining units will be recognized over the next several years.

Financial Positions

The main financial positions items at 31 December 2015 - 2017 are as follows:

Unit : million Baht

	Note	31 December 2015	31 December 2016	31 December 2017
Cash and cash equivalents	-	860	670	1,010
Trade and other receivables	1	1,047	1,026	976
Property development cost	2	3,787	3,540	3,986
Investment in associates	3	383	1,083	928
Other long-term investments	3	1,132	606	606
Investment properties	4	1,121	1,150	1,165
Property, plant, equipment and land	5	10,687	11,742	11,300
Loans from banks	6	3,844	3,563	3,236
Deferred tax liabilities	7	2,166	2,357	2,339
Shareholders' equity	8	11,675	12,685	12,661

The salient points of the Financial Positions movements in the year ended 31 December 2016 are as follows:

1. Trade and other receivables balances dropped slightly due largely to the decrease in hotel receivables, property sales receivables, insurance claim receivables, accrual other income and other receivables offset against increase in timeshare and Dusit Villas receivables.
2. The decrease in property development cost is mainly due to the sales of Cassia Phuket, Laguna Park, and Banyan Tree Grand Residence projects during the year.
3. The increase in investment in associates and the decrease in other long-term investment is due to LRH's acquisition of 1.25% of TWPC shares and TWPC appointed a LRH director to its board on 25 December 2016. In this circumstance, LRH has influence on TWPC and LRH adjusted its investment in TWPC at the market price on 26 December 2016 (Baht 8.80 per share) and transferred this investment from other investment to investment in associate.

4. The increase in investment property is due to revalued by Discounted Cash Flow method and based on the appraisal report.
5. The increase in property, plant, equipment and land is mainly due to increase in revaluation of the year 2016 and purchase of hotel assets.
6. Loans from banks decreased in 2016 due to short term loan repayments of Baht 40 million and long-term loan repayment of Baht 616 million offset by drawdown of long term loans of Baht 374 million.
7. Deferred tax liabilities consist mainly of revaluation surplus of assets of Baht 1,589 million, temporary difference arising from revenue recognition of Baht 840 million and gain of change in value of investment properties of Baht 162 million.
8. The increase in shareholders' equity is mainly due to profit for the year 2016 amounting to Baht 380 million and revaluation surplus of Baht 889 million offset against dividend paid of Baht 80 million, reversal of unrealized gain on available-for-sale security amounting to Baht 153 million and share of other comprehensive loss of associates amounting to Baht 28 million.

The salient points of the Financial Positions movements in the year ended 31 December 2017 are as follows:

1. Trade accounts receivable and other account receivable balances were marginally lower than prior year due to lower property sales and other receivables offset by higher hotel receivables, insurance claim receivables, accrued other income, timeshare receivables and receivable of Dusit Villa
2. The increase in property development cost is mainly due to the sales of Cassia Phuket, Angsana Beach Front, and Banyan Tree Grand Residence project during the year.
3. The reduction in investment in associates is due to the sale of 49.04% of investment in Lijiang Banyan Tree Hotel Company Limited to Sanctuary Lijiang(S) Pte. Ltd.
4. The increase in investment property is due to the revaluation based on the appraisal report.
5. The decrease in property, plant, equipment and land is mainly due to the depreciation during the year.

6. Loans from banks decreased in 2017 due to long term loan repayment of Baht 550 million offset by drawdown of long term loan of Baht 229 million and short-term loans of Baht 510 million.
7. Deferred tax liabilities consist mainly of revaluation surplus of assets of Baht 1,636 million, temporary difference arising from revenue recognition of Baht 805 million and gain of change in value of investment properties of Baht 165 million.
8. The increase in shareholders' equity is mainly due to profit for the year 2017 amounting to Baht 60 million and exchange differences on translation of financial statements in foreign currency amounting to Baht 114 million offset against dividend paid of Baht 43 million, share of other comprehensive loss of associates amounting to Baht 9 million and dividend paid in non-controlling interests amounting to Baht 31 million.

2. Opinion on the accuracy of the Business's Information stipulated in the Tender Offer

The Board of Directors of the Business is of an opinion that the Business's information presented in the Tender Book (Form 247-4) dated 2 March 2018 is materially accurate.

3. Relationship or Any Agreement between the Directors of the Business and the Group of Offerors, whether Done Personally or in accordance with the Status of Directors or the Offerors, which Includes the Holding in the Group of Offerors and Any Contract or Understanding or Agreement between Each Other (such as management, etc.)

3.1 Relationship between the Business's Directors and the Group of Offerors

Common Directors

- The Business and the Group of Offerors have 5 common directors as follows:

Name	Positions in		
	the Business	BTH	BTR & Spa
1. Mr. Ho KwonPing	Chairman	Executive Chairman	-
2. Mr. Ariel P Vera	Non-Executive Director	Director	-
3. Mr. Ho KwonCjan	Director	-	Director

Name	Positions in		
	the Business	BTH	BTR & Spa
4. Mr. Eddy See Hock Lye	Director	-	Director
5. Mr. Shankar Chandran	Director & Managing Director	-	Director

After the completion of Tender Offer, the structure of the board of directors of the Business shall remain unchanged.

3.2 Shareholding by the Business's directors in the Group of Offerors and Persons under Section 258 of the Group of Offerors

As of 20 February 2018, directors of the Business holds shares in the Group of Offerors as follows:

Shareholding in BTH

Directors	Position in the Business	Shares in BTH	Percentage of	
			Total paid up shares in BTH	Total Voting rights of BTH
Mr. Ho KwonPing	Chairman	301,948,882	35.89	35.90
Mr. Shankar Chandran	Director & Managing Director	167,700	0.02	0.02
Mr. Ariel P Vera	Non-Executive Director	1,120,500	0.13	0.13
Mr. Ho KwonCjan	Director	65,629,000	7.80	7.80
Mr. Eddy See Hock Lye	Director	356,500	0.04	0.04
Mr. Ho Ren Hua	Director	378,000	0.04	0.04
Mr. Stuart D. Reading	Director	65,400	0.01	0.01

Directors	Position in the Business	Shares in BTH	Percentage of	
			Total paid up shares in BTH	Total Voting rights of BTH
Mr. Vudhiphol Suriyabhivadh	Independent Director	100,000	0.01	0.01
Dr. Jingjai Hanchanlash	Independent Director	100,000	0.01	0.01

Shareholding in BTR & Spa

Directors	Position in the Business	Shares in BTR & Spa	Percentage of	
			Total paid up shares in BTR & Spa	Total Voting rights of BTR & Spa
<u>BTR & Spa</u>				
Mr. Eddy See Hock Lye	Director	10	0.005	0.005

Shareholding in ICD

Directors	Position in the Business	Shares in ICD	Percentage of	
			Total paid up shares in ICD	Total Voting rights of ICD
<u>ICD</u>				
Mr. Ho KwonPing	Director	1	0.004	0.004
Mr. Ho KwonCjan	Director	1	0.004	0.004

3.3 Agreement or contract between the Group of Offerors and the Business or the Directors of the Business

- None -

4. Opinion of the Board of Directors of the Business to the Securities Holders

4.1. Reason for accepting and/or rejecting the Tender Offer

The Board of Directors of the Business No. 3/2018 held on 7 March 2018 have considered the Tender Offer statement of the Group of Offerors (Form 247-4) and the report of the opinion of Silom Advisory Company Limited, the Independent Financial Advisor to render the opinion on such Tender Offer. 9 directors out of the total of 12 directors of the Business attended the meeting as follows:

Name	Position
1. Mr. Ho KwonPing	Chairman of the Board
2. Mr. Shankar Chandran	Director & Managing Director
3. Mr. Surapon Supratya	Non-Executive Director
4. Mr. Eddy See Hock Lye	Director
5. Mr. Ho Ren Hua	Director
6. Miss Srinthorn Ounayakovit	Independent Director
7. Mr. Vudhiphol Suriyabhivadh	Independent Director & Chairman of the Audit and Risk Committee
8. Dr. Jingjai Hanchanlash	Independent Director & Audit and Risk Committee
9. Mr. Thongchai Ananthothai	Independent Director & Audit and Risk Committee

Of the 9 directors, 4 directors, namely Mr. Ho KwonPing, Mr. Shankar Chandran, Mr. Eddy See Hock Lye and Mr. Ho Ren Hua, who are considered as interested parties due to their relationships with the Group of Offerors, were excused from the meeting and did not participate in the discussion on the Business' opinion on the Tender Offer prepared by the Independent Financial Advisor.

The 5 Directors have considered the Tender Offer and studied the Independent Financial Advisor's (IFA) opinion on the Tender Offer for the Company's shares. The IFA had been previously appointed by the Company's Board of Directors. The IFA opined that the Tender Offer of Baht 40 per share is appropriate based on their detailed study whereby the offering price was compared to the value of the Company's share price derived by using various valuation approaches.

IFA opined that the Market Price Approach and Discounted Cash flow Approach are more suitable than the Book Value Approach, Adjusted Book Value Approach, and Market Comparable Approach.

The Board unanimously concurred with the IFA's opinion on the appropriateness of the Tender Offer price. However, the Board expressed that in the case of shareholders who would like to hold the shares as a long term investment and believed in the potential of the Tender Offerors, who are currently the largest shareholders of the Company, they may consider declining the Tender Offer and continue holding the shares for long term.

However, the opinion of the Board of Directors, as mentioned above, is only a part of the overall factors to be considered by shareholders. On deciding whether to accept or decline the Tender Offer, the shareholders should analyze the related information and take into account the opinion report from the IFA. In any case, whether to accept or decline the Tender Offer would be a decision of each shareholder.

4.2. Opinion and Reasons of the Individual Directors and the Number of Shares Held by Each of Them (Only in The Case Where the Opinion in 4.1 Is Not Unanimous)

-None-

4.3. Benefits or Impacts from The Plans and Policies Indicated in The Tender Offer and Viability of Such Plans and Policies

The Board of Directors of the Business has considered the plans and policies after the completion of tender offer stipulated in the Tender Offer statement (Form 247-4) dated 2 March 2018. The Group of Offerors has no plan to change significantly within the 12-month after the completion of the tender offer, and no plan to change the policy or business operation including the objective of the core business operation, business expansion, organization structure, human resource management, the disposition of core assets of the Business or its subsidiaries, capital structure, and dividend payment policy.

The opinion of the Board of Directors (excluding interested directors namely Mr. Ho KwonPing, Mr. Shankar Chandran, Mr. Eddy See Hock Lye and Mr. Ho Ren Hua) : As there will be no significant change to the policy, business operation, business plan or dividend payout policy, The Board of Directors is of the opinion that the Company and the shareholders of the Company will not be significantly affected.

Whether to accept or decline the Tender Offer, the shareholder should study the details of the opinion of the Business and information from other related sources, of which the shareholders deem reliable to carefully form his/her own opinion to arrive at a final decision. In any case, whether to accept or decline the Tender Offer would be a decision of each shareholder.

The Company certify that all above statement are accurate, complete, and do not contain any false or misleading statement in a material respect, or omit any material fact that ought to be declared.

Laguna Resorts & Hotels Public Company Limited

(Mr. Vudhiphol Suriyabhivadh)

Independent Director

(Dr. Jingjai Hanchanlash)

Independent Director

- Translation -

Opinion of the Independent Financial Advisor on the Tender Offer

of



Laguna Resorts & Hotels Public Company Limited

the Group of Offerors

- 1. Banyan Tree Holdings Limited and**
- 2. Banyan Tree Resorts & Spas Thailand Company Limited**

Prepared by



Silom Advisory Company Limited

8 March 2018

8 March 2018

To Board of Directors and Shareholders
Laguna Resorts & Hotels Public Company Limited

Subject The IFA's opinion on tender offer

On February 26, 2018, Laguna Resorts & Hotels Public Company Limited (the "Company") has received a Letter regarding voluntary tender offer for the acquisition of shares in the Company from Banyan Tree Holdings Limited and Banyan Tree Resorts & Spas (Thailand) Company Limited (the "Group of Offerors"), who currently hold 54.22 percent in aggregate of the issued and paid-up shares and voting rights of the Company, for the acquisition of all remaining 76,312,552 ordinary shares in the Company representing 45.78 percent of the total issued and paid up shares and voting rights at the offering price of Baht 40.00 per share (the "Voluntary Tender Offer").

Subsequently, on 28 February 2018, the resolution of board of director of the Company No.2/2018 appointed Silom Advisory Company Limited (the "IFA") to be the independent financial advisor for this tender offer (Form 247-4) dated on 2 March 2018.

The IFA's opinion is based on the studies on Form 247-4 and the Offeror and/or public information, i.e. Form 56-1, auditor reports, financial statements, financial assumptions, share purchase agreements, SET's statistic data and industry circumstance and other related documents, and interviews with management to be the supporting information to provide the opinions. The IFA's opinion is based on the assumption that information and/or documents as well as interviews with the Company's management and related persons are true and correct in which the IFA considers and studies the information that arise during the preparation period. In case that the factors are significant changed thereafter and may affect the business operation, financial assumptions, the IFA's opinion, and the shareholders' consideration on tender offer, the IFA has no obligation to revise the opinion stated herein or state the impact that may occur in the future.

In order to calculate the number in this report, some figures and values are typically rounded up by two or three digits based on case by case in which the derived numbers may not equal to such figure and value appeared in this report.

Practice and Information Used in the Preparation of IFA Report

The IFA, appointed by Laguna Resorts & Hotels Public Company Limited to be the independent financial advisor of shareholders, considers and studies the information relating to Form 247-4 prepared by the Group of Offeror and other information provided by the Company, management interview, and public information including but not limited to:

1. Form 247-4 from the Offeror dated 2 March 2018
2. Audited financial statements of the Company for the periods ended 21 December 2015 – 2017
3. Interviewing the Company's management and related persons
4. Appraisal report.
5. Documents and contracts on the transaction
6. Other documents relating to the Company and its subsidiaries
7. SET's statistic data and industry circumstance.

The IFA's opinion is based on the studies on Form 247-4 and its amendments, information received from the Company, the Offeror and/or public information, i.e. Form 56-1, auditor reports, financial statements, financial assumptions, share purchase agreements, SET's statistic data and industry circumstance and other related documents, and interviews with management to be the supporting information to provide the opinions. The IFA's opinion is based on the assumption that information and/or documents as well as interviews with the Company's management and related persons are true and correct in which the IFA considers and studies the information that arise during the preparation period. In case that the factors are significant changed thereafter and may affect the business operation, financial assumptions, the IFA's opinion, and the shareholders' consideration on tender offer, the IFA has no obligation to revise the opinion stated herein or state the impact that may occur in the future.

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Glossary

Abbreviation	Definition
LRH or the Company	: Laguna Resorts & Hotels Public Company Limited
BTH	: Banyan Tree Holdings Limited
BTR & SPA (THAILAND)	: Banyan Tree Resorts & Spas Thailand Company Limited
The Group of Offerors	: Banyan Tree Holdings Limited (“BTH”) and Banyan Tree Resorts & Spas Thailand Company Limited
IFA or Independent Financial Advisor	: Silom Advisory Company Limited or Independent Financial Advisor
SEC	: The Securities and Exchange Commission
SET	: The Stock Exchange of Thailand
Opinion of the Independent Financial Advisor	: Opinion of the Independent Financial Advisor on the Tender Offer
Public Limited Companies Act	: Public Limited Companies Act, B.E. 2535 (as amended)
Securities and Exchange Act	: Securities and Exchange Act B.E 2535 (as amended)
The Notification on Business Takeover	: Notification of Capital Market Supervisory TorJor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeover dated 13 May 2011 (as amended)

Section 1 : Executive Summary

On February 26, 2018, Laguna Resorts & Hotels Public Company Limited (the "Company") has received a Letter regarding voluntary tender offer for the acquisition of shares in the Company from Banyan Tree Holdings Limited and Banyan Tree Resorts & Spas (Thailand) Company Limited (the "Group of Offerors"), who currently hold 54.22 percent in aggregate of the issued and paid-up shares and voting rights of the Company, for the acquisition of all remaining 76,312,552 ordinary shares in the Company representing 45.78 percent of the total issued and paid up shares and voting rights at the offering price of Baht 40.00 per share (the "Voluntary Tender Offer").

Subsequently, on 28 February 2018, the resolution of board of director of the Company No.2/2018 appointed Silom Advisory Company Limited (the "IFA") to be the independent financial advisor for this tender offer (Form 247-4) dated on 2 March 2018. The details of the Tender Offer are as following;

The Tender Offerors Name	Banyan Tree Holdings Limited ("BTH") and Banyan Tree Resorts & Spas Thailand Company Limited ("BTR & Spa")
The Tender Offer Preparer Name	Asia Plus Advisory Company Limited
Tender Offer Agent	SCB Securities Company Limited
Submission Date	2 March 2018
Objective of the Tender Offer	<ol style="list-style-type: none"> 1. The Group of Offeror has intended to increase its economic interest in LRH as its subsidiary. 2. The Offeror has no intention to delist the Company's securities from the Stock Exchange of Thailand (the "SET") and has no intention to change the business, management and board of director of the Company.
Amount of the Offered Securities	The ordinary paid-up shares totaling of 166,682,701 shares, The Group of Offerors makes a voluntary tender offer for all remaining of 76,312,552 ordinary shares of the Business equals to 45.78 percent of total paid-up shares and voting rights of the Company.
Offer Price	The Tender Offer Price is Baht 40.00 (Forty Baht) per share. The shareholders who accept this Tender Offer (the "Offeree") will bear the commission fee at the rate of 0.25 percent of the Tender Offer Price, together with the applicable value added tax VAT at the rate of 7 percent on such portion of the commission fee. Thus, the net proceeds of the Tender Offer Price payable to the Offerees is Baht 39.89 (Thirty-Nine Baht Eighty Nine Satang) per share. Such Offer Price is the final offer which will not be changed ("Final Offer"), the change subjects to Condition of Change in the Tender Offer
Tender Offer Period	Tender Offer Period will be a total of 25 business days during 9.00am

	to 4.00pm from 5 March 2018 to 9 April 2018. Such Offer Period is the final period which will not be extended (Final Period) unless condition for amendment in the Tender Offer.
Conditions for amendment to the Tender Offer	<p>1. The Group of Offerors may lower the tender offer price or extend the offer period if any event or action causing material adverse effect to the Company's status or assets occurs during the Tender Offer Period.</p> <p>2. The Group of Offerors may amend the Tender Offer or extend the Tender Offer Period to compete with another offeror who submits a tender offer for securities of the Company during the Tender Offer Period.</p>
Conditions for cancellation of the Tender Offer	<p>The Group of Offerors may cancel the Tender Offer upon the occurrence of one of the following events.</p> <p>1. An occurrence of any event or action after the Tender Offer Document has been submitted to the Office of the Securities and Exchange Commission the SEC but within the Tender Offer Period which causes or may cause material adverse effect to the Business's status, assets, or business and such events or actions do not result from the acts of the Group of Offerors or any act for which the Group of Offerors may have to be liable; or</p> <p>2. The taking of any action by the Business after the Tender Offer Document has been submitted to the SEC but within the Tender Offer Period which results in a significant decrease in the Business's share value; or</p> <p>3. The taking of any action by the Business which results to the Tender Offer per those prescribed in the Notification of Capital Market Supervisory Board TorChor. 14/2554 Re:Act or Omission to Act which is Likely to Affect Tender Offer of Business date 25 July 2011 and its amendments</p>
Tender Offer Revocation Period during the Tender Offer Period	The Offeree may revoke its acceptance to the Tender Offer on any business day of the Tender Agent from 9.00 a.m. to 4.00 p.m., commencing on 5 March 2018 to 30 March 2018 or totaling 20 business days after the start of the Tender Offer Period. The Offeree must follow the Tender Offer Cancellation procedures as prescribed in Appendix C.1 in Form 247-4

In this regard, the IFA considers Form 247-4, Tender Offer Price, and other information, to provide opinions to minority shareholders of the Company and considers the appropriateness of Tender Offer Price and

the reasons that minority shareholders should accept and/or reject this tender offer which the conclusion is as follows:

The IFA views that **the shareholders should accept the tender offer** as the Tender Offer Price is appropriate where the IFA conduct the valuation of the fair value of the Company's issued ordinary shares as of 31 December 2017 with 5 approaches; 1) Market Price Approach 2) Discounted Cash Flow Approach 3) Book Value Approach 4) Adjusted Book Value Approach and 5). Market Comparable Approach. Conclusion of fair value is demonstrated in table below:

Approaches	Fair value of the Company's issued ordinary shares	
	Million Baht	Baht per share
Market Price Approach	4,479.78 – 4,879.70	26.88 – 29.28
Discounted Cash Flow Approach	5,047.74 – 5,825.33	30.27 – 34.95
Book Value Approach	12,401.89	74.40
Adjusted Book Value Approach	12,401.89	74.40
Market Comparable Approach		
- Price to Earnings Ratio	3,401.56 – 10,785.18	20.41 – 64.70
- Price to Book Value Ratio	26,656.83 – 31,352.11	159.93 – 188.09

The IFA views that the appropriate fair value of the Company's issued ordinary shares is the maximum from Market Price Approach and Discounted Cash Flow Approach as (1) Market Price Approach reflects the share price that investors can sell (2) Discounted Cash Flow Approach reflects values that the investors will obtain in case of continuous possession instead of disposal.

Both approaches reflect different perspective; Market Price Approach reflects fair value of the Company's issued ordinary shares in case that the investors decide to sell the shares in the SET which the investors will obtain returns based on market share price of the Company where Discounted Cash Flow Approach assumes that the investors continuously hold and will not dispose the shares so that the investors will earn free cash flows in the future.

The IFA ignores Book Value Approach and Adjusted Book Value Approach as they do not consider financial performance and future growth of the Company, not reflecting its ability to generate profits in the future. In addition, based on interview with the Company's management and information disclosed in the Tender Offer Book, the Offeror has no plans to change business plan and no plan to dispose assets or not to close down the business to dispose all assets. As such, the Company may generate cash flows and returns to shareholders as projected in the future. Market price of the Company, on the other hands, have been trading under the Company's book value.

Comparing Tender Offer Price of 40.00 Baht per share and fair value of the Company's issued ordinary shares of between 26.88 Baht per share and 34.95 Baht per share, the Tender Offer Price is higher than fair value of the Company's issued ordinary shares so that **the Tender Offer Price of 40.00 Baht per share is appropriate.**

Nevertheless, acceptance of tender offer will be an alternative for the minority shareholders to decrease the risk which may occur after the end of tender offer period, such as, voting compilation to investigate and balance the management in case that the Offeror can own more than three-fourths of total outstanding shares of the Company, and risk from maintaining listing status of the Company as it may have insufficient proportion of minority shareholders as per the SET's regulations which the shareholders can study details in Section 4 : Opinion of the IFA on the tender offer

In this regard, the shareholders should study Form 247-4 and its amendments, Opinion of the Business on the Tender Offer for Securities (Form 250-2), and the IFA's opinion, to support further action to accept or reject this tender offer as appropriate. The acceptance or rejection of this tender offer depends on each shareholder's discretions and considerations.

Details to support the IFA's opinions are as follows:

Section 2 : Detail of the Tender Offer

2.1 Information of the Offeror

2.1.1 Banyan Tree Holdings Limited (BTH)

General Information

Name	:	Banyan Tree Holdings Limited
Registered Number	:	200003108H
Address	:	211 Upper Bukit Timah Road, Wah-Chang House, Singapore 588182
Telephone	:	+65 6849 5888
Facsimile	:	+65 6462 0186

Business Information and others

Business Overview

Banyan Tree Holdings Limited ("BTH") is a limited liability company which is incorporated and domiciled in the Republic of Singapore and is listed on SGX-ST since 14 June 2006. BTH is a leading international operator and developer of premium resorts, hotels residences and spas. As at 9 February 2018, BTH group has 41 resorts and hotels, 60 spas, 72 retail galleries and 3 golf courses in 25 countries. BTH Group's primary business is centered on four brands: "Banyan Tree", "Angsana", "Cassia" and "Dhawa". Other information of BTH group are accessible to <https://www.banyantree.com> or investor.banyantree.com/

As of 20 February 2018, the market capitalization of BTH is approximately 483.7 million Singapore Dollar or approximately 11,564 million Baht (Exchange rate as of 20 February 2018, 1 Singapore Dollar equal to 23.91 Baht).

Registered and Paid-up Capital

As of the submission date, BTH has registered and paid-up capital of 247,972,514 Singapore Dollar comprising of ordinary shares totaling 841,364,980 shares. (As of 31 December 2017, BTH has registered and paid-up capital of 247,972,514 Singapore Dollar comprising of ordinary shares totaling 841,364,980 shares.)

The Latest List of the Board of Directors of BTH

As of 20 February 2018, the BTH's Board of Directors are:

Name	Position
1. Mr. Ho KwonPing	Executive Chairman
2. Mr. Ariel P Vera	Non-Independent & Non-Executive Director
3. Mr. Zhang Xu	Non-Independent & Non-Executive Director
4. Mr. Gaurav Bhushan	Non-Independent & Non-Executive Director

Name	Position
5. Mr. Chia Chee Ming Timothy	Independent Non-Executive Director
6. Ms. Ho Ai Lian (Mrs. Fang Ai Lian)	Independent Non-Executive Director
7. Mrs. Elizabeth Sam	Independent Non-Executive Director
8. Mr. Chan Heng Wing	Independent Non-Executive Director
9. Mr. Tham Kui Seng	Independent Non-Executive Director
10. Mr. Lim Tse Ghow Olivier	Independent Non-Executive Director

Source : Tender Offer Book (Form247-4)

The authorized signatories are any 2 directors or any 1 director together with the Group Managing Director to sign jointly without the company seal.

List of Shareholders and Substantial Shareholders

List of shareholders of BTH as of 2 February 2018:

Shareholders	Shares	Percentage In comparison with total no. of shares	Percentage in comparison with total voting rights*
1. HSBC (SINGAPORE) NOMS PTE LTD	325,287,982	38.66	38.67
2. DBSN SERVICES PTE LTD	205,987,243	24.48	24.49
3. CITIBANK NOMS S'PORE PTE LTD	55,766,794	6.63	6.63
4. UOB KAY HIAN PTE LTD	40,793,600	4.85	4.85
5. BNP PARIBAS NOMS S'PORE PL	37,566,000	4.46	4.47
6. ICD (HK) LIMITED	31,000,000	3.68	3.69
7. RAFFLES NOMINEE (PTE) LTD	22,129,435	2.63	2.63
8. HO KWONCJAN	16,000,000	1.90	1.90
9. DBS NOMINEES PTE LTD	13,572,223	1.61	1.61
10. FREESIA INVESTMENTS LTD	10,000,000	1.19	1.19
Top 10 Shareholders	758,103,277	90.10	90.13
Minority shareholders	83,261,703	9.90	9.87^A
Total	841,364,980	100.00	100.00

Source: Based on the shareholding list obtained from The Central Depository (Pte) Ltd as at 2 February 2018.

Remark: * Based on the total number of issued shares of 841,156,980 excluding the 208,000 treasury shares.

^A Percentage is computed based on total number of issued shares of 83,053,703 excluding the 208,000 treasury shares.

List of Substantial Shareholders¹ of BTH as of 2 February 2018:

	Direct Interests No. of Shares	Percentage²	Deemed Interests No. of Shares	Percentage²
Ho KwonPing ³	-	-	301,948,882	35.90
Claire Chiang ⁴	-	-	293,319,882	34.87
Ho KwonCjan ⁵	16,000,000	1.90	49,629,000	5.90
Bibace Investments Ltd ⁶	-	-	286,519,882	34.06
Bibace Management Company Limited (acting as trustee of The Bibace Trust) ⁷	-	-	286,519,882	34.06
Bibace Management Company Limited (acting as trustee of Merit Trust) ⁷	-	-	286,519,882	34.06
Bibace Management Company Limited (acting as trustee of Ho Ren Hua Family Line Trust) ⁷	-	-	286,519,882	34.06
Bibace Management Company Limited (acting as trustee of Ho Ren Yung Family Line Trust) ⁷	-	-	286,519,882	34.06
Bibace Management Company Limited (acting as trustee of Ho Ren Chun Family Line Trust) ⁷	-	-	286,519,882	34.06
Banyan Tree Global Foundation Limited ⁸	-	-	286,519,882	34.06
Qatar Holding LLC ⁹	-	-	205,870,443	24.47
Qatar Investment Authority ¹⁰	-	-	205,870,443	24.47

- As shown in the Register of Substantial Shareholders and based on the notifications and information received by the Company.
- Percentage shareholding is based on issued share capital of 841,156,980 shares (excluding treasury shares of 208,000).
- Ho KwonPing, a named beneficiary of The Bibace Trust, is deemed to have an interest in the shares held by HSBC (Singapore) Nominees Pte Ltd and Raffles Nominees (Pte.) Limited (acting as nominees for Bibace Investments Ltd ("Bibace")) as a result of The Bibace Trust's shareholding interest in Bibace. He is also deemed to have an interest in the shares held by Recourse Investments Ltd. and Raffles Nominees (Pte.) Limited (acting as nominee for KAP Holdings Ltd.) as well as the Shares held by Raffles Nominees (Pte.) Limited (acting as nominee for Li-Ho Holdings (Private) Limited).
- Claire Chiang, a named beneficiary of The Bibace Trust, is deemed to have an interest in the shares held by HSBC (Singapore) Nominees Pte Ltd and Raffles Nominees (Pte.) Limited (acting as nominees for Bibace) as a result of The Bibace Trust's shareholding interest in Bibace. She is also deemed to have an interest in the shares held by Recourse Investments Ltd. and Raffles Nominees (Pte.) Limited (acting as nominee for KAP Holdings Ltd.).
- Ho KwonCjan is deemed to have an interest in the shares held by ICD (HK) Limited, Freesia Investments Ltd and Raffles Nominees (Pte.) Limited (acting as nominee for Li-Ho Holdings (Private) Limited).
- Bibace is deemed to have an interest in the shares held by its nominees, HSBC (Singapore) Nominees Pte Ltd and Raffles Nominees (Pte.) Limited.

7. Bibace Management Company Limited (acting as trustee of The Bibace Trust) is deemed to have an interest in the shares in which Bibace has an interest as a result of The Bibace Trust's shareholding interest in Bibace. Bibace Management Company Limited (acting as trustee of each of the Merit Trust, the Ho Ren Hua Family Line Trust, the Ho Ren Yung Family Line Trust and the Ho Ren Chun Family Line Trust) is deemed to have an interest in the same shares as it is a named beneficiary of The Bibace Trust in these capacities.
8. Banyan Tree Global Foundation Limited, a named beneficiary of The Bibace Trust, is deemed to have an interest in the shares held by HSBC (Singapore) Nominees Pte Ltd and Raffles Nominees (Pte.) Limited (acting as nominees for Bibace) as a result of The Bibace Trust's shareholding interest in Bibace.
9. Qatar Holding LLC ("QH") is deemed to have an interest in the shares held through third party nominees.
10. Qatar Investment Authority is deemed to have an interest in the shares held by its wholly-owned subsidiary, QH.

Summary of BTH's Financial Position and Performance

BTH's financial position and performance for the year ended 2015-2017 as follows:

Singapore Dollar (in millions)	Consolidated financial statements		
	2015*	2016*	2017**
Total Assets	1,592.98	1,608.22	1,679.75
Total Liabilities	893.52	875.38	902.21
Total Equity	699.46	732.85	777.54
Paid-up Capital	200.00	200.00	241.52
Total Revenues	377.04	339.22	368.44
Total Expenses	346.03	287.52	293.77
(Loss)/Profit before taxation	(19.47)	0.71	22.66
(Loss)/Profit after taxation	(25.96)	(6.95)	14.86
(Loss)/Profit attributable to owners of the Company	(27.52)	(16.20)	12.93
(Deficits)/Earnings per Share (in cents)	(3.62)	(2.13)	1.67
Dividend per Share (in cents)	-	-	1.00 [^]
Net Book Value per Share (in cents)	72.14	74.17	71.40

Source : * BTH's audited financial statements

** BTH's unaudited financial statements released to SGX-ST on 26 February 2018

[^] Subject to BTH's Shareholder approval during the annual general meeting on 26 April 2018

Significant Obligation according to the latest note to financial statement

None

Information in relating to criminal records

None

Pending Legal Matters

None

2.1.2 Banyan Tree Resorts & Spas Thailand Company Limited (BTR & Spa)

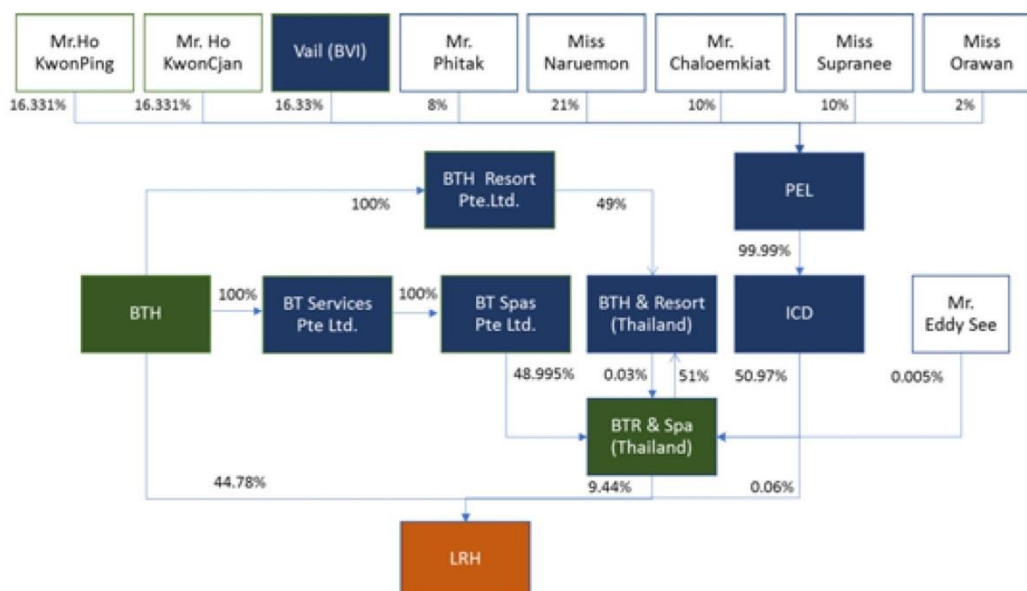
General Information

Name : Banyan Tree Resort & Spas Thailand Company Limited
 Registered Number : 0105539111132
 Address : 21/100 Thai Wah Tower 2, South Sathorn Road, Tungmahamek, Bangkok, Thailand
 Telephone : 02 677 3100
 Facsimile : 02 677 3023

Business Information and Others

Business Overview

Banyan Tree Resorts & Spas (Thailand) Company Limited (“**BTR & Spa**”) is a Thai registered company, established on 4 October 1996 with current registered and paid-up capital of Baht 20,041,000 for operating in Spa business. Its holding structure is as follow:



Source: Tender Offer Book (Form 247-4)

Remark:

1. Vail is an investment holding company incorporated in the Commonwealth of The Bahamas. Currently, Vail has registered capital of US\$1.00. Ho KwonCjan ("HKC") is the sole director and Vail is considered an associate of HKC. HKC and his associate, Vail are entitled to control more than 20 percent of the voting shares in PEL.
2. BTH is a SGX-ST listed company.
3. BTH and BTR & Spa (Thailand) is the Group of Offerors to make this voluntary Tender Offer.
4. Please refer to section 2.2.3 below for more information.

Registered and Paid-up Capital

As of the submission date, BTR & Spa has registered and paid-up capital of Baht 20,041,000, divided into 200,410 shares of par value of Baht 100 per share.

The Latest List of the Board of Directors of the Offeror and its Shareholders

As of 20 February 2018, BTR & Spa's Board of Directors:

Name	Position
1. Mr. Ho KwonCjan	Director
2. Mr. David Seet Yew How	Director
3. Mr. Shankar Chandran	Director
4. Mrs. Suwanna Numnun	Director
5. Mr. Eddy See Hock Lye	Director
6. Mrs. Kingkarn Olarnarnjanin	Director
7. Mr. Kuan Chiet	Director

The authorized directors are 2 directors jointly sign with company seal.

As of 20 February 2018, ICD's Board of Directors:

Name	Position
1. Miss Manee Lueprasert	Director
2. Mr. Ho KwonPing	Director
3. Mr. Ho KwonCjan	Director
4. Miss Supranee Kanoksrikarin	Director
5. Mr. Chalermkeit Chalermpronkit	Director

The authorized directors are 2 directors jointly sign with company seal.

As of 20 February 2018, PEL'S Board of Directors:

Name	Position
1. Miss Sirivan Skulkerevathana	Director
2. Miss Manee Lueprasert	Director
3. Miss Areewan Sriwichupong	Director
4. Mr. Ho KwonPing	Director
5. Mr. Ho KwonCjan	Director

The authorized directors are 2 directors jointly sign with company seal.

As of 20 February 2018, BTH & Resort's Board of Directors:

Name	Position
1. Mr. Eddy See Hock Lye	Director
2. Mr. Shankar Chandran	Director

Name	Position
3. Mr. Dharmali Kusumadi	Director
4. Mrs. Suwanna Numnun	Director
5. Miss Ungkhana Tosilanon	Director

The authorized director is any 1 director to sign singly.

List of Shareholders

List of shareholders of BTR & Spa as of 20 February 2018:

Shareholders of BTR & Spa	Shares	Percentage in comparison with total no. of shares	Percentage in comparison with total voting rights
1. International Commercial Development Company Limited ("ICD")	102,149	50.970	9.422
2. Banyan Tree Spas Pte. Ltd.*	98,191	48.995	90.571
3. Banyan Tree Hotels & Resorts (Thailand) Company Limited ("BTH & Resort")	60	0.030	0.006
4. Mr. Eddy See Hock Lye	10	0.005	0.001
Total	200,410	100.000	100.000

Remark: Banyan Tree Spas Pte. Ltd is a company incorporated in Singapore and an indirectly wholly-owned subsidiary of BTH.

ICD is a property development company and is a Thai registered company, established on 9 August 1961. Currently, ICD has registered capital of Baht 179,400,000 divided into 230,000 shares of par value of Baht 780 per share. List of shareholders of ICD as of 20 February 2018 are as follow:

Shareholders of ICD	Shares	Percentage in comparison with total no. of shares	Percentage in comparison with total voting rights
1. Platinum Enterprise Limited ("PEL")	229,997	99.9987	99.9987
2. Mr. Ho KwonCjan	1	0.004	0.004
3. Mr. Ho KwonPing	1	0.004	0.004
4. Mr. Chalermkeit Chalermpronkit	1	0.004	0.004
Total	230,000	100.00	100.00

PEL is a Thai registered company, established on 23 July 2008. Currently, PEL has registered capital of Baht 169,000,000 divided into 169,000 shares of par value of Baht 1,000 per share. List of shareholders of PEL as of 20 February 2018 are as follow:

Shareholders of PEL	Shares	Percentage in comparison with total no. of shares	Percentage in comparison with total voting rights
1. Miss Naruemon Srisuma	35,490	21.0000	21.0000
2. Vail Enterprise Group Corp. ("Vail")	27,604	16.3337	16.3337
3. Mr. Ho KwonCjan	27,603	16.3331	16.3331
4. Mr. Ho KwonPing	27,603	16.3331	16.3331
5. Mr. Chalermkeit Chalermpronkit	16,900	10.0000	10.0000
6. Miss Supranee Kanoksrikarin	16,900	10.0000	10.0000
7. Mr. Phitak Boonpojanasontorn	13,520	8.0000	8.0000
8. Miss Orawan Charoenpatchayakul	3,380	2.0000	2.0000
Total	169,000	100.0000	100.0000

Vail is an investment holding company incorporated in the Commonwealth of The Bahamas. Currently, Vail has registered capital of US\$1.00. HKC is the sole director and Vail is considered an associate of HKC. HKC and his associate, Vail are entitled to control more than 20 percent of the voting shares in PEL.

In addition, BTH & Resort, which holds 0.03 percent of total issued and paid-up capital of BTR & Spa, is a Thai registered company. BTH & Resort has registered on 27 March 2012 to do the business of the provision of hotel management services. Currently, BTH & Resort has registered capital of Baht 12,100,000 divided into 2,420,000 shares of par value of Baht 5.00. List of shareholders of BTH & Resort as of 20 February 2018 are as follow:

Shareholders of BTH & Resort	Shares	Percentage in comparison with total no. of shares	Percentage in comparison with total voting rights
1. BTR & Spa	1,234,196	50.9998	9.427
2. Banyan Tree Hotels & Resorts Pte. Ltd. (formerly known as Banyan Tree Corporate Pte. Ltd.)**	1,185,800	49.0000	90.573
3. Mr. Shankar Chandran	2	0.0001	0.000
4. Mr. Eddy See Hock Lye	2	0.0001	0.000
Total	2,420,000	100.0000	100.0000

Remark: ** Banyan Tree Hotels & Resorts Pte. Ltd. (formerly known as Banyan Tree Corporate Pte. Ltd.) is a wholly-owned subsidiary of Banyan Tree Holdings Limited.

Summary of the Offeror's and its Shareholders' Financial Position and Performance

BTR & Spa's audited financial position and performance for the year ended 2014-2016 as follows:

Million Baht	Consolidated Financial Statements		
	2014	2015	2016
Total Assets	633.98	515.23	544.9
Total Liabilities	751.39	775.86	812.66
Total Equity	(117.41)	(260.63)	(267.76)
Paid-up Capital	20.04	20.04	20.04
Total Revenues	173.43	164.57	181.55
Total Expenses	197.97	211.161	205.119
Net Loss	(26.76)	(48.56)	(24.99)
Deficits per Share (in Baht)	(133.50)	(242.30)	(124.68)
Dividend per Share (in Baht)	-	-	-
Net Book Value per Share (in Baht)	(585.86)	(1,300.50)	(1,336.04)

Source : The financial statement audited by the auditor of BTR & Spa

ICD's audited financial position and performance for the year ended 2014-2016 as follows:

Million Baht	Company's Financial Statement		
	2014	2015	2016
Total Assets	458.59	500.76	606.53
Total Liabilities	128.00	127.70	127.84
Total Equity	330.59	373.07	478.68
Paid-up Capital	179.40	179.40	179.40
Total Revenues	22.56	20.17	27.07
Total Expenses	4.65	3.82	3.29
Net Profit	15.70	14.38	21.22
Earnings per Share (in Baht)	68.25	62.52	92.26
Dividend per Share (in Baht)	18.00	18.00	18.00
Net Book Value per Share (in Baht)	1,437.37	1,622.03	2,081.23

Source : The financial statement audited by the auditor of ICD

PEL'S audited financial position and performance for the year ended 2014-2016 as follows:

Million Baht	Company's Financial Statement		
	2014	2015	2016
Total Assets	170.17	170.36	170.53
Total Liabilities	0.02	0.02	0.02
Total Equity	170.16	170.34	170.51
Paid-up Capital	169.00	169.00	169.00
Total Revenues	4.15	4.15	4.15
Total Expenses	0.02	0.02	0.02
Net Profit	4.13	4.13	4.13
Earnings per Share (in Baht)	24.44	24.42	24.43
Dividend per Share (in Baht)	50.00	50.00	50.00
Net Book Value per Share (in Baht)	1,006.86	1,007.92	1,008.99

Source : The financial statement audited by the auditor of PEL

BTH & Resort's audited financial position and performance for the year ended 2014-2016 as follows:

Million Baht	Consolidated Financial Statements		
	2014	2015	2016
Total Assets	106.03	149.98	211.72
Total Liabilities	30.79	59.46	91.63
Total Equity	75.24	90.52	120.09
Paid-up Capital	12.10	12.10	12.10
Total Revenues	115.06	116.33	134.20
Total Expenses	96.30	96.06	96.29
Net Profit	14.80	15.89	30.19
Earnings per Share (in Baht)	6.11	6.57	12.48
Dividend per Share (in Baht)	-	-	-
Net Book Value per Share (in Baht)	31.09	37.40	49.62

Source : The financial statement audited by the auditor of BTH & Resort

Significant Obligation according to the latest note to financial statement

None

Information in relating to criminal records

None

Pending Legal Matters

None

2.2 Significant elements of this Tender Offer

On February 26, 2018, Laguna Resorts & Hotels Public Company Limited (the "Company") has received a Letter regarding voluntary tender offer for the acquisition of shares in the Company from Banyan Tree Holdings Limited and Banyan Tree Resorts & Spas (Thailand) Company Limited (the "Group of Offerors"), who currently hold 54.22 percent in aggregate of the issued and paid-up shares and voting rights of the Company, for the acquisition of all remaining 76,312,552 ordinary shares in the Company representing 45.78 percent of the total issued and paid up shares and voting rights at the offering price of Baht 40.00 per share (the "Voluntary Tender Offer"). On 2 March 2018, the Company has received the Tender Offer Book (Form 247-4), the detail of the Tender Offer book is as following;

The Tender Offerors Name	Banyan Tree Holdings Limited ("BTH") and Banyan Tree Resorts & Spas Thailand Company Limited ("BTR & Spa")
The Tender Offer Preparer Name	Asia Plus Advisory Company Limited
Tender Offer Agent	SCB Securities Company Limited
Submission Date	2 March 2018
Objective of the Tender Offer	<p>1. The Group of Offeror has intended to increase its economic interest in LRH as its subsidiary.</p> <p>2. The Offeror has no intention to delist the Company's securities from the Stock Exchange of Thailand (the "SET") and has no intention to change the business, management and board of director of the Company.</p>
Amount of the Offered Securities	The ordinary paid-up shares totaling of 166,682,701 shares, The Group of Offerors makes a voluntary tender offer for all remaining of 76,312,552 ordinary shares of the Business equals to 45.78 percent of total paid-up shares and voting rights of the Company.
Offer Price	The Tender Offer Price is Baht 40.00 (Forty Baht) per share. The shareholders who accept this Tender Offer (the "Offeree") will bear the commission fee at the rate of 0.25 percent of the Tender Offer Price, together with the applicable value added tax VAT at the rate of 7 percent on such portion of the commission fee. Thus, the net proceeds of the Tender Offer Price payable to the Offerees is Baht 39.89 (Thirty-Nine Baht Eighty Nine Satang) per share. Such Offer Price is the final offer which will not be changed ("Final Offer"), the change subjects to Condition of Change in the Tender Offer
Tender Offer Period	Tender Offer Period will be a total of 25 business days during 9.00am to 4.00pm from 5 March 2018 to 9 April 2018. Such Offer Period is the final

	period which will not be extended (Final Period) unless condition for amendment in the Tender Offer.
Conditions for amendment to the Tender Offer	<ol style="list-style-type: none"> 1. The Group of Offerors may lower the tender offer price or extend the offer period if any event or action causing material adverse effect to the Company's status or assets occurs during the Tender Offer Period. 2. The Group of Offerors may amend the Tender Offer or extend the Tender Offer Period to compete with another offeror who submits a tender offer for securities of the Company during the Tender Offer Period.
Conditions for cancellation of the Tender Offer	<p>The Group of Offerors may cancel the Tender Offer upon the occurrence of one of the following events.</p> <ol style="list-style-type: none"> 1. An occurrence of any event or action after the Tender Offer Document has been submitted to the Office of the Securities and Exchange Commission the SEC but within the Tender Offer Period which causes or may cause material adverse effect to the Business's status, assets, or business and such events or actions do not result from the acts of the Group of Offerors or any act for which the Group of Offerors may have to be liable; or 2. The taking of any action by the Business after the Tender Offer Document has been submitted to the SEC but within the Tender Offer Period which results in a significant decrease in the Business's share value; or 3. The taking of any action by the Business which results to the Tender Offer per those prescribed in the Notification of Capital Market Supervisory Board TorChor. 14/2554 Re:Act or Omission to Act which is Likely to Affect Tender Offer of Business date 25 July 2011 and its amendments
Tender Offer Revocation Period during the Tender Offer Period	The Offeree may revoke its acceptance to the Tender Offer on any business day of the Tender Agent from 9.00 a.m. to 4.00 p.m., commencing on 5 March 2018 to 30 March 2018 or totaling 20 business days after the start of the Tender Offer Period. The Offeree must follow the Tender Offer Cancellation procedures as prescribed in Appendix C.1 in Form 247-4

2.3 Source of funds for the Tender Offer

In the event that all shareholders express their intention to accept the Tender Offer to sell all 76,312,552 ordinary shares of the company at 40.00 Baht per share the Group of Offerors will require a total amount of Baht 3,052,502,080 Baht.

Refer to the Tender Offer Book (Form 247-4), the Offeror will pay each shareholder who accept the Tender Offer in cash where the source of fund of this Tender Offer is from loan from a financial institution for the whole amount. BTR & Spa, one of the Group of Offerors who, will be the sole purchaser of all LRH's shares tendered by the Offerees pursuant to the Memorandum of Understanding regarding the Tender Offer of

all Remaining Shares in LRH among the Group of Offerors as Appendix G of Form 247-4 dated on 2 March 2018. The Group of Offerors has received a confirmation letter from The Siam Commercial Bank Public Company Limited dated 23 February 2018 stipulating that the Group of Offerors has been supported with the total credit facility of Baht 3,700,000,000 for this Tender Offer. This source of fund will be available to the Group of Offerors until the Tender Offer for all shares is completed.

The IFA has cross-checked with the Asia Plus Advisory Company Limited as a Tender Offer preparer and also reviewed the Confirmation Letter on Source of Funds Available from SCB Securities Company Limited dated on of 23 February, thus the IFA views that the Offeror has enough source of fund to pay for the shares acquired from this tender offer.

Section 3 : Appropriateness of Tender Offer Price

To consider the appropriateness of Tender Offer Price, the IFA has compared the Tender Offer Price with the fair value of the Company's issued ordinary shares. The IFA appraises the fair value of the Company's issued ordinary shares with 5 approaches as follows:

1. Book Value Approach
2. Adjusted Book Value Approach
3. Market Price Approach
4. Market Comparable Approach
5. Discounted Cash Flow Approach

The details of the appraisal of the fair value of the Company's issued ordinary shares are as follows:

3.1 Book Value Approach

This approach determines the fair value of the Company's issued ordinary shares by considering the value of the Company's assets deducted by the Company's total liabilities per accounting perspective. To conduct the appraisal, the IFA relies the information relating to assets and liabilities of the Company on the consolidated financial statement ended 31 December 2017, audited by Ms. Rosaporn Decharkom, Certified Public Accountant no. 5659, EY Office Limited. The details of the appraisal of the fair value of the Company's issued ordinary shares are demonstrated in the following table:

Details	As of 31 December 2017	Unit
Total Assets	20,883.71	Million Baht
<u>Deducted</u> Total Liabilities	8,223.03	Million Baht
<u>Deducted</u> Non-controlling interest	258.79	Million Baht
Fair Value of Shareholders' Equity	12,401.89	Million Baht
<u>Divided</u> Share Outstanding	166,682,701	Shares
Fair Value of Issued Ordinary Share	74.40	Baht per share

Based on Book Value Approach, the fair value of the Company's issued ordinary shares as of 31 December 2017 is equal to 12,401.89 Million Baht or equivalent to 74.40 Baht per share.

However, the fair value of the Company's issued ordinary shares using Book Value Approach only indicates the book value of the Company at the certain point of time and ignores the Company's operation and growth in the future which may not reflect the Company's ability to generate return in the future. In addition, based on interview with the Company's management and information disclosed in the Tender Offer Book, the Offeror has no plans to change business plan and no plan to dispose assets or not to close down the business to dispose all assets. As such, the IFA opines that the Book Value Approach may be inappropriate in order to appraise the fair value of the Company's issued ordinary shares.

3.2 Adjusted Book Value Approach

This approach determines the fair value by adjusting the book value in the consolidated financial statement ended 31 December 2017, audited by Ms. Rosaporn Decharkom, Certified Public Accountant no. 5659, EY Office Limited. This approach reflects the presence of the Company's net assets rather than Book Value Approach in which the items in financial statement shall reflect their fair values and presence of values. For example, the reflections are shown in land, building, and equipment, which are the essential items of the Company.

Nevertheless, the Company appointed the appraiser to appraise the Company's assets only for internal use purpose, not for the public purpose. As such, the IFA does not make any adjustment on the Company's financial statement so that the fair value of the Company's issued ordinary shares using Adjusted Book Value Approach is equal to fair value from Book Value Approach as of 31 December 2017, which is 12,401.89 Million Baht or equivalent to 74.40 Baht per share. The value of assets booked in the the consolidated financial statement of the Company ended 31 December 2017 is the value recently appraised by the appraiser on 14 October 2016, therefore, the current value of the assets do not change significantly.

However, the fair value of the Company's issued ordinary shares using Adjusted Book Value Approach only indicates the book value of the Company after adjusting the fair value by items of assets, liabilities and other essential items, at the certain point of time and ignores the Company's operation and growth in the future which may not reflect the Company's ability to generate return in the future. In this regard, the Company may incur additional expense on asset disposal which it might not occur immediately, and Adjusted Book Vaue Approach may ignore this kind of event.

In addition, based on interview with the Company's management and information disclosed in the Tender Offer Book, the Offeror has no plans to change business plan and no plan to dispose assets or not to close down the business to dispose all assets. As such, the IFA opines that the Adjusted Book Value Approach may be inappropriate in order to appraise the fair value of the Company's issued ordinary shares.

3.3 Market Price Approach

This approach determines the fair value by considering market price of the Company's issued ordinary shares traded in the Stock Exchange of Thailand. To conduct the appraisal, the IFA considers the volume weighted average price (VWAP) with the period of 1 month 3 months 6 months 9 months and 12 months from 23 February 2018 which is the date before the date that the Company received Tender Offer Document.

	Market price (Baht)			Daily trading volume (Million shares)	Percentage of average daily trading volume to total issued ordinary shares of the Company
	Max	Min	Weighted Average		
As of 23 February 2018	30.00	28.25	29.28	1.67	1.00
Past 1 month	32.50	24.00	28.91	0.36	0.22
Past 3 months	32.50	22.50	27.28	0.20	0.12
Past 6 months	32.50	22.50	27.10	0.11	0.06
Past 9 months	32.50	22.50	26.88	0.09	0.05
Past 12 months	32.50	22.50	26.98	0.08	0.05
Max	32.50	28.25	29.28		
Min	30.00	22.50	26.88		

Source : SETSMART

Based on Market Price Approach, the fair value of the Company's issued ordinary shares as of 31 December 2017 is between 4,479.78 Million Baht or 4,879.70 Million Baht or equivalent to 26.88 Baht per share and 29.28 Baht per share.

In this regard, Market Price Approach determines historical volume weighted average prices which were traded and reflects demands and supplies of investors and investors' perspective on many factors such as financial performance, growth trends, and historical economy environment. As such, the IFA views that Market Price Approach is one of the approaches that should be considered to determine the fair value of the Company's issued ordinary shares.

3.4 Market Comparable Approach

Market Comparable Approach determines the fair value of the Company's issued ordinary shares under the assumption that the companies which operate in the similar business should have the comparable range of market comparable ratios. The ratios reflect market mechanism and investors' perception on the Company at the certain point of time; however, the comparable companies may have different characteristics e.g. source of revenues, size of business, capital structure, and accounting policy, etc., which are the limitation of Market Comparable Approach.

To conduct an appraisal of the fair value of the Company's issued ordinary shares, the IFA applies 2 market comparable ratios as follows:

1. Price to Earnings Ratio (P/E)
2. Price to Book Value Ratio (P/BV)

The IFA considers the listed companies in the SET operating in the similar business comparing to the Company which operate in hotel business and owning assets more than 9,000.00 Million Baht, comparing to the Company's total assets of 12,660.58 Million Baht.

From the analysis, there are four companies in the SET which operates in similar business comparing to the Company that is:

1. Asia Hotel Public Company Limited (ASIA)
2. Central Plaza Hotel Public Company Limited (CENTEL)
3. Dusit Thani Public Company Limited (DTC)
4. The Erawan Group Public Company Limited (ERW)
5. Grand Asset Hotels and Property Public Company Limited (GRAND)
6. Shangri-La Hotel Public Company Limited (SHANG)

Asia Hotel Public Company Limited

Asia Hotel Public Company Limited operates hotel and restaurant businesses. It owns 4 hotels which are Asia hotel, Asia Pattaya hotel, Asia Airport hotel, and Asia Cha-am hotel. Additionally, Asia Hotel Public Company Limited operates as a lessor for shopping mall area in Zear Rangsit shopping mall.

As of 31 December 2017, Asia Hotel Public Company Limited has total assets of 9,299.85 Million Baht and in the period ended 31 December 2017, Asia Hotel Public Company Limited has total revenues of 1,582.66 Million Baht and net profits of 161.58 Million Baht. (Reference is made to consolidated financial statements)

Central Plaza Hotel Public Company Limited

Central Plaza Hotel Public Company Limited operates hotel and restaurant businesses. It owns 15 hotels and manages other 22 hotels in Thailand and foreign countries.

As of 31 December 2017, Central Plaza Public Company Limited has total assets of 25,037.31 Million Baht and in the period ended 31 December 2017, Central Plaza Hotel Public Company Limited has total

revenues of 20,345.34 Million Baht and net profits of 2,091.40 Million Baht. (Reference is made to consolidated financial statements)

Dusit Thani Public Company Limited

Dusit Thani Public Company Limited operates hotel, hotel management, and education businesses. Currently, it owns 5 trademarks for hotel business, which are Dusit Thani, Dusit Deravana, Dusit D2, Dusit Princess, and Dusit Resident.

As of 31 December 2017, Dusit Thani Public Company Limited has total assets of 9,978.32 Million Baht and in the period ended 31 December 2017, Dusit Thani Public Company Limited has total revenues of 5,569.67 Million Baht and net profits of 332.37 Million Baht. (Reference is made to consolidated financial statements)

The Erawan Group Public Company Limited

The Erawan Group Public Company Limited operates hotel business with 41 active hotels. It also operates other services, which are land rental and property management businesses.

As of 31 December 2017, The Erawan Group Public Company Limited has total assets of 16,047.70 Million Baht and in the period ended 31 December 2017, The Erawan Group Public Company Limited has total revenues of 6,050.46 Million Baht and net profits of 565.02 Million Baht. (Reference is made to consolidated financial statements)

Grand Asset Hotels and Property Public Company Limited

Grand Asset Hotels and Property Public Company Limited operates property development business where the example of projects are The Trendy Condominium and Huahin Blue Lagoon Resort. It also operates hotel such as The Western Grand Sukhumvit and Sheratan Huahin Pranburi Villa.

As of 31 December 2017, Grand Asset Hotels and Property Public Company Limited has total assets of 9,284.80 Million Baht and in the period ended 31 December 2017, Grand Asset Hotels and Property Public Company Limited has total revenues of 2,935.80 Million Baht and net profits of 723.05 Million Baht. (Reference is made to consolidated financial statements)

Shangri-La Hotel Public Company Limited

Shangri-La Hotel Public Company Limited operates hotel, foods and beverages, rooms for meeting and entertainment services, and other hotel related businesses.

As of 31 December 2017, Shangri-La Hotel Public Company Limited has total assets of 9,256.32 Million Baht and in the period ended 31 December 2017, Shangri-La Hotel Public Company Limited has total revenues of 2,537.64 Million Baht and net profits of 557.76 Million Baht. (Reference is made to consolidated financial statements)

In this regard, the IFA collects P/E and P/BV of comparable company as of 23 February 2018, which is the date before the date that the Company received Tender Offer Document for voluntary tender offer, and historical data for period of 1 month 3 months 6 months 9 months and 12 months from 23 February 2018 with details as follows:

Price to Earnings Ratio

Company	Unit	As of 23 February 2018	Historical period from 23 February 2018				
			1 Month	3 Months	6 Months	9 Months	12 Months
ASIA	Times	80.90x	82.62x	83.48x	658.10x	619.33x	618.97x
CENTEL	Times	35.02x	34.68x	36.25x	33.65x	31.73x	30.29x
DTC	Times	161.40x	163.59x	167.78x	219.88x	188.23x	160.40x
ERW	Times	46.10x	47.49x	46.86x	42.90x	39.82x	37.85x
GRAND	Times	4.08x	63.27x	79.46x	117.08x	118.30x	202.84x
SHANG	Times	15.31x	15.40x	15.64x	15.33x	15.31x	15.36x
Average	Times	57.14x	67.84x	71.58x	181.16x	168.79x	177.62x

Source : SETSMART

Price to Book Value Ratio

Company	Unit	As of 23 February 2018	Historical period from 23 February 2018				
			1 Month	3 Months	6 Months	9 Months	12 Months
ASIA	Times	0.41x	0.42x	0.42x	0.42x	0.43x	0.43x
CENTEL	Times	6.19x	6.13x	6.40x	5.96x	5.55x	5.31x
DTC	Times	1.83x	1.86x	1.91x	2.00x	1.98x	1.92x
ERW	Times	4.06x	4.19x	4.13x	3.73x	3.34x	3.11x
GRAND	Times	0.81x	1.11x	1.17x	1.16x	1.08x	1.03x
SHANG	Times	1.11x	1.11x	1.13x	1.11x	1.10x	1.10x
Average	Times	2.40x	2.47x	2.53x	2.40x	2.25x	2.15x

Source : SETSMART

3.4.1 Price to Earnings Ratio

This approach determines the fair value of equity by multiplying average P/E of comparable companies with the Company's net profit for the last twelve months ended 31 December 2017, referring from consolidated financial statement ended 31 December 2017, audited by Ms. Rosaporn Decharkom, Certified Public Accountant no. 5659, EY Office Limited.

The details of the appraisal of the fair value of the Company's issued ordinary shares are demonstrated in the following table:

	Unit	As of 23 February 2018	Historical period from 23 February 2018				
			1 Month	3 Months	6 Months	9 Months	12 Months
Net profits for past twelve months of the Company dated from 31 December 2017	Million Baht		59.54				
P/E	Times	57.14x	67.84x	71.58x	181.16x	168.79x	177.62x
Fair value of equity	Million Baht	3,401.56	4,038.93	4,261.35	10,785.18	10,048.89	10,574.56
<u>Divided</u> Total outstanding shares	Shares	166,682,701					
Fair value of equity per share	Baht per share	20.41	24.23	25.57	64.70	60.29	63.44

From the appraisal using the P/E approach, the fair value of the Company's issued ordinary shares as of 31 December 2017 is between 3,401.56 Million Baht and 10,785.18 Million Baht or equivalent to between 20.41 Baht per share and 64.70 Baht per share.

However, the comparable companies used in the P/E approach may have different characteristics e.g. source of revenues, size of business, capital structure, and accounting policy etc. Furthermore, the P/E approach only considers historical financial performance and therefore multiply the Company's last twelve-month net profit as of 31 December 2017 by P/E without considering the Company's operation and growths in the future and it may not reflect the Company's ability to generate returns in the future. As such, the IFA opines that the P/E approach may be inappropriate in order to appraise the fair value of the Company's issued ordinary shares.

3.4.2 Price to Book Value Ratio

This approach determines the fair value of equity by multiplying average P/BV of comparable companies with the Company's book value as of 31 December 2017, referring from consolidated financial statement ended 31 December 2017, audited by Ms. Rosaporn Decharkom, Certified Public Accountant no. 5659, EY Office Limited.

The details of the appraisal of the fair value of the Company's issued ordinary shares are demonstrated in the following table:

	Unit	As of 23 February 2018	Historical period from 23 February 2018					
			1 Month	3 Months	6 Months	9 Months	12 Months	
Book value as of 31 December 2017	Million Baht	12,401.89						
P/BV	Times	2.40x	2.40x	2.40x	2.40x	2.40x	2.40x	
Fair value of equity	Million Baht	29,785.20	29,785.20	29,785.20	29,785.20	29,785.20	29,785.20	
<u>Divided</u> Total outstanding shares	Shares	166,682,701						
Fair value of equity per share	Baht per share	178.69	178.69	178.69	178.69	178.69	178.69	

From the appraisal using the P/BV approach, the fair value of the Company's issued ordinary shares as of 31 December 2017 is between 26,656.83 Million Baht and 31,352.11 Million Baht or equivalent to between 159.93 Baht per share and 188.09 Baht per share.

However, the comparable companies used in the P/BV approach may have different characteristics e.g. source of revenues, size of business, capital structure, and accounting policy etc. Furthermore, the P/BV approach only considers premium on book value of comparable companies given by investors and therefore multiply the Company's book value as of 31 December 2017 by P/BV without considering the Company's operation and growths in the future and it may not reflect the Company's ability to generate returns in the future. As such, the IFA opines that the P/BV approach may be inappropriate in order to appraise the fair value of the Company's issued ordinary shares.

3.5 Discounted Cash Flow Approach

Discounted Cash Flow Approach determines the fair value of equity by discounting expected free cash flows of the Company with Weighted Average Cost of Capital (WACC). To do so, IFA prepares financial projection of the Company in 2018 to 2022, totaling five-year going forward and assumes the Company will operate the business with going concern basis where any significant changes would not occur. Hence, the IFA views that such period covers operating cycle period of the Company which operates hotel and property development businesses.

In this assignment, the IFA makes the assumptions referring from consolidated financial statement ended 31 December 2015, 31 December 2016, and 31 December 2017, audited by Ms. Rosaporn Decharkom, Certified Public Accountant no. 5659, EY Office Limited. In addition, the IFA refers the forecasted financial performance from industry growths, capital expenditure plan, operation plan, industry data, interview with the Company's management, and other related documents.

The IFA studies and analyzes the reliability and reasonableness of assumptions which are received from the Company's management and make the adjustment as appropriate with conservative basis. However, this assignment is based on the assumptions that any significant changes that affect the Company's business would not occur. If there are any significant changes that affect the Company's business, the Company's fair value of equity may be changed. Details of the appraisal are as follows:

3.5.1 Revenues assumptions

3.5.1.1 Revenues from hotel business

Banyan Tree Bangkok hotel

The IFA collects information relating to Banyan Tree Bangkok hotel in which revenues are separated into 3 types, comprising (1) Revenues from serviced rooms (2) Revenues from foods and beverages and (3) Other revenues. Details are as follows:

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Revenues from serviced rooms	Million Baht	366.68	405.17	450.21	455.88	477.68	501.89	524.45	549.53
-- Number of serviced rooms	Rooms	326	326	326	326	326	326	326	326
-- Occupancy rate	%	73.67%	76.85%	82.39%	79.62%	79.62%	79.62%	79.62%	79.62%
-- Average room rate per night	Baht/room/night	4,183	4,419	4,592	4,812	5,042	5,283	5,536	5,800
-- Growth of average room rate per night	%	1.55%	5.64%	3.93%	4.78%	4.78%	4.78%	4.78%	4.78%
Revenues from foods and beverages	Million Baht	522.89	558.28	595.45	635.42	678.07	723.59	772.16	823.99
-- Growth rate	%	18.34%	6.77%	6.66%	6.71%	6.71%	6.71%	6.71%	6.71%
Other revenues	Million Baht	63.20	25.33	26.00	27.91	29.56	31.35	33.17	35.13
-- Percentage of Revenues from serviced rooms and Revenues from foods and beverages	%	7.10%	2.63%	2.49%	2.56%	2.56%	2.56%	2.56%	2.56%
Total revenues of Banyan Tree Bangkok hotel	Million Baht	952.77	988.77	1,071.67	1,119.21	1,185.31	1,256.82	1,329.78	1,408.66

Revenues from serviced rooms

The IFA estimates revenues from serviced rooms considering 3 key factors, which are (1) Number of serviced rooms (2) Occupancy rate and (3) Average room rate per night.

Number of serviced rooms – Based on interview with the Company’s management, the Company has no plan to increase number of serviced rooms. As such, the IFA assumes that number of serviced rooms are remained at 326 rooms.

Occupancy rate – The IFA estimates occupancy rate at 79.62 percent based on average historical occupancy rate in 2016 and 2017. Such information in 2015 is excluded as the IFA views that the operation on such year had been continuously affecting from the political chaos since 2014.

Average room rate per night – The IFA estimates growth of average room rate per night at 4.78 percent based on average historical growth rate in 2016 and 2017. Such information in 2015 is excluded as the IFA views that the operation on such year had been continuously affecting from the political chaos since 2014.

Revenues from foods and beverages

The IFA estimates revenues from foods and beverages grows by 6.71 percent per year based on average historical growth rate in 2016 and 2017. Such information in 2015 is excluded as the IFA views that the operation on such year had been continuously affecting from the political chaos since 2014. As the Company has low revenues in 2014, revenues in 2015 significantly increase in which this growth rate is non-recurring statistic and does not reflect long-term growth rate. In this regard, the IFA does not consider determining revenues from foods and beverages of Banyan Tree Bangkok relatively to its revenues from serviced rooms as the Company’s management informs that foods and beverages service in Banyan Tree Bangkok does not positively correlate with number of guests. Additionally, the IFA observes that revenues from foods and beverages are higher than revenues from serviced rooms for Banyan Tree Bangkok.

Other revenues

The IFA estimates other revenues based on proportion of other revenues to revenues from serviced rooms and revenues from foods and beverages. The IFA estimates the proportion at 2.56 percent based on historical rates in 2016 and 2017. Such information in 2015 is excluded as the IFA views that the operation on such year had been continuously affecting from the political chaos since 2014.

Banyan Tree Phuket

The IFA collects information relating to Banyan Tree Phuket in which revenues are separated into 3 types, comprising (1) Revenues from serviced rooms (2) Revenues from foods and beverages and (3) Other revenues. Details are as follows:

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Revenues from serviced rooms	Million Baht	540.75	631.08	663.57	679.55	695.92	899.45	918.60	940.72
-- Number of serviced rooms	Rooms	173.00	174.00	174.00	174.00	174.00	219.00	219.00	219.00
-- Occupancy rate	%	54.76%	65.57%	67.51%	67.51%	67.51%	67.51%	67.51%	67.51%
-- Average room rate per night	Baht/room/night	15,640	15,113	15,477	15,850	16,232	16,623	17,023	17,433
-- Growth of average room rate per night	%	(2.82%)	(3.36%)	2.41%	2.41%	2.41%	2.41%	2.41%	2.41%

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Revenues from foods and beverages	Million Baht	216.33	269.71	317.38	325.03	332.86	430.20	439.36	449.94
<i>– Percentage of revenues from serviced rooms</i>	%	40.01%	42.74%	47.83%	47.83%	47.83%	47.83%	47.83%	47.83%
Other revenues	Million Baht	20.26	18.61	19.06	19.52	25.23	25.76	26.39	20.26
<i>– Percentage of revenues from serviced rooms and revenues from foods and beverages</i>	%	2.25%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	2.25%
Total revenues of Banyan Tree Phuket	Million Baht	780.30	921.06	999.56	1,023.64	1,048.29	1,354.88	1,383.72	1,417.05

Revenues from serviced rooms

The IFA estimates Revenues from serviced rooms considering 3 key factors, which are (1) Number of serviced rooms (2) Occupancy rate and (3) Average room rate per night.

Number of serviced rooms – Based on interview with the Company’s management, the Company has plan to increase number of serviced rooms of 45 rooms in which it is expected to be serviced in 2020. As such, the IFA estimates number of rooms in 2018 and 2019 of 174 rooms and in 2020 onwards of 219 rooms.

Occupancy rate – The IFA estimates Occupancy rate at 67.51 percent based on average historical occupancy rate in 2017. Such information in 2015 and 2016 is excluded as the Company’s management informs that Banyan Tree Phuket was in restructuring process in such period, so that the information may not reflect the Company’s performance in long term.

Average room rate per night – The IFA estimates Growth of average room rate per night at 2.41 based on average historical growth rate in 2017. Such information in 2015 and 2016 is excluded as the Company’s management informs that Banyan Tree Phuket was in restructuring process in such period, so that the information may not reflect the Company’s performance in long term.

Revenues from foods and beverages

The IFA estimates Revenues from foods and beverages from the proportion of revenues from foods and beverages to revenues from serviced rooms, which is set at 67.51 percent, based on the proportion in 2017. Such information in 2015 and 2016 is excluded as the Company’s management informs that Banyan Tree Phuket was in restructuring process in such period, so that the information may not reflect the Company’s performance in long term.

Other revenues

The IFA estimates other revenues based on proportion of other revenues comparing to revenues from serviced rooms and revenues from foods and beverages, which is set at 1.90 percent based on the proportions in 2017. Such information in 2015 and 2016 is excluded as the Company’s management informs that Banyan Tree Phuket was in restructuring process in such period, so that the information may not reflect the Company’s performance in long term.

Angsana Laguna Phuket hotel

The IFA collects information relating to Angsana Laguna Phuket hotel in which revenues are separated into 3 types, comprising (1) Revenues from serviced rooms (2) Revenues from foods and beverages and (3) Other revenues. Details are as follows:

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Revenues from serviced rooms	Million Baht	433.89	466.63	504.83	500.43	514.99	531.43	545.40	561.27
-- Number of serviced rooms	Rooms	403	403	403	403	403	403	403	403
-- Occupancy rate	%	63.37%	70.95%	71.08%	68.47%	68.47%	68.47%	68.47%	68.47%
-- Average room rate per night	Baht/room/night	4,655	4,459	4,829	4,969	5,114	5,262	5,416	5,573
-- Growth of average room rate per night	%	(6.56%)	(4.20%)	8.28%	2.91%	2.91%	2.91%	2.91%	2.91%
Revenues from foods and beverages	Million Baht	301.34	328.46	325.37	340.78	350.70	361.89	371.41	382.21
-- Percentage of revenues from serviced rooms	%	69.45%	70.39%	64.45%	68.10%	68.10%	68.10%	68.10%	68.10%
Other revenues	Million Baht	18.20	19.79	15.68	19.21	19.77	20.40	20.94	21.55
-- Percentage of revenues from serviced rooms and revenues from foods and beverages	%	2.47%	2.49%	1.89%	2.28%	2.28%	2.28%	2.28%	2.28%
Total revenues of Angsana Laguna Phuket hotel	Million Baht	753.43	814.88	845.88	860.43	885.46	913.73	937.75	965.04

Revenues from serviced rooms

The IFA estimates Revenues from serviced rooms considering 3 key factors, which are (1) Number of serviced rooms (2) Occupancy rate and (3) Average room rate per night.

Number of serviced rooms – Based on interview with the Company’s management, the Company has no plan to increase Number of serviced rooms. As such, the IFA assumes that number of serviced rooms are remained at 403 rooms

Occupancy rate – The IFA estimates Occupancy rate at 68.47 percent based on Average historical occupancy rate in 2015, 2016, and 2017.

Average room rate per night – The IFA estimates Growth of average room rate per night at 2.91 percent based on average 25-year historical inflation rate. However, the IFA does not consider growth of average room rate per night in the past as the Company’s management informs that the Company has a policy to increasingly adjust room rate in 2017 so that such growth rate significantly increased and may not reflect long-term growth rate.

Revenues from foods and beverages

The IFA estimates Revenues from foods and beverages from the proportion of revenues from foods and beverages to revenues from serviced rooms, which is set at 68.10 percent, based on the proportion in 2015, 2016, and 2017.

Other revenues

The IFA estimates other revenues based on proportion of other revenues comparing to revenues from serviced rooms and Revenues from foods and beverages, which is set at 2.28 percent based on the proportions in 2015, 2016, and 2017.

Angsana Villa Resort Phuket hotel

The IFA collects information relating to Angsana Villa Resort Phuket hotel in which revenues are separated into 3 types, comprising (1) Revenues from serviced rooms (2) Revenues from foods and beverages and (3) Other revenues. Details are as follows:

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Revenues from serviced rooms	Million Baht	71.82	72.15	72.40	74.51	76.68	79.12	81.20	83.57
-- Number of serviced rooms	Rooms	48	48	45	45	45	45	45	45
-- Occupancy rate	%	58.12%	61.24%	63.34%	63.34%	63.34%	63.34%	63.34%	63.34%
-- Average room rate per night	Baht/room/night	7,053	6,707	6,960	7,162	7,371	7,585	7,806	8,033
-- Growth of average room rate per night	%	4.40%	(4.91%)	3.77%	2.91%	2.91%	2.91%	2.91%	2.91%
Revenues from foods and beverages	Million Baht	26.55	26.30	28.15	28.96	29.81	30.76	31.57	32.49
-- Percentage of revenues from serviced rooms	%	36.97%	36.45%	38.87%	38.87%	38.87%	38.87%	38.87%	38.87%
Other revenues	Million Baht	1.93	2.13	1.92	1.97	2.03	2.09	2.15	2.21
-- Percentage of revenues from serviced rooms and revenues from foods and beverages	%	1.96%	2.16%	1.91%	1.91%	1.91%	1.91%	1.91%	1.91%
Total revenues of Angsana Villa Resort Phuket hotel	Million Baht	100.30	100.58	102.46	105.44	108.51	111.98	114.92	118.26

Revenues from serviced rooms

The IFA estimates Revenues from serviced rooms considering 3 key factors, which are (1) Number of serviced rooms (2) Occupancy rate and (3) Average room rate per night.

Number of serviced rooms – Based on interview with the Company’s management, the Company has no plan to increase Number of serviced rooms. As such, the IFA assumes that number of serviced rooms are remained at 45 rooms.

Occupancy rate – The IFA estimates Occupancy rate at 63.34 based on Average occupancy rate in 2017. Such information in 2015 and 2016 is excluded as the Company’s management informs that there was change of management of Angsana Villa Resort Phuket hotel in 2016 from outsourcing team named “Outrigger Laguna Phuket Resort and Villa” to internal operation of the Company and changed the name to “Angsana Villa Resort Phuket hotel”. As such, the performance before 2016 may not reflect the performance under existing management.

Average room rate per night – The IFA estimates Growth of average room rate per night at 2.91 percent based on average 25-year historical inflation rate. Such information in 2015 and 2016 is excluded as the Company’s management informs that there was change of management of Angsana Villa Resort Phuket hotel in 2016 from outsourcing team named “Outrigger Laguna Phuket Resort and Villa” to internal operation of

the Company and changed the name to “Angsana Villa Resort Phuket hotel”. As such, the performance before 2016 and growth rate in 2017 may not reflect the performance under existing management and long-term growth rate.

Revenues from foods and beverages

The IFA estimates Revenues from foods and beverages from the proportion of revenues from foods and beverages to revenues from serviced rooms, which is set at 38.87 percent based on the proportion in 2017. Such information in 2015 and 2016 is excluded as the Company’s management informs that there was change of management of Angsana Villa Resort Phuket hotel in 2016 from outsourcing team named “Outrigger Laguna Phuket Resort and Villa” to internal operation of the Company and changed the name to “Angsana Villa Resort Phuket hotel”.

Other revenues

The IFA estimates other revenues based on proportion of other revenues comparing to revenues from serviced rooms and revenues from foods and beverages, which is set at 1.91 percent based on the proportion in 2017. Such information in 2015 and 2016 is excluded as the Company’s management informs that there was change of management of Angsana Villa Resort Phuket hotel in 2016 from outsourcing team named “Outrigger Laguna Phuket Resort and Villa” to internal operation of the Company and changed the name to “Angsana Villa Resort Phuket hotel”. As such, the performance before 2016 and growth rate in 2017 may not reflect the performance under existing management and long-term growth rate.

Cassia Phuket hotel

The IFA collects information relating to Cassia Phuket hotel in which revenues are separated into 3 types, comprising (1) Revenues from serviced rooms (2) Revenues from foods and beverages and (3) Other revenues. Details are as follows:

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Revenues from serviced rooms	Million Baht	10.27	86.91	103.93	132.78	163.23	226.60	232.56	239.33
-- Number of serviced rooms	Rooms	27	206	207	257	307	413	413	413
-- Occupancy rate	%	38.70%	53.41%	67.45%	67.45%	67.45%	67.45%	67.45%	67.45%
-- Average room rate per night	Baht/room/night	2,692	2,158	2,039	2,099	2,160	2,222	2,287	2,354
-- Growth of average room rate per night	%	<i>n.a.</i>	<i>(19.83%)</i>	<i>(5.51%)</i>	<i>2.91%</i>	<i>2.91%</i>	<i>2.91%</i>	<i>2.91%</i>	<i>2.91%</i>
Revenues from foods and beverages	Million Baht	2.21	15.63	-	-	-	-	-	-
-- Percentage of revenues from serviced rooms	%	21.51%	17.98%	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Other revenues	Million Baht	0.25	3.30	1.90	2.43	2.99	4.15	4.26	4.39
-- Percentage of revenues from serviced rooms and revenues from foods and beverages	%	1.99%	3.21%	1.83%	1.83%	1.83%	1.83%	1.83%	1.83%
Total revenues of Cassia Phuket hotel	Million Baht	12.72	105.84	105.83	135.22	166.22	230.76	236.82	243.71

Revenues from serviced rooms

The IFA estimates Revenues from serviced rooms considering 3 key factors, which are (1) Number of serviced rooms (2) Occupancy rate and (3) Average room rate per night.

Number of serviced rooms – Based on interview with the Company’s management, the Company has a plan to lease the rooms sold to customers back, so that the IFA estimates number of rooms assumption based on the Company’s management as most of the customers are likely willing to rent the rooms back as per their demands of returns from rental income.

Occupancy rate – The IFA estimates Occupancy rate at 67.45 percent based on average historical occupancy rate in 2017. Such information in 2015 and 2016 is excluded as Cassia Phuket hotel started its operation in 2015 so that the information in such period may not reflect the Company’s performance in long term.

Average room rate per night – The IFA estimates Growth of average room rate per night at 2.91 percent based on average 25-year historical inflation rate. Such information in 2015 and 2016 is excluded as Cassia Phuket hotel started its operation in 2015 so that the information in such period is volatile and may not reflect the Company’s performance in long term.

Revenues from foods and beverages

The IFA does not estimate revenues from foods and beverages as Cassia Phuket hotel transferred such business to Banyan Tree Phuket.

Other revenues

The IFA estimates other revenues based on proportion of other revenues comparing to revenues from serviced rooms and revenues from foods and beverages, which is set at 1.83 percent based on the proportion in 2017. Such information in 2015 and 2016 is excluded as Cassia Phuket hotel started its operation in 2015 so that the information in such period may not reflect the Company’s performance in long term.

Angsana Ocean View hotel

The IFA collects information relating to Angsana Ocean View hotel in which revenues are separated into 3 types, comprising (1) Revenues from serviced rooms (2) Revenues from foods and beverages and (3) Other revenues. Details are as follows:

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Revenues from serviced rooms	Million Baht	-	-	-	-	-	46.22	52.18	63.46
-- Number of serviced rooms	Rooms	-	-	-	-	-	38	38	38
-- Occupancy rate	%	-	-	-	-	-	50.00%	55.00%	65.00%
-- Average room rate per night	Baht/room/night	-	-	-	-	-	6,647	6,840	7,039
-- Growth of average room rate per night	%	-	-	-	-	-	2.91%	2.91%	2.91%
Revenues from foods and beverages	Million Baht	-	-	-	-	-	17.97	20.29	24.67
-- Percentage of revenues from serviced rooms	%	-	-	-	-	-	38.87%	38.87%	38.87%
Other revenues	Million Baht	-	-	-	-	-	1.22	1.38	1.68

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
<i>-- Percentage of revenues from serviced rooms and revenues from foods and beverages</i>	%	-	-	-	-	-	1.91%	1.91%	1.91%
Total revenues of Angsana Ocean View hotel	Million Baht	-	-	-	-	-	65.42	73.85	89.82

Revenues from serviced rooms

The IFA estimates Revenues from serviced rooms considering 3 key factors, which are (1) Number of serviced rooms (2) Occupancy rate and (3) Average room rate per night.

Number of serviced rooms – Based on interview with the Company's management, Angsana Ocean View hotel will start its operation in 2020 where number of rooms will be 38 rooms. As such, the IFA estimate number of service rooms to be 38 rooms

Occupancy rate – The IFA estimates occupancy rate at 50.00 percent 55.00 percent and 65.00 percent in 2020, 2021, and 2022, respectively based on the Company's management and additional adjustments to reflect occupancy rate in long term, where the IFA considers it is appropriate as initial occupancy rate of hotel is low and will continuously increase thereafter. Moreover, occupancy rate in 2022 at 65.00 percent is in the similar range of occupancy rate of the Company's other hotels.

Average room rate per night – The IFA estimates average room rate per night in 2020 at 6,647 Baht based on the Company's management where the IFA considers it is appropriate as the Company's management informs that Angsana Ocean View hotel is rated as similar to Angsana Villa Resort Phuket hotel where the average room rate per night is as such level. The IFA estimates growth of average room rate per night at 2.91 percent based on average 25-year historical inflation rate.

Revenues from foods and beverages

The IFA estimates revenues from foods and beverages from the proportion of revenues from foods and beverages to revenues from serviced rooms, which is set at 38.87 percent based on the proportion of Angsana Villa Resort Phuket hotel which is rated in similar to Angsana Ocean View hotel.

Other revenues

The IFA estimates other revenues based on proportion of other revenues comparing to revenues from serviced rooms and revenues from foods and beverages, which is set at 1.91 percent based on the proportion of Angsana Villa Resort Phuket hotel which is rated as similar to Angsana Ocean View hotel.

Other revenues from hotel business

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Other revenues from hotel business	Million Baht	509.09	552.42	531.91	599.58	627.28	727.05	753.53	784.16
<i>-- Percentage of Revenues from hotel business</i>	%	19.58%	18.85%	17.02%	18.48%	18.48%	18.48%	18.48%	18.48%

The IFA estimates other revenues from hotel business based on proportion of other revenues from hotel business comparing to operating revenues from hotel business (excluding other revenues), which is set at 18.48 percent based on the proportion in 2015, 2016, and 2017.

Conclusion of Revenues from hotel business

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Banyan Tree Bangkok hotel	Million Baht	952.77	988.77	1,071.67	1,119.21	1,185.31	1,256.82	1,329.78	1,408.66
Banyan Tree Phuket	Million Baht	780.30	921.06	999.56	1,023.64	1,048.29	1,354.88	1,383.72	1,417.05
Angsana Laguna Phuket hotel	Million Baht	753.43	814.88	845.88	860.43	885.46	913.73	937.75	965.04
Angsana Villa Resort Phuket hotel	Million Baht	100.30	100.58	102.46	105.44	108.51	111.98	114.92	118.26
Cassia Phuket hotel	Million Baht	12.72	105.84	105.83	135.22	166.22	230.76	236.82	243.71
Angsana Ocean View hotel	Million Baht	-	-	-	-	-	65.42	73.85	89.82
Other revenues	Million Baht	509.09	552.42	531.91	599.58	627.28	727.05	753.53	784.16
Revenues from hotel business	Million Baht	3,108.62	3,483.55	3,657.31	3,843.52	4,021.09	4,660.63	4,830.37	5,026.69

3.5.1.2 Revenues from property development business

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Revenues from property development business	Million Baht	2,348.48	1,305.90	927.25	982.89	1,041.86	1,104.37	1,170.64	1,240.88
-- Growth rate	%	192.13%	(44.39%)	(28.99%)	6.00%	6.00%	6.00%	6.00%	6.00%

The IFA estimates revenues from property development business, comprising revenues from sales of serviced rooms in the hotels, developed property projects, etc. in which the development will be on the land of the Company, to grow by 6.00 percent per year based on growth rate of selling price of condominium in Phuket during 2014, 2015, and 2016 which are approximately of 6.09 percent. The IFA also reviews the assumption with the Company's management and concludes that total revenues in 2018 to 2020 are similar.

3.5.1.3 Revenues from office rental business

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Revenues from office rental business	Million Baht	86.43	90.83	95.12	96.85	98.61	100.40	102.23	104.09
-- Growth rate	%	(4.36%)	5.09%	4.73%	1.82%	1.82%	1.82%	1.82%	1.82%

The IFA estimates revenues from office rental business to grow by 1.82 percent per year based on historical growth rate in 2015, 2016, and 2017.

3.5.1.4 Other revenues

The IFA collects information relating to other revenues of the Company where the details are as follows:

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Interest income	Million Baht	21.15	41.73	35.65	30.79	23.57	24.30	25.06	25.87
Dividend income	Million Baht	25.55	27.84	-	-	-	-	-	-
Gain from sale of investment in subsidiaries	Million Baht	-	-	17.99	-	-	-	-	-
Gain from sale of investment in associates	Million Baht	-	-	97.75	-	-	-	-	-
Claims received from insurance	Million Baht	39.37	-	-	-	-	-	-	-
Gain from adjustment of investment fair value from changes in type of securities	Million Baht	-	345.66	-	-	-	-	-	-

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Revaluation surplus from investment properties	Million Baht	-	18.89	5.22	-	-	-	-	-
Others	Million Baht	28.63	27.27	21.28	25.11	26.32	29.91	31.13	32.50
Total	Million Baht	114.71	461.38	177.88	55.90	49.90	54.21	56.19	58.37

The IFA does not appraise the following items by the reasons below:

- Dividend income – The IFA is unable to estimate dividend income from all companies that invested by the Company as the Company has no controls in such invested companies. However, the IFA will adjust value of these investments by adding to free cash flows of the Company to obtain the Company's fair value of equity.
- Gain from sale of investment in subsidiaries and associates – The Company's management informs that the Company has no plan to sell investment in subsidiaries and associates.
- Claims received from insurance – The IFA is unable to estimate such item and this item is non-recurring item.
- Gain from adjustment of investment fair value from changes in type of securities – The IFA is unable to estimate such item and there is insufficient information to do so.
- Revaluation surplus from investment properties – The IFA is unable to estimate such item and there is insufficient information to do so.

Interest income

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Interest income	Million Baht	21.15	41.73	35.65	30.79	23.57	24.30	25.06	25.87
Interest generating assets	Million Baht	1,672.98	1,422.46	1,713.31	1,037.22	1,068.54	1,101.74	1,136.93	1,174.23
-- Average interest rate	%	1.75%	2.70%	2.27%	2.24%	2.24%	2.24%	2.24%	2.24%

The IFA estimates Interest income referring to average historical interest income which is approximately 2.24 percent based on the information in 2015, 2016, and 2017.

Other items

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Other items	Million Baht	28.63	27.27	21.28	25.11	26.32	29.91	31.13	32.50
Sale and service revenues	Million Baht	5,543.52	4,880.28	4,679.69	4,923.26	5,161.56	5,865.41	6,103.24	6,371.66
-- %	%	0.52%	0.56%	0.45%	0.51%	0.51%	0.51%	0.51%	0.51%

The IFA estimates other items in other revenues based on proportion of sale and service revenues, which is set at 0.51 percent based on the proportion in 2015, 2016, and 2017.

3.5.2 Cost and expense assumptions**3.5.2.1 Cost from hotel business (Excluding depreciation)****Banyan Tree Bangkok hotel**

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Cost of serviced rooms	Million Baht	110.47	121.64	136.64	137.61	144.19	151.50	158.31	165.88
– Percentage of Revenues from serviced rooms	%	30.13%	30.02%	30.35%	30.19%	30.19%	30.19%	30.19%	30.19%
Cost of foods and beverages	Million Baht	251.01	279.71	305.72	322.30	343.94	367.03	391.66	417.96
– Percentage of Revenues from foods and beverages	%	48.00%	50.10%	51.34%	50.72%	50.72%	50.72%	50.72%	50.72%
Other costs	Million Baht	27.18	21.45	19.11	22.12	23.42	24.84	26.28	27.84
– Percentage of revenues from Banyan Tree Bangkok hotel in Bangkok	%	2.85%	2.17%	1.78%	1.98%	1.98%	1.98%	1.98%	1.98%

Cost of serviced rooms

The IFA estimates Cost of serviced rooms based on proportion of cost of serviced rooms comparing to revenues from serviced rooms, which is set at 30.19 percent based on historical rates in 2016 and 2017. Such information in 2015 is excluded as the IFA views that the operation on such year had been continuously affecting from the political chaos since 2014.

Cost of foods and beverages

The IFA estimates cost of foods and beverages based on proportion of cost of foods and beverages comparing to revenues from foods and beverages, which is set at 50.72 percent based on historical rates in 2016 and 2017. Such information in 2015 is excluded as the IFA views that the operation on such year had been continuously affecting from the political chaos since 2014.

Other costs

The IFA estimates other costs based on proportion of other costs comparing to revenues from Banyan Tree Bangkok hotel, which is set at 1.98 percent based on historical rates in 2016 and 2017. Such information in 2015 is excluded as the IFA views that the operation on such year had been continuously affecting from the political chaos since 2014.

Banyan Tree Phuket hotel

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Cost of serviced rooms	Million Baht	121.75	145.06	145.91	149.42	153.02	197.77	201.98	206.85
– Percentage of Revenues from serviced rooms	%	22.52%	22.99%	21.99%	21.99%	21.99%	21.99%	21.99%	21.99%
Cost of foods and beverages	Million Baht	119.69	143.10	168.26	172.31	176.46	228.07	232.93	238.54
– Percentage of Revenues from foods and beverages	%	55.33%	53.06%	53.02%	53.02%	53.02%	53.02%	53.02%	53.02%
Other costs	Million Baht	144.07	126.05	119.99	122.88	125.84	162.65	166.11	170.11
– Percentage of revenues from Banyan Tree Phuket hotel	%	18.46%	13.69%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%

Cost of serviced rooms

The IFA estimates cost of serviced rooms based on proportion of cost of serviced rooms comparing to Revenues from serviced rooms, which is set at 21.99 percent based on the proportion in 2016. Such information in 2015 and 2016 is excluded as the Company's management informs that Banyan Tree Phuket was in restructuring process in such period, so that the information may not reflect the Company's performance in long term.

Cost of foods and beverages

The IFA estimates cost of foods and beverages based on proportion of cost of foods and beverages comparing to revenues from foods and beverages, which is set at 53.02 percent based on the proportion in 2016. Such information in 2015 and 2016 is excluded as the Company's management informs that Banyan Tree Phuket was in restructuring process in such period, so that the information may not reflect the Company's performance in long term.

Other costs

The IFA estimates Other costs based on proportion of Other costs comparing to revenues from Banyan Tree Phuket, which is set at 12.00 percent based on the proportion in 2016. Such information in 2015 and 2016 is excluded as the Company's management informs that Banyan Tree Phuket was in restructuring process in such period, so that the information may not reflect the Company's performance in long term.

Angsana Laguna Phuket hotel

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Cost of serviced rooms	Million Baht	134.15	145.11	141.60	150.24	154.61	159.54	163.74	168.50
– Percentage of Revenues from serviced rooms	%	30.92%	31.10%	28.05%	30.02%	30.02%	30.02%	30.02%	30.02%
Cost of foods and beverages	Million Baht	189.41	189.51	178.77	199.35	205.15	211.70	217.27	223.59
– Percentage of Revenues from foods and beverages	%	62.86%	57.70%	54.94%	58.50%	58.50%	58.50%	58.50%	58.50%
Other costs	Million Baht	16.73	40.63	50.58	37.47	37.82	38.92	40.16	41.22
– Percentage of revenues from Angsana Laguna Phuket hotel	%	2.22%	4.99%	5.98%	4.40%	4.40%	4.40%	4.40%	4.40%

Cost of serviced rooms

The IFA estimates cost of serviced rooms based on proportion of cost of serviced rooms comparing to revenues from serviced rooms, which is set at 30.02 percent based on the proportion in 2015, 2016, and 2017.

Cost of foods and beverages

The IFA estimates cost of foods and beverages based on proportion of cost of foods and beverages comparing to revenues from foods and beverages, which is set at 58.50 percent based on the proportion in 2015, 2016, and 2017.

Other costs

The IFA estimates other costs based on proportion of other costs comparing to revenues from Angsana Laguna Phuket hotel, which is set at 4.40 percent based on the proportion in 2015, 2016, and 2017.

Angsana Villa Resort Phuket hotel

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Cost of serviced rooms	Million Baht	19.66	18.89	20.83	21.44	22.06	22.76	23.36	24.04
– Percentage of Revenues from serviced rooms	%	27.37%	26.18%	28.77%	28.77%	28.77%	28.77%	28.77%	28.77%
Cost of foods and beverages	Million Baht	12.27	11.47	8.58	8.83	9.08	9.37	9.62	9.90
– Percentage of Revenues from foods and beverages	%	46.20%	43.61%	30.47%	30.47%	30.47%	30.47%	30.47%	30.47%
Other costs	Million Baht	1.91	11.49	0.71	0.73	0.75	0.78	0.80	0.82
– Percentage of revenues from Angsana Villa Resort Phuket hotel	%	1.90%	11.42%	0.69%	0.69%	0.69%	0.69%	0.69%	0.69%

Cost of serviced rooms

The IFA estimates cost of serviced rooms based on proportion of cost of serviced rooms comparing to revenues from serviced rooms, which is set at 28.77 percent based on the proportion in 2017. Such information in 2015 and 2016 is excluded as the Company's management informs that there was change of management of Angsana Villa Resort Phuket hotel in 2016 from outsourcing team named "Outrigger Laguna Phuket Resort and Villa" to internal operation of the Company and changed the name to "Angsana Villa Resort Phuket hotel". As such, the performance before 2016 may not reflect the performance under existing management.

Cost of foods and beverages

The IFA estimates cost of foods and beverages based on proportion of cost of foods and beverages comparing to revenues from foods and beverages, which is set at 30.47 percent based on the proportion in 2017. Such information in 2015 and 2016 is excluded as the Company's management informs that there was change of management of Angsana Villa Resort Phuket hotel in 2016 from outsourcing team named "Outrigger Laguna Phuket Resort and Villa" to internal operation of the Company and changed the name to "Angsana Villa Resort Phuket hotel". As such, the performance before 2016 may not reflect the performance under existing management.

Other costs

The IFA estimates other costs based on proportion of other costs comparing to revenues from Angsana Villa Resort Phuket hotel, which is set at 0.69 percent based on the proportion in 2017. Such information in 2015 and 2016 is excluded as the Company's management informs that there was change of management of Angsana Villa Resort Phuket hotel in 2016 from outsourcing team named "Outrigger Laguna Phuket Resort and Villa" to internal operation of the Company and changed the name to "Angsana Villa Resort Phuket hotel". As such, the performance before 2016 may not reflect the performance under existing management.

Cassia Phuket hotel

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Cost of serviced rooms	Million Baht	3.55	24.04	29.58	37.80	46.47	64.51	66.20	68.13
– Percentage of Revenues from serviced rooms	%	34.54%	27.66%	28.47%	28.47%	28.47%	28.47%	28.47%	28.47%
Cost of foods and beverages	Million Baht	1.80	10.60	-	-	-	-	-	-
– Percentage of Revenues from foods and beverages	%	81.71%	67.85%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other costs	Million Baht	1.05	14.44	19.37	6.45	7.92	11.00	11.29	11.62
– Percentage of revenues from Angsana Villa Resort Phuket hotel	%	8.27%	13.64%	18.30%	4.77%	4.77%	4.77%	4.77%	4.77%

Cost of serviced rooms

The IFA estimates cost of serviced rooms based on proportion of cost of serviced rooms comparing to revenues from serviced rooms, which is set at 28.47 percent based on the proportion in 2017. Such information in 2015 and 2016 is excluded as Cassia Phuket hotel started its operation in 2015 so that the information in such period may not reflect the Company's performance in long term.

Cost of foods and beverages

The IFA does not estimate cost from foods and beverages as Cassia Phuket hotel transferred such business to Banyan Tree Phuket.

Other costs

The IFA estimates other costs based on proportion of other costs comparing to revenues from Angsana Villa Resort Phuket hotel, which is set at 4.77 percent based on the proportion from Banyan Tree Bangkok hotel, Banyan Tree Phuket, Angsana Laguna Phuket hotel, and Angsana Villa Resort Phuket hotel. The IFA does not use the proportion of Cassia Phuket hotel as such proportion is relatively high as it just started the operation so that may not reflect the Company's performance in long term.

Angsana Ocean View hotel

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Cost of serviced rooms	Million Baht	-	-	-	-	-	13.30	15.01	18.26
– Percentage of Revenues from serviced rooms	%	-	-	-	-	-	28.77%	28.77%	28.77%
Cost of foods and beverages	Million Baht	-	-	-	-	-	5.48	6.18	7.52
– Percentage of Revenues from foods and beverages	%	-	-	-	-	-	30.47%	30.47%	30.47%
Other costs	Million Baht	-	-	-	-	-	0.01	0.01	0.01
– Percentage of revenues from Angsana Villa Resort Phuket hotel	%	-	-	-	-	-	0.69%	0.69%	0.69%

Cost of serviced rooms

The IFA estimates cost of serviced rooms based on proportion of cost of serviced rooms comparing to revenues from serviced rooms, which is set at 28.77 percent based on the proportion of Angsana Villa Resort Phuket hotel which is rated as similar to Angsana Ocean View hotel.

Cost of foods and beverages

The IFA estimates cost of foods and beverages based on proportion of cost of foods and beverages comparing to revenues from foods and beverages, which is set at 30.47 percent based on the proportion of Angsana Villa Resort Phuket hotel which is rated as similar to Angsana Ocean View hotel.

Other costs

The IFA estimates other costs based on proportion of other costs comparing to revenues from Angsana Villa Resort Phuket hotel, which is set at 0.69 percent based on the proportion of Angsana Villa Resort Phuket hotel which is rated as similar to Angsana Ocean View hotel.

Other costs from hotel business

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Other costs from hotel business	Million Baht	394.70	385.94	405.41	446.63	467.26	541.58	561.30	584.12
<i>-- Percentage of Revenues from hotel business</i>	<i>%</i>	<i>12.70%</i>	<i>11.08%</i>	<i>11.08%</i>	<i>11.62%</i>	<i>11.62%</i>	<i>11.62%</i>	<i>11.62%</i>	<i>11.62%</i>

The IFA estimates other costs from hotel business based on proportion of other costs from hotel business comparing to revenues from hotel business, which is set at 11.76 percent based on the proportion in 2015, 2016, and 2017.

Conclusion of Cost from hotel business

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Banyan Tree Bangkok hotel	Million Baht	388.66	422.80	461.47	482.03	511.55	543.36	576.25	611.67
Banyan Tree Phuket	Million Baht	385.51	414.22	434.16	444.62	455.33	588.49	601.02	615.50
Angsana Laguna Phuket hotel	Million Baht	340.29	375.25	370.95	387.41	398.68	411.41	422.22	434.51
Angsana Villa Resort Phuket hotel	Million Baht	33.84	41.85	30.12	30.99	31.90	32.91	33.78	34.76
Cassia Phuket hotel	Million Baht	6.40	49.08	48.95	44.25	54.39	75.51	77.49	79.75
Angsana Ocean View hotel	Million Baht	-	-	-	-	-	18.78	21.20	25.79
Other costs	Million Baht	394.70	385.94	405.41	446.63	467.26	541.58	561.30	584.12
Cost from hotel business	Million Baht	1,549.40	1,689.13	1,751.05	1,836.74	1,920.04	2,210.82	2,291.78	2,384.02

3.5.2.2 Cost from property development business (Excluding depreciation)

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Cost from property development business	Million Baht	1,499.30	836.27	612.23	635.29	673.41	713.81	756.64	802.04
<i>-- Percentage of Revenues from property development business</i>	<i>%</i>	<i>63.84%</i>	<i>64.04%</i>	<i>66.03%</i>	<i>64.64%</i>	<i>64.64%</i>	<i>64.64%</i>	<i>64.64%</i>	<i>64.64%</i>

The IFA estimates Cost from property development business based on proportion of cost from property development business comparing to revenues from property development business, which is set at 64.64 percent based on the proportion in 2015, 2016, and 2017.

3.5.2.3 Cost from office rental business (Excluding depreciation)

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Cost from office rental business	Million Baht	43.47	46.29	39.69	46.16	47.00	47.85	48.72	49.61
<i>-- Percentage of Revenues from office rental business</i>	%	50.29%	50.97%	41.73%	47.66%	47.66%	47.66%	47.66%	47.66%

The IFA estimates cost from office rental business based on proportion of cost from office rental business comparing to revenues from office rental business, which is set at 47.66 percent based on the proportion in 2015, 2016, and 2017.

3.5.2.4 Selling and Administration expenses (Excluding depreciation)

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Employee expense	Million Baht	526.86	536.61	568.43	584.97	601.99	619.51	637.54	656.09
Maintenance expense	Million Baht	204.92	180.66	173.29	211.28	220.90	255.29	264.48	275.11
Utility expense	Million Baht	204.61	206.83	201.34	230.59	241.08	278.62	288.66	300.25
Rental expense	Million Baht	208.18	245.70	264.25	271.13	283.69	336.09	346.34	358.62
Management expense	Million Baht	96.80	116.94	120.35	110.18	115.52	131.27	136.59	142.60
Royalty fee	Million Baht	51.57	54.39	59.68	62.16	65.03	75.38	78.12	81.30
Insurance expense	Million Baht	31.53	18.46	13.48	24.46	25.58	29.56	30.63	31.86
Property tax expense	Million Baht	37.74	39.11	40.54	44.07	46.08	53.25	55.17	57.39
Selling expense	Million Baht	248.36	125.18	179.56	178.58	187.23	212.76	221.39	231.12
Agent commission expense	Million Baht	84.06	108.39	117.76	102.63	107.59	122.27	127.22	132.82
Employee commission expense	Million Baht	28.25	42.78	38.48	36.24	38.00	43.18	44.93	46.91
Selling and Administration expenses	Million Baht	1,722.87	1,675.03	1,777.16	1,856.31	1,932.69	2,157.17	2,231.07	2,314.07

Employee expense

The IFA estimates employee expense to grow by 2.91 percent based on average 25-year historical inflation rate which is higher than the Company's management policy at 1.00 percent as following to conservative basis.

Maintenance expense

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Maintenance expense	Million Baht	204.92	180.66	173.29	211.28	220.90	255.29	264.48	275.11
<i>-- Percentage of revenues from hotel business and revenues from office rental business</i>	%	6.41%	5.05%	4.62%	5.36%	5.36%	5.36%	5.36%	5.36%

The IFA estimates Maintenance expense based on proportion of maintenance expense comparing to revenues from hotel business and revenues from office rental business, which is set at 5.36 percent based on the proportion in 2015, 2016, and 2017.

Utility expense

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Utility expense	Million Baht	204.61	206.83	201.34	230.59	241.08	278.62	288.66	300.25
<i>-- Percentage of revenues from hotel business and revenues from office rental business</i>	%	6.40%	5.79%	5.37%	5.85%	5.85%	5.85%	5.85%	5.85%

The IFA estimates utility expense based on proportion of utility expense comparing to revenues from hotel business and revenues from office rental business, which is set at 5.85 percent based on the proportion in 2015, 2016, and 2017.

Rental expense

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Rental expense	Million Baht	208.18	245.70	264.25	271.13	283.69	336.09	346.34	358.62
<i>-- Percentage of Revenues from serviced rooms</i>	%	14.63%	14.78%	14.72%	14.71%	14.71%	14.71%	14.71%	14.71%

The IFA estimates Rental expense based on proportion of rental expense comparing to revenues from serviced rooms as the Company lease back rooms sold out to rent out in hotel business, which is set at 14.71 percent based on the proportion in 2015, 2016, and 2017.

Management expense

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Management expense	Million Baht	96.80	116.94	120.35	110.18	115.52	131.27	136.59	142.60
<i>-- Percentage of revenues from sale and service</i>	%	1.75%	2.40%	2.57%	2.24%	2.24%	2.24%	2.24%	2.24%

The IFA estimates management expense based on proportion of management expense comparing to revenues from sale and service, which is set at 2.24 percent based on the proportion in 2015, 2016, and 2017.

Royalty fee

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Royalty fee	Million Baht	51.57	54.39	59.68	62.16	65.03	75.38	78.12	81.30
<i>-- Percentage of Revenues from hotel business</i>	%	1.66%	1.56%	1.63%	1.62%	1.62%	1.62%	1.62%	1.62%

The IFA estimates royalty fee based on proportion of royalty fee comparing to revenues from hotel business, which is set at 1.62 percent based on the proportion in 2015, 2016, and 2017.

Insurance expense

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Insurance expense	Million Baht	31.53	18.46	13.48	24.46	25.58	29.56	30.63	31.86
<i>-- Percentage of revenues from hotel business and revenues from office rental business</i>	%	0.99%	0.52%	0.36%	0.62%	0.62%	0.62%	0.62%	0.62%

The IFA estimates insurance expense based on proportion of insurance expense comparing to revenues from hotel business and revenues from office rental business, which is set at 0.62 percent based on the proportion in 2015, 2016, and 2017.

Property tax expense

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Property tax expense	Million Baht	37.74	39.11	40.54	44.07	46.08	53.25	55.17	57.39
<i>-- Percentage of revenues from hotel business and revenues from office rental business</i>	<i>%</i>	<i>1.18%</i>	<i>1.09%</i>	<i>1.08%</i>	<i>1.12%</i>	<i>1.12%</i>	<i>1.12%</i>	<i>1.12%</i>	<i>1.12%</i>

The IFA estimates property tax expense based on proportion of property tax expense comparing to Revenues from hotel business and revenues from office rental business, which is set at 1.12 percent based on the proportion in 2015, 2016, and 2017.

Selling expense

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Selling expense	Million Baht	248.36	125.18	179.56	178.58	187.23	212.76	221.39	231.12
<i>-- Percentage of revenues from sale and service</i>	<i>%</i>	<i>4.48%</i>	<i>2.56%</i>	<i>3.84%</i>	<i>3.63%</i>	<i>3.63%</i>	<i>3.63%</i>	<i>3.63%</i>	<i>3.63%</i>

The IFA estimates selling expense based on proportion of selling expense comparing to revenues from sale and service, which is set at 3.63 percent based on the proportion in 2015, 2016, and 2017.

Agent commission expense

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Agent commission expense	Million Baht	84.06	108.39	117.76	102.63	107.59	122.27	127.22	132.82
<i>-- Percentage of revenues from sale and service</i>	<i>%</i>	<i>1.52%</i>	<i>2.22%</i>	<i>2.52%</i>	<i>2.08%</i>	<i>2.08%</i>	<i>2.08%</i>	<i>2.08%</i>	<i>2.08%</i>

The IFA estimates agent commission expense based on proportion of agent commission expense comparing to revenues from sale and service, which is set at 2.08 percent based on the proportion in 2015, 2016, and 2017.

Employee commission expense

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Employee commission expense	Million Baht	28.25	42.78	38.48	36.24	38.00	43.18	44.93	46.91
<i>-- Percentage of revenues from sale and service</i>	<i>%</i>	<i>0.51%</i>	<i>0.88%</i>	<i>0.82%</i>	<i>0.74%</i>	<i>0.74%</i>	<i>0.74%</i>	<i>0.74%</i>	<i>0.74%</i>

The IFA estimates employee commission expense based on proportion of employee commission expense comparing to revenues from sale and service, which is set at 0.74 percent based on the proportion in 2015, 2016, and 2017

3.5.2.5 Depreciation and Amortization

Depreciation – existing assets

The IFA estimates depreciation based on proportion of depreciation comparing to land, building, and equipment at the beginning, which is set at 7.37 percent based on the proportion in 2015, 2016, and 2017.

Depreciation – new assets

The IFA estimates depreciation by useful life of 30 years based on information provided by the Company's management on approximately average 30-year depreciated life for hotel assets.

Amortization

The IFA estimates amortization of 1.77 Million Baht per year based on amortization expense in 2017 and considers apply the same amount for amortization until the Company's leasehold rights are fully amortized.

3.5.2.6 Gain (loss) from investment in associates

The IFA does not estimate gain (loss) from investment in associates due to no controls in such company and insufficient relevant information to do so. However, the IFA will adjust value of these investments by adding to free cash flows of the Company to obtain the Company's fair value of equity.

3.5.2.7 Interest expense

The IFA estimates Interest expense considering expected amounts of total interest bearing debts of the Company with financial cost at 4.49 based on the average financial cost in 2015, 2016, and 2017.

3.5.2.8 Income tax expense

The IFA estimates income tax expense at 20.00 percent as per relevant regulations.

3.5.3 Other assumptions

3.5.3.1 Investment assumption

The IFA estimates investment details based on the Company's management as follows:

	2018F	2019F	2020F	2021F	2022F
Yearly maintenance expenditure	200.00	200.00	200.00	220.00	220.00
Budget to increase serviced rooms of Banyan Tree Phuket	81.00	252.00	42.00	-	-
Construction of Angsana Ocean View hotel	71.00	141.00	24.00	-	-
Total	352.00	593.00	266.00	220.00	220.00

3.5.3.2 Working capital assumptions

Account receivables – Hotel business

The IFA estimates account receivables from hotel business based on proportion of account receivables comparing to revenues from hotel business, which is set at 7.40 percent based on the proportion in 2015, 2016, and 2017.

Account receivables – Property development business

The IFA estimates account receivables from property development business based on proportion of account receivables comparing to revenues from property development business, which is set at 55.31 percent based on the proportion in 2015, 2016, and 2017.

Account receivables – Office rental business

The IFA estimates account receivables from office rental business based on proportion of account receivables comparing to revenues from office rental business, which is set at 43.54 percent based on the proportion in 2015, 2016, and 2017.

Inventory

The IFA estimates Inventory, which are raw materials of foods and drinks, based on proportion of inventory comparing to revenues from foods and beverages, which is set at 10.20 percent based on the proportion in 2015, 2016, and 2017.

3.5.3.3 Assumptions on loans

The IFA estimates that the Company will repay its loans when it has repayment ability in which minimum cash on hands is set at 500.00 Million Baht based on the Company's management.

3.5.3.4 Assumptions relating to investment in associates

The IFA adjusts the values of investment in associates as per following details:

Investment in Thai Wah Public Company Limited

As of 23 February 2018, the Company holds stakes in Thai Wah Public Company Limited of 88,347,051 shares in which its closing price as of 23 February 2018 is 11.70 Baht per share. As such, value of investment in Thai Wah Public Company Limited of the Company is equal to 1,033.66 Million Baht where the book value is only 807.28 Million Baht. Hence, the IFA will adjust the value of investment in Thai Wah Public Company Limited reflecting market price and by adding to free cash flows of the Company to obtain the Company's fair value of equity.

Investment in Banyan Tree China Pte. Ltd.

As of 31 December 2017, the Company records book value of investment in Banyan Tree China Pte. Ltd. of 121.12 Million Baht. However, as per notes to financial statements, considering to equity value of Banyan Tree China Pte. Ltd. as per shareholding proportion of the Company, the value is 385.00 Million Baht. Hence, the IFA will adjust the value of investment in Banyan Tree China Pte. Ltd. by adding to free cash flows of the Company to obtain the Company's fair value of equity.

3.5.3.5 Assumptions of cash flows after projection period (Terminal Value)

The IFA prepare 5-year financial projection ended December 2022 in which the terminal growth rate is not determined as per conservative basis.

3.5.4 Discount rate assumptions

Discounted rate applied in calculation of net present value of free cash flows is Weighted Average Cost of Capital (WACC) which could be obtained by formula below:

$$\text{WACC} = \left(\frac{D}{D+E} \right) * K_d * (1-T) + \left(\frac{E}{D+E} \right) * K_e$$

WACC	=	Weighted Average Cost of Capital
D	=	Total interest bearing debts of the Company
E	=	Total shareholders of the Company
K_d	=	Average financial cost of the Company in 2015, 2016, and 2017 which is 4.49 percent
T	=	Corporate income tax rate of 20 percent
K_e	=	Cost of equity calculated from CAPM

Formula of Cost of equity (K_e) is as below:

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

K_e	=	Investor's expected return (cost of equity)
R_f	=	Risk free rate, referring from 25-year government bond yield as of appraisal date (source : www.thaibma.com). As of 23 February 2018, the risk free rate is 3.18 percent. The period of 25 years conforms to R_m period as subsequent explanation.
R_m	=	25-year market return of the Stock Exchange of Thailand from the appraisal date, which typically reflects overall cycle of investment better than shorted period (source : www.set.or.th). As of 23 February 2018, the market return is 8.48 percent.
β	=	Historical 1-year average daily volatility of the Company's security returns comparing to market returns from 24 February 2017 to 23 February 2018 (Source: Bloomberg), which is 0.89 times.

Based on above formula, cost of equity (K_e) is equal to 7.90 percent. Details of WACC calculation is as followings:

	2018	2019	2020	2021	2022
Financial cost of the Company	4.49%	4.49%	4.49%	4.49%	4.49%
Corporate income tax rate	20.00%	20.00%	20.00%	20.00%	20.00%
Total interest bearing debts of the Company	2,827.23	2,995.40	2,589.62	2,228.70	1,817.14
Cost of equity	7.90%	7.90%	7.90%	7.90%	7.90%
Total shareholders of the Company	12,753.20	12,900.24	13,167.60	13,492.42	13,880.65
WACC	7.12%	7.09%	7.19%	7.29%	7.40%

Financial forecasts

Unit : Million Baht	2018	2019	2020	2021	2022
Revenues					
Revenues from hotel business	3,843.52	4,021.09	4,660.63	4,830.37	5,026.69
Revenues from property development business	982.89	1,041.86	1,104.37	1,170.64	1,240.88
revenues from Office rental business	96.85	98.61	100.40	102.23	104.09
Other revenues	55.90	49.90	54.21	56.19	58.37
Total revenues	4,979.16	5,211.46	5,919.62	6,159.42	6,430.02
Cost and Expenses					
Cost from Hotel business	(1,835.92)	(1,919.11)	(2,212.04)	(2,293.27)	(2,386.09)
Cost from Property development business	(635.29)	(673.41)	(713.81)	(756.64)	(802.04)
Cost from Office rental business	(46.16)	(47.00)	(47.85)	(48.72)	(49.61)
Selling and Administration	(1,856.31)	(1,932.69)	(2,157.17)	(2,231.07)	(2,314.07)
Depreciation and Amortization	(342.36)	(324.61)	(329.03)	(315.42)	(302.01)
Total cost and expense	(4,716.05)	(4,896.82)	(5,459.91)	(5,645.13)	(5,853.82)
EBIT	263.11	314.64	459.71	514.30	576.21
Interest expense	(147.45)	(130.84)	(125.50)	(108.28)	(90.92)
EBT	115.66	183.79	334.20	406.02	485.29
Income tax expense	(23.13)	(36.76)	(66.84)	(81.20)	(97.06)
Net profits (losses)	92.53	147.03	267.36	324.82	388.23
Net operating profits after tax	210.49	251.71	367.77	411.44	460.97
+ Depreciation	342.36	324.61	329.03	315.42	302.01
- Capital expenditure	(352.00)	(593.00)	(266.00)	(220.00)	(220.00)
- Changes in net working capital	314.36	(46.82)	75.39	(59.32)	(58.68)
Free cash flows	515.20	(63.49)	506.19	447.54	484.30
Terminal Value	-	-	-	-	6,541.54
Net present value of free cash flows	6,134.62				

Fair Value of the Company's Issued Ordinary Shares

Based on the information and assumptions as above, fair value of the Company's issued ordinary shares from Discounted Cash Flow Approach is determined as below:

	Unit: Million Baht
Net present value of free cash flows	6,134.62
<u>Add</u> Cash and cash equivalent as of 31 December 2017	1,009.98
<u>Add</u> Deposit savings and other investments as of 31 December 2017	621.59
<u>Add</u> Investment in associates as of 31 December 2017*	1,418.66
<u>Deduct</u> Total interest bearing debts as of 31 December 2017	(3,734.46)
<u>Deduct</u> Provision in lawsuit as of 31 December 2017	(41.02)
Fair value of equity	5,409.38
<u>Divide</u> Total outstanding shares	166,682,701
Fair value of equity per share	32.45

Note : Adjustment of the investments in Thai Wah Public Company Limited and Banyan Tree China Pte. Ltd. as per Section 3.5.3.4

Based on Discounted Cash Flow Approach, fair value of the Company's issued ordinary shares as of 31 December 2017 is 5,409.38 Million Baht or 32.45 Baht per share.

3.6 Sensitivity Analysis

To achieve fair value of equity which is close to the actual value will depend on the adequacy and suitability of assumptions used in the financial projection, business plan and future management policy under current economic conditions and circumstances. In case that there is incident that causes any change in economic conditions, natural environment and the government's policies, the projection based on the aforementioned assumptions may be changed significantly, whereas the fair value of equity may be changeable as well.

As a result of the causes and possible changes in various factors that may have an impact on the valuation of the Company's issued ordinary shares, the IFA prepares a sensitivity analysis of the valuation of the Company's issued ordinary shares with the aim to study the impacts of different factors that may be changeable. The objective is to study and analyze changes of fair value of the Company's issued ordinary shares from key four factors which are (1) Discounted rate (WACC) (2) Terminal growth rate (3) Growth of average room rate and (4) Proportion of revenues from foods and beverages to revenues from serviced rooms.

The sensitivity analysis of the valuation of the Company's issued ordinary shares in different cases can be summarized as follows:

WACC Increase / (Decrease) from base case	Terminal growth rate Increase / (Decrease) from base case				
	(1.00%)	(0.50%)	0.00%	0.50%	1.00%
(1.00%)	33.10	34.16	35.29	36.51	37.83
(0.50%)	31.79	32.77	33.82	34.95	36.16
0.00%	30.57	31.48	32.45	33.49	34.61
0.50%	29.43	30.27	31.17	32.14	33.17
1.00%	28.35	29.14	29.98	30.87	31.82

Based on the sensitivity analysis by changing discounted rate (WACC) and terminal growth rate, fair value of the Company's issued ordinary shares will be in between 5,045.74 Million Baht and 5,825.33 Million Baht or 30.27 Baht per share and 34.95 Baht per share.

WACC Increase / (Decrease) from base case	Growth of average room rate Increase / (Decrease) from base case				
	(1.00%)	(0.50%)	0.00%	0.50%	1.00%
(1.00%)	33.59	34.44	35.29	36.16	37.03
(0.50%)	32.18	33.00	33.82	34.65	35.49
0.00%	30.87	31.66	32.45	33.26	34.06
0.50%	29.64	30.41	31.17	31.95	32.73
1.00%	28.50	29.23	29.98	30.72	31.48

Based on the sensitivity analysis by changing discounted rate (WACC) and Growth of average room rate, fair value of the Company's issued ordinary shares will be in between 5,068.04 Million Baht and 5,776.31 Million Baht or 30.41 Baht per share and 34.65 Baht per share.

WACC Increase / (Decrease) from base case	Proportion of revenues from foods and beverages to revenues from serviced room Increase / (Decrease) from base case				
	(1.00%)	(0.50%)	0.00%	0.50%	1.00%
(1.00%)	34.78	35.04	35.29	35.55	35.81
(0.50%)	33.33	33.58	33.82	34.07	34.33
0.00%	31.98	32.21	32.45	32.69	32.94
0.50%	30.71	30.94	31.17	31.41	31.64
1.00%	29.53	29.75	29.98	30.20	30.43

Based on the sensitivity analysis by changing discounted rate (WACC) and Proportion of revenues from foods and beverages to revenues from serviced rooms, fair value of the Company's issued ordinary shares will be in between 5,157.39 Million Baht and 5,679.45 Million Baht or 30.94 Baht per share and 34.07 Baht per share.

3.7 Summary of Appraisal and Appropriateness of Tender Offer Price

Conclusion of the valuation of fair value of the Company's issued ordinary shares from as of 31 December 2017 from various approaches is as below:

Approaches	Fair value of the Company's issued ordinary shares	
	Million Baht	Baht per share
Market Price Approach	4,479.78 – 4,879.70	26.88 – 29.28
Discounted Cash Flow Approach	5,047.74 – 5,825.33	30.27 – 34.95
Book Value Approach	12,401.89	74.40
Adjusted Book Value Approach	12,401.89	74.40
Market Comparable Approach		
- Price to Earnings Ratio	3,401.56 – 10,785.18	20.41 – 64.70
- Price to Book Value Ratio	26,656.83 – 31,352.11	159.93 – 188.09

The IFA views that the appropriate fair value of the Company's issued ordinary shares is the maximum from Market Price Approach and Discounted Cash Flow Approach as (1) Market Price Approach reflects the share price that investors can sell (2) Discounted Cash Flow Approach reflects values that the investors will obtain in case of continuous possession instead of disposal.

Both approaches reflect different perspective; Market Price Approach reflects fair value of the Company's issued ordinary shares in case that the investors decide to sell the shares in the SET which the investors will obtain returns based on market share price of the Company where Discounted Cash Flow Approach assumes that the investors continuously hold and will not dispose the shares so that the investors will earn free cash flows in the future.

Comparing Tender Offer Price of 40.00 Baht per share and fair value of the Company's issued ordinary shares of between 26.88 Baht per share and 34.95 Baht per share, the Tender Offer Price is higher than fair value of the Company's issued ordinary shares so that **the Tender Offer Price of 40.00 Baht per share is appropriate.**

The IFA ignores Book Value Approach and Adjusted Book Value Approach as they only indicate the book value of the Company at the certain point of time and ignores the Company's operation and growth in the future which may not reflect the Company's ability to generate return in the future.

The Adjusted Book Value Approach only indicates the book value of the Company after adjusting the fair value by items of assets, liabilities and other essential items, at the certain point of time and ignores the Company's operation and growth in the future which may not reflect the Company's ability to generate return in the future. In this regard, the Company may incur additional expense on asset disposal which it might not occur immediately, and Adjusted Book Value Approach may ignore this kind of event.

In addition, based on interview with the Company's management and information disclosed in the Tender Offer Book, the Offeror has no plans to change business plan and no plan to dispose assets or not to close down the business to dispose all assets.

The IFA ignores P/E Approach as the comparable companies used in the P/E approach may have different characteristics e.g. source of revenues, size of business, capital structure, and accounting policy etc. Furthermore, the P/E approach only considers historical financial performance and therefore multiply the Company's last twelve-month net profit as of 31 December 2017 by P/E without considering the Company's operation and growths in the future and it may not reflect the Company's ability to generate returns in the future.

The IFA ignores P/BV Approach as the comparable companies used in the P/BV approach may have different characteristics e.g. source of revenues, size of business, capital structure, and accounting policy etc. Furthermore, the P/BV approach only considers premium on book value of comparable companies given by investors and therefore multiply the Company's book value as of 31 December 2017 by P/BV without considering the Company's operation and growths in the future and it may not reflect the Company's ability to generate returns in the future.

Section 4 : Opinion of the IFA on the tender offer

4.1 Reasons for acceptance and/or reject on the tender offer

The IFA considers Form 247-4, dated 2 March 2018, and other information and views that **the shareholders should accept the tender offer** as the Tender Offer Price is appropriate where the IFA conduct the valuation of the fair value of the Company's issued ordinary shares as of 31 December 2017 with 5 approaches; 1) Market Price Approach 2) Discounted Cash Flow Approach 3) Book Value Approach 4) Adjusted Book Value Approach and 5). Market Comparable Approach. Conclusion of fair value is demonstrated in table below:

Conclusion of fair value is demonstrated in table below:

Approaches	Fair value of the Company's issued ordinary shares	
	Million Baht	Baht per share
Market Price Approach	4,479.78 – 4,879.70	26.88 – 29.28
Discounted Cash Flow Approach	5,047.74 – 5,825.33	30.27 – 34.95
Book Value Approach	12,401.89	74.40
Adjusted Book Value Approach	12,401.89	74.40
Market Comparable Approach		
- Price to Earnings Ratio	3,401.56 – 10,785.18	20.41 – 64.70
- Price to Book Value Ratio	26,656.83 – 31,352.11	159.93 – 188.09

The IFA views that the appropriate fair value of the Company's issued ordinary shares is the maximum from Market Price Approach and Discounted Cash Flow Approach as (1) Market Price Approach reflects the share price that investors can sell (2) Discounted Cash Flow Approach reflects values that the investors will obtain in case of continuous possession instead of disposal.

Both approaches reflect different perspective; Market Price Approach reflects fair value of the Company's issued ordinary shares in case that the investors decide to sell the shares in the SET which the investors will obtain returns based on market share price of the Company where Discounted Cash Flow Approach assumes that the investors continuously hold and will not dispose the shares so that the investors will earn free cash flows in the future.

Comparing Tender Offer Price of 40.00 Baht per share and fair value of the Company's issued ordinary shares of between 26.88 Baht per share and 34.95 Baht per share, the Tender Offer Price is higher than fair value of the Company's issued ordinary shares so that **the Tender Offer Price of 40.00 Baht per share is appropriate.**

Nevertheless, acceptance of tender offer will be an alternative for the minority shareholders to decrease the risk which may occur after the end of tender offer period, such as, voting compilation to investigate and balance the management in case that the Offeror can own more than three-fourths of total

outstanding shares of the Company, and risk from maintaining listing status of the Company as it may have insufficient proportion of minority shareholders as per the SET's regulations.

4.2 Benefits or impacts from plans and policies of the Offeror and those possibilities

The IFA considers the plans and policies stated in Form 247-4, dated on 2 March 2018, including the interviews with the Company's management, and opines the benefits or impacts of the tender offeror's plans and policies as follows:

Business plan after business take over (From Form 247-4)

4.2.1 The Company's status

As stated in Form 247-4, upon completion of the tender offer, the Company's business which are hotel, property development, and office rental, still maintains the listing status on the SET. The Offerors has no intention to delist the Company from the SET within the next 12 months after the completion date of the tender offer period except in the event that the Offeror has duties and responsibilities pursuant to the laws, regulations, and other relevant and rules that are enforced during the time of such 12-month period.

However, in the event that, the portion of free float is less than 15 percent according to criteria to maintain listing status of listed companies, the Offeror with the Company shall determine the plan to disperse shares in SET to minority shareholders in a timely manner in order to comply with the SET's free float and listing requirement.

The IFA's opinions : The Company and the Company's shareholders will not be affected on delisting as the Company will maintain listing status in such period. In addition, shareholders who do not wish to sell their shares will not be affected from this event. Nevertheless, after 12-month period, there will be a risk that the Offeror delists the Company from the SET. If such event occurs, the Offeror will be obliged to do a tender offer again, providing opportunity to the shareholders to sell their shares.

In addition, if there are many shareholders accepting this tender offer, the Offeror will obtain many shares and minority shareholders proportion of the Company will significantly decrease. It may affect the Company's listing status due to free float criteria as minority shareholders must not be less than 150 shareholders and their proportion must not be less than 15 percent of total paid-up capital. If the criteria are not met, the Company will have to pay yearly penalty to the SET . However, if such event occurs, the Offeror with the Company shall determine the plan to disperse shares in SET to minority shareholders in a timely manner in order to comply with the SET's free float and listing requirement.

4.2.2 Business plans and policies

As stated in Form 247-4, the Offeror has no intention to materially change the core business policy and operation of the Company including changes in business objective, investment expansion, business structuring plan, personnel restructuring plan, asset disposal of the Company and its subsidiaries, financial structuring plan and, dividend policy within the next 12 months after the completion date of tender offer period.

The IFA's opinions : As the Offeror has no intention to materially change the core business policy and operation of the Company changes in business objective, investment expansion, business structuring plan, personnel restructuring plan, asset disposal of the Company and its subsidiaries, financial structuring plan and, dividend policy within the next 12 months after the completion date of tender offer period, the Company will not be affected from business plans and policies in such period.

4.2.3 Plan to sell the Company's shares

As stated in From 247-4, at the date of tender offer, the Offeror has to intention to sell or transfer the shares obtained from tender offer in significant amounts within the next 12 months after the completion date of tender offer period, except only the Offeror restructures its shareholdings after this tender offer in which the Offeror may transfer or sell the shares to the companies in the Offeror's group, persons under Section 258, or in case that the Offeror determines the plan to disperse shares in the SET to minority shareholders, which may be less than 15 percent of total outstanding shares after this tender offer, in a timely manner in order to comply with the SET's free float and listing requirement, or the Offeror and/or the Company have to comply with relevant laws and rules.

The IFA's opinions : Within the next 12 months after the completion date of tender offer period, the Company' shareholders will not be affected from changing majority shareholders of the Company as the Offeror has no intention to sell or transfer the shares to external parties. In case that there are shareholding restructuring event in which share transfer to the companies in the Offeror's group, persons under Section 258 may be required, the IFA views that minority shareholders of the Company will not be affected as share transfer will occur in the majority shareholders' group and it will not affect the Company's business policy.

In addition, in case that the Offeror has to conduct the Company to comply with the SET's free float requirement if there are many shareholders accepting this tender offer, the Offeror will obtain many shares and minority shareholders proportion of the Company will significantly decrease. It may affect the Company's listing status due to free float criteria as minority shareholders must not be less than 150 shareholders and their proportion must not be less than 15 percent of total paid-up capital. If the criteria are not met, the Company will have to pay yearly penalty to the SET, and/or the Company have to comply with relevant laws and rules, the IFA views that after the completion of the tender offer period, the Offeror may acquire the Company's shares where the Company may not comply with the SET's free float requirement. As such, the Offeror with the Company shall determine the plan to disperse shares in SET to minority shareholders in a timely manner in order to comply with the SET's free float and listing requirement, such as, the Offeror may sell some portion of shares to maintain liquidity and listing criteria.

However, this tender offer is one of the Offeror's long-term plan. As such, although the Offeror sells some portion of shares to listing criteria, the IFA views that the Offeror will be majority shareholders of the Company at least within the next 12 months after the completion date of tender offer period.

4.2.4 Related party transaction

As stated in Form 247-4, in 2016 and 2017, the Company had business transactions with the Offeror as follows:

No.	Payee	Payer	Details of the transaction	Value (Million Baht)	
				2017	2016
1.	TWPL	BTR & SPA (THAILAND)	Credit card commission receipts	1	1
2.	BTR & SPA (THAILAND)	BGL	Inter Resort Charges is a function of collection from customer and remittance to the provider of the service	12	15
3.	BTR & SPA (THAILAND)	LBTL	Inter Resort Charges is a function of collection from customer and remittance to the provider of the service	45	47
4.	BTR & SPA (THAILAND)	LVL	Inter Resort Charges is a function of collection from customer and remittance to the provider of the service	1	1
5.	BTR & SPA (THAILAND)	PKRD	Inter Resort Charges is a function of collection from customer and remittance to the provider of the service	0	1
6.	BTR & SPA (THAILAND)	TWPL	Inter Resort Charges is a function of collection from customer and remittance to the provider of the service	22	21
7.	LRH	BTR & SPA (THAILAND)	Technical Assistant Agreement for providing management services for Information Technology, Human Resource, and maid services	1	1
8.	BTG(T)	BTR & SPA (THAILAND)	Sale of goods	1	1
9.	BTG(T)	BTR & SPA (THAILAND)	Reimbursement of expenses	1	2
10.	LBTL	BTR & SPA (THAILAND)	Reimbursement of expenses mainly for sharing staff expenses and other expenses related to Spa at Laguna Phuket	6	7
11.	TWPL	BTR & SPA (THAILAND)	Reimbursement of utilities and other expenses related to rental agreement and sharing common department expenses	5	6
12.	BTR & SPA (THAILAND)	BTG(T)	Reimbursement of utilities and other expenses related to rental agreement and sharing common department expenses	11	4
13.	BTR & SPA (THAILAND)	LBTL	Reimbursement of sales and marketing costs incurred by Banyan Tree group which relate	4	5

No.	Payee	Payer	Details of the transaction	Value (Million Baht)	
				2017	2016
			specifically to the promotion of the Banyan Tree Phuket		
14.	BGL	BTR & SPA (THAILAND)	Rent and service income	3	3
15.	LBTL	BTR & SPA (THAILAND)	Rent and service income	14	14
16.	TWPL	BTR & SPA (THAILAND)	Rent and service income	10	9
17.	LSC	BTR & SPA (THAILAND)	Service charges on laundry, staff bus, etc. charged to Banyan Tree Spa - Phuket	5	7

Source : The Company's Form 56-1 and Form 247-4

Abbreviations

BTR & SPA (THAILAND)	Banyan Tree Resorts & Spas (Thailand) Company Limited
TWPL	Thai Wah Plaza Limited
BGL	Bangtao Grande Limited
LBTL	Laguna Banyan Tree Limited
LVL	Laguna Village Limited
PKRD	Phuket Resort Development Limited
LRH	Laguna Resorts & Hotels Public Company Limited
BTG(T)	Banyan Tree Gallery (Thailand) Pte Ltd
LSC	Laguna Service Company Limited

The IFA's opinions : As the Company's group structure is complex so that there are many related transactions from hotel and other related businesses under the operation by the companies in the Company's group and the Offeror. In addition, related party transactions is considered and commented by audit committee, the Company's independent directors, where all related party transactions are essential and appropriate for the Company (Please refer details in Form 56-1) and the Company is listed company, so that it specifies the policy and approval process for related party transactions to comply with relevant laws, rules and/or notifications of the SET and the SEC, and/or rules by relevant authorities, considering benefits of all shareholders to prevent conflict of the interest from related party transactions of the Company / subsidiaries / associates / related companies / connected persons.

As such, during 12-month period after the completion of tender offer period, the aforementioned related party transactions may occur as per normal operations. However, the Offeror has no intention to materially change the core business policy and operation of the Company changes in business objective, investment expansion, business structuring plan, personnel restructuring plan, asset disposal of the Company and its subsidiaries, and financial structuring plan within the next 12 months after the

completion date of tender offer period, the IFA expects that there will be no significant changes in type and size of related party transactions of the Company as per stated in related party transaction policy.

The Offeror will carefully consider that existing and future related party transactions must be in Arm's Length Transaction and there will not be any special condition provided to connected persons to comply with relevant rules from the SET and the SEC. In this regard, the Company's audit committee must consider and provided opinions in entering into any related party transactions before passing the resolutions to the Company's board of directors and/or shareholders' meeting (as the case may be). Related party transaction policy may be changed if the Company is delisted from the SET.

4.3 Benefits and impacts to the shareholders in case that the shareholders reject tender offer (only the case that the tender offer is for delisting purpose)

- None -

The tender offer in this case is not for delisting purpose.

Section 5 : Summary of the Opinion of the Independent Financial Advisor

Please refer the summary of the IFA's opinion in section 1 : Executive Summary in this IFA's report.

In deciding whether to accept or reject the Tender Offer of the Offeror, it mainly depends on the discretion of the shareholders, thus the shareholders should consider the information in the Tender Offer Book (Form 247-4), Opinion of the Business on the Tender Offer for Securities (Form 250-2), Opinion of the Independence Financial Advisor and others attachment for source of information for appropriate decision making of the shareholders whether to accept or reject this Tender Offer. The Opinion of the Independence Financial Advisor will be collectively complete when the shareholders consider the information in whole basis. Any partial disclosure, reference and communication without the IFA's permission will be not responsible by the IFA.

Silom Advisory Company Limited, as the Independent Financial Advisor, hereby certify that the IFA have considered and studied the information with the information with the prudence and reasonableness according to professional conduct and have opined based on reasonableness and fair basis by accounting the interest of the Company's shareholders

Yours sincerely,

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(Mr. Pitak Kittiakrasatien)
Managing Director and Operation Controller
Silom Advisory Company Limited