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Opinion of the Independent Financial Advisor on  
The Acquisition of Asset and Connected Transaction

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Of



Thonburi Healthcare Group Public Company Limited

By



Absolute Advisory Co.,Ltd.

10 July 2018

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AA009/2018

Subject Opinion of the Independent Financial Advisor on the acquisition of Assets and Connected Transaction of Thonburi Healthcare Public Company Limited

To Board of Directors, Audit Committee and shareholders of Thonburi Healthcare Public Company Limited

Board of Directors of Thonburi Healthcare Public Company Limited (“THG”) No.5/2018 held on 12 April 2018 has approved the purchasing of land and construction Prachauthit Rd, Toongkru Sub-District, Toongkru District Bangkok, to be developed as a senior home Prachauthit project, via Premier Home Health Care Co.,Ltd. (“PHHC”) which is a subsidiary company which THG holds 99.99% of its shares (The transaction was approved by Board of Directors of Premier Home Health Care Co.,Ltd on 18 January 2018). The assets comprises 6 plots of land, areas of 8-1-93 rais with one of 11-floor building and one of 16-floor building (construction ceased at floor 11), and 2 plots of land areas of 0-0-32.3 rais, in total selling price of baht 250 million, from Super P and S Co.,Ltd.(“SP&S”), which is a connected transaction. Total investment for further developing the project until commencing commercial sale is baht 450 million (THG will consider the investment in the next phase in the future). Total project investment of baht 700 million is considered the acquisition of assets.

The mentioned transactions are considered the acquisition of assets pursuant to the Notification of the Capital Market Supervisory Boards No. ThorJor. 20/2551 Re: Rules on Entering into Material Transaction Deemed as Acquisition or Disposal of Assets date 31 August 2008 (as amended) and the Notification of the Stock Exchange of Thailand (“SET”) Re: Disclosure of Information and Other Acts of Listed Company concerning the Acquisition or Disposal of assets B.E.2547 (as amend). The transaction size calculating on the total value of consideration basis by referring to the Financial Statement of the Company ended at 31 December 2017 is equal to 5.0 % (from total asset of THG is baht 14,010 million). The value of transaction when sum up with the prior approval on the acquisition of assets during the period of six months which approved by the Board of Directors on 9 April 2018, the investment of baht 590 million in Thanarach Toongsoang Co.,Ltd. (Toongsong Hospital), total value of transaction is accumulated at baht 1,290 million and The transaction size calculating on the total value of consideration basis by referring to the Financial Statement of the Company ended at 31 December 2017 is

equal to 9.21 % (from total asset of THG at baht 14,010 million. Since the transaction size does not exceed 15%, the Company is not required to prepare anything by the criteria of the asset acquisition and disposal).

For the transaction of asset acquisition of land and construction at the total selling price of baht 250 million from Super P and S Co.,Ltd is deemed a connected transaction under the Notification of the Capital Market Supervisory Board No. Tor Jor 21/2551. The transaction size is equal to 3.03% (calculating from Net Tangible Asset (NTA) of THG as of 31 December 2017) which exceed 3% of NTA, so the transaction is substantial, it is required to seek approval from shareholders. The resolution of transaction requires affirmative votes of not less than three-fourths of total votes of shareholders attending the meeting and having the rights to vote, excluding the shareholders who have interest in the transaction.

The Board of Directors' meeting No.4 on 9 April 2018 has a resolution to propose to the Extraordinary General Meeting of shareholders No.1/2018 to consider and approve the entering into the acquisition of asset transaction.

In the respect, the Company has appointed Absolute Advisory Co.,Ltd. as the Independent Financial Advisor ("IFA") to render such opinion to the Company's Extraordinary General Meeting of shareholders No.1/2018 regarding the appropriateness and the fairness of the connected transaction. The opinion expressed herein is based on the assumption that all information and documents obtained from the company and from the interview with the Company's management are true and correct. We have considered such information in a thorough and reasonable manner in accordance with professional best practices.

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### Executive Summary

The Board of Directors' meeting of Thonburi Healthcare Group Public Company Limited ("THG") No 4/2018 held on April 9, 2018 had a resolution to approve the purchasing of land and construction on Pracha-utit Road to be developed for Thonburi Senior Home Project via Premier Home Healthcare Co.,Ltd. ("PHHC") which is a subsidiary company of THG holding 99.9% of shares. Such transaction is considered as asset acquisition transaction with connected person.

According to the sell and purchase contract, land and construction will be purchased at total price of THB 250 million from Super P and S ("SP&S") to be developed for Thonburi Senior Home Project of PHHC, which comprises

- (1) 6 plots of land area 8-1-93 rai and construction of 2 units of 11-storey buildings of which incompletely constructed and
- (2) 2 plots of land area 0-0-32.3 rai and 3-storey commercial buildings (with mezzanine and roof top)

With reference to the appraisal reports of the two appraisers in the certified lists of SEC with stating the objective for public can be concluded as following:

- Charter Valuation and Consultant Co.,Ltd.

Items	Date	Approach	Appraisal value
<u>Group 1</u>			
1) Land in total area of 8-1-93 rai @ THB 46,136 per Sqw.	1 Feb 2018	cost approach	THB 156,539,448
2) Construction			
Building 1 -11 storeys (46%completed)			THB 83,244,783
Building 2 - 11 storeys (35%completed)			THB 94,629,360
<u>Group 2</u>			
3) Land in total area of 0-0-32.3 rai with two units of commercial buildings	23 Apr 2018	Market Comparison Approach	THB 7,650,000
Total			THB 342,063,591
Proportion of the of THB 250 mil execution price comparing to the appraisal value			73.09%

- South East Asia International Co.,Ltd.

Items	Date	Approach	Appraisal value
<u>Group 1</u>			
1) Land in total area of 8-1-93 rai @ THB 50,000 per Sqw.	19 Mar 2018	cost approach	THB 170,150,000
2) Construction Building 1 -11 storeys (60%completed) Building 2 - 11 storeys (60%completed)			THB 165,750,000
<u>Group 2</u>			
3) Land in total area of 0-0-32.3 rai with two units of commercial buildings	10 May 2018	Market Comparison Approach	THB 10,400,000
Total			
Proportion of the of THB 250 mil execution price comparing to the appraisal value			73.85%

IFA has a comment that sample selection in appraisal method may cause an over-stated of appraisal value. Moreover, even the execution price is lower than the appraisal value, it is noted that the said asset cannot be acquired under regular procedures. Sell and purchase of the assets has processed via Asset Enforcement Department as it has been seized and it has obligation with financial institutions. So, only a fairness of land price cannot be considered judged as there are other concerning conditions and factors to be considered as well.

The appropriateness of the transaction, advantage, disadvantages, and risks concerning in the transaction are summarized as follow

#### Appropriateness of the transaction

The entering into the sell and purchase of the assets has been processed via the connected person. The sell and purchase contract has already been signed and pending until the transferring of the transaction is approved. However, IFA gives an opinion that the transaction can be considered as a conflict of interest to the connected person because;

1. High risk engaged in the transaction by the payment of THB 150 million before the assets has a ready condition to be sold.
2. The deposit by the sell and purchase agreement of THB 150 million is 60% of total selling price is considered high proportion when comparing to general contracts.
3. Risk of deposit repayment in the event that the transaction is not approved by the shareholders.

To guarantee the deposit as required in the sell and purchase contract, SP&S has given the title

deeds and a power of attorney for the transfer of ownership without recording in the title deed as a security. (Presently, the obligation is all released). However, the power of attorney has been granted to sell the assets to PHHC at THB 250 mil. After that, PHHC will sell the assets to repay for the deposit, hence the Board of Directors has considered that the company has very low risk by this process.

Concerning the process of such sell and purchase contract, in the event that the counter party is an external person who was not a connected person, PHHC would have other alternatives for the transaction to prevent the company's risk exposure.

**Advantages of the transaction:**

1. PHHC can have benefit from the said land by developing into Senior Townhome, a business related to residence and health care place for the elderly. The project can fulfill the objective of the Company in expanding client base for senior housing, covering the segment through high medium and medium-low market and to enlarge the well-known brand of senior housing to the Company. The project development will be considered as one of the pilot project of Thailand, in addition to the JIN Wellbeing Rangsit - which is emphasized on aging customers whose income is in medium to high range, the highly potential business as a result of the changing of structure of Thai society and the increasing proportion of the elder.
2. The purchase of land and property from the said project will minimize the costs and period of construction. According to the survey, the existing building has rigid structure and can be re-developed immediately without obtaining EIA (Environmental Impact Assessment) as per Environment Act due to the fact that the project obtained first construction permit in August 1992 prior to the impose of EIA application pursuant to Environment Act in October 1992. The project can be accelerated for completed construction and generate revenue to the Company within 2018 at the lower cost of construction comparing to the cost of whole new construction. Currently, the construction permission of two units of residential buildings, clubhouse, and parking-lots have been processed properly. The project has been confirmed by senior architect and senior engineer for legally design according to Building Controlling Act B.E.2558 and environmental laws. The qualification of the project is not worse comparing to other EIA-approved projects.



3. Independent Financial Advisor has evaluated the investment return of the project and adjusted the assumptions conservatively. Sell price are reduced by 5%, and sell period is expanded to 18 months in Base case and Worst case respectively. The results are as follows:

Project Return	Phase 1 only		Total project **	
	NPV (Mbaht)	IRR (%)	NPV (Mbaht)	IRR (%)
Best Case	53.32	25.61%	87.24	39.36%
Base Case	12.65	6.26%	46.56	11.88%
Worst Case	8.25	5.13%	42.17	9.70%

The projection forecasted that PHHC will gain from phase I and Net Present Value is approximately 8-53 Baht million or 5-25% IRR, with half of land bank remained for further development in the next phase without land cost.

#### Disadvantages of the transaction

- The project to develop in line with current plan is regarding only first phase which include 2 residential buildings and Wellness Center located on the area approximately 4-0-39 rai or 51% of total area (not include commercial building). The purchase is a lump sums for the whole plot of land. In case where PHHC will develop only the first phase despite the fact that the money was spent for the whole phases, the Company may lost opportunity cost from investment in the land which does not generate revenue. However, PHHC has continuous project to build Rehabilitation Hospital and the elderly care building in the next phase within 1-2 years due to the fact that medical treatment and the elderly care is the target and business prominence of the Company.
- The disadvantages of the land or assets includes:
  - The access to the project is blocked by old commercial buildings. Pollutions, odor, noise from surrounding residences.
  - The building is not located on sky train route. Hence, the demand for condominium is lower than competitors whose locations are in the sky train route.
  - Intruders and tenants of the building in some parts such as care, antique shops, labor shelters which are settled in the abandoned building. (Currently, they are all removed)

- Residential houses built permanently in the middle of the area that may cause some problems such as servitude area concerning. (Currently, the Company said there is not a problem as it use public bridge for its pathway.)
- Pollution from public canals and road lines/bridge within the project must be improved.

#### **Risks of entering into the transaction**

1. The risk of preparing Environmental Impact Assessment Report pursuant to Environment Act; the project obtained construction permit on 25 August 1992, therefore, it is not required to obtain EIA since the law was imposed since 1992 onwards, after the company obtained permit. At present, the project received the certificate of land use for the building which was filed for registration pursuant to Section 39 Bis on 8 May 2018. (YorPor1) with a notification. Then, it was filed for a second registration pursuant to Section 39 Bis (YorPor1) with notification on 12 June 2018 to enture for the improved construction of 2 building, parking lots and clubhouse. Moreover, the project has been confirmed by senior architect and senior engineer for legally design according to Building Controlling Act and environmental laws.  
  
However, next phase of the project, if EIA is required, the Company shall apply. As a result, the next phase of construction will be limited on the use of land. Furthermore, the project without EIA requires prudent proceed and strict compliance to the law such as Building Control Act B.E. 2558, Bangkok Administration Organization Regulation B.E. 2544 on building control, Condominium Act B.E. 2551, in order to build the trust among customers and to create positive image and reputation of the Company in the long term.
2. The risks where the construction will not meet the plan, causing delay or requiring higher costs. According to the appraisal on the abandoned building for 20 years, the cost for renovation is required. According to the assessment by the engineers from Siam Remidee Co., Ltd., in February 2018, having objective to present the examination of physical condition and strength of the building structure and resolution, it is suggested to repair the beam structure, floors, pillars, pillar structure and walls in some parts. The cost of repair for 2 buildings is estimated at 4.5 million Baht. After that, it is estimated by PHHC that the construction will take approximately 5 months in order to sell and transfer ownership to buyers,  
  
However, the said cost will belong to the seller.

3. Risks of marketing and the sales which does not meet estimation. In the event where the Company cannot close the sale in line with the plan: THG is desirous to accelerate the sale volume and generate return on investment for PHHC within year 2018 in order to set off the revenue of JIN Wellbeing where the sale is slow. However, the 2 buildings contain more than 400 units. To sell within short period of time, the price reduction strategy must be applied. As a result, the sale volume and profit may not meet the expectation.

IFA prepared cash flow projection to analyze the investment return by adjusting sale assumption comparing to sale as company's plan. The return in Worse case with a 5% reduction of sale price and extend sale period to 18 months has positive return. Meanwhile, the company still has half of land plot to develop in the next phase with no cost.

#### **Advantages and Disadvantages of not entering into the transaction**

In case THG will not enter into this transaction, it may lose the opportunity to acquire the land at the price lower than general selling price. The land contain building that is ready to develop the project into Senior Home Care within a short period of time and can generate revenue to THG. The project is also expected to be a pilot project of the similar ones which will grow to meet market demand amid the aging society of Thailand.

However, in the event that the shareholders do not approve this transaction, PHHC-the purchaser can recall for the deposit of THB 150 mil paid to SP&S by the sale purchase contract within 7 days without any objection. The chance where SP&P will not refund the money is high due to the fact that the company has just been relieved from bankruptcy and the deposit was spent for procedures of revocation of bankruptcy and relieve title deeds from mortgage for creditors. However, PHHC is holding title deed of the project, having a power of attorney for sale of land to PHHC as a security in case such event is occurred. However, the holding of the title deed with the power of attorney to sale at THB 250 million is only a facilitate method to the buyer and it will benefit for the buyer to hold the case if the seller would like to manage the assets. Eventually, any transferring, sell/purchase or any transaction have to be approved properly by right authorizers and also steps of lawsuit.

From the above reasons, IFA has an opinion that entering into the transaction has inappropriate conditions and may cause conflicts of interest with the connected person in the process of sell and purchase contract. In case that the deposit of THB 150 mil was not paid previously, but follow to normally sell purchase process, IFA would recommend to approve the transaction without such conflict. However, as of the date of the shareholder's meeting, there is not any damage affects the Company. Meanwhile, the reject of entering into the transaction will

not be an advantage to any parties, whereas there are possible risks to refund for deposit, and loss of opportunity to bring asset with low cost to develop and bring good image to the group of companies. The cash flow projection of the project showed that PHCC can make a profit through Phase 1 with remains half of land plots to be developed in the future. Revenue and profit of this project will be generated to the group companies and eventually to the stakeholders.

Therefore, IFA recommends that the shareholders should vote to approve the entering into such connected transaction of asset acquisition.

However, the decision to vote in such transaction depends primarily on the shareholders' individual judgement. The shareholders should study the attached information given herewith the invitation letter of shareholders' meeting No.1/2008 for an appropriate decision.

## 1. Nature and details of asset acquisition from "connected person"

### 1.1 Objectives and background of the transaction

Thonburi Healthcare Group Public Limited Company ("THG") conducts core business of medical services, as a healthcare solution provider and other businesses that support core activities within the group. THG starts trading in the Stock Exchange of Thailand on 7th December 2018. The company provides "Senior Care and Living" service through the operation of Premier Home Health Care Co., Ltd., ("PHHC"). At present, the company is developing "JIN Wellbeing County" - a project about Healthcare Mixed Used Development under the combination concept of Integrated Healthcare, "Tailor-Made Medicine" and "Active Living". The project is now under construction phase and is expected to generate revenue by year 2018. The target group is Middle to High End customers. In addition, according to the recent marketing for "JIN Wellbeing County", a great number middle-elderly age customers require residence with the said medical services and facilities at middle to lower end price range.

The Board of PHHC, by the meeting no. 1/2018 held on 18 January 2018, has approved the proposal for Thonburi Senior Home Pracha-Utid which is the residential project of Super P and S Co., Ltd. ("SP&S") - a company where the connected person holding shares. However, as a result of financial crisis since 1997, the project was stopped and the construction site has been abandoned. Re-developing this project will minimize cost of construction and accelerate the generation of revenue for THG within short period of time thanks to the advantages of location, project size and the price ranges meet the needs of target customer groups.

The Board of THG, by the meeting no. 4/2018, held on 9 April 2018, has approved the acquisition of land and property from Super P and S Co., Ltd., ("SP&S"), located adjacent to Pracha-Utid road, Thung Khru sub-district, Thung Khru district, Bangkok. The land consists of 6 plots, area as appeared in the title deed 8-1-93 rai, with 2 tall buildings having 11 floor, and 16 floor (the construction stopped at 11th floor), 2 plots of land with area as appeared in title deed 0-0-32. 3 rai with 3 storeys commercial building which will be developed into Thonburi Senior Home of PHHC (a subsidiary holding 99.9% of shares) in the amount of 250 million Baht. This is connected transaction according to the criteria and notification of the Securities and Exchange Commission No. ThorJor. 21/2551.

#### Initial information of Thonburi Senior Home - Pracha-Utid

According to the approval of the Board of THG in the meeting no. 2/2018, held on 22 February 2018;

**Phase 1:** Area 4-0-39 rai, the project- Senior Home provides health care service for elderly for example, health check service, nursing staff, activities area, swimming pool, fitness center, green area for resting and exercises, offering price of which medium range customers (C+-B) can afford.

**Phase 2:** Area 2-1-74 rai; Rehabilitation Hospital GFA = 9,500 sq. m.

**Phase 3:** Area 1-3-54 rai; Age Care Building, GFA = 8,000 sq. m.

At first, THG will develop Phase 1 in order to generate revenue by year 2018 as follows.

PHASE I: Condo (as proposed for approval in the Board's meeting. The feasibility study of the project was prepared by PI Estate Co.,Ltd. and reviewed by PHHC)			
Project value	:	850 million Baht, consist of 2 residential buildings, 11 floors, parking facilities and Wellness Center*	
Land cost	:	125.45 million Bahr (Allocated in Phase I by the proportion of construction area)	
GFA	:	Approximately 26,000 sq. m.	
Development Cost	:	450 million Baht	
	Included:	Construction cost	400 million Baht
		Project management	34 million Baht
		Marketing expenses	26 million Baht
Budget	:	700 million Baht	
Construction period	:	6 months	
Sales area	:	13,696 sq. m. (428 units)	

Sale price	: 62,000 Baht per square meter - 1.98 million Baht per unit Installment/unit: 15,000 per month Customer group: Earners of 45,000-46,000 Baht monthly
Net profit	: 151 million Baht** IRR: 23.29%** Project started: October 2018**

\*Wellness Center for the elderly consists of health promotion services, health recovery services provided in the environment and atmosphere that nourish physical and mental condition of patient including comprehensive facilities such as spa, fitness center, hydrotherapy, Thai massage, emergency first aid room and complete health care services. Furthermore, there are activity classes that help promoting health, perfect for the elder of different ages and their families. Various packages will be prepared to meet different requirements.

\*\*The return of the project were revised by the different situation

#### Simulation of the Project Phase 1



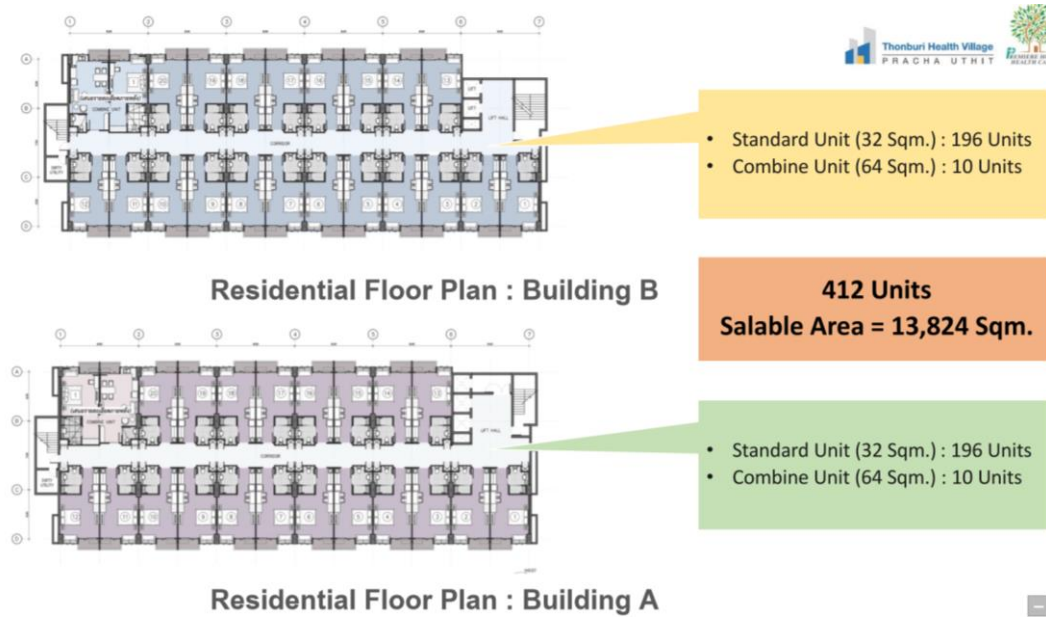
Construction model



Construction model



Master Plan



### 1.2 Date, month, year of transaction

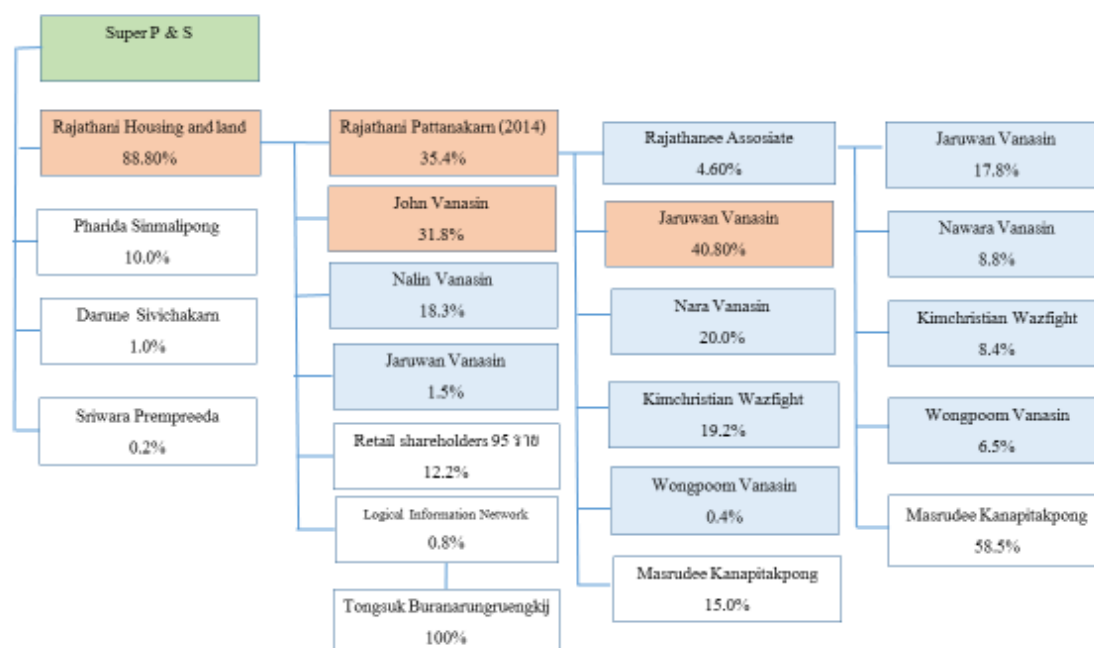
The Board's meeting assigned PHHC to transfer the land and properties with payment conditions by Q3, 2018. However, after the resolution to approve by the Extraordinary Meeting of Shareholders No. 1/2018, the Company must proceed to acquire land and property which is a connected transaction.

### 1.3 Related contractual parties of the acquisition of assets and related relationship

Purchaser	Premier Home Health Care Co., Ltd. (THG holds 99.9% of shares)
Seller	Super P and S Co., Ltd.,
Relationship	Purchaser is a subsidiary of THG of which major shareholders and controlling person is the same group as the major shareholders and controlling person in juristic corporation of the Seller.



Shareholding in Super P and S Co., Ltd., is shown below.



Summary of shareholding in SP&S of Wanasin family pro rata the shareholding through Ratchathane Building Land Co., Ltd., houses, lands and related companies

Names	Proportion of shareholding
Mr. John Wanasin	28.2%
Miss Nalin Wanasin	16.3%
Mrs. Jaruwat Wanasin	14.4%
Mrs. Nawara Wanasin	6.4%
Mr. Kimchristian Wazfise	6.2%
Mr. Wongpoom Wanasin	0.2%
Total	71.7%

Controlling person who is a director in Seller's company and Seller's major shareholders are namely as below.

Super P and S Co., Ltd.,	Ratchathane Building Land Co., Ltd.	Ratchathane Pattanakarn (2014) Co., Ltd.
Mr. Banyat Hemathulin	Miss Sriwara Prempreeda Miss Tippawan Rujirotpipattana Mr. Aram Chanthapinya Miss Massaruedee Khamapitakphong Mrs. Orraya Srichuen	Miss Massaruedee Khamapitakphong Mr. Aram Chanthapinya Miss Jidapa Poomput

Person connected to the transaction	Relationship in THG	Relationship with Seller
Mr. John Wanasin	A Group of major shareholders and children of Mr. Boon Wanasin (Chairman of the Board)	A group of major shareholders
Miss Nalin Wanasin	A Group of major shareholders and children of Mr. Boon Wanasin and directors	A group of major shareholders
Mrs. Jaruwan Wanasin	A group of major shareholders and a wife of Mr. Boon Wanasin	A group of major shareholders
Mrs. Nawara Wanasin	A group of major shareholders and a wife of Mr. John Wanasin	A group of major shareholders
Mr. Kimchristian Wazfise	A group of major shareholders Husband of Nalin Wanasin	A group of major shareholders
Miss Massaruedee Khamapitakphong	A shareholder	A director of corporate shareholder

The person related to this transaction who is a shareholder in THG and who has no right to vote for this transaction are as follows.

Shareholders (as of 30 March 2018)	Number of shares	Proportion
Mrs. Jaruwan Wanasin	85,853,562	10.11%
WJ International Hospital Management Co.,Ltd. 1/	60,000,000	7.07%
Mrs. Nawara Wanasin	49,872,663	5.87%
Global health Investment Co.,Ltd. 2/	43,813,340	5.16%
Mr. Boon Wanasin	5,801,848	0.68%
Miss Massaruedee Khamapitakphong	5,047,006	0.59%
Mr. John Wanasin	20,837	0.00%
Miss Nalin Wanasin	10,837	0.00%
Total	250,420,093	29.49%

1/ WJ International Hospital Management Co., Ltd. Major shares hold by MD. Boon Wanasin, 30% and Mrs. Jaruwan Wanasin 60%, established in Hong Kong

2/ Global Health Investment Co., Ltd, the company is under controlling power of Wanasin family which is the major shareholder of the company established in Hong Kong.

#### 1.4 Type and size of the transaction

THG is desirous that PHHC - a subsidiary to acquire the land and property located at Pracha-utis road, Thung Khru sub-district, Thung Khru district, Bangkok -the land consists of 6 plots, area as appeared in the title deed 8-1-93 rai, with 2 tall buildings having 11 floors (the construction was stopped), 2 plots of land with area as appeared in title deed 0-0-32.3 rai with 4 storey commercial building which will be developed into Thonburi Senior Home of PHHC (a subsidiary holding 99.9% of shares) at the amount 250,000,000 Baht from Super P and S Co., Ltd. The transaction is considered as a connected transaction according to the notification of the Capital Market Supervisory Board No. ThorJor. 21/2561. Investment for development of the first phase is assessed by THG at the amount 450,000,000 baht (based on the construction cost appraisal until COD).

##### *Calculation of acquisition and disposal of assets:*

Purchase of the land and property and the investment in development of the first phase for commercial operation opening (THG will consider the investment of the next phase later on) is approximately 700 million Baht. This is classified as acquisition of the asset. Total value of the consideration is 5.0% (calculated from total assets of THG at 14,010 million Baht as of 31 December 2017).

When including this transaction and the acquisition of the asset within 6 month period which is approved by the Board on 9 April 2018 which is the investment in ordinary shares of Thanarat Thung Song Co., Ltd. (Thung

Song Hospital) in the amount not exceeding 240 million Baht and the investment in the project approximately 350 million Baht. Total acquisition of accumulated assets is 1,290 million Baht. When taking into account a criteria for the total value of consideration at 9.21% (based on total assets of THG in consolidated financial statement as of 31 December 2017 amount to 14,010 million Baht), the transaction is less than 15%, therefore, it is not required to proceed in compliance with the criteria for significant acquisition and disposal of assets.

*Calculation of connected transaction:*

Value of the connected transaction are acquisition of the land, property from connected person with value amount to 250 million Baht.

$$\begin{aligned}
 \text{NTA} &= \text{Total assets - intangible assets- deferred expenses - total liabilities- minor} \\
 &\quad \text{shareholders'Equity (Net tangible assets of THG based on consolidated financial} \\
 &\quad \text{statement as of 31 December (audited) 2017)} \\
 &= 14,009.71 - 82.03 - 64.45 - 5,344.91 - 261.65 \text{ million Baht} \\
 &= 8,256.67 \text{ million Baht}
 \end{aligned}$$

$$\text{Size of the connected transaction} = 3.03\%$$

It is appeared that the transaction is very significant. In other word, the percentage is over 3 of NTA, therefore, it is required to seek for permission from shareholders in order to appoint an independent financial advisor to express his opinion to the shareholders. The resolution must obtain not less than three-fourth of total votes. The shareholder who is involved with this connected transaction shall have no right to vote.

## 1.5 Details of the assets and related expenses

### 1.5.1 Asset details

The 2 assets to be acquired at the amount of 250 million Baht include:

Item 1	
Type	<p>Land and property consist of 6 plots of land, total area 8-2-3 rai. The land is of triangle shape. The south is connected to Bang Chak canal, having public water way in the middle. The wide front side is connected to Pracha-utid road, length on each side is 12 meters, 12 meters (see drawing plan) and approximately 95 meters.</p> <p>The building located in the property are as follows.</p> <ol style="list-style-type: none"> <li>1. 11-storey height building (11-storey structure, unfinished)</li> <li>2. 16-storey height building (11-storey structure, unfinished)</li> </ol>

Property location	(No number), Pracha-utid Road, Thung Khru sub-district, Thung Khru district, Bangkok  Nearby Places: Islamic College of Thailand, distance about 150 meters. King Mongkut's University of Technology Thonburi, distance approximately 1.8 km.																																
Entrance-exit	The main road adjacent to the property is Pracha-utid road which is used as a public road. The road surface is concrete, 12 meter wide, right of way width approximately 18 meters. The property has pedestrian path, roads and drainages.																																
Neighborhood and environment	The neighborhood surrounding the property is mainly a residential area consist of small and medium size townhouses.  Private buildings are located in alleys. Commercial buildings are located along the main road.																																
Land title deed	Title deeds for the 6 plots are as follows. <table border="1"> <thead> <tr> <th>Sequence</th> <th>Deed title no.</th> <th>Land no.</th> <th>Area</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>3910</td> <td>227</td> <td>2-0-87</td> </tr> <tr> <td>2</td> <td>13030</td> <td>516</td> <td>1-0-0</td> </tr> <tr> <td>3</td> <td>13031</td> <td>513</td> <td>0-3-54</td> </tr> <tr> <td>4</td> <td>36228</td> <td>261</td> <td>0-0-52</td> </tr> <tr> <td>5</td> <td>36230</td> <td>239</td> <td>0-0-52</td> </tr> <tr> <td>6</td> <td>36232</td> <td>228</td> <td>4-0-48</td> </tr> <tr> <td colspan="3">Total</td> <td>8-1-93</td> </tr> </tbody> </table>	Sequence	Deed title no.	Land no.	Area	1	3910	227	2-0-87	2	13030	516	1-0-0	3	13031	513	0-3-54	4	36228	261	0-0-52	5	36230	239	0-0-52	6	36232	228	4-0-48	Total			8-1-93
Sequence	Deed title no.	Land no.	Area																														
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5	36230	239	0-0-52																														
6	36232	228	4-0-48																														
Total			8-1-93																														
Owner of land	Super P and S Co., Ltd.,																																
Title document of the property	Super P and S Co., Ltd., received construction permit on 25 August 1992 and the permit was renewed and was valid until 8 September 1995.  Received the certificate of land use for the building which was filed for registration pursuant to Section 39 Bis on 8 May 2018.(Yor Por1), then  Received the notification of construction (Yor Por 4) from Building Control Section, Department of Public Work. Bangkok Region, then  Received the certificate of land use for the building which was filed for registration pursuant to Section 39 Bis again for the improvement of buildings on																																

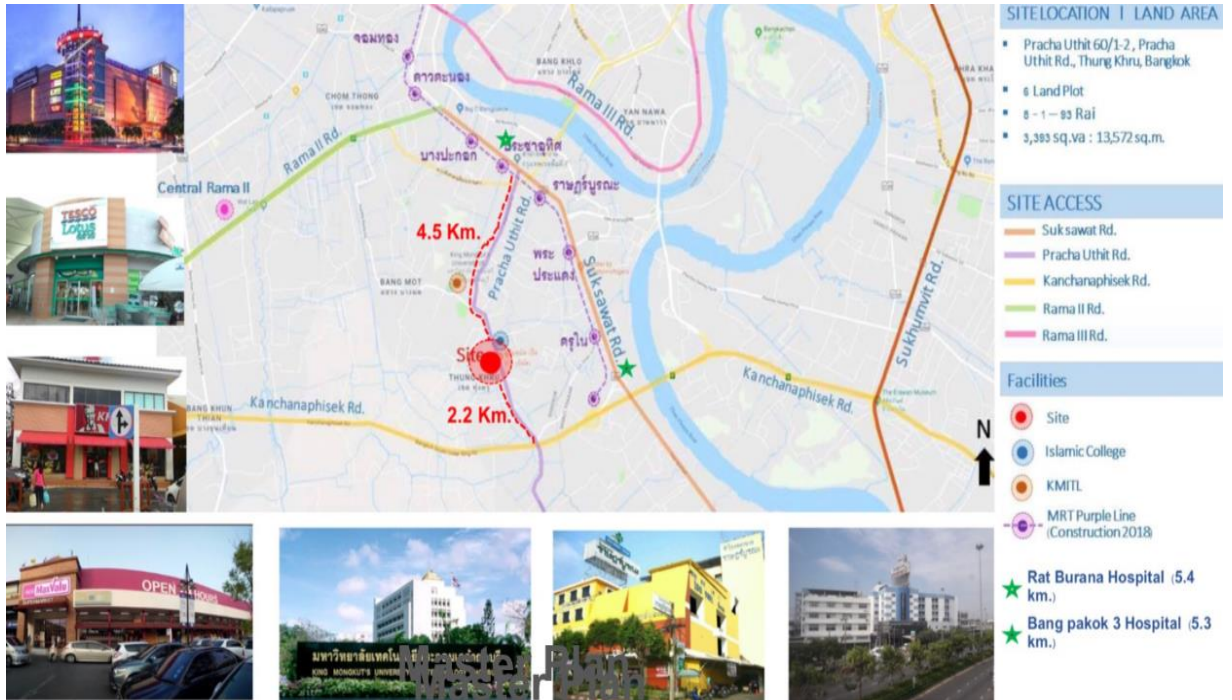
	12 June 2018. (Yor Por1). And received the notification of construction (Yor Por 4) no. 2 to ensure that the construction of the two buildings, the parking lots, and the club house are correct. The project is certified by a senior Engineers and a senior architect that the design of the buildings are properly by Building Control Act. B.E 2558 and Fundamental Environment Acts, and the project has no disadvantaged compared to any project with EIA approved.
Obligation	Redeemed a mortgage from Sri Mitr Securities Public Company Limited on 8 May 2018.
Current use of the land	The land has been improved and reclaimed. The level is as high as the road. Within the land, there are 11-storey height building and 16-storey height building.  At present, the construction of the said buildings is stopped and site abandoned.

<b>Item 2</b>	
Type	The land and property consists of 2 commercial buildings with 3 storey (with mezzanine and roof top)
Property location	No. 288/80, Soi Pracha-utid 60/1 Pracha-utid Road, Thung Khru sub-district, Rat Burana district, Bangkok
Entrance-exit	Public road
Neighborhood and environment	The environment surrounding the property, mainly are residential area such as small and medium size townhouses. Private buildings are located in alleys. Commercial buildings are located along the main road.
Land title deed	Title deed no. 23189, 23190 (2 deeds), area 0-0-32.3 rai
Title document of the property	According to the land sale contract which included 2 title deeds dated 27 November 1990
Owner	Super P and S Co., Ltd.,
Obligation	Redeemed a mortgage from Krung Sri Ayudhya Asset Management Co., Ltd., on 17 May 2018.

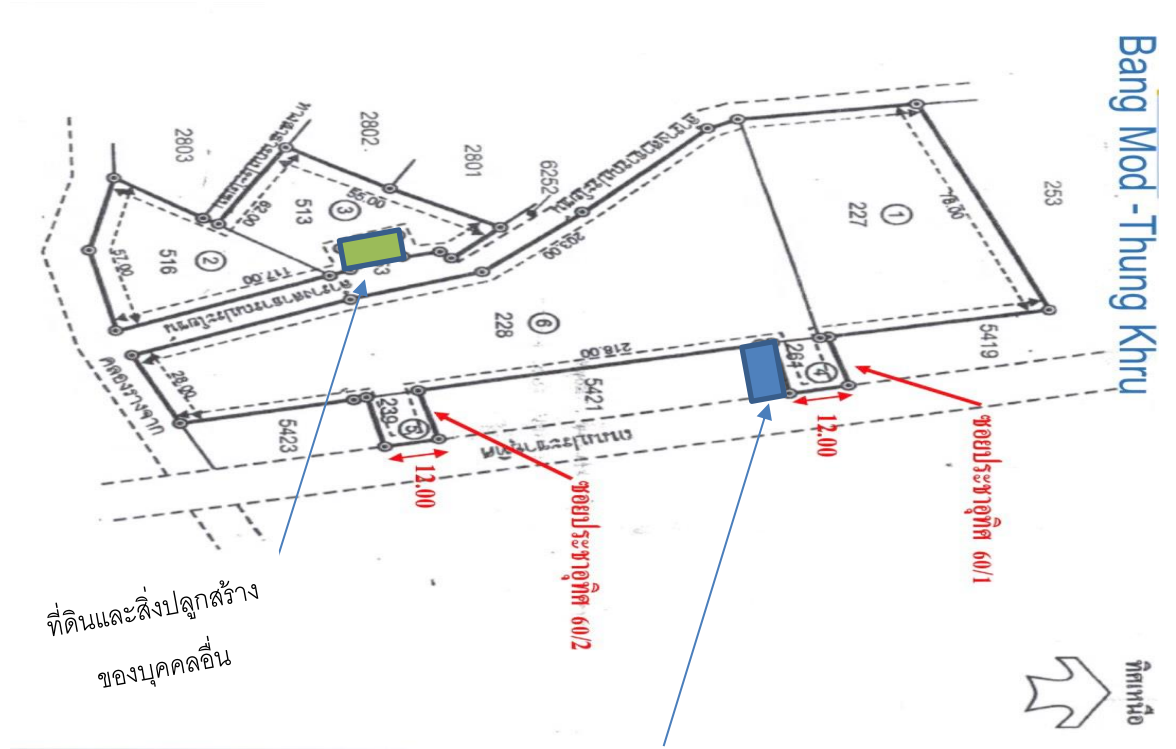
Related expenses are transfer fees of which both parties equally shares; income tax and specific business tax is the responsibility of seller. The approximate expenses of PHHC is 0.6 million Baht.

1.5.2 Location and condition of property

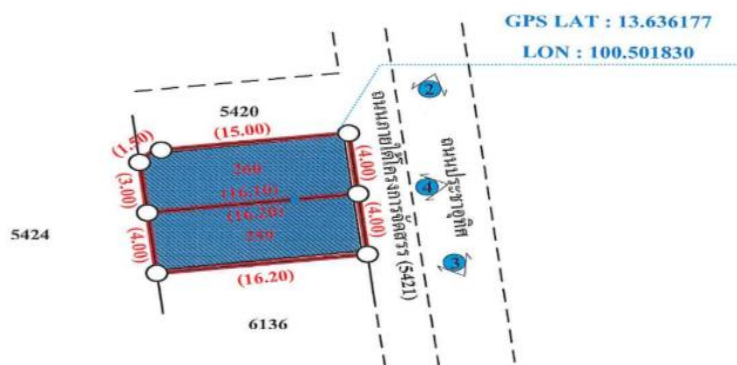
Map:



Item 1 Map



Item 2 Map





Condition of Property 1:

Front of Pracha-utid road



1st high building, 11 storey



2nd high building, 16 storey, the construction reached 11th floor



Condition of Property 2:



## 1.6 Materiality summary of the related contracts

(1) Sale-purchase contract of the land and building	
Contract date	31 March 2018
Contractual parties	Super P and S Co., Ltd. (SP&P) - Seller Premier Home Health Care Co., Ltd. (PHHC) - Purchaser
Selling price	Total 250,000,000 Baht
Payment breakdown	1st payment: 100,000,000 Baht, Seller paid through Mr. Aram Chathapinya 2nd payment: 50,000,000 Baht, to be paid by 12 April 2018. 3rd payment: 100,000,000 Baht, to be paid by the date of transferring title deed or by 31 May 2018 or within the time as required by Purchaser to Seller.
Duties and affirmation of the contractual parties	<ol style="list-style-type: none"> <li>1. Seller affirm to Purchaser that Seller is a juristic person having normal status and is the sole owner of the land, without any encumbrances or liens and Seller acknowledges that Purchaser will start construction and development on this land immediately after completed registration of ownership transfer.  In the event of non-compliance to this affirmation, the Seller agrees that Purchaser rescind this contract and refund the deposit and land payment including 7.5% interest per year.</li> <li>2. Purchaser can claim for the paid deposit at any time should there be any event that shows that Seller will be unable to relieve the land from any servitudes; or the Purchaser does not receive approval to purchase the land hereunder from major shareholders of the Purchaser or from shareholder of the major shareholders of Purchaser or from any competent authority for approval or by any other reasons.  When Purchaser claim for a refund, Seller shall refund within 7 days without any objection. To guarantee the refund of deposit, Seller agrees to issue a power of attorney (transferring without recording in a title deed) in order that Purchaser can transfer the land without consent from Seller and Seller agrees to give related land title deeds to Purchaser on the date of signing this contract.</li> <li>3. The period prior to registering the transfer of ownership hereunder, Seller agrees not to cause or give consent on any changes to the land ownership or cause any encumbrances to the land.</li> <li>4. From the date receiving first payment, Seller affirms to Purchaser to provide any assistances to Purchaser in case where Purchaser have to</li> </ol>

	<p>submit any documents in order to apply for permission of building construction, for water meters and power meters, and in order to proceed any actions on the land hereunder.</p> <p>5. Seller agrees and allow Purchaser to take a survey on the land border, to improve the land condition and to survey the building, to renovate the building and develop the land in accordance with requirement of Purchaser.</p>
Registration of ownership transfer	Seller agrees to register the transfer of ownership to Purchaser within 31 May 2018 or within the period of time as Purchaser considers fit.
Taxes and other expenses	Transfer fees and duty stamp (if any) are shared equally between the parties; income tax and specific business tax (if any) is the sole responsibility of seller.
Access to the land	Seller allows purchaser to survey the land in order to prepare the construction under condition that Purchaser shall give written notice at least 15 days prior to the date of access.
Breach of contract	<p>In the event of breach of contract by Seller, Purchaser has right of rescission and to receive the refund of deposit including 7.5% interest.</p> <p>In the event of breach of contract by Purchaser, Seller has right of rescission and forfeit the deposit from Purchaser without bringing the case to the court to obtain performance and without claiming for any other damages from Purchaser.</p>

<b>(2) Receipt of land deposit</b>	
Contract date	26 February 2018
Promisor	Mr. Aram Chanthapinya, a coordinator and procurement person for PHHC ( The authorized person of Rajathai Building and Land Company)
Materiality	<p>On 28 February 2018, Mr. Aram Chanthapinya received the money amount to 100,000,000 Baht from Purchaser as the first deposit for the acquisition of land and property 8 plots, area 8-2-35.3 rai. The money was brought forward to set off liabilities for Super P and S Co., Ltd. in order to avoid receivership or to relieve the company from being bankruptcy according to the law.</p> <p>Due to the fact that Seller was still a bankrupt, in order to acquire the land, Mr. Aram affirm that within 31 March 2018, he will undertake an action to</p> <p>(1) Relieve Seller from being bankruptcy.</p>

	<p>(2) Seller entered into the land buy-sell contract with Purchaser at the price of 250,000,000 Baht. The contract states that on the sale-purchase date, Seller will receive the first deposit amount to 100,000,000 Baht, and the second deposit amount 50,000 Baht will be paid within 12 April 2018 and the rest amount of 100,000,000 Baht will be paid within April 2018 or within the period of time as Purchaser consider appropriate, under condition that the land must not be under any encumbrances and no squatters* and with conditions and other requirement as Purchaser consider appropriate.</p> <p>Failure to proceed as aforementioned, Mr. Aram shall refund the monies to Purchaser including 7.5% interest per year. Ratchathane Building and Land Co., Ltd., guarantees the refund of the said monies.</p>
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\*Currently, the land has no encumbrances and no squatters.

<b>(3) Letter of guarantee</b>	
Contract date	26 February 2018
Promisor	Ratchathane Building and Land Co., Ltd. (Guarantor/company)
Materiality	Whereas Mr. Aram received the first deposit from PHHC in order to proceed actions as mentioned in the receipt of land deposit, the company agrees to bind itself without any conditions for the irrevocable guarantee that in the event where Mr. Aram will not make a performance as stated in the receipt of land deposit or will not refund the first deposit money including interest as aforesaid, the company agrees to make a performance in full amount to Purchaser.

<b>(4) Power of attorney (Placed with the purchaser with the title deeds)*</b>	
Contract date	2 April 2008
Promisor	The authorized person: SP&S The attorney : Mr. Suwat Ngamsombat (Land Officer of PHHC who is not the authorized person of the Company)
Materiality	The power of attorney shall allow the attorney to manage the sale of land and property to PHHC in the amount of 250 million Baht.

\* The Power of Attorney is placed with the purchaser as a guarantee for a deposit to allow the purchaser to transfer the title deed himself without a permission from the seller. However, in this case, the transferring, sell/purchase or any operation to redeem the deposit shall ask for an approval from the shareholders and

shall follow the litigation step by Law. Therefore, placing the power of attorney and the title deeds is a facilitate tool to operate a transaction under an objective of that attorney power.

<b>(5) Agreement for repairment and improvement of the buildings</b>	
Contract date	6 June 2018
Promisor	SP&S by Mr. Budyad Hemathulin (The authorized person of SP&S)
Materiality	SP&S gave a confirmation to PHHC to repair and improve the structure of the two buildings to be strength and firm enough to be given a permission to build housing buildings according to the model that must be approved by related organizations, with an expenses of the seller only.

<b>(6) Confirmation from an engineer and architect</b>	
Contract date	13 June 2018
Promisor	That the second lieutenant Pratum Aumkuamitr (Qualified Engineer) Mr Patana Suwansampit ( Qualified Architect)
Materiality	As PHHC has asked for the opinion to build and repair the two 11-storeyed buildings to be Condominium buildings and parking. The two mentioned persons gave an opinion that the two buildings are designed properly in general by the bulding law regarding building control Act B.E 2558 and basis of Environmental Law, so that that building can be given a permission. However, the project should conduct according to the designed model according to the right purpose so as to receive a permission to open the building (Aor 6) and a permission for condominium registration afterwards.

### 1.7 Source of the fund

PHHC will acquire the said property from SP&P by using the loan from parent company -THG. The credit balance is sufficiently supported by several financial institutions both within Thailand and oversea as clean loan. The said loan is provided with low interest rate. THG can grant loan to PHHC but the interest rate is 1% different in form of promissory note payable on demand, withdrawn in actual amount of spending, the interest is paid monthly. The said loan is without conditions in limiting rights if dividend payment of shareholders.

**2. Appropriateness and the benefits of the transaction.****2.1 Objectives and necessity to enter the transaction**

The Board of THG, by the meeting no. 4/2018, held on 9 April 2018, has approved the acquisition of land and property located adjacent to Pracha-Utid road, Thung Khru sub-district, Thung Khru district, Bangkok. The property will be developed into Thonburi Senior Home through Premier Home Health Care Co., Ltd. (PHHC) - a subsidiary where THG holds 99.99% of shares. The acquisition is to purchase in lump sum price 250 million Baht from Super P and S Co., Ltd., the company where Ratchathane Building and Land Co., Ltd is a major shareholder (holding 88.8%). The Ratchathane Building and Land has a major shareholder and controlling person which is Wanasin family.

Super P and S Co., Ltd., was established in September 1990 with registered capital 100 million Baht, conducting the trade of land, buildings, condominium (reference from BOL). The company became an owner of the said land since year 1992 with aim to develop into residential condominium. The company obtained first construction permit on 25 August 1992 for the construction of 3 high buildings and 3 townhouse buildings of 3 storey. The company registered the mortgage of the land with a bank. However, with financial crisis, Thonburi Civil Court sentenced SP&P as a bankruptcy and issued receiving order to SP&P pursuant to the Red Case No. Lor. 22/2541 on 12 April 1998. Later, the court issued notification to approve composition in bankruptcy and to revoke the bankruptcy of debtors and to allow debtors to manage their own assets on 16 September 2005. Afterward, the court had an order to revoke the composition and sentenced debtors as a bankruptcy again on 16 February 2009. Hence, the asset management of SP&P was under authority of official receiver, Legal Execution Department since then and the project has been abandoned for 20 years.

The Board of THG, by the meeting no. 4/2018, held on 9 April 2018, sees the potential of the said project which formerly had a permission to develop a residential project, in development and adaptation to residential and health care facilities called "Thonburi Senior Home -Pracha-Utid". Whereas, the commercial building units in front of the project can be developed as sell office. The project can fulfill the objective of the Company in expanding client base for senior housing, covering the segment through high medium and medium-low market and to enlarge the well-known brand of senior housing to the Company.

## 2.2 Advantages, disadvantages and risks of entering into the transaction

### 2.2.1 Advantages

1. PHHC can have benefit from the said land by developing into Senior Townhome, a business related to residence and health care place for the elderly. The project can fulfill the objective of the Company in expanding client base for senior housing, covering the segment through high medium and medium-low market and to enlarge the well-known brand of senior housing to the Company. The project development will be considered as one of the pilot project of Thailand, in addition to the JIN Wellbeing Rangsit - which is emphasized on aging customers whose income is in medium to high range, the highly potential business as a result of the changing of structure of Thai society and the increasing proportion of the elder.

Top ten countries in Asia which are entering aging society. Thailand is ranked as the third.



2. The purchase of land and property from the said project will minimize the costs and period of construction. According to the survey, the existing building has rigid structure and can be re-developed immediately without obtaining EIA (Environmental Impact Assessment) as per Environment Act due to the fact that the project obtained first construction permit in August 1992 prior to the impose of EIA application pursuant to Environment Act in October 1992. The project can be accelerated for completed construction and generate revenue to the Company within 2018 at the lower cost of construction comparing to the cost of whole new construction.



3. By low cost of construction and market opportunity, the project is therefore interesting. Independent Financial Advisor has evaluated the investment return of the project and adjust the assumptions as follow

Best Case	Sale can be made as the plan of PHHC, all of 428 units can be sold within 3 month after finishing the construction. Total revenue 849 million baht at selling price of Baht 62,000 per Sqm.
Base Case	Reduce the selling price by 5% * and extend the selling period to 18 months Total sale 807 million Baht at the selling price of Baht 58,900 per Sqm. <i>*Sale of some comparable projects are (1) Library House Prachautit 26/7 at selling price of around Bt 61,000-80,000 /Sqm. (2) Parque Bhudhabucha 48 at the selling price of around Bt 67,000-85,000 /Sqm. (3) The Privacy of PSH Prachautio 23 at the selling price of around Baht 58,000-67,000 /Sqm. (4) The Cube Prachautit 37 at the selling price of around Baht 59,000 /Sqm.and (5) Issi Condo owned by Chan Issara Suksawat 17 at the selling price of around Baht 67,000-91,000 /Sqm.</i>
Worst Case	Sale is not performed as the plan of PHHC. The sale period is extended by 24 months, while selling price reduced by 5% to accelerate sale or it has to be sold in wholly building to managed further.

Project Return	Phase 1 only		Total project **	
	NPV (Mbaht)	IRR (%)	NPV (Mbaht)	IRR (%)
Best Case	53.32	25.61%	87.24	39.36%
Base Case	12.65	6.26%	46.56	11.88%
Worst Case	8.25	5.13%	42.17	9.70%

The projection forecasted that PHHC will gain from phase I and Net Present Value is approximately 8-53 Baht million or 5-25% IRR, with half of land bank remained for further development in the next phase without land cost.

\*\*The assumption to develop the project after finishing phase I only, the remaining of commercial building and vacant land, partially can be sold at 70% of market value, meanwhile the other part of vacant land behind is not supposed to be sold in short time and it has no value for PHHC in the projection.

For total project, PHHC will gain after all with Net Present value of approximately 42-87 Baht million or 9-39% IRR, without further development in the next phase.

### 2.2.2 Disadvantages

1. The project to develop in line with current plan is regarding only first phase which include 2 residential buildings and Wellness Center located on the area approximately 4-0-39 rai or 51% of total area (not include commercial building). The purchase is a lump sums for the whole plot of land. In case where PHHC will develop only the first phase despite the fact that the money was spent for the whole phases, the Company may lost opportunity cost from investment in the land which does not generate revenue.

However, according to the interview with executives, PHHC has continuous project to build Rehabilitation Hospital and the elderly care building in the next phase within 1-2 years due to the fact that medical treatment and the elderly care is the target and business prominence of the Company.

2. The disadvantages of the land or assets includes:
  - The access to the project is blocked by old commercial buildings. Pollutions, odor, noise from surrounding residences.
  - The building is not located on sky train route. Hence, the demand for condominium is lower than competitors whose locations are in the sky train route.
  - Intruders and tenants of the building in some parts such as care, antique shops, labor shelters which are settled in the abandoned building.
  - Residential houses built permanently in the middle of the area - the Company have to negotiate for buying.
  - Pollution from public canals and road lines/bridge within the project must be improved.

### 2.2.3 Risks of entering into the transaction

1. The risk of preparing Environmental Impact Assessment Report pursuant to Environment Act; the project obtained construction permit on 25 August 1992, therefore, it is not required to obtain EIA since the law was imposed since 1992 onwards, after the company obtained permit. At present, the project received the certificate of land use for the building which was filed for registration pursuant to Section 39 Bis on 8 May 2018. However, next phase of the project, if EIA is required, the Company shall apply. As a result, the next phase of construction will be limited on the use of land. Furthermore, the project

without EIA requires prudent proceed and strict compliance to the law such as Building Control Act B.E. 2558, Bangkok Administration Organization Regulation B.E. 2544 on building control, Condominium Act B.E. 2551, in order to build the trust among customers and to create positive image and reputation of the Company in the long term.

2. The risks where the construction will not meet the plan, causing delay or requiring higher costs. According to the appraisal on the abandoned building for 20 years, the cost for renovation is required. According to the assessment by the engineers from Siam Remidee Co., Ltd., in February 2018, having objective to present the examination of physical condition and strength of the building structure and resolution, it is suggested to repair the beam structure, floors, pillars, pillar structure and walls in some parts. The cost of repair for 2 building is estimated at 4.5 million Baht and the said cost will belong to the seller. After that, it is estimated by PHHC that the construction will take approximately 5 months in order to sell and transfer ownership to buyers,
3. Risks of marketing and the sales which does not meet estimation. In the event where the Company cannot close the sale in line with the plan: THG is desirous to accelerate the sale volume and generate return on investment for PHHC within year 2018 in order to set off the revenue of JIN Wellbeing where the sale is slow. However, the 2 buildings contain 428 units. To sell within short period of time, the price reduction strategy must be applied. As a result, the sale volume and profit may not meet the expectation. (IFA prepared the projection and the expected return to analyze the investment as above.)

### **2.3 Advantages, disadvantages and risks of not entering into the transaction**

#### **2.3.1. Advantages**

PHHC has no risks to enter into this project and can bring the budget to develop existing projects as set out in business plan. PHHC is under development of the first phase for JIN Wellbeing Country. The JIN Wellbeing is in the area of 40 rai and the rest area of 100 rai will be developed into High-end Senior Living project, the first comprehensive sell outright and the pilot project of Thailand.

#### **2.3.2. Disadvantages of not entering into the transaction**

PHHC may lost the opportunity to develop the project that may yield a return in case where the sale plan and operation is in line with the target. In case THG will not enter into this transaction, it may lose the opportunity to acquire the land at the price lower than general selling price. The land contain building that is ready to develop the project into Senior Home Care within a short period of time and can generate revenue to THG. The project is also expected to be a pilot project of the similar ones which will grow to meet market demand amid the aging society of Thailand.

#### **2.3.3. Risks of not entering into the transaction**

In case the shareholders will not approve the acquisition of the land, PHHC can claim the deposit of 150 million Baht paid to SP&P pursuant to the sale-purchase contract under condition that Seller will refund in full

amount within 7 days without any objection. The chance where SP&P will not refund the money is high due to the fact that the company has just been relieved from bankruptcy and the deposit was spent for procedures of revocation of bankruptcy and relieve title deeds from mortgage for creditors. However, PHHC is holding title deed of the project, having a power of attorney for sale of land to PHHC as a security in case such event is occurred. However, the holding of the title deed with the power of attorney (without recording the transfer in the title deed) is not a legal act of transfer which legally binds the transfer.

#### 2.4 The benefits and impacts between entering transaction with connected person and with external person

THG is benefit from entering acquisition with SP&P in the price lower than market price, referred from the independent price appraisal. However, it is noted that the said asset cannot be acquired under regular procedures. Furthermore, it has been abandoned for 20 years. It could be that no external person can access for the auction from the Legal Execution Department or the asset is limited for its use which is not beneficial for external person.

The acquisition of this asset is the transaction made through connected person. The sale-purchase contract has been signed and a deposit of 150 million Baht has been paid. The procedure is now pending the ownership transfer upon approval of THG's shareholders. The sequences of events prior to the approval of the board of THG are as follows:

26 February 2018	PHHC paid 100 million Baht to Mr. Aram Chanthapinya (Mr. Aram), a director of Ratchathane Building and Land (Ratchathanee)- a major shareholder of SP&S, in order that Mr. Aram will be able to proceed to the court to revoke the bankruptcy of SP&S and to enter into the sale-purchase contract with PHHC. Ratchathanee is a guarantor.
27 March 2018	The court ordered to revoke the bankruptcy of SP&S
31 March 2018	PHHC signed the sale-purchase contract of the land with SP&S where the 100 million Baht being paid previously is deemed a part of the deposit as stated in the contract.
11 April 2018	PHHC paid the rest deposit amount to 50 million Baht to SP&S.
8 May 2018	Title deed group 1 was relieved from the mortgage with the bank (according to the endorsement in the title deed)
17 May 2018	Title deed group 2 was relieved from the mortgage with the bank (according to the endorsement in the title deed).

1. The payment of 100 million Baht on 26 February 2018 is a transaction fee for the benefit of SP&S, connected person in order to relieve SP&S from being bankruptcy and obligations. PHHC is highly exposed to the risk due to the fact that there is no any return in investment from the monies being paid during such time, only the guarantee by major shareholders of the Purchaser.

2. The payment to SP&S amount 50 million Baht is a 2nd deposit. Total monies paid amount to 150 million Baht. The said deposit which is stated in the contract amount 150 million Baht accounts 60% of the sale price which is considered as high proportion when comparing to general land sale-purchase. The said land is not yet relieved from the mortgage with financial institution.

3. Risk of deposit repayment in the event that the transaction is not approved by the shareholders. To guarantee the deposit as required in the sell and purchase contract, SP&S has given the title deeds and a power of attorney for the transfer of ownership without recording in the title deed as a security. (Presently, the obligation is all released). However, the power of attorney has been granted to sell the assets to PHHC at THB 250 mil. After that, PHHC will sell the assets to repay for the deposit, hence the Board of Directors has considered that the company has very low risk by this process.

If the contractual party of PHHC is an external person who is not a connected person, PHHC may not pay the deposit at very high proportion without obtaining ownership of the land. This should include the event that PHHC may not acquire the entire land plot which does not generate immediate revenue. PHHC may consider to negotiate for lower price, or decide not to buy this land but divert the investment in other ways which generate better returns.

### 3. Fairness of the price of the transaction

PHHC has provided for the appraisal of land and construction of the assets by two appraisers companies which are Charter Valuation and Consultant Co.,Ltd. and Southeast Asia International Co.,Ltd. Both of the appraisers are the assets appraisers that got the approval from the SEC. Summary of the appraiser value is as follow:

Title deed No.		Appraisal price (Mbaht)			
		Charter Valuation and Consultant Co.,Ltd. (as of 30 January 2018)	Appraisal Method	Southeast Asia International Co.,Ltd. (As of 19 March 2018)	Appraisal Method
3910	Land	156.54 (or Bt 46,136 / Sqw.)	Cost Approach	170.15 (or B.t 50,000/Sqw.)	Cost Approach
13030	Land				
13031	Land				
36228	Land				
36230	Land				
36232	Land				
	Construction	177.87		165.75	
23189	Land with	7.65	Market Approach	10.40	Market Approach
23190	construction ( two units of 3-floor commercial building )				
<b>รวม</b>		<b>342.06</b>		<b>346.30</b>	

Siam Remidy Co.,Ltd. was hired to survey and investigate the buildings and purpose for the solutions of the two buildings that had been discarded for 20 years. It suggested to restore partial of the buildings at total cost of 4.5 Mbaht.

Details of appraisal value are as following

- Appraisal value by Charter Valuation and Consultant Co.,Ltd.

Charter Valuation and Consultant Co.,Ltd. used coast approach to appraise as the property of 6 land plots and the two buildings have specific characteristics.

The comparable information to appraise land value are as following

Asset	Appraisal Value	(1)	(3)	(4)	(6)
Characteristic	Land and construction	Vacant land	Vacant land	Vacant land	Vacant land
Location	Soi Prachautit 60/1	Attach Soi Prachautit	Attach Soi Prachautit 69 yaek 15	Attach Soi Prachautit (near Soi Prachautit 15)	Attach Soi Prachautit 54 yaek 6
Area (rai)	8-2-3	0-1-11	2-0-0	4-0-0	3-1-96
Deduct : Any servitude areas	0	0	0	0	0
Shape of land	Polygon	Square	Square	Square	Square
Width X Length (metres)	24x567.17	10x44.4	60x53.33	40x160	86x64.93
Ratio of width / length (times)	0.04	0.23	1.13	0.25	1.32
Ground level	0.3 meters above road level	At road level	1.00 meters below road level	At road level	At road level
Sides attached to road	1 side	1 side	1 side	1 side	1 side
Type of road	Concrete	Concrete	Concrete	Concrete	Concrete
Width (meters)	12.00	12.00	4.00	12.00	4.00

Asset	Appraisal Value	(1)	(3)	(4)	(6)
Facilities	Water- Electricity- Telephone	Water- Electricity- Telephone	Water- Electricity- Telephone	Water- Electricity- Telephone	Water- Electricity- Telephone
Town plan	Orange area	Yellow area	Orange area	Orange area	Yellow area
Beneficially Purpose	Residential	Residential and Commercial	Residential and Commercial	Residential and Commercial	Residential and Commercial
Potential to develop	-	moderate	moderate	moderate	moderate
Proposed price (Baht/Sqw.)	-	99,099	33,750	120,000	30,000
Negotiation price (Baht/Sqw.)	-	94,434	32,263	114,240	28,300

To calculate for land value, the comparable data has been used. Many factors are scored, weighted and adjusted to the appraisal property as the following table:

Comparable data for scoring							
Topic	Details	Weighted (%)	Comparable properties				Appraised property
			(1)	(3)	(4)	(6)	
Location	General location	20	7	6	8	6	7
	Environment	10	7	6	8	6	7
Physical Characteristic	Area	10	9	8	6	7	5
	Land shape	5	8	7	7	7	2
	Width X Length	5	5	8	5	8	2
	Land level	10	5	5	6	5	6
Facilities	Road	10	8	6	8	6	8
	Access right	10	9	7	9	7	9
	Electricity	0	6	6	6	6	6
	Water supply	0	7	7	7	7	7



Comparable data for scoring							
Topic	Details	Weighted (%)	Comparable properties				Appraised property
			(1)	(3)	(4)	(6)	
Potential	Beneficial use	10	7	6	8	6	7
	Liquidity	10	5	7	8	7	8
	Restriction by law	0	6	6	6	6	6
Total weighted score		100	705	645	750	635	660
Score compare to the property			0.9362	1.0233	0.8800	1.0394	1.0000
Adjusted value			88,046	33,013	100,531	29,414	-
Weighted score			15.87%	47.62%	7.94%	28.57%	100.00%
Weighted value			14,033	15,720	7,959	8,404	46,136
<b>Appraisal value (Baht/Sqw)</b>							<b>46,136</b>

**Remark:** 1-2 low/ 3-4 fair / 5-6 moderate / 7-8 good/ 9-10 very good

The appraisal by cost approach evaluates cost to replace the new ones at current condition and deduct the value by depreciation of the assets according to the construction age. The details are as follow

	11-storey residential building			
	Cost of replacement		Current completion (%)	Value (Mbaht)
	Portion of work (%)	Value (Mbaht)		
Basement work	10%	18.10	100%	18.10
Beam work	5%	9.05	100%	9.05
Structure	10%	18.10	100%	18.10
Roof structure	5%	9.05	70%	6.33
Roofing	5%	9.05	70%	6.33
Brick	10%	18.10	70%	12.67
Window & door structure	5%	9.05	0%	0
Wall plaster	10%	18.10	20%	3.62
Floor	10%	18.10	50%	9.05

	11-storey residential building			
	Cost of replacement		Current completion (%)	Value (Mbaht)
	Portion of work (%)	Value (Mbaht)		
Door & Window	5%	9.05	0%	0
Ceiling	5%	9.05	0%	0
Electricity	4%	7.24	0%	0
Water supply	3%	5.43	0%	0
Sanitary ware	3%	5.43	0%	0
Color	7%	12.67	0%	0
Job archive	3%	5.43	0%	0
<b>Total</b>	<b>100%</b>	<b>180.97</b>	<b>46%</b>	<b>83.24</b>
<b>Deduct Depreciation</b>				<b>0.00</b>
<b>Appraisal value (Mbaht)</b>				<b>83.24</b>

	16-storey residential building			
	Cost of replacement		Current completion (%)	Value (Mbaht)
	Portion of work (%)	Value (Mbaht)		
Basement work	10%	27.43	100%	27.43
Beam work	5%	13.71	100%	13.71
Structure	10%	27.43	70%	19.20
Roof structure	5%	13.71	0%	0
Roofing	5%	13.71	0%	0
Brick	10%	27.43	70%	19.20
Window & door structure	5%	13.71	0%	0
Wall plaster	10%	27.43	15%	4.11
Floor	10%	27.43	40%	10.97

	16-storey residential building			
	Cost of replacement		Current completion (%)	Value (Mbaht)
	Portion of work (%)	Value (Mbaht)		
Door & Window	5%	13.71	0%	0
Ceiling	5%	13.71	0%	0
Electricity	4%	10.97	0%	0
Water supply	3%	8.23	0%	0
Sanitary ware	3%	8.23	0%	0
Color	7%	19.20	0%	0
Job archive	3%	8.23	0%	0
<b>รวม</b>	<b>100%</b>	<b>274.29</b>	<b>35%</b>	<b>94.63</b>
<b>Deduct Depreciation</b>				<b>0.00</b>
<b>Appraisal value (Mbaht)</b>				<b>94.63</b>

The reason that the appraiser did not deduct depreciation on the total value is that the maximum value of depreciation should be 60% and the remaining 40% is considered the residual value. When the present value of the two buildings is around 35-40% which is already closed to the residual value. Therefore, the appraisal value of the two buildings is 177.87 Mbaht.

To appraise the 2 units of 3-storey buildings in total space of 520 sqm on total area of 0-0-32.3 rai at no.288/80 Soi Prachautit 60/1 Prachautit Road Toongkru Ratburana Bangkok, on title deed no. 36228, the appraiser use Market Comparison Approach as the appropriated method as follow:

The comparable market data used for the appraisal are:

Property	Appraised Property	(1)	(2)	(3)	(4)
Type of property	2 units of 3-storey building	2 units of 3-storey building	3- storey building	3- storey building	2 units of 3-storey building
Location	Pracha-u-tit	Pracha-u-tit	Pracha-u-tit ๓ soi 72	Pracha-u-tit soi 97/4	Pracha-u-tit soi 77

Property	Appraised Property	(1)	(2)	(3)	(4)
Area (Rai)	0-0-16.1 and 0-0-16.2	0-0-17/ unit	0-0-16	0-0-17.3	0-0-14/unit
Land shape	Rectangle	Rectangle	Rectangle	Rectangle	Rectangle
WidthxLenght (Meters)	4.0x12 / unit	3.8x12.0 / unit	4.0x12.0	4.0x12.0	4.0x12.0 / unit
Floor area	176.0 Sqm./unit	176.0 Sqm./unit	170.0 Sqm	176.0 Sqm./unit	150.0 sqm/unit
Age (years)	28	30	28	6	29
Road attach	1 side	1 side	1 side	1 side	1 side
Road type	Concrete	Concrete	Concrete	Concrete	Concrete
Width (meters)	4.00	4.00	4.00	4.00	4.00
Facilities	electricity- water supply- telephone	electricity- water supply- telephone	electricity- water supply- telephone	electricity- water supply- telephone	electricity- water supply- telephone
Color of town plan	Orange	Orange	Orange	Orange	Orange
Beneficially purpose	Commercial	Commercial	Commercial	Commercial	Commercial
Potential to develop	Moderate	Moderate	Moderate	Moderate	Moderate
Proposed price	-	3.75 Mbaht/unit	3.25 Mbaht/unit	4.85 Mbaht/unit	2.00 Mbaht/unit
Negotiation price	-	3.70 Mbaht/unit	3.20 Mbaht/unit	4.80 Mbaht/unit	1.95 Mbaht/unit

The appraisal value of the property used the comparable properties to adjust and weight on many factors as following

Weighted of Comparable Properties							
A 3-storey building on title deed no.23189 (area 0-0-16.2 rai)							
Topic	Details	Weight (%)	Comparable properties				The property
			(1)	(2)	(3)	(4)	
Location	General location	20	8	7	7	7	8
	Specific location	0	7	7	7	7	7
	Environment	0	7	7	7	7	7
Physical Characteristic	Area	20	7	6	7	5	6
	Building condition	10	5	7	8	7	7
	Model	10	7	7	7	6	7
	Used space	10	7	8	7	7	8
	Decoration	10	5	6	8	7	7
Facilities	Facilities	0	8	8	8	8	8
Usage	Appropriated usage	0	8	8	8	8	8
	Liquidity	20	6	7	8	6	7
	Law and Restriction	0	6	6	6	6	6
Total score		100	660	680	740	630	710
Comparable portion to the property			1.0758	1.0441	0.9595	1.1270	1.0000
Adjusted price (Mbaht)			3.98	3.34	4.61	2.20	-
Weighted			20.17%	33.61%	33.61%	12.61%	100.00%
Adjusted value (Mbaht)			0.80	1.12	1.55	0.28	3.75
Appraisal value (Mbaht)							3.75

Weighted of Comparable Properties							
A 3-storey building on title deed no.23190 area 0-0-16.1 rai							
Topic	Details	Weight (%)	Comparable properties				The property
			(1)	(2)	(3)	(4)	
Location	General location	10	8	7	7	7	8
	Specific location	10	7	7	7	7	8
	Environment	0	7	7	7	7	7
Physical Characteristic	Area	10	7	6	7	5	6
	Building condition	15	5	7	8	7	7
	Model	10	7	7	7	6	7
	Used space	15	7	8	7	7	8
	Decoration	10	5	6	8	7	7
Facilities	Facilities	0	8	8	8	8	8
Usage	Appropriated usage	0	8	8	8	8	8
	Liquidity	20	6	7	8	6	7
	Law and Restriction	0	6	6	6	6	6
Total score		<b>100</b>	640	695	745	650	725
Comparable portion to the property			1.1328	1.0432	0.9732	1.1154	1.0000
Adjusted price (Mbaht)			4.19	3.34	4.67	2.18	-
Weighted			10.85%	30.74%	46.11%	12.30%	100.00%
Adjusted value (Mbaht)			0.45	1.03	2.15	0.27	3.90
<b>Appraisal value (Mbaht)</b>							<b>3.90</b>

The appraisal value of 2 units of 3-storey building is 7.65 Mbaht. Total appraisal value of the assets by Charter Valuation and Consultant Co.,Ltd. is 342.08 Mbaht, high above the execution price by 37%.

- *Appraisal Value by Southeast Asia International Co.,Ltd.*

Cost approach is selected to appraise the asset as it has specific characteristics. The comparable property scoring is as follow

	Appraised property	(1)	(2)	(3)	(4)
Type of property	Land & Construction	Vacant land	Vacant land	Vacant land	Vacant land
Location	Pracha-u-tit Road	Soi Pracha-u-tit 74/1	Soi Pracha-u-tit 68	Soi Pracha-u-tit 33	Soi Pracha-u-tit Soi
Area (Rai)	8-2-3	2-0-0	1-0-46	0-2-51	0-1-11
Land shape	Polygon	Rectangle	Rectangle	Rectangle	Rectangle
WidthxLength(Meters)	148x276	24x80	41x93	31x40	20x40
Ground level	0.30 meters above road level	At road level	At road level	At road level	At road level
Sides attached to road	1 side	1 side	1 side	1 side	1 side
Road	Concrete	Concrete	Concrete	Concrete	Concrete
Width of road(Meters)	12.00	7.00	7.00	7.00	12.00
Facilities	Electricity-water supply	Electricity-water supply	Electricity-water supply	Electricity-water supply	Electricity-water supply
Color of city plan	orange	orange	orange	orange	orange
Usage	Residential /Commercial	Residential Commercial	Residential Commercial	Residential Commercial	Residential Commercial
Potential to develop	good	good	good	good	good
Proposed Price (Baht/Sqw)	-	30,000	37,000	50,000	90,000

The vacant land is appraised by adjust the market value using the data of comparable properties to be weighted by the influenced factors as following.

Weighted scoring						
Detail	Weighted (%)	Market comparable data				Appraised property
		(1)	(2)	(3)	(4)	
Location	20	7	7	7	8	8
Communication	10	7	7	7	8	8
Facilities	10	7	7	7	7	7
Potential to develop	5	6	7	7	8	9
Land areas	5	4	4	3	3	9
Land condition	15	7	7	7	8	7
Land width	10	5	5	8	5	5
Liquidity	10	7	7	8	8	8
Restriction and law	10	7	7	7	8	8
Environment	5	7	7	7	8	7
	<b>100</b>	<b>660</b>	<b>665</b>	<b>680</b>	<b>735</b>	<b>750</b>
Proposed price (Baht/Sqw)		30,000	37,000	50,000	90,000	-
Proposed price after bargain (Baht/Sqw)		28,500	35,150	47,500	85,500	-
Comparable to the appraised property		1.14	1.16	1.10	1.02	1.00
Price adjustment (Baht/Sqw)		32,386.36	39,642.86	52,389.71	87,244.90	-
Weighted score		30%	30%	20%	20%	100%
Weighted value		9,715.91	11,892.88	10,477.94	17,448.98	49,535.69
<b>Appraisal value (Baht/Sqw)</b>						<b>50,000.00</b>

**Remark:** 1-2 Worst / 3-4 Worse / 5-6 moderate / 7-8 good / 9-10 very good

In order to appraise the building value, the appraiser used cost method. It evaluated cost to construct new building to replace the appraised building at current cost, and deduct by the depreciation according the duration of usage. The details are as follow:



Asset	Replacement cost of construction (Baht/Sqm)	Total value (Mabht)	Current completion	Value at current condition (Mbaht)	Deduct depreciation (Mbaht)	Appraisal Value (Mbaht)
16- storey building, gross floor area 13,888 Sqm.	21,300	295.81	60%	177.49	(71.00) (or 40%)	106.49
11- storey building, gross floor area 13,888 Sqm.	17,100	164.60	60%	98.76	(39.50) (or 40%)	59.26
<b>Total appraisal value</b>						<b>165.75</b>

To appraise land and construction of 2 units of 3-storey building, GFA 497 Sqm, area 0-0-32.3 rai, located at 288/80 Soi Pracha-u-tit Kwaeng Toongkru, Khet Ratburana, Bangkok, on title deed no. 36228, the appraiser used Market Comparison Approach as it is the appropriated method, as detailed following:

Comparable properties are as following

Property	Appraised Property	(1)	(2)	(3)	(4)
Type of property	2 units of 3-storey building	3-storey building	3-storey building	2 units of 3-storey building	3-storey building
Location	Pracha-u-tit	Pracha-u-tit	Pracha-u-tit	Pracha-u-tit	Pracha-u-tit
Area (Rai)	0-0-16.1 and 0-0-16.2	0-0-17	0-0-22	0-0-24/คูหา	0-0-14
Usable ara (Sqm)	248.5/unit	230	230	192	160
Land shape	Polygon	Rectangle	Rectangle	Rectangle	Rectangle
Land level	At road level	At road level	At road level	At road level	At road level
Road attachment	2 sides	1 side	1 side	1 side	1 side
Road surface	Concrete	Concrete	Concrete	Concrete	Concrete
Width (Meters.)	12.00	6.00	8.00	6.00	12.00
Facilities	Electricity- water supply- Telephone	Electricity- water supply- Telephone	Electricity- water supply- Telephone	Electricity- water supply- Telephone	Electricity- water supply- Telephone

Property	Appraised Property	(1)	(2)	(3)	(4)
Color of town plan	Orange	Orange	Orange	Orange	Orange
Beneficially purpose	Commercial	Commercial	Commercial	Commercial	Commercial
Potential to develop	Moderate	Moderate	Moderate	Moderate	Moderate
Proposed price	-	5.29 Mbaht	6.90 ล้านบาท	3.25 ล้านบาท/ คูหา	5.00 ล้านบาท

The appraisal value used comparable properties to score and weight on the appraised property as following

Comparable Scoring						
Considerable factors	weight (%)	Comparable data				Appraised property
		(1)	(2)	(3)	(4)	
Area (Sqw.)		17.0	22.0	48.0	14.0	32.3
Loacation	15	6	7	7	6	6
Transportation	15	8	8	8	8	8
Facilities	10	8	8	8	8	8
Potential	10	6	6	6	6	6
Shape of land	10	6	6	6	6	6
Condition of land	5	7	7	7	7	7
Land width	10	7	7	7	7	7
Liquidity	10	6	6	6	6	6
Restriction/law	5	7	7	7	7	7
Environment	10	7	7	7	7	7
	<b>100</b>	<b>680</b>	<b>695</b>	<b>695</b>	<b>680</b>	<b>680</b>
Offering price (Mbaht)		5.29	6.90	6.50*	5.00	-
Negotiation price (Baht/Sqw) (Deducted by5%)		5.03	6.56	6.18*	4.75	-
Scoring to the property		1.00	0.98	0.98*	1.00	1.00
Adjusted price (Baht/Sqw.)		5.03	6.41	6.04*	4.75	-
Weighted score		40%	10%	10%*	40%	100%
Scoring value		<b>2.01</b>	<b>0.64</b>	<b>0.60*</b>	<b>1.90</b>	<b>5.16</b>
Appraisal value(Mbaht/unit)						<b>5.20</b>
<b>Total appraisal value</b>						<b>10.40</b>

The appraisal value by South East Asia International Co.,Ltd was at THB 346.30 mil which is above the execution price by 39%.

*Official Appraisal Vale*

Title deed no.	Area(Rai)	Price per Unit (Baht/Sqw.)	Total Value (Mbaht)
3910	2-0-87	26,000	23.06
13030	1-0-0	10,000	4.00
13031	0-3-64	10,000	3.64
36228	0-0-52	26,000	1.35
36230	0-0-52	26,000	1.35
36232	4-0-48	13,000	21.42
23189	0-0-16.2	52,000	0.84
23190	0-0-16.1	52,000	0.84
<b>Total official value of land department</b>			<b>56.50</b>

**Comment of Independent Financial Advisor on the appraisal value**

The appraised assets can be divided into two groups: (1) 6 plots of land with constructions (2) 2 units of 3-storey shop house. The two appraisers uses the same approaches, cost approach for the assets in group (1) and market approach for the assets in group (2).

**Cost Approach:** has a principle that “value of assets = replacement cost of the same new things” The approach forecast cost of development in present value to replace the value of existing assets, and deduct depreciations according to time of usage, plus market value of land. This approach is normally used for specific assets such as factory. In case of housing estate, market approach is more suitable as cost of building may be higher than market value, cost approach may be deviated.

**Market Approach:** is the best and the most remarkable approach as it emphasized on market value. In case that assets have enough liquidity, they can be comparable to the appraised asset. In principle” value of assets = comparable price of other assets that can be sold in the market” The market data is selected from comparable assets. Many factors of each asset will be compared and analyzed comparing to the appraised assets, such as location, size, usable area, quality of building etc. Then, some appraisal technic will be analyzed as appropriated such as sale Adjustment-Grid Method, Weighted Quality Score (WQS).

IFA has an opinion that the appraisal for the assets in group (2) is appropriate, nevertheless the IFA has some comments for the assets in group (1) as following:

- (1) Charter Valuation and Consultant Company selected 4 samples out of 6, some of which has more distance from the appraised target, and somehow better location, such as the location approaching to the future Mass Bangkok Transit System-purple line. Whereas, the two ones that were not be selected are more nearly to the target. So, the sample selection is not appropriated, because it makes the valuation price higher.
- (2) The two appraisers gave the different of land prices. Charter Valuation and Consultant Company appraised at around THB 46,000 / Sqw, whereas Southeast Asia International Company appraised at THB 50,000 / Sqw. However, the two behind title deeds (No.13030 and 13031) itself have no exit public path way, the price should be depreciated. The two plots of land behind is not necessary if the Company developed only the two buildings, values of land behind should be depreciated when the project is finished. However, the independent appraisers did not have information of the development, so it was assumed that all of land plots are utilized.
- (3) The center areas of the assets has located another residential house, some servitude areas may be given to that area. (The two appraisers did not give any comment for that area.)
- (4) The two appraisers is inconsistent in term of appraisal areas of the two building, Charter Valuation and Consultant Company appraised the actual completed area at the proportion of 35-45% without deducting depreciation, meanwhile, Southeast Asia International Company appraised stated that the two buildings are 60% completed (11-storey from 16-storey) and deducted 40% depreciation. Moreover, the weighted scorings were round up without base, so the result is deviated.

IFA has an opinion that although the execution price is lower than the appraisal value, but only a fairness of land price cannot be considered judged as there are other concerning conditions and factors to be considered as well.

<b>4. Conclusion of the Independent Financial Advisor's opinion</b>
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#### 4.1 Fairness of land price

To consider the fairness of land price in the connected transaction, IFA referred to the appraisal reports of the two appraisers in the certified lists from SEC and have the objective for public as following conclusion:

- Charter Valuation and Consultant Co.,Ltd.

Items	Date	Approach	Appraisal value
<u>Group 1</u>			
1) Land in total area of 8-1-93 rai @ THB 46,136 per Sqw.	1 Feb 2018	cost approach	THB 156,539,448
2) Construction			
Building 1 -11 storeys (46%completed)			THB 83,244,783
Building 2 - 11 storeys (35%completed)			THB 94,629,360
<u>Group 2</u>			
3) Land in total area of 0-0-32.3 rai with two units of commercial buildings	23 Apr 2018	Market Comparison Approach	THB 7,650,000
Total			THB 342,063,591
Portion of the execution price of THB 250 mil comparing to the appraisal value			73.09%

- South East Asia International Co.,Ltd.

Items	Date	Approach	Appraisal value
<u>Group 1</u>			
1) Land in total area of 8-1-93 rai @ THB 50,000 per Sqw.	19 Mar 2018	cost approach	THB 170,150,000
2) Construction			
Building 1 -11 storeys (60%completed)			THB 165,750,000
Building 2 - 11 storeys (60%completed)			

Items	Date	Approach	Appraisal value
<u>Group 2</u>			
3) Land in total area of 0-0-32.3 rai with two units of commercial buildings	10 May 2018	Market Comparison Approach	THB 10,400,000
Total			
Portion of the execution price of THB 250 mil comparing to the appraisal value			73.85%

THG got benefit from entering acquisition with SP&P in the price lower than market price, referred from the independent price appraisal. However, it is noted that the said asset cannot be acquired under regular procedures. Sell and purchase of the assets in Group 1 has processed via Asset Enforcement Department as it has been seized and it has obligation with financial institutions. So, only a fairness of land price cannot be considered judged as there are other concerning conditions and factors to be considered as well.

#### 4.2 Appropriateness of the transaction

The entering into the sell and purchase of the assets has been processed through the connected person. The sale and purchase contract has already signed and pending for the transferring after the transaction is approved. However, IFA has considered affect of the connected transaction as a chance of conflict of interest by the following reasons:

1. High risk engaged in the transaction by the payment of THB 150 million before the assets has a ready condition to be sold.
2. The deposit by the sale and purchase agreement of THB 150 million is 60% of total selling price is considered as high proportion when comparing to general contract.
3. Risk of deposit repayment in the event that the transaction is not approved by the shareholders. To guarantee the deposit as required in the sale-purchase contract, SP&S has given the title deed and a power of attorney for the transfer of ownership without recording in the title deed as a security. (Presently, the obligation is all released). However, the power of attorney has been granted to sell the assets to PHHC at THB 250 mil. After that, PHHC will sell the assets to repay for deposit, the BOD has considered that the company has very low risk by this process.

If the contractual party of PHHC is an external person who is not a connected person, PHHC may not pay the deposit at very high proportion without obtaining ownership of the land. This should include the event

that PHHC may not acquire the entire land plot which does not generate immediate revenue. PHHC may consider to negotiate for lower price, or decide not to buy this land but divert the investment in other way which generate better returns.

**Advantages of the transaction:**

1. PHHC can have benefit from the said land by developing into Senior Townhome, a business related to residence and health care place for the elderly. The project can fulfill the objective of the Company in expanding client base for senior housing, covering the segment through high medium and medium-low market and to enlarge the well-known brand of senior housing to the Company. The project development will be considered as one of the pilot project of Thailand, in addition to the JIN Wellbeing Rangsit - which is emphasized on aging customers whose income is in medium to high range, the highly potential business as a result of the changing of structure of Thai society and the increasing proportion of the elder.
2. The purchase of land and property from the said project will minimize the costs and period of construction. According to the survey, the existing building has rigid structure and can be re-developed immediately without obtaining EIA (Environmental Impact Assessment) as per Environment Act due to the fact that the project obtained first construction permit in August 1992 prior to the impose of EIA application pursuant to Environment Act in October 1992. The project can be accelerated for completed construction and generate revenue to the Company within 2018 at the lower cost of construction comparing to the cost of whole new construction.
3. By low cost of construction and market opportunity, the project is therefore interesting. Independent Financial Advisor has evaluated the investment return of the project and adjust the assumptions as follows:

Project Return	Phase 1 only		Total project **	
	NPV (Mbaht)	IRR (%)	NPV (Mbaht)	IRR (%)
Best Case	53.32	25.61%	87.24	39.36%
Base Case	12.65	6.26%	46.56	11.88%
Worst Case	8.25	5.13%	42.17	9.70%

The projection forecasted that PHHC will gain from phase I and Net Present Value is approximately 8-53 Baht million or 5-25% IRR, with half of land bank remained for further development in the next phase without land cost.

#### **Disadvantages of the transaction**

1. The project to develop in line with current plan is regarding only first phase which include 2 residential buildings and Wellness Center located on the area approximately 4-0-39 rai or 51% of total area (not include commercial building). The purchase is a lump sums for the whole plot of land. In case where PHHC will develop only the first phase despite the fact that the money was spent for the whole phases, the Company may lost opportunity cost from investment in the land which does not generate revenue. However, according to the interview with executives, PHHC has continuous project to build Rehabilitation Hospital and the elderly care building in the next phase within 1-2 years due to the fact that medical treatment and the elderly care is the target and business prominence of the Company.
2. The disadvantages of the land or assets includes:
  - The access to the project is blocked by old commercial buildings. Pollutions, odor, noise from surrounding residences.
  - The building is not located on sky train route. Hence, the demand for condominium is lower than competitors whose locations are in the sky train route.
  - Intruders and tenants of the building in some parts such as care, antique shops, labor shelters which are settled in the abandoned building.
  - Residential houses built permanently in the middle of the area - the Company have to negotiate for buying.
  - Pollution from public canals and road lines/bridge within the project must be improved.

#### **Risks of entering into the transaction**

1. The risk of preparing Environmental Impact Assessment Report pursuant to Environment Act; the project obtained construction permit on 25 August 1992, therefore, it is not required to obtain EIA since the law was imposed since 1992 onwards, after the company obtained permit. At present, the project received the certificate of land use for the building which was filed for registration pursuant to Section 39 Bis on 8 May 2018. However, next phase of the project, if EIA is required, the Company shall apply. As a result, the next phase of construction will be limited on the use of land. Furthermore, the project without EIA requires prudent proceed and strict compliance to the law such as Building Control Act B.E. 2558, Bangkok Administration Organization Regulation B.E. 2544 on building control, Condominium Act B.E.



2551, in order to build the trust among customers and to create positive image and reputation of the Company in the long term.

2. The risks where the construction will not meet the plan, causing delay or requiring higher costs. According to the appraisal on the abandoned building for 20 years, the cost for renovation is required. According to the assessment by the engineers from Siam Remidee Co., Ltd., in February 2018, having objective to present the examination of physical condition and strength of the building structure and resolution, it is suggested to repair the beam structure, floors, pillars, pillar structure and walls in some parts. The cost of repair for 2 buildings is estimated at 4.5 million Baht and the said cost will belong to the seller. After that, it is estimated by PHHC that the construction will take approximately 5 months in order to sell and transfer ownership to buyers,
3. Risks of marketing and the sales which does not meet estimation. In the event where the Company cannot close the sale in line with the plan: THG is desirous to accelerate the sale volume and generate return on investment for PHHC within year 2018 in order to set off the revenue of JIN Wellbeing where the sale is slow. However, the 2 buildings contain more than 400 units. To sell within short period of time, the price reduction strategy must be applied. As a result, the sale volume and profit may not meet the expectation. IFA prepared cash flow projection to analyze the investment return by adjusting sale assumption comparing to sale as company's plan. The return in worse case with a 5% reduction of sale price and extend sale period to 18 months has positive return. Meanwhile, the company still has half of land plot to develop in the next phase with no cost.

In case THG will not enter into this transaction, it may lose the opportunity to acquire the land at the price lower than general selling price. The land contain building that is ready to develop the project into Senior Home Care within a short period of time and can generate revenue to THG. The project is also expected to be a pilot project of the similar ones which will grow to meet market demand amid the aging society of Thailand.

However, in the event that the shareholders do not approve this transaction, PHHC-the purchaser can recall for the deposit of THB 150 mil paid to SP&S by the sale purchase contract within 7 days without any objection. The chance where SP&P will not refund the money is high due to the fact that the company has just been relieved from bankruptcy and the deposit was spent for procedures of revocation of bankruptcy and relieve title deeds from mortgage for creditors. However, PHHC is holding title deed of the project, having a power of attorney for sale of land to PHHC as a security in case such event is occurred. However, the holding of the title deed with the power of attorney (without recording the transfer in the title deed) is not a legal act of transfer which legally binds the transfer.

From the above reasons, IFA has an opinion that entering into the transaction has inappropriate conditions and may cause conflicts of interest with the connected person in the process of sell and purchase contract previously. However, as of the date of the shareholder's meeting, there is not any damage affects the Company. Meanwhile, the reject of entering into the transaction will not be an advantage to any parties, whereas there are possible risks of deposit refund and loss of opportunity to bring asset with lower cost to develop and bring good image to the group of companies. The cash flow projection of the project showed that PHCC can make a profit through Phase 1 with remains half of land plots to be developed in the future. Revenue and profit of this project will be generated to the group companies and eventually to the stakeholders.

Therefore, IFA recommends that the shareholders should vote to approve the entering into such connected transaction of acquiring assets.

However, the decision to vote in such transaction depends primarily on the shareholders' individual judgement. The shareholders should study the attached information given herewith the invitation letter of shareholders' meeting No.1/2008 for an appropriate decision.

Absolute Advisory Co.,Ltd. for an Independent Financial Advisor hereby certified that the opinion have been expressed carefully under professional practices by paying regard to the shareholders' interest. The rendering opinion is based on the assumption that all information and document are true and correct at the time of conducting this study only, if there is any significant change in these factors, it will likely have an impact on the opinion.

Best Regards,

Absolute Advisory Co.,Ltd.

(Mr.Wajasidth Lorsereevanich)

Authorized Director

(Ms. Supatida Bhuvanit)

Operational Controller

## Attachment

### 1. Information of Thonburi Healthcare Group PCL

#### 1.1 General information

Company Name	: Thonburi Healthcare Group PCL
Registration Date	: 21 December 1994
The headquarters	: 34/1 Soi isaraparp 44, Issaraparp Road, Baan Chang Lor Sub-district, Bangkok Noi District, Bangkok 10700
Website	: <a href="http://www.thg.co.th">www.thg.co.th</a>
Business type	: Medical Services Business and Hospital Management Services
The number and type of shares	: Baht 849,080,000 ordinary registered shares
Registered capital	: Baht 849,080,000, par value of baht 1 per share
Issued and paid-up capital	: Baht 849,080,000 , 849,080,000 shares, par value of baht 1 per share

#### 1.2 Business Description

The company's business can be divided into three major segments

- Medical Services Business
- Healthcare Solution Provider
- Other Business

##### Medical Services Business

Being a key in generating revenue for the company, can be classified into 5 types as follows

##### 1) Medical Services in Thailand

The company carried out domestic medical services operations through its own staff, subsidiaries and joint ventures. They include 2 Bangkok-based hospitals, namely Thonburi hospital and Thonburi 2 hospital, and 3 major provincial hospitals including Rajyindee hospital at Songkha, Ubonrak Thonburi at Ubonratchathane and Sirivej Chanthaburi hospital at Chanthaburi. Altogether, there are 916 beds and a combined capacity to service 5,580 outpatients daily, making the group one of the leading healthcare providers in Thailand, with a focus on quality, efficiency and best equipment plus health promotion, disease prevention and rehabilitation programs, all with easy accessibility and affordable prices. The company is offering high-quality services in various medical fields including general medicine, pediatrics, obstetrics and gynecology, ophthalmology, otolaryngology, general surgery, bone and joint surgery, cardiology, neurology, dermatology, dentistry and hemodialysis treatment. The hospital under the group. The service has been recognized in international

standards. The accredited hospital (HA) Certificate from the Institute of Nursing (ITD), the hospital is certified under the group has organized a great job and contributing to service quality and safety.

## **2) Overseas Medical Services**

The People's Republic of China is operated by Weihai Welly Hospital Company Limited, a joint venture between the Company and WEGO Holding Company Limited, which is a leading medical device manufacturer in the People's Republic of China. They own 58% and 42% of the registered capital, respectively. Welly Hospital was officially opened on 2 November 2017. It currently has 150 beds and is open for 130 beds. Welly hospital is located Hui Shui District Shandong Province, Weihai Town, People's Republic of China. The north coast town is a community and trade zone with the retirement of working people, the hospital has continued patient care From Shandong Province and neighboring counties such as Hebei, Heilongjiang, Pinyin Liaoning, Beijing and Sanxi. Welly hospital offers a full range of treatment services. There is a service model that is important to the patient with the care of medical personnel. This service is different from other hospitals in the People's Republic of China.

The Republic of the Union of Myanmar. ("Myanmar"), the company has partnered with a local partner Ga Mone pwint Company Limited("GMP"), an operator of retail real estate and famous in Myanmar, continue building the 200 bed hospital worth USD 75 million to the hospital in Myanmar with the international standard, called Ar Yu International Hospital is located on the kyaikkasan road, yangon. On an area of about 3 acres, the joint venture ARYU International Health Care Company Limited was established on 4 April 2017 and approved the offer of investment from the Myanmar Investment Commission ("MIC") on 14 July 2017. This joint venture is 50% held by GMP, GMP will give leasehold with ARYU Ananta Medical Services Company Limited (Myanmar) holds 10% and at the end of 2017, the Company holds a 10% (USD 5 million) of the share capital of USD 50 million. (From the registered capital of USD 100 million). In the quarter 1/2018, the Company will increase its investment proportion to 40% as it believes that the investment in Myanmar is a good opportunity for the business and the operation is in accordance with the specified procedures. AR Yu International Hospital was completed and started operation in middle 2018

## **3) Step-Down Care**

The company has new project development concept. The hospital will be able to accommodate the number of patients admitted and rehabilitated more. Due to the evolution of modern medicine is progressing, the patient has a higher rate of recovery. However, many patients still have to spend time in rehabilitation and physical therapy. If patients stay in hospital for a long time, it does not require complex care. Patients and families may have to bear the cost of treatment is high. But getting back to home remedies may not be as easy for caregivers as well. Thonburi Hospital has initiated Thonburi Rehabilitation Hospital. This is a new concept in Thai medicine, the company is a leader in the creation of rehabilitation centers with international standards for physical rehabilitation and physiotherapy, to help reduce costs and facilities to patients and their families. With the

potential that can accommodate patients forwarded from Thonburi Hospital and affiliated hospitals or from another hospital cause The Thonburi Hospital to receive intensive care treatment to get even more.

The Company has developed the Thonburi Health Rehabilitation Hospital Project (Bumrungruang Road) to become a health service center by using the area of Bumrungruang Plaza (SoHo Building) which the Company will acquire the right to lease the building from the acquisition of Bumrungruang Plaza Limited 's shares from Power Line Engineering Public Company Limited on 1 November 2017.

The project is located at Bumrungruang Road which is not far from Thonburi Hospital and the doctor can travel to follow the treatment easily. It is also close to the main customers who trust the medical treatment of the Thonburi Hospital. Thonburi Rehabilitation Hospital (Bumrungruang Road) has 16-story building (including 6-story car park) and area of approximately 50,000 square meters and a parking area of approximately 30,000 square meters. The concept is a medical service center, there is an outpatient department such as physical therapy department, health check-up department, infertility department (IVF), gastroenterology and liver department, dental department, preventive medicine department, cosmetic surgery department, narcolepsy surgery and x-ray department. There are also rooms for rehabilitation patients. It is expected that the inpatient room will have 59 beds available initially. There are also shops for health products, drugs and medical supplies for convenience for relatives, patients or health lovers. It is expected that Thonburi Rehabilitation Hospital (Bumrungruang Road) will be available by 2018 for some departments.

However, future investment plans as mentioned above is preliminary estimate and may change in detail as appropriate. The future project of company, it is in line with the business strategy and the purpose of company will grow with the Thai economy. The Company intends to create maximum return for shareholders. The opportunity to consider investing in medical care, hospital business or other business related to the core business. If in the future the company able to invest in a profitable business that benefits the shareholders.

#### **4) Management Services for Provincial State Hospitals**

The company became the first private hospital entrusted by local administration organizations to provide management services for state hospitals that were keen to improve their management efficiency. Contracts were signed to provide management for two hospitals under local administration organizations and one Community Medical Center, namely Pattaya City Hospital and the 129 bed Phuket Provincial Administrative Organization Hospital, and one medical center, namely the Koh Lan International Medical Center. The partnership with the state reflects trust in the company's capacity, human resources, as well as management ability covering all important sectors of hospital. It also an acknowledgement of the company's efficient services, which are provided

with the standards of private hospitals but prices of state-owned hospitals. At the two hospitals, doctors and nurses are on hand around the clock for high-standard services.

Moreover, the company also hired management and training to hospitals abroad including Tonghe Hospital at People's Republic of China and hired a consultant to Welly Hospital hired as a consultant and implement holistic education system (Consultancy and Comprehensive study) to King Saud University Endowment Hospital, located in Riyadh, Saudi Arabia and advising Ar Yu International Health Care Co., Ltd in the hospital business to prepare to open a hospital in Myanmar.

#### **5) Specialized Medical Services Centers**

The company was established in Thonburi Hospital Heart Center Co.,Ltd. The company's business focuses on providing management services for heart centers in both the public and private sectors. Provide medical professionals with a reputation for heart disease. The current operating contractor hospital services 3 projects as follows

- **Clinic Heart Center at Phatara Thonburi Hospital**

Operated under contract to the treatment of cardiovascular disease with Phattara Hospital Co., Ltd. to provide specialized medical team and manage work schedules of physicians. The heart center is open from December 2014 include a take an enema artery with modern tools, comprehensive care internal medicine specialist heart cardiac catheterization. Doctors' surgery with a team that has been specially trained to care for patients with heart disease. Have a dormitory for heart patients and dormitories for heart patients an extra 18 beds with critical heart disease (CCU) 6 beds with care for heart patients since the treatment of early stage to maintain a sophisticated advanced 24 hours.

- **Clinic Heart Center, Bang Phli Hospital**

Is a collaboration of the project by director of Bang Phli hospital heart center and Thonburi Hospital Co., Ltd. by the company contracts services and quality control to work with specialty physicians. Clinic Heart Center, Bang Phli Hospital opened in August 2015. Treatment Procedures for patients with heart disease and ischemic heart disease. Composed of cardiovascular and coronary laboratories. Cardiac crisis patients (CCU), dormitories and dormitories for cardiac patients.

- **Clinic Heart Center Thonburi 2 Hospital**

Launched on 26 June 2017 by Thonburi Hospital Heart Center Co.,Ltd. There is a duty to provide specialized medical teams and manage the schedules of physicians to meet the needs of cardiovascular patients effectively in accordance with professional standards.

#### **6.) Healthcare Solution Provider**

It is a health care business. In addition to medical treatment with a variety of services to meet the needs of health care users in different age and physical condition. The service is as follows.

### **1. Home Healthcare**

Premiere Home Health Care Co., Ltd. which delivers full-service medical cares at patients' homes. The company was set up to provide solutions to relieve the burdens on patients. Our team consists of professionals in various fields of including highly experienced physicians, dedicated nurses, highly-skilled physiotherapists, qualified nutritionists and experienced psychologists.

### **2. Distribution of medical supplies, devices and equipment**

We have a policy to enter into businesses that support our subsidiaries and businesses. The company acquired 99.43% of the paid-up registered capital of Dental Siam Co., Ltd. in 1997. Established for over three decades, Dental Siam provides so-called "One Stop Service" including distribution and effective after-sale services. With its expertise and highly-experienced staff, Dental Siam has the third largest market shares. It is the exclusive distributor of leading brands including Adec, W&H, AO, Heraeus, Megagen, SAM, Melag and Alpro. It also operates eight branches of pharmacy located in department stores under "Apex Health Care".

### **3. The business of providing care and shelter for the elderly (Senior Care and Living)**

#### **JIN Wellbeing County Project**

As development projects relating to medical complete (Healthcare Mixed Used Development) under the concept of bringing health care, integrated (Integrated Healthcare) and health care plans only (Tailor-Made Medicine) combined with accommodation residential (Active Living) designed for the elderly can be modified or additional facilities to meet the needs of residents in each age group and housing for the elderly who need special care (Aged Care) as well as activities that meet the lifestyle of residents. Both those in the retirement age and working in a health care plan and the long-term viability under the "new concept of retirement."

The project area is approximately 140 acres located on Phaholyothin Road (Rangsit), the largest community in the north of the city. It is connected to major cities. EIA projects have been approved at the beginning of January 2018 and start construction and expected to be completed in 2018-2019

#### **Other Business**

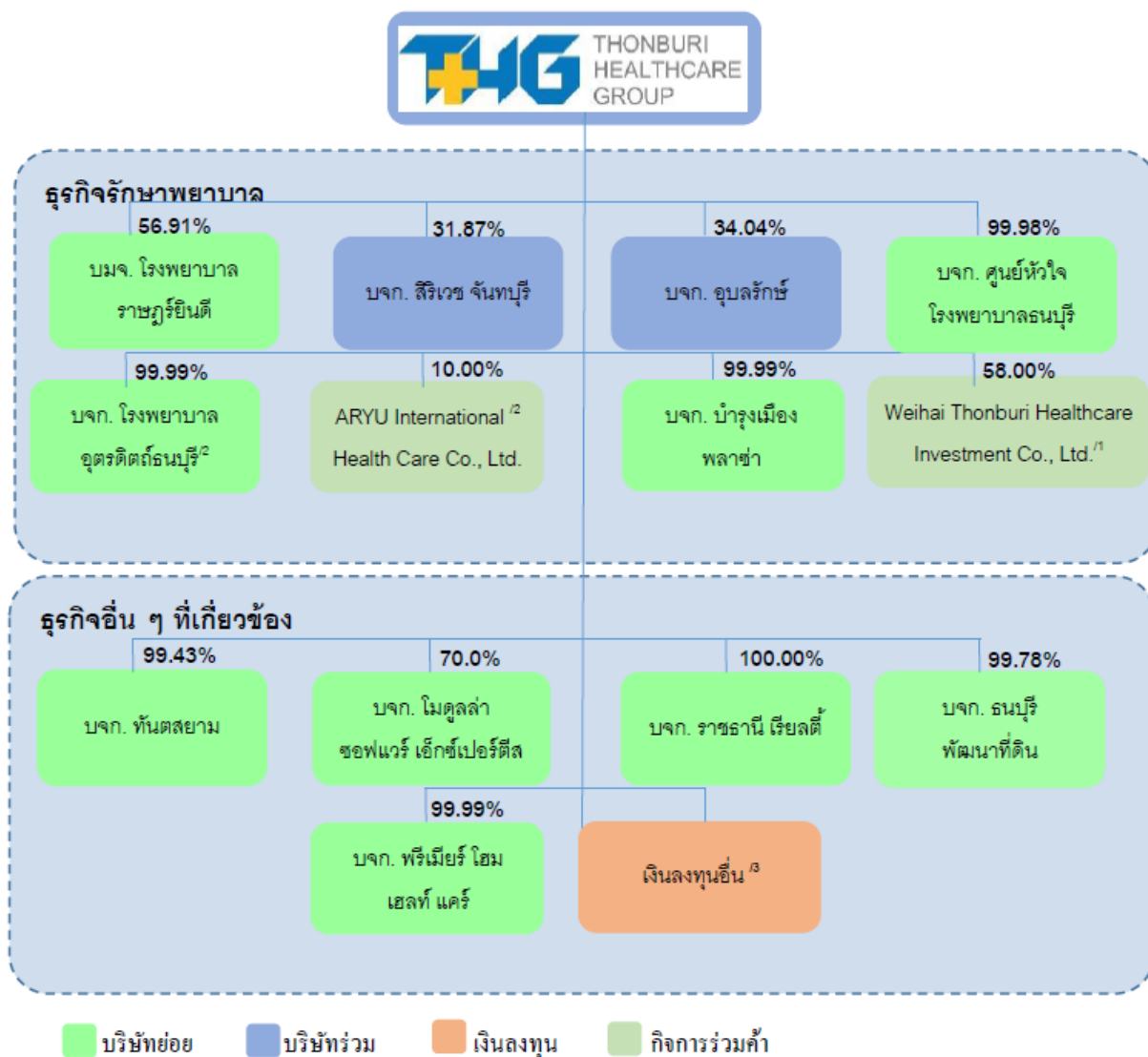
### **1. Development of software for the management of the hospital.**

Modular Software Expertise Co., Ltd. to develops software systems for hospital management. Both for affiliated hospitals and clients in many public and private hospitals in the country with a team of specialists and experienced in computer systems and hospital systems for more than 20 years, the hospital's software system has been constantly updated with new technology. The system can support all departments in the hospital. It supports data linking with other systems.

## 2. Development of projects related to health and medical services.

Operated by Thonburi Realty Development Co., Ltd. and Rajthanee Realty Co., Ltd. is currently in the study and the possibility of doing business in the future.

### 1.3 Structure of the Group Company



หมายเหตุ :

/1 Weihai Thonburi Healthcare Investment Co., Ltd. เป็นกลุ่มบริษัทร่วมทุนระหว่างบริษัทฯ (ถือหุ้นในสัดส่วนร้อยละ 58 ของทุนจดทะเบียน) กับ WEGO Holding Co., Ltd. (ถือหุ้นในสัดส่วนร้อยละ 42) โดย WEGO Holding Co., Ltd. จัดตั้งในสาธารณรัฐประชาชนจีน

/2 บริษัทฯ อยู่ระหว่างเพิ่มการลงทุนใน ARYU International Health Care Company Limited จากร้อยละ 10 เป็นร้อยละ 40

/3 เงินลงทุนอื่น คือ เงินลงทุนทั่วไปในหุ้นสามัญที่บริษัทฯ ถือหุ้นเกินกว่าร้อยละ 10



**Subsidiary joint venture Company**Subsidiary

## 1) Rajyindee Hospital PCL

Business type : Medical Services Business  
Registered Capital : Baht 430,000,000 par value of baht 1 per share

## 2) Uttaradit Thonburi Hospital Co.,Ltd

Business type : Medical Services Business  
Registered Capital : Baht 120,000,000 par value of baht 10 per share  
Paid-up capital : Baht 90,000,000 , par value of baht 7.50 per share

## 3) Thonburi Hospital Heart Center Co.,Ltd

Business type : Hospital Management Services and Management Services for Heart Centers  
Registered Capital : Baht 100,000,000 par, value of baht 10,000 per share

## 4) Premiere Home Health Care Co.,Ltd

Business type : Health services, physical therapy, rehabilitation centers and cleaning services, disinfect and eliminate dust  
Registered Capital : Baht 1,300,000,000 par value of baht 10 per share (August 2015 registered capital of the company bath 1,000,000,000 par value of baht 10 per share, so in August 2016 with a registered capital of the company baht 1.3 billion)  
Issued and paid-up capital : In August 2016 the amount of baht 1,150,000,000, 30,000,000 share, par value of baht 10 per share, 100,000,000 shares, par value of 8.50 baht 1 per share

## 5) Dental Siam Co.,Ltd

Business type : Business selling pharmaceuticals, chemicals, machinery, appliances dental and pharmacy business  
Registered capital : Baht 31,932,650 par value of bath 10 per share

## 6) Rajthane Realty Co.,Ltd

Business type : The business of land allocation elderly home  
Registered capital : Baht 700,000,000 par value of baht 100 per share

## 7) Thonburi Realty Development Co.,Ltd

Business type : Land business and real estate development

Registered capital : Baht 800,000,000 par value of baht 10 per share

8) Modular Software Expertise Co.,Ltd

Business type : Providing computer consultancy and programming

Registered capital : Baht 18,000,000 par value of baht 10 per share

9) Bamrungmuang Plaza Co.,Ltd

Business type : Commercial Operation

Registered capital : Baht 1,223,176,700 par value of baht 25 per share

Indirect Subsidiary

1) Rajyindee Hospital PCL (subsidiary of Rajyindee Hospital Co Ltd)

Business type : Medical Services Business

Registered capital : Baht 5,000,000 par value of baht 100 per share

Associated Company

1) Ubonrak Co.,Ltd

Business type : Medical Services Business

Registered capital : Baht 112,500,000 par value of baht 10 per share

2) Sirivej Chanthaburi PCL

Business type : Medical Services Business

The number and type of shares: 370,909,375 ordinary registered shares

Ordinary shares as at 31 December 2016 of 541,818,750 shares.

Decrease in share capital on 7 August 2017 of 270,909,375 shares.

Increase in share on 9 August 2017 of 100,000,000 shares

Registered capital : Baht 370,909,375 par value of baht 1 per share

Issued and paid-up capital: Baht 270,909,375, 270,909,375 shares par value of baht 1 per share

Joint ventures

1) Weihai Welly Hospital Company Limited

Business type : Medical Services Business, the name of Welly Hospital

Shareholding : The Company holds 58%

Registered capital : RMB 250,000,000

Issued and paid-up capital: RMB 250,000,000

## 2) ARYU International Health Care Company Limited

Business type : Medical Services Business, The name of Ar Yu International Hospital (During the construction of the hospital)

Shareholding : The Company holds 10% (Between increased investment is 40%)

Registered capital : USD 100,000,000

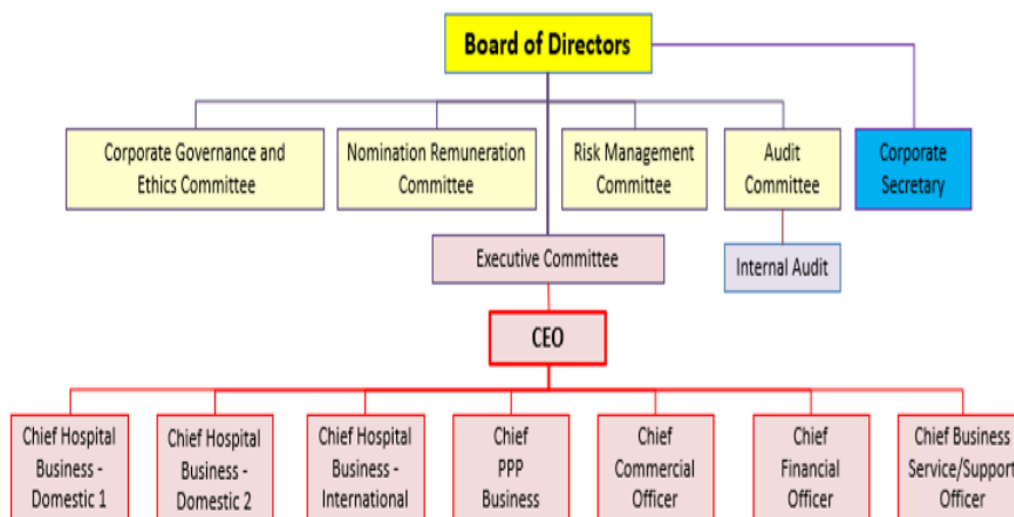
Issued and paid-up capital : USD 1,624,700 As at 31 December 2017 was conducted, 50% of paid up share capital which has registered 1.62% and 48.38% the rest being paid for the shares. Expected to perform paid and the registration to be completed in March 2018

## 1.4 List of shareholders

Top ten shareholder lists of Thonburi Healthcare Group PLC.as of 30 March 2018 are as following

Shareholders	Shares	% Shares
<b>(1) Vanasin Family</b>	<b>245,373,087</b>	<b>28.899</b>
Mrs. Charuwan Vanasin	85,853,562	10.111
Mrs.Nawara Vanasin	49,872,663	5.874
Mr.Boon Vanasin	5,801,848	0.683
Mr.Jon Vanasin	20,837	0.002
Ms.Nalin Vanasin	10,837	0.001
WJ International Hospital Management Co.,Ltd.	60,000,000	7.066
Global Health Investment Co., Ltd.	43,813,340	5.160
<b>(2) Unnanutana Family</b>	<b>60,322,270</b>	<b>7.104</b>
Mr. Amnuay Unnanuntana	43,510,970	5.124
Mr. Aasis Unnanuntana	6,811,300	0.802
Ms. Arora Unnanuntana	5,000,000	0.589
Ms. Arisa Simaraj	5,000,000	0.589
Mr. Pimook Simaraj	25,000	0.003
<b>(3) Meksawan Family</b>	<b>34,625,000</b>	<b>4.078</b>
Khunying Songseang Meksawan	20,046,582	2.361
Dr. Arsa Meksawan	9,161,755	1.079
Mr. Sita Meksawan	5,416,663	0.638
<b>(4) RAMKHAMHAENG HOSPITAL PCL</b>	<b>15,144,600</b>	<b>1.784</b>
Other shareholders 8,070	508,759,643	58.132
<b>Total number of shares</b>	<b>849,080,000</b>	<b>100.000</b>

## 1.5 Organization Chart/ Name list of Directors and Managements



Name list of Board of Directors (As of 9 March 2018)

Number	Name of Director	Position
1	Dr.Boon Vanasin	Chairman of the Board of Directors
2	Mr.Wong Chow Ket	Chief Executive Officer / managing director
3	Dr.Tanatip Suppradit	Vice Chairman
4	Mr.Chalemkul Apibunyopas	Director
5	Assoc.Prof.Dr.Aasis Unnanuntana	Director
6	Ms.Nalin Vanasin	Director
7	Dr.Kajorn Thanapase	Director
8	Mr.Sita Meksawan	Director
9	Mr.Somchai Kuvikitsuwan	Independent Director / Audit Committee
10	Dr.Linda Krivit	Independent Director / Audit Committee
11	Mr.Timothy Eman Lertsmitivana	Independent Director
12	Dr.Eugene D.M.B. Kroon	Independent Director
13	Mrs.Kannika Ngamsopee	Independent Director / Chairman of Risk Management Committee
14	Dr.Vikrom Koompirochana	Independent Director

Number	Name of Director	Position
15	Assoc.Prof Dr.Visit Vamvanij	Independent Director

\*\* On 10 May 2018, Mr.Wong Chow Ket resigned from the position of Chief Executive Officer and Director. The company has a resolution to appoint Dr.Tanatip Suppradit to be in the position of Chief Executive Officer for another position effective on 11 May 2018.

#### Executive Director (As of 9 March 2018)

Number	Name of Director	Position
1	Dr.Tanatip Suppradit	Chairman of Executive Committee
2	Mr.Chalermkul Apibunyopas	Member of Executive Committee
3	Assoc.Prof.Dr.Aasis Unnanuntana	Member of Executive Committee
4	Dr.Somkiat Wattanasirichaikul***	Member of Executive Committee
5	Ms.Nalin Vanasin	Member of Executive Committee
6	Dr.Sudhichai Choekiichai	Member of Executive Committee
7	Ms.Thipawan Rujirojphattana	Member of Executive Committee

\*\*\* On 1 June 2018 Dr.Somkiat Wattanasirichaikul resigned from the position of Chief Business Service/Support Officer. The company has a resolution to appoint Dr.Tanatip Suppradit for another position effective on 1 June 2018.

#### 1.6 Performance and financial status

##### General Information

Statement of Financial Position	31-Dec-58	31-Dec-59	31-Dec-60	31-Mar-61
<b>Asset</b>				
<b>current assets</b>				
Cash and cash equivalents	714,714	560,407	581,869	556,267
Short-term investments with financial institutions	24,002	11	17	17
Short-term investments	644,022	140,162	142,943	142,562
Trade and other receivables (net)	570,042	500,836	718,218	793,369
Short-term loans to other companies	6,491	-	-	
Inventory (net)	161,867	209,520	194,684	189,480

Statement of Financial Position	31-Dec-58	31-Dec-59	31-Dec-60	31-Mar-61
Project Development Costs Complete Medical Services	-	-	972,030	1,062,675
VAT (net)	56	89	681	2,157
The deposit is refundable within one year.				140,000
Other current assets	5,796	8,303	4,477	1,955
<b>Total current assets</b>	<b>2,126,990</b>	<b>1,419,328</b>	<b>2,614,919</b>	<b>2,888,482</b>
<b>Non-current assets</b>				
Deposits at financial institutions are pledged as collateral.	2,976	7,036	9,932	7,341
Long-term investments in equity securities	9,305	542,225	713,535	723,413
Investment in associate (net)	422,940	443,089	454,725	463,876
Investments in joint ventures (net)	-	635,754	740,375	1,192,602
Other long-term investments (net)	258,491	269,063	252,543	222,848
Investment property (net)	1,672,401	1,669,086	1,813,758	1,813,719
Property, plant and equipment (net)	2,757,655	5,325,667	4,832,789	4,908,085
Advance payment for assets	20,000	24,564	30,905	36,424
Intangible assets (net)	42,535	71,509	82,029	80,952
Leasehold right of land and buildings (net)	13,797	12,997	2,372,991	2,340,937
Advance payment for land leasehold rights	-	-	1,000	2,000
Deferred tax assets (net)	11,070	14,559	64,453	71,486
Other long-term investments				5,600
Other non-current assets	9,434	25,281	25,761	28,054
<b>Total non-current assets</b>	<b>5,220,605</b>	<b>9,040,830</b>	<b>11,394,796</b>	<b>11,897,336</b>
<b>Total asset</b>	<b>7,347,594</b>	<b>10,460,158</b>	<b>14,009,714</b>	<b>14,785,818</b>
<b>Liabilities and equity</b>				
<b>Total current liabilities</b>				
Bank overdrafts and short-term loans from financial institutions	463,423	1,138,854	129,057	809,766
Accounts payable and other payables	1,693,149	813,453	925,606	864,175
Short-term loans from related parties	3,062	-	-	
Due within one year				
- Long-term loans from financial institutions	322,000	525,600	100,000	175,000
- Liabilities under finance lease agreements (net)	1,048	774	2,691	2,776

Statement of Financial Position	31-Dec-58	31-Dec-59	31-Dec-60	31-Mar-61
- Liabilities under leasehold rights		-	1,000	1,000
Accrued income tax	62,590	65,706	50,583	94,685
Value added tax (net)	7,159	11,787	19,292	19,674
Other current liabilities	10,701	14,223	50,945	19,743
<b>Total current liabilities</b>	<b>2,563,132</b>	<b>2,570,397</b>	<b>1,279,174</b>	<b>1,986,818</b>
<b>Non-current liabilities</b>				
Long-term loans from financial institutions	2,546,500	2,398,431	3,442,246	3,342,608
Finance lease liabilities (net)	1,166	513	9,441	8,847
Liabilities under leasehold rights	-	-	2,000	1,000
Deferred tax liabilities (net)	3,890	114,150	375,767	376,499
Employee benefits obligation	215,311	216,867	228,908	230,290
Other non-current liabilities	179	4,209	7,375	8,252
<b>Non-current liabilities</b>	<b>2,767,045</b>	<b>2,734,169</b>	<b>4,065,737</b>	<b>3,967,497</b>
<b>Total liabilities</b>	<b>5,330,177</b>	<b>5,304,566</b>	<b>5,344,911</b>	<b>5,954,315</b>
<b>Equity</b>				
Registered capital	677,000	764,080	849,080	849,080
Share premium (net)	1,733,000	3,822,920	6,861,243	6,861,243
Retained earnings				
Appropriate - Legal reserve	112,524	112,524	112,524	112,524
Unappropriated	393,644	906,525	1,138,693	1,296,238
Surplus (deficit) from additional	-1,099,296	-1,099,296	-1,099,296	-1,099,296
Other components of ownership	7,942	430,707	540,907	546,801
<b>Include part of the owner of the parent company.</b>	<b>1,824,814</b>	<b>4,937,460</b>	<b>8,403,151</b>	<b>8,566,590</b>
Non-controlling interests	192,603	218,132	261,652	264,913
<b>Total equity</b>	<b>2,017,417</b>	<b>5,155,592</b>	<b>8,664,804</b>	<b>8,831,503</b>
<b>Total liabilities and equity</b>	<b>7,347,594</b>	<b>10,460,158</b>	<b>14,009,714</b>	<b>14,785,818</b>

## Financial Position

### Assets

As of 31 December 2017, THG had total assets of THB 14,010 mn, increasing from THB 10,460 mn as of 31 December 2016 or 33.9 %. Current assets increased from

The increasing of account receivables and others in the amount of THB 217 mn, mainly from consulting fee and receivables from the development project of Jin Wellbeing Country.

The non-current assets increased from:

The increasing of leasehold right in the amount of THB 2,360 mn. As THG has purchased shares of 99.99% from Bumroongmuang Plaza Co.,Ltd.(BMP) from Power Line Engineering Co.,Ltd. (PLE) and the previous shareholders for the transferring of leasehold right of Thai Red Cross Society. The purchasing of the asset had a purpose to develop the rehabilitation hospital Thonburi (Bumroongmuang Road)

The increasing of investment in Ar Yu International Healthcare Company Limited and the long term investment in Rajchapruerk hospital.

#### Liabilities

As of 31 December 2018, THG's total liabilities were THB 5,345 mn, increasing from THB 5,304 mn on 31 December 2017 or 0.8%. Most of them was long-term and short-term debt from financial institutions. Net decrease of debt from financial institutions as of 31 December 2017 caused from the repayment source from the initial Public Offering.

As of 31 March 2018, THG has its total liabilities increased to THB 5,954 mn mainly from long term debt.

#### Equity

Total equity increased from THB 5,156 mn as of 31 December 2017 to THB 8,665 mn as of 31 December 2018 or 68.1% mainly from the IPO THB 3,123 mn, retained earnings increased by THB 547 mn., others THB 110 mn. Dividend were paid from the operation for year 2015 in the amount of THB 306 mn

As of 31 March 2018, THG's equity was THB 8,832 mn, increasing from the increase of profit in 1Q18.

#### Statements of Comprehensive Income

Statements of Comprehensive Income (Thousand baht)	2015	2016	2017	Quarter1 2018
<b>Revenues</b>				
Revenue from hospital operations	4,918,750	5,182,201	5,358,097	1,396,411
Revenue from sales	356,730	381,038	400,161	80,257
Revenue from sales	511,191	665,434	853,398	206,522
Cost of hospital operation	-3,584,408	-3,700,972	-3,864,883	-995,000
Cost of goods sold	-258,734	-256,128	-271,503	-46,747
Cost of other services	-415,748	-561,326	-644,846	-163,874
<b>Gross profit</b>	1,527,781	1,710,247	1,830,426	477,570
Other income	101,613	104,756	117,401	101,141
<b>Profit before expense</b>	1,629,394	1,815,003	1,947,827	578,711



Statements of Comprehensive Income (Thousand baht)	2015	2016	2017	Quarter1 2018
Selling expenses	-124,584	-130,927	-202,129	-65,210
Administrative expenses	-656,346	-723,913	-803,267	-257,424
Other gains (losses)				
- Net loss on exchange rate	16,063	-7,353	-7,002	-1,753
Other expenses	-1,779	-6,823	-3,238	-63
Reversal of (allowance for) Impairment	21,137	-18,467	-	
Finance costs	-162,811	-177,114	-160,501	-32,531
Share of profit from investments	42,392	42,673	36,075	9,151
Share of loss from investments	-	-88,620	-124,870	-26,037
<b>Profit before income tax</b>	<b>763,465</b>	<b>704,459</b>	<b>682,895</b>	<b>204,842</b>
Income tax	-181,645	-160,468	-117,951	-44,059
<b>Profit for the year</b>	<b>581,820</b>	<b>543,991</b>	<b>564,944</b>	<b>160,784</b>

## Statements of Comprehensive Income

### Revenues

THG's revenue comprises of revenue from medical service, healthcare solution provider and other businesses. Total revenue of 2017 was Baht 6,611 million, increasing by 6.1% from Baht 6,229 million in 2016 due to revenue increase from domestic hospitals and from staff training, consulting and comprehensive studies contracts from overseas.

### Cost of Sales and Service

In 2017, total cost was Baht 4,781 million, increasing by 5.8% from Baht 4,518 million in 2016, which was in line with total revenue growth. Major cost of THG was from core business in medical service. Meanwhile, financial cost in 2017 has decreased Baht 161 million or 9.0% from Baht 177 million FY 2016 as it has negotiation with financial institutions for lower financial cost. In December 2017, it repaid for the debts using the amount receiving from IPO.

For the first quarter of 2018, THG had total cost of baht 1,206 million, increased 2.77% from QoQ in the previous year.

### Selling, general and administrative expenses

In 2017, SG&A and management remuneration was Baht 1,005 million, increasing by 17.5% from Baht 855 million in 2016. The increase was from staff cost and marketing expenses, as well as expenses from studies and project development.

**Profit**

Gross profit in 2017 was Baht 1,830 million, increasing by 7.0% from Baht 1,710 million in 2016. Gross profit margin slightly increased to 27.7% from 27.5%. The slight increase was contributed by higher revenue in 4Q17 while most of costs increased since the beginning of the year, especially staff cost that increased from service development. That caused the gross profit margin to increase slightly.

2017 net profit attributable to the parent was Baht 554 million, increasing by 8.4% from Baht 511 million in 2016. Net profit margin attributable to the parent slightly increase to 8.4% while it was 8.2% in 2016.

<b>2. Information Premier Home Healthcare Co.,Ltd. (“PHHC”)</b>
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Registered Date	: 7 October 2014
Head Office	: 61/228 Soi Thaweemit 9 Rama 9 Road, Hueykwang Subdistrict, Hueykwang District Bangkok 10320 Telephone 0-2246-6124-5 Fax 0-2246-6131
Website	: www.premierehomehealthcare.co.th
Type of business	: Provide healthcare services, physical therapy, rehabilitation service, cleaning service
Number and type of shares: Registered ordinary shares of 130,000,000 shares	
Registered Capital	: Baht 1,300,000,000 บาท at par value of Baht10
Registered and paid-up capital: Baht 1,150,000,000, totally 30,000,000 shares at Par value of Baht, totally 100,000,000 shares at Par value of 8.50 shares	

#### Company's Directors

1	Mr Thanatip Suphapradit
2	Ms Nichapa Jintakanon
3	Mr Jonh Lee ko Chun
4	Mr Korn Pongchittham
5	Mr Visit Wanwanit
6	Ms Kannikar Ngamsopee
7	Ms Linda Kriawit
8	Ms Nalin Vanasin

## Conclusion of Past Performance and Financial Status

Balance Sheet	31 December 2015		31 December 2016		31 December 2017	
	Bt Thousand	%	Bt Thousand	%	Bt Thousand	%
Cash and Cash equivalent	20,809	14.64	13,691	0.90	50,350	2.98
Share receivable : Parent company	100,000	70.35	0		0	0.00
Account receivable and Other receivable	374	0.26	24,164	1.60	5,987	0.35
Inventory	-	0.00	5	0.00	0	0.00
Cost of medical service	-	0.00	0	0.00	972,936	57.53
Current income tax asset	-	0.00	0	0.00	78	0.00
<b>Total current asset</b>	<b>121,183</b>	<b>85.25</b>	<b>37,860</b>	<b>2.50</b>	<b>1,029,351</b>	<b>60.87</b>
Land building, equipment	20,951	14.74	1,452,447	95.93	610,246	36.09
Intangible asset	6	0.00	35	0.00	1,557	0.09
Leasehold right (net)	-	0.00	0	0.00	1,000	0.06
Reserve payment for leasehold right	-	0.00	0	0.00	5,531	0.33
Accrued income tax asset	-	0.00	1,850	0.12	21,362	1.26
Advance payment for asset	-	0.00	21,864	1.44	21,864	1.29
Other non-current asset	4	0.00	62	0.00	215	0.01
<b>Total non-current asset</b>	<b>20,961</b>	<b>14.75</b>	<b>1,476,258</b>	<b>97.50</b>	<b>661,775</b>	<b>39.13</b>
<b>Total asset</b>	<b>142,144</b>	<b>100.00</b>	<b>1,514,117</b>	<b>100.00</b>	<b>1,691,127</b>	<b>100.00</b>
O/D and short term loan	0	0.00	32,100	2.12	0	0.00
Account payable and other payable	615	0.43	1,902	0.13	56,585	3.35
Short term loan from related parties	0	0.00	0	0.00	565,813	33.46
Long term debt due within one year	0	0.00	27	0.00	1,073	0.06
Value added tax	0	0.00	125	0.01	0	0.00
Other current liabilities	45,309	0.03	118	0.01	853	0.05
<b>Total liabilities</b>	<b>660,562</b>	<b>0.46</b>	<b>34,271</b>	<b>2.26</b>	<b>624,323</b>	<b>36.92</b>
Long term liabilities	0	0.00	337,531	22.29	0	0.00
Liabilities under financial lease	0	0.00	83	0.01	119	0.01
Liabilities under land lease agreement	0	0.00	0	0.00	2,000	0.12
Employee benefit liabilities	282	0.20	116	0.01	378	0.02
Other non-current liabilities	0	0.00	0	0.00	2,193	0.13

Balance Sheet	31 December 2015		31 December 2016		31 December 2017	
	Bt Thousand	%	Bt Thousand	%	Bt Thousand	%
Total non-current liabilities	282	0.20	337,730	22.31	4,690	0.28
Total liabilities	943	0.66	372,001	24.57	629,013	37.19
Registered and paid up capital	150,000	105.53	1,150,000	75.95	1,150,000	68.00
Accumulated profit (loss)	(8,798)	(6.19)	(7,884)	(0.52)	(87,886)	(5.20)
Total equities	141,202	(6.19)	1,142,116	75.43	1,062,114	62.81
Total liabilities and equities	142,144	100.00	1,514,117	100.00	1,691,127	100.00

## Income Statement

Income Statement	31 December 2015		31 December 2016		31 December 2017	
	Bt Thousand	%	Bt Thousand	%	Bt Thousand	%
Income from service	1,093	94.41	13,420	98.92	13,796	99.13
Income from sale	65	5.59	146	1.08	123	0.87
Total income	1,158	100.00	13,566	100.00	13,918	100.00
Cost of service	(2,190)	(189.22)	(4,765)	(35.13)	(5,685)	(40.85)
Cost of sale	(53)	(4.60)	(44)	(0.32)	(67)	(0.48)
Total cost of goods sold	(2,243)	(193.82)	(4,810)	(35.45)	(5,752)	(41.33)
Gross profit margin	(1,086)	(93.82)	8,757	64.55	8,166	58.67
Other income	406	13,433	1,824	13.45	527	3.78
Profit before expenses	(680)	(58.71)	10,581	78.00	8,692	62.45
Selling expenses	(1,600)	(138.27)	(1,613)	(11.89)	(66,904)	(480.70)
Administration expenses	(6)	(518.45)	(8,927)	(65.81)	(37,539)	(269.72)
Other expenses	(18)	(1.55)	0	0.00	0	0.00
Total expenses	(7,619)	(658.27)	(10,540)	(77.69)	(104,443)	(750.42)
Earnings (loss) before interest	(8,299)	(716.98)	41	0.30	(95,751)	(687.96)
Financial cost	0	0.00	(976)	(7.20)	(3,764)	(27.04)
Earning (loss) before tax	(8,299)	(716.98)	(935)	(6.89)	(99,515)	(715.00)
Tax income (expense)	-	0.00	1,850	13.64	19,512	140.19
Net profit (loss)	(8,299)	(716.98)	915	6.74	(80,002)	(574.81)

Premiere Home Health Care Co., Ltd. delivers full-service medical cares at patients' homes. The company was set up to provide solutions to relieve the burdens on patients. Our team consists of professionals in various fields of including highly experienced physicians, dedicated nurses, highly-skilled physiotherapists, qualified nutritionists and experienced psychologists. For year 2015-2016, PHHC mainly got revenue from the business in the amount of 13.42 MBaht and 13.30 Mbaht respectively. However, PHHC could not make a profit on the same business in the previous year because of high administration expenses.

During the year 2017, Rajathani Pattanakarn (2014) Co.,Ltd. which is a related party purchased a plot of land at total price of 1,900 Mbaht from Sri Chantakarn Co.,Ltd. The plot of land has been bought back from Krung Thai Bank by its right to purchase under the asset transferring agreement). In December 2017, 2559 PHHC and the parent company purchased the land plot from rajchathani Pattanakarn (2014) Co.,Ltd. at total price of 1,900 Mbaht. Partial of land plot were sold to PHHC in the amount of 1,380 Mbaht. The land plot mentioned above is a location of Jin Wellbeing Project.

#### **JIN Wellbeing County Project**

The project is developed for full medical service (Healthcare Mixed Used Development) under the concept of Integrated Healthcare and tailor-made medicine service combined with accommodation residential (Active Living) designed for the elderly which can be modified by additional facilities to meet the needs of residents in each age group and housing for the elderly who need special care (Aged Care) as well as activities that meet the lifestyle of residents. Both those in the retirement age and working in a health care plan and the long-term viability under the "new concept of retirement". The project area is approximately 140 rais located on Phaholyothin Road (Rangsit), the largest community in the north of the city. It is connected to major cities. EIA projects have been approved at the beginning of January 2018 and start construction and expected to be completed in 2018-2019

Assets of PHHC as of 31 December 2017 2560 were 1,691 Mbaht, which mainly comprise cost of medical development project in the amount of 973 Mbaht, project's land plots 610 Mbaht Advanced payment for assets 21.86 Mbaht, of which PHHC has already cancelled the selling and purchase agreement of land with construction on 31 January 2018. Leasehold right of land located opposite Pranangklaio Hospital to be prepared for rehabilitation hospital in total value of 5.62 Mbaht.

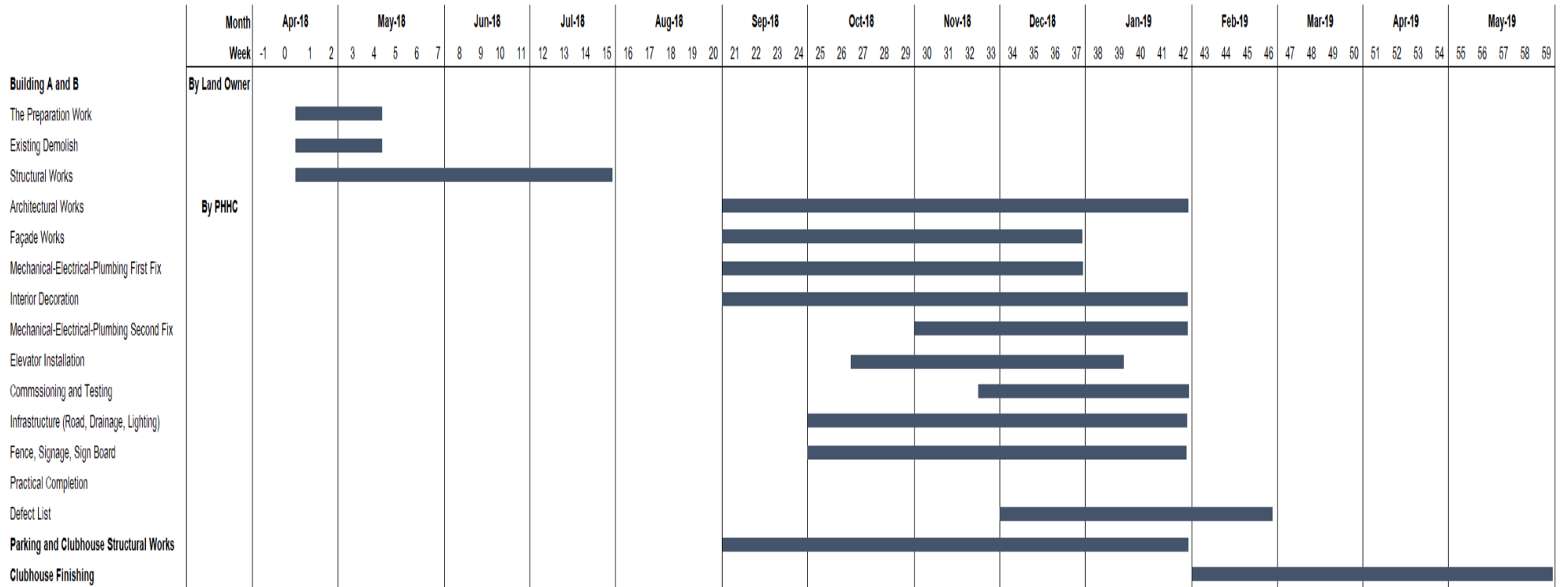
Liabilities of PHHC as of 31 December 2017 were 629 Mbahr, which mainly comprise short term debt from parent company in the amount of 566 Mbaht.

However, at the end of year 2017 PHHC had accumulated loss of 88 Mbaht, mainly caused from the development cost of JIN Wellbeing project. The project, by business plan, will commence the sell and transferring within year 2018.

### 3. Feasibility Study of the Project

#### 3.1 Project timeline

Master Schedule of Construction





## 3.2 Core Assumption

**1 รายละเอียดโครงการ**

พื้นที่ก่อสร้างรวม (ตรม.)		26,000
พื้นที่ขายรวม (ตรม.)		13,696
	จำนวนห้อง	428
	พื้นที่เฉลี่ย/ห้อง (ตรม.)	32
เดือนที่เริ่มโอน		มค-2562

**2 เงินลงทุนโครงการ**

	พื้นที่ก่อสร้างรวม		ต้นทุน (ไม่รวม VAT)		
	ตรม.	บาท/ตรม.	บาท/ตรม.	Baht/sqw	
ค่าก่อสร้างอาคาร A และ B	26,000	ตรม.	13,688	บาท/ตรม.	355,898,073
ค่าก่อสร้างพื้นที่จอดรถ Clubhouse และพื้นที่สวนของโครงการ	1,600	ตรม.	8,000	Baht/sqw	12,800,000
ค่าที่ปรึกษา					20,276,329
ค่าใช้จ่ายทางอ้อม					8,491,520
Contingencies					11,669,232
ค่าบริหารโครงการ					7,779,488
ห้องตัวอย่าง					8,491,520
ค่าใช้จ่ายทางการตลาด					25,474,560
					<b>450,880,722</b>

**3 ค่าใช้จ่ายการขาย**

เงินเดือนและค่า Commissions ฝ่ายการตลาด	3.3%
ค่าธรรมเนียมการโอน	1.0%
ภาษีธุรกิจเฉพาะ	3.3%
ภาษีเงินได้	20.0%

## 3.3 Sale Forecast

		2561				2562				2563				2564
		ไตรมาส 1	ไตรมาส 2	ไตรมาส 3	ไตรมาส 4	ไตรมาส 1	ไตรมาส 2	ไตรมาส 3	ไตรมาส 4	ไตรมาส 1	ไตรมาส 2	ไตรมาส 3	ไตรมาส 4	ไตรมาส 1
Best Case	จำนวนหน่วยขาย	-	-	-	260	168	-	-	-	-	-	-	-	-
	ราคาขาย/ตรม.	62,000												
Base Case	จำนวนหน่วยขาย	-	-	-	60	120	80	60	60	48	-	-	-	-
	ราคาขาย/ตรม.	58,900												
Worst Case	จำนวนหน่วยขาย	-	-	-	50	105	65	45	45	45	45	28	-	-
	ราคาขาย/ตรม.	58,900												

## 3.4 Cost of the Project (Discount rate)

มูลค่าโครงการรวม	704	
เงินกู้	704	100%
ทุน	-	0%
ต้นทุนเงินกู้	3.7500%	
ต้นทุนเงินทุน	15.62%	
Risk-free Rate	2.7100%	
THG Beta	1.03	
Market Returns	15.2100%	
<b>WACC</b>	<b>3.75%</b>	

## 3.5 Cash-Flow Projection

## 3.3.1 Best Case

	2561				2562				2563				2564
	ไตรมาส 1	ไตรมาส 2	ไตรมาส 3	ไตรมาส 4	ไตรมาส 1	ไตรมาส 2	ไตรมาส 3	ไตรมาส 4	ไตรมาส 1	ไตรมาส 2	ไตรมาส 3	ไตรมาส 4	ไตรมาส 1
กระแสเงินสดรับ	0	0	0	77,376,000	771,776,000	0	0	0	0	0	0	0	0
กระแสเงินสดจ่าย													
ค่าที่ดิน	0	(253,255,100)	0	0	0	0	0	0	0	0	0	0	0
ค่าใช้จ่ายก่อสร้าง	0	0	(160,780,285)	(290,100,437)	0	0	0	0	0	0	0	0	0
ค่าใช้จ่ายในการขายและบริหาร	0	0	0	0	0	0	0	0	0	0	0	0	0
ค่าใช้จ่ายการตลาด	0	0	0	(16,933,144)	(10,941,416)	0	0	0	0	0	0	0	0
ค่าธรรมเนียมการโอน	0	0	0	0	(8,491,520)	0	0	0	0	0	0	0	0
ภาษีธุรกิจเฉพาะ	0	0	0	0	(28,022,016)	0	0	0	0	0	0	0	0
ภาษีเงินได้-ปรับ คบ. จ่าย	0	0	0	0	(15,688,116)	0	0	0	0	0	0	0	0
กระแสเงินสดจากโครงการ	0	(253,255,100)	(160,780,285)	(229,657,581)	708,632,931	0	0	0	0	0	0	0	0
IRR	25.61%												
NPV	53,318,674												

## 3.3.2 Base Case

	2561				2562				2563				2564
	ไตรมาส 1	ไตรมาส 2	ไตรมาส 3	ไตรมาส 4	ไตรมาส 1	ไตรมาส 2	ไตรมาส 3	ไตรมาส 4	ไตรมาส 1	ไตรมาส 2	ไตรมาส 3	ไตรมาส 4	ไตรมาส 1
กระแสเงินสดรับ	0	0	0	16,963,200	322,300,800	150,784,000	113,088,000	113,088,000	90,470,400	0	0	0	0
กระแสเงินสดจ่าย													
ค่าที่ดิน	0	(253,255,100)	0	0	0	0	0	0	0	0	0	0	0
ค่าใช้จ่ายก่อสร้าง	0	0	(160,780,285)	(290,100,437)	0	0	0	0	0	0	0	0	0
ค่าใช้จ่ายในการขายและบริหาร	0	0	0	0	0	0	0	0	0	0	0	0	0
ค่าใช้จ่ายการตลาด	0	0	0	(3,712,266)	(7,424,532)	(4,949,688)	(3,712,266)	(3,712,266)	(2,969,813)	0	0	0	0
ค่าธรรมเนียมการโอน	0	0	0	0	(3,392,640)	(1,507,840)	(1,130,880)	(1,130,880)	(904,704)	0	0	0	0
ภาษีธุรกิจเฉพาะ	0	0	0	0	(11,195,712)	(4,975,872)	(3,731,904)	(3,731,904)	(2,985,523)	0	0	0	0
ภาษีเงินได้-ปรับ คบ. จ่าย	0	0	0	0	0	0	0	0	(7,402,977)	0	0	0	0
กระแสเงินสดจากโครงการ	0	(253,255,100)	(160,780,285)	(276,849,503)	300,287,916	139,350,600	104,512,950	104,512,950	76,207,382	0	0	0	0
IRR	6.26%												
NPV	12,648,326												

## 3.3.3 Worst Case

	2561				2562				2563				2564
	ไตรมาส 1	ไตรมาส 2	ไตรมาส 3	ไตรมาส 4	ไตรมาส 1	ไตรมาส 2	ไตรมาส 3	ไตรมาส 4	ไตรมาส 1	ไตรมาส 2	ไตรมาส 3	ไตรมาส 4	ไตรมาส 1
กระแสเงินสดรับ	0	0	0	14,136,000	278,008,000	122,512,000	84,816,000	84,816,000	84,816,000	84,816,000	52,774,400	0	0
กระแสเงินสดจ่าย													
ค่าที่ดิน	0	(253,255,100)	0	0	0	0	0	0	0	0	0	0	0
ค่าใช้จ่ายก่อสร้าง	0	0	(160,780,285)	(290,100,437)	0	0	0	0	0	0	0	0	0
ค่าใช้จ่ายในการขายและบริหาร	0	0	0	0	0	0	0	0	0	0	0	0	0
ค่าใช้จ่ายการตลาด	0	0	0	(3,093,555)	(6,496,466)	(4,021,622)	(2,784,200)	(2,784,200)	(2,784,200)	(2,784,200)	(1,732,391)	0	0
ค่าธรรมเนียมการโอน	0	0	0	0	(2,921,440)	(1,225,120)	(848,160)	(848,160)	(848,160)	(848,160)	(527,744)	0	0
ภาษีธุรกิจเฉพาะ	0	0	0	0	(9,640,752)	(4,042,896)	(2,798,928)	(2,798,928)	(2,798,928)	(2,798,928)	(1,741,555)	0	0
ภาษีเงินได้-ปรับ คบ. จ่าย	0	0	0	0	0	0	0	0	0	0	(7,402,977)	0	0
กระแสเงินสดจากโครงการ	<b>0</b>	<b>(253,255,100)</b>	<b>(160,780,285)</b>	<b>(279,057,992)</b>	<b>258,949,342</b>	<b>113,222,362</b>	<b>78,384,712</b>	<b>78,384,712</b>	<b>78,384,712</b>	<b>78,384,712</b>	<b>41,369,733</b>	<b>0</b>	<b>0</b>
IRR	5.13%												
NPV	8,249,937												

## 3.6 Assumptions for the remaining of land

Title deed no.	3910	13031	13030	3910
Area (Sqw)	887	364	400	2 shophouses
Appraisal price	40,802,000	16,744,000	18,400,000	7,650,000
% of the value	70%	0%	0%	70%
Enforcement price	28,561,400	-	-	5,355,000
Present value	33,916,400			