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**Opinion of the Independent Financial Advisor
Regarding Asset Disposition**

of

Major Cineplex Group Public Company Limited



Prepared by

KGI Securities (Thailand) Public Company Limited



19 July 2021

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Glossary

“The Company” or “MAJOR” or “The Seller”	Major Cineplex Group PCL.
“The Buyer” or “CPN”	Central Pattana PCL. or any entities under CPN Group as designated
“The Target” or “SF”	Siam Future Development PCL.
“SET”	Stock Exchange of Thailand
“SEC”	The Securities and Exchange Commission of Thailand
“IFA” or “Independent Financial Advisor”	KGI Securities (Thailand) PCL.
The Acquisition and Disposition Notifications	The Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated 31 August 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand No. BorJor/Por 21-01 Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Asset B.E. 2547 dated 29 October 2004 (as amended)
“MOU”	Memorandum of Understanding between the Buyer and the Seller
“SPA”	Share Sale and Purchase Agreement (between the Buyer and the Seller)
“CAPEX”	Capital Expenditure
“FCFF”	Free Cash Flow to Firm
“Kd”	Cost of Debt
“Ke”	Cost of Equity
“P/BV”	Price to Book Value Ratio
“P/E”	Price to Earnings Ratio
“WACC”	Weighted Average Cost of Capital
“Wd”	Weight of Debt
“We”	Weight of Equity
“THB”	Thai Baht

Date 19 July 2021

Subject Opinion of the Independent Financial Advisor on Asset Disposition

To Shareholders

Major Cineplex Group Public Company Limited (“Company” or “MAJOR”)

Referenece :

1. Notification of the Resolutions of Board of Directors’ Meeting No. 3/2021 on 5 July 2021 and related information memorandum concerning the asset disposition
2. Audited consolidated financial statements of the Company audited by PricewaterhouseCoopers ABAS Ltd. (“PwC”) for the year ended 31 December 2018-2020 and reviewed audited financial statements of the Company for the quarter ended 31 March 2021
3. Audited consolidated financial statements of Siam Future Development Public Company Limited (“SF”) audited by PwC for the year ended 31 December 2018-2020 and reviewed audited financial statements of SF for the quarter ended 31 March 2021
4. Year 2020 56-1 Form of the Company and SF
5. Memorandum of Understanding regarding the share purchase dated 5 July 2021
6. Company certificate, memorandum of association, relevant documents including the inquiry to the Company’s and SF’s personnel.

Disclaimers :

1. The result of the study and analysis by KGI Securities (Thailand) PCL. (“Independent Financial Advisor” or “IFA”) in this report is based on the information and assumptions received from the management and the personnel of the Company and SF and public information. IFA cannot guarantee the accuracy or completeness of the information received from the management and the personnel of SF.
2. This IFA report is prepared to give IFA’s opinion regarding the asset disposition. IFA has carefully conducted the study and analysis with professional knowledge and skills and have given opinion based on current information and situation. However, the opinion of IFA might be changed should there be any significant change in information under any circumstance in the future.

According to the Board of Directors’ Meeting of Major Cineplex Group Public Company Limited (“the Company” or “MAJOR”) that has resolved in the the Board of Directors’ Meeting No. 3/2021 held on 5 July 2021 to propose to the Extraordinary General Meeting of Shareholders no. 1/2021 to consider and approve the sale of shares in Siam Future Development Public Company Limited (“SF”) (“the Transaction”), this transaction is considered

to be a disposition of asset pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated 31 August 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand No. BorJor/Por 21-01 Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Asset B.E. 2547 dated 29 October 2004 (as amended) (the “**Acquisition and Disposition Notifications**”). The approximate total value of the transaction equals to THB 7,765.9 million of which the highest transaction size is 73.6% of total net assets value of the Company calculated based on consolidated financial statements of the Company as at 31 March 2021. The Transaction, therefore, is deemed a Class 1 transaction, i.e. a transaction whose transaction size is equivalent to or more than 50.0%, but less than 100.0%, where the Company is required to disclose information on the Transaction to the Stock Exchange of Thailand (the “**SET**”), obtain approval from a shareholders’ meeting of the Company with votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote, excluding interested shareholders, and appoint an independent financial advisor to provide an opinion on the Transaction regarding reasonableness and fairness of transaction price and conditions of the transaction for the shareholders’ consideration.

The Transaction does not constitute a connected transaction under the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transaction and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 dated 19 November 2003 (as amended) (the “**Connected Transaction Notifications**”),

In this regard, the Board of Directors of the Company has resolved in the Board of Directors’ Meeting No. 3/2021 held on 5 July 2021 to appoint KGI Securities (Thailand) Public Company Limited as the independent financial advisor (“**IFA**”) to provide the opinion on reasonableness of the Transaction and appropriateness of prices and conditions of the Transaction for the Company’s shareholders to consider and approve of the Transaction.

The IFA’s opinions are presented as follow.

1. Executive Summary

Major Cineplex Group Public Company Limited (“MAJOR” or “The Company” or “The Seller”) is the Cinema and Total Lifestyle Entertainment Complex provider. MAJOR’s core business consists of 5 core businesses which are 1) Cinema Business 2) Bowling Karaoke and Ice Skating Rink 3) Advertising Services 4) Rental and Services and 5) Movie contents. The Company is number one leader of cinema industry in Thailand with numbers of branches across nationwide (Bangkok Metropolitan Area and upcountry).

The Company initially invested in Siam Future Development Public Company Limited (“SF”) in 2003 amounted 77.8 million shares at THB 1.7 per share and continuously invested more in SF. As at 31 March 2021, the Company hold shares in SF amounted 634.0 million shares (29.7% of total issued and paid-up shares of SF) and has investment cost (equity method) amounted THB 4,361.5 million, equivalent to THB 6.9 per share. The Company realizes share of profit from the investment according to equity method. Subsequently, in April to May 2021, the Company acquired more of SF’s shares amounted 13.2 million shares which resulted in share acquisition cost net with the share of profit from the investment during April-May 2021 amounted THB 91.1 million. Therefore, at present, the Company holds SF’s shares in total 647.2 million shares (30.4% of total issued and paid-up shares of SF), equivalent to THB 4,452.6 million or THB 6.9 per share.

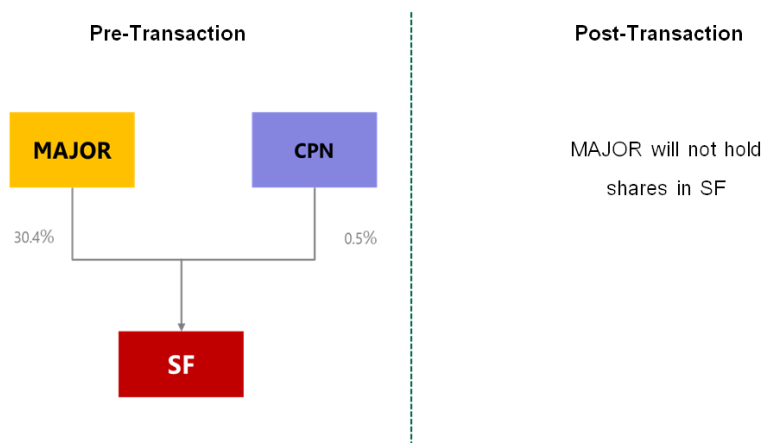
COVID-19 pandemic has had a negative impact to SF. The Government policy to control the spread of COVID-19 virus resulted in a decreased number of customers came to SF’s projects and consequently impacted the rental and service revenue which is a core revenue of SF. Therefore, the Transaction will help reduce downside risk from COVID-19 on MAJOR’s development and management of shopping malls business segment. Moreover, MAJOR can utilize the funding received to repay loan which will reduce financial costs to MAJOR. MAJOR will also have cashflow spared for working capital amounted THB 2,200.0 million in order to maintain financial liquidity and prepare to cope with business uncertainties resulted from COVID-19.

According to the Board of Directors of the Company that has resolved in the Board of Directors’ Meeting No. 3/2021 held on 5 July 2021 to propose to the Extraordinary General Meeting of Shareholders No. 1/2021 which will be held on 27 August 2021 to consider and approve the sale of shares in SF which is a listed company in the Stock Exchange of Thailand in the development and management shopping malls, in total of 647,158,471 shares equivalent to 30.4% of total issued and paid – up shares (par at THB 1 per share) to Central Pattana PCL. or any entities under CPN Group as designated (“The Buyer” or “CPN”) at a price of THB 12.0 per share which is equivalent to total consideration of THB 7,765.9 million. The price is set from the negotiation and agreement between CPN and MAJOR by incorporating the market value of SF’s shares and assessment of SF’s firm value.

After the Company’s Board of Directors Meeting resolved the entering into the transaction, the Company entered into the Memorandum of Understandings regarding the share purchase dated 5 July 2021 with the Buyer (as detail in No. 2.4) and the Company is going to enter into the Share Sale and Purchase Agreement (“SPA”) with

the Buyer, subsequently. The transaction is expected to be completed in August 2021 after the Company and the Buyer have entered into the SPA and other relevant documents and contracts (if necessary) and both parties have completed their duties, have fulfilled the condition precedent or such condition precedent has been deemed to be fulfilled, or both parties have received any waivers from their contracting parties, as specified in the SPA. Once the transaction is completed, the Company will hold no shares in SF and SF will no longer be SF's associate company.

SF's Shareholder Structure Pre- and Post- Transaction is as follow.



Remark: Shareholders' list is based on SF's shareholders book closing date on 25 June 2021

After this Transaction, MAJOR will not be able to realize share of profit from the investment in SF and will not receive dividends from SF in the future. However, MAJOR has had a history of share of profit from the investment in SF and dividends received as follow.

History of Share of Profit from the Investment in SF

Operating Period	Share of Profit from Investment in SF (THB million)	MAJOR's Total Revenue (THB million)	% of Share of Profit from the Investment in SF to MAJOR's Total Revenue (%)
2018	125.6	9,952.4	1.3
2019 (Revised)	555.6	10,697.1	5.2
2020	605.1	3,765.2	16.1

Remark:

^{a)} Source of information from MAJOR

^{b)} In 2019 and 2020, MAJOR adopted Accounting Standard Number 40 "Investment Property" for its accounting practice and record gain from adjustments on investment property as a part of share of profit from the investment in SF. If MAJOR does not record the gain with share of profit from the investment in SF, the proportion of share of profit from the investment in SF to total revenue of MAJOR in 2019 and 2020 will be 1.5% and 2.9%, respectively.

History of Dividends Received from SF

Operating Period	Dividend Announcement Date	Dividend (THB per share)	Dividend Yield (%)	Dividend that MAJOR received (THB million)
1 Jan-31 Dec 20	10 Feb 21	THB 0.20 per share	3.2%	134.7
1 Jan-31 Dec 19	12 Feb 20	THB 0.22 per share	6.0%	46.3
1 Jan-31 Dec 18	12 Feb 19	Share dividend 5:1 & THB 0.10 per share	1.5%	113.4
1 Jan-31 Dec 17	14 Feb 18	THB 0.25 per share	2.8%	89.5
1 Jan-31 Dec 16	14 Feb 17	THB 0.20 per share	3.2%	64.4

Source: SETSMART as at 9 July 2021, notes to financial statements of MAJOR for the year ended 2017-2020

The Company's plans to utilize the funding received are 1) to repay interest-bearing debt approximately THB 2,300 million 2) to spare as working capital approximately THB 2,200 million 3) to spare as funding for business expansion and any business opportunity in the future approximately THB 3,200 million and 4) to partly pay dividends if the funding in 2) and 3) have not been utilized.

The Transaction does not constitute a connected transaction under the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transaction and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (as amended) (the "Connected Transaction Notifications"). However, the transaction is considered as the asset disposition according to the Acquisition and Disposition Notifications¹. The highest transaction size is 73.6% of total net assets value and the Company did not have any asset disposition during the past 6 months (5 January – 5 July 2021). The Transaction, therefore, is deemed as a Class 1 transaction, i.e. a transaction whose transaction size is equivalent to or more than 50.0%, but less than 100.0%, where the Company is required to disclose information on the Transaction to the Stock Exchange of Thailand (the "SET"), obtain approval from a shareholders' meeting of the Company with votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote, excluding interested shareholders.

IFA has studied and analyzed information regarding the Transaction and SF including inquiry from the management and key contact person of the Company and SF, public information regarding industry information of shopping malls business, other information such as key terms and conditions of the Transaction, advantages and disadvantages of entering and not entering into the Transaction, the risk of entering into the Transaction,

¹ The Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated 31 August 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Asset B.E. 2547 dated 29 October 2004 (as amended)

the appropriateness of the price and terms and conditions of the Transaction. IFA views that entering into the Transaction **is reasonable** because the Company will receive cashflow in total THB 7,765.9 million and the Company can realize gain from SF share sales (after tax) approximately THB 2,824.0 million the 3rd quarter of 2021. This will strengthen the performance and financial position and improve the liquidity of the Company as a part of funding received will be paid to debtors approximately THB 2,300 million and the interest expenses will decrease. Thereafter, the Company will have excess cashflow of approximately THB 5,465.9 million being ready to be utilized as working capital or spared for business expansion, any business opportunity in the future, and dividend payment.

However, entering into the Transaction has advantages, disadvantages and risk that the shareholders should consider as follow:

Advantages of Entering into the Transaction

1. The Transaction will help reduce the interest bearing debt from the financial institutions and financial costs
2. The Company can recognize gain from investment disposition in SF (after tax) approximately THB 2,824 million in quarter 3 of 2021
3. The Company is able to utilize unused tax loss carry forward
4. The Transaction will help improve liquidity and strengthen financial position of the Company
5. The Transaction will help improve return on shareholders' equity ratio (ROE) in quarter 3 of 2021
6. The Company is able to utilize a part of funding received to invest in a potential business
7. The Transaction will help improve the liquidity of the Company in order to cope with ongoing COVID-19 situation

Disadvantages of Entering into the Transaction

1. The Company will miss the opportunity to recognize gain from investment disposition should there be any other buyer that offer better price to purchase SF shares than CPN
2. The Company will not receive dividends from SF in the future. In 2016-2020, MAJOR received dividends from SF in total THB 46.3 million – THB 134.7 million (as shown earlier in the History of Dividends Received from SF Table).
3. The Company will not be able to recognize share of profit from SF in the future. In 2018-2020, MAJOR realized share of profit from investment in SF amounted THB 125.6 million, THB 555.6 million, and THB

605.1 million equivalent to 1.3%, 5.2%, and 16.1% of total revenue of MAJOR, respectively (as shown earlier in the History of Share of Profit from the Investment in SF)

4. There are related expenses regarding the Transaction

Advantages of Not Entering into the Transaction

1. The Company will have an opportunity to recognize additional profits from SF's development and management of shopping mall business
2. The Company will have an opportunity to recognize gain from investment disposition should there be any other buyer that offer better price to purchase SF shares than CPN
3. The Company will receive dividends from SF in the future
4. The Company will be able to recognize share of profits from SF in the future
5. There will be no related expense regarding the Transaction

Disadvantages of not Entering into the Transaction

1. The Company will lose an opportunity to reduce the interest bearing debt to the financial institutions and also financial costs
2. The Company will lose an opportunity to spare the funding for business expansion in the future
3. The Company will lose an opportunity to divest its investment in SF at this offer price from CPN
4. Return on shareholders' equity will continue to dim as the Company's financial performance which is not yet back to normal

Risk of Entering into the Transaction

1. Risk that the Shareholders' Meeting of the Company shall not resolve to approve of entering into the Transaction

IFA reviewed the appropriateness of transaction price by using different valuation approaches and the result can be summarized as follow:

Valuation Approaches	Fair Value of SF Shares (THB per share)	Premium (Discount) from Transaction Price (%)
1) Discounted Cash Flows (DCF)	11.9	(0.8%)
2) Market Comparable Approach		
• Price to Equity (P/E)	8.0-13.0	(33.3%)-8.3%
• Price to Book Value (P/BV)	7.9-12.9	(34.2%)-7.5%
3) Market Price	10.1-13.0	(15.8%)-8.3%
4) Book Value	8.3	(30.8%)
5) Precedent Transaction Comparable Transaction	N/A	N/A
Transaction Price	12.0	

Remark: IFA does not assess the value of SF's share by using Adjusted Book Value Approach because SF adjusts book value quarterly on main items such as investment property that is recorded by using fair value basis. Also, from inquiry with the main contact person, IFA did not find any circumstance that will materially affect book value of SF after the period of the latest financial statements; the quarter ended 31 March 2021.

IFA has assessed SF share value by using various valuation approaches. However, IFA views that the appropriate approaches are DCF, market comparable approach and market price approach which give the valuation range of THB 7.9 – 13.0 per share. Therefore, the agreed transaction price at THB 12.00 per share falls in to the valuation range. Thus, IFA views that this transaction price is reasonable and fair. To render such opinion, IFA has reviewed advantages and limitations of each approach. IFA summarizes the reasons IFA views that selected approaches are appropriate as follow.

Valuation Approaches	Advantages	Limitations	Reasons IFA views that selected approaches are appropriate
1) DCF	<ul style="list-style-type: none"> Reflects long-term business plan and capture future value 	<ul style="list-style-type: none"> Rely heavily on assumptions 	<ul style="list-style-type: none"> This approach reflects the capability of SF to generate net profits in the future according to its business plan. Although this approach relies heavily on a lot of assumptions, IFA has received sufficient information to create reasonable assumptions. Thus, this approach is appropriate.
2) Market Comparable Approach			
2.1) P/E	<ul style="list-style-type: none"> Reflects the actual trading price 	<ul style="list-style-type: none"> Inappropriate if the structures of revenue, cost, expenses and capital are different among peers 	<ul style="list-style-type: none"> IFA uses market comparables of SF to compare so there is no difference in accounting policy, structures of revenue, cost, expenses and capital. Thus, this approach is appropriate.
2.2) P/BV	<ul style="list-style-type: none"> Reflects the actual trading price 	<ul style="list-style-type: none"> Different company may adopt different accounting policy Inappropriate if the structures of revenue, cost, expenses and capital are different among peers 	
3) Market Price	<ul style="list-style-type: none"> Reflects the actual trading price 	<ul style="list-style-type: none"> Inappropriate if the share liquidity is low 	<ul style="list-style-type: none"> SF's shares do not have low liquidity. Thus, this approach is appropriate.

Valuation Approaches	Advantages	Limitations	Reasons IFA views that selected approaches are appropriate
4) Book Value	<ul style="list-style-type: none"> Reflects the latest financial information 	<ul style="list-style-type: none"> Does not take into account the business plan and future growth of the company Does not reflect scenarios / situation that might affect the financial position in the future 	<ul style="list-style-type: none"> IFA views that this approach is inappropriate as it does not reflect business plan, the capability of SF to generate net profits, and its financial position in the future which are crucial factors to assess the value of SF's shares.
5) Precedent Transaction Comparable Transaction	<ul style="list-style-type: none"> Reflects the actual trading price 	<ul style="list-style-type: none"> No comparable transaction to be appropriately compared 	<ul style="list-style-type: none"> Since there is no comparable transaction. Thus, this approach cannot be adopted.

Moreover, IFA views that the terms and conditions of the Transaction stated in the MOU are reasonable and fair as following:

- Interest of both contracted parties are fairly protected
- Condition precedent must be satisfied for the transaction's contractual obligation to become legal enforceable and comply with the relevant rules and regulations of the SET and SEC for listed companies. However, there is no punishment or penalty charge set out in the MoU in case the parties cannot complete the conditions precedent
- Due Diligence processes has been taken appropriately (financial, accounting, legal) and is expected to be completed by 20 August 2021.

The Company is currently in the process of reviewing the details of Share Sale and Purchase Agreement ("SPA") and will disclose the material information of SPA by 20 August 2021, before the shareholders' meeting date.

After reviewing advantages and disadvantages of the entering into the Transaction, IFA views that entering into the Transaction is reasonable with price and conditions that are fair. There will be of more benefits than downsides to the Company. The Company's shareholders are advised to approve the Transaction.

IFA certifies that IFA has prepared this IFA Report regarding the Transaction carefully in accordance with professional principles and standards and taken into account the suitability, reasonableness, including shareholders' benefit.

However, the shareholders shall carefully consider all information in the IFA Report . The result of this report is based on the assumptions that the information received from the Company and SF are true, complete and accurate. The assumptions used to prepare the financial projection are based on economic situation and business environment during the time that this IFA Report is prepared. Any changes that might occur in the future might affect the opinion of the IFA. Therefore, the decision to approve or not approve this Transaction is under the discretion of the Shareholders.

2. Characteristics and Detail of the Transaction

2.1. Date of the Transaction

According to the Board of Directors of Major Cineplex Group PCL. (“The Company” or “MAJOR” or “The Seller”) that has resolved in the Board of Directors’ Meeting No. 3/2021 held on 5 July 2021 to propose to the Extraordinary General Meeting of Shareholders No. 1/2021 which will be held on 27 August 2021 to consider and approve the sale of shares in Siam Future Development Public Company Limited (“SF”) which is a listed company in the Stock Exchange of Thailand in the development and management shopping malls, in total of 647,158,471 shares equivalent to 30.4% of total issued and paid – up shares (par at THB 1 per share) to Central Pattana PCL. or any entities under CPN Group as designated (“CPN”) at a price of THB 12.0 per share which is equivalent to total consideration of THB 7,765.9 million.

After the Company’s Board of Directors’ Meeting resolved the entering into the transaction, the Company entered into the Memorandum of Understandings regarding the share purchase dated 5 July 2021 with the Buyer (as detail in No. 2.4) and the Company is going to enter into the Share Sale and Purchase Agreement (“Share Sale and Purchase Agreement” or “SPA”) with the Buyer, subsequently. The transaction is expected to be completed in August 2021 after the Company and the Buyer have entered into the SPA and other relevant documents and contracts (if necessary) and both parties have completed their duties, have fulfilled the condition precedent or such condition precedent has been deemed to be fulfilled or both parties have received any waivers from their contracting parties, as specified in the SPA. Once the transaction is completed, the Company will hold no shares in SF and SF will no longer be SF’s associate company.

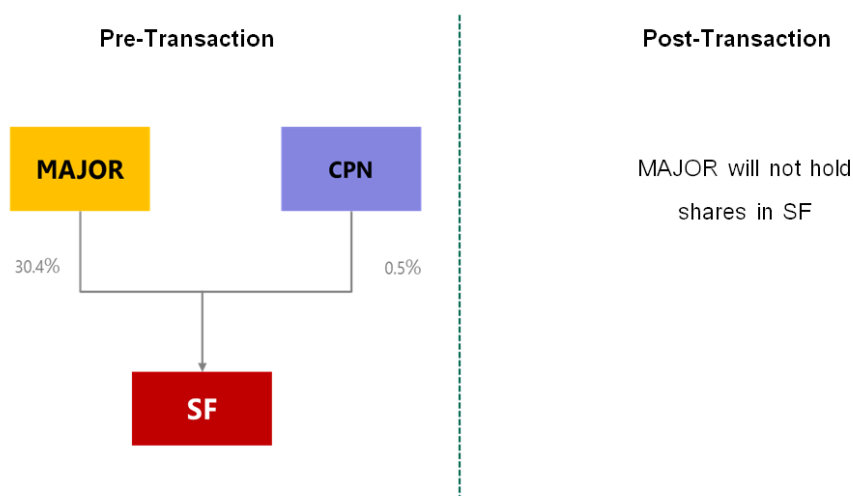
2.2. Relationship with the Company

The Buyer	CPN
The Seller	The Company
Relationship between the Seller and the Buyer	The Company and CPN and their related persons do not have any relationship as a connected persons under SEC’s Connected Transactions Notifications. Therefore, this transaction is not considered a connected transaction according to the Connected Transactions Notifications.

2.3. Details of the Transaction

According to terms and conditions specified in the SPA, CPN will purchase SF ordinary shares in total of 647,158,471 shares or 30.4% of total issued and paid-up shares from the Company. After this Transaction is completed, SF will still be a listed company in SET and will have CPN as its major shareholder.

SF's Shareholder Structure Pre- and Post- Transaction is as follow.



Remark: Shareholders' list is based on SF's shareholders book closing date on 25 June 2021

2.4. Key Terms and Conditions of Memorandum of Understanding and Share Sale and Purchase Agreement

Key Terms and Conditions of Memorandum of Understanding ("MOU") are as follow.

MOU Date	5 July 2021
Contractual Parties	The Seller: MAJOR The Buyer: CPN
Share Sale and Purchase	Ordinary shares of SF amounted 647,158,471 shares equivalent to 30.4% of SF's total issued and paid-up shares
Sale and Purchase Price	THB 12.0 per share
The Transfer of Share	Sale and Purchase through Trade Report - Big Lot system via SET which is expected to be completed within 30 August 2021.
Condition Precedent	<ol style="list-style-type: none"> 1. The Parties have entered into the SPA and the Buyer satisfies with the Due Diligence result in respect of SF of which is expected to be completed by 20 August 2021 2. The Company must have obtained approvals from its Board of Directors and its shareholders in order to sell SF shares. Also, the Company must obtain consents from any individuals or authorities to sell SF shares (if any). The Board of Directors' Meeting No. 3/2021 on 5 July 2021 had a resolution to approve the Transaction and proposed the agenda of the Transaction to

	<p>Extraordinary Meeting of Shareholders No. 1/2021 for approval of the Transaction</p> <p>3. All other condition precedent stipulated in the SPA have been fulfilled. However, the Company is currently in the process of reviewing the details of SPA and will disclose the material information of SPA by 20 August 2021, before the shareholders' meeting date</p>
SPA Date	Within 30 days of the MOU Date, except both parties mutually agree to extend the period
Termination / End of the Agreement	<p>In the following cases:</p> <ol style="list-style-type: none"> Both parties mutually agree in writing to terminate the MOU Buyer and the Company cannot sign the SPA within 30 days of the MOU Date, except both parties mutually agree to extend the period

2.5. Class and Size of the Transaction

The Transaction size calculation is based on reviewed consolidated financial statements of the Company and SF for the period ended 31 March 2021. The Company does not lend to SF, pledge / guarantee on behalf of SF, and has any obligations with SF. The calculation follows the Acquisition and Disposition Notifications as follow:

Financial Information for Transaction Size Calculation

Items (THB million)	Consolidated Financial Statements as at 31 Mar 21 of MAJOR	Consolidated Financial Statements as at 31 Mar 21 of SF
Total assets	17,973.9	24,992.5
Intangible assets	163.2	30.3
Deferred tax assets	107.8	-
Total liabilities	11,456.9	8,931.6
Minority interest	145.8	1,244.5
Net tangible assets	6,100.1	14,786.1
Net profits attributable to owners of parent (Trailing 12-month period)	(386.8)	2,085.9
Total value of consideration		7,765.9
% of SF shares sold		30.4%

Transaction Size Calculation

Criterion as Specified in Acquisition and Disposition Notifications	Description	Calculation (THB million)	Transaction Size
1. Net tangible asset value (NTA)	$\frac{\text{NTA}^{\text{a)}} \text{ of SF x \% \text{ of shares disposed}}{\text{NTA}^{\text{a)}} \text{ of MAJOR}} \times 100$	$\frac{14,786.1 \times 30.4\% \times 100}{6,100.1}$	73.6%
2. Net operating profits	$\frac{\% \text{ Net operating profits of SF}}{\text{Net operating profits of MAJOR}} \times 100$	Not applicable as MAJOR has suffered from net operating loss	
3. Value of consideration	$\frac{\text{Total value of consideration received}}{\text{Total assets of MAJOR}} \times 100$	$\frac{7,765.9 \times 100}{17,973.9}$	43.2%
4. Equity issued as consideration for the assets	$\frac{\text{Value of equity shares issued for the payment of assets}}{\text{Value of shares of MAJOR}} \times 100$	Not applicable as no new share of the MAJOR will be issued as consideration	

Remark:

a) Net tangible assets = Total Assets – Intangible Assets – Total Liabilities – Non-Controlling Interest

The maximum transaction size equals to 73.6% of NTA and there is no disposition of any of MAJOR's assets during the past 6 months (5 January – 5 July 2021).

As the maximum transaction size is more than 50.0%, but less than 100.0%, the Transaction is deemed as a Class 1 transaction according to Acquisition and Disposition Notifications where MAJOR is required to disclose information on the Transaction to the Stock Exchange of Thailand (the "SET"), obtain approval from a shareholders' meeting of the Company with votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote, excluding interested shareholders.

The Transaction does not constitute a connected transaction under the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transaction and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 dated 19 November 2003 (as amended) (the "Connected Transaction Notifications")

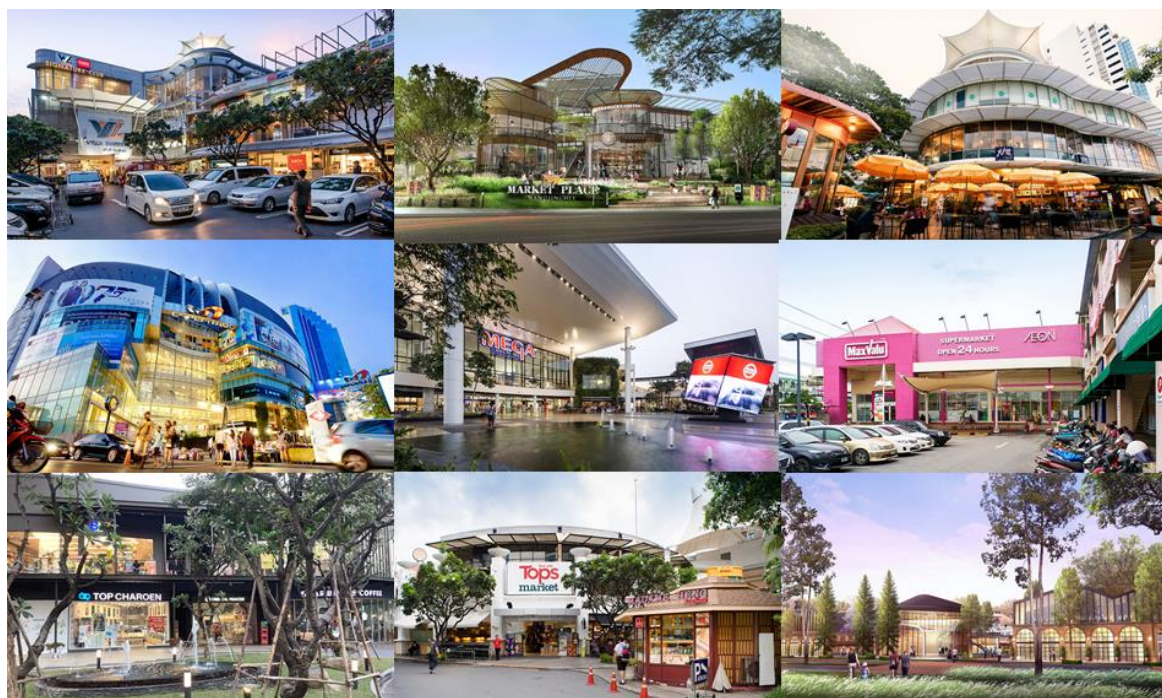
2.6. Details of Asset Disposition

MAJOR initially invested in SF in 2003 amounted 77.8 million shares at THB 1.7 per share and continuously invested more in SF. As at 31 March 2021, the Company hold shares in SF amounted 634.0 million shares (29.7% of total issued and paid-up shares of SF) and has investment cost (equity method) amounted THB 4,361.5 million, equivalent to THB 6.9 per share. The Company realizes share of profit from the investment according to equity method. Subsequently, in April to May 2021, the Company acquired more of SF's shares amounted 13.2 million shares which resulted in share acquisition cost net with the share of profit from the

investment during April-May 2021 amounted THB 91.1 million. Therefore, at present, the Company holds SF's shares in total 647.2 million shares (30.4% of total issued and paid-up shares of SF), equivalent to THB 4,452.6 million or THB 6.9 per share

MAJOR will sell its shares in SF equivalent to 30.4% of total shares to Central Pattana PCL. ("CPN"). The key information of SF can be summarized as follow.

2.6.1. Business of SF

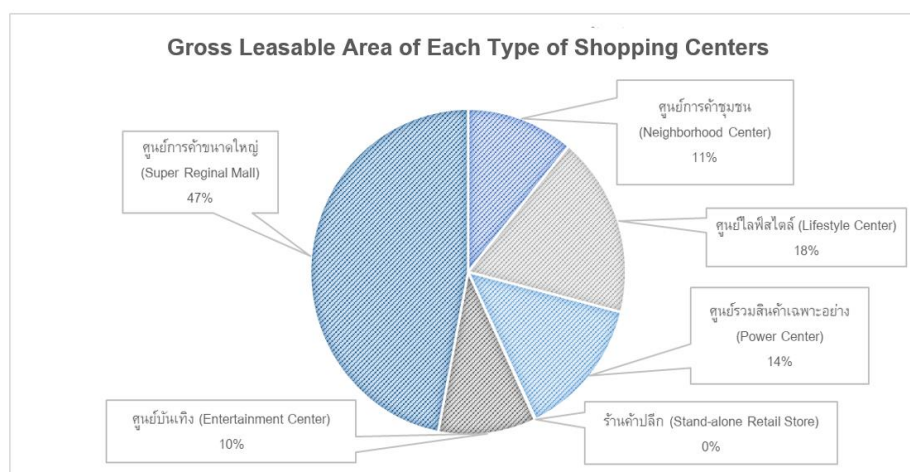


SF was incorporated on 29 August 1994 to operate shopping center development and management by focusing on open-air shopping center. In 2012, SF started to operate large size of mall or super regional mall which is "Megabangna". Presently, SF owns 18 operating projects with the total gross leasable area of 430,628 sq.m.

	Type/Name of Shopping Centers	No.of Shopping Centers
1	Neighborhood Center	7
	○ Market Place Bangbon	
	○ Market Place PrachaUtiti	
	○ Market Place Sukaphiban 3	
	○ Market Place Thonglo	
	○ Market Place Nanglinchee	
	○ Market Place Nawamin (Sukapiban 1)	
	○ Market Place Dusit	

	Type/Name of Shopping Centers	No.of Shopping Centers
2	Lifestyle Center	6
	○ J Avenue Thonglor	
	○ La Villa Ari	
	○ The Avenue Chaeng Watthana	
	○ Pattaya Avenue	
	○ The Avenue Ratchayothin	
	○ Nawamin City Avenue	
3	Power Center	2
	○ Petchkasem Power Center	
	○ Ekkamai Power Center	
4	Stand-Alone Retail Store	1
	○ Mengjai (B-Quik)	
5	Entertainment Center	1
	○ Esplanade Ratchadapisek	
6	Super Regional Mall	1
	○ Megabangna	
	Total	18

In 2020, gross leasable area of each type of shopping mall can be summarized as follow:



Source: SF's Annual Report of 2020

SF has 4 types of revenue 1) rental and service income and common area management fee, including utility service fee such as electricity supply, water supply, telephone services and gas supply 2) share of profits from

joint ventures; Mega Bangna 3) other revenue which is maintenance and installment of utility equipments and systems to tenants 4) finance and interest income from finance lease

2.6.2 Revenue Structure of SF

Revenue structure of SF in 2018-3M2021 can be summarized as follow:

Revenue Structure (THB million)	% SF share -holding	2018		2019		2020		3M2021	
		THB mil.	%	THB mil.	%	THB mil.	%	THB mil.	%
1. Rental and service income									
SF		765.1	28.5%	833.0	25.1%	638.8	24.0%	157.4	31.1%
<i>Petchkasem Power Center Co.,Ltd.</i>	74%	118.8	4.4%	129.5	3.9%	109.9	4.1%	27.4	5.4%
<i>Ekkamai Lifestyle Center Co.,Ltd.</i>	51%	88.5	3.3%	89.6	2.7%	69.7	2.6%	18.8	3.7%
<i>Siam Future Property Co.,Ltd.</i>	100%	402.8	15.0%	430.4	13.0%	274.4	10.3%	66.1	13.0%
<i>Siam Future Management Co.,Ltd.</i>	100%	12.3	0.5%	13.9	0.4%	1.3	0.0%	0.0	0.0%
<i>Ratchayothin Avenue Co.,Ltd.</i>	50%	0.0	0.0%	0.0	0.0%	4.7	0.2%	1.3	0.3%
<i>Ratchayothin Avenue Management Co.,Ltd.</i>	50%	3.1	0.1%	3.1	0.1%	3.0	0.1%	1.0	0.2%
Total rental and service income		1,390.6	51.8%	1,499.4	45.2%	1,101.8	41.4%	272.0	53.7%
2. Finance and interest income									
SF		13.9	0.5%	13.4	0.4%	11.6	0.4%	2.6	0.5%
<i>Petchkasem Power Center Co.,Ltd.</i>	74%	1.0	0.0%	1.1	0.0%	1.1	0.0%	0.2	0.0%
<i>Ekkamai Lifestyle Center Co.,Ltd.</i>	51%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
<i>Siam Future Property Co.,Ltd.</i>	100%	-0.4	0.0%	-2.8	-0.1%	0.2	0.0%	0.0	0.0%
<i>Siam Future Management Co.,Ltd.</i>	100%	0.5	0.0%	-1.1	0.0%	0.0	0.0%	0.0	0.0%
<i>Ratchayothin Avenue Co.,Ltd.</i>	50%	5.7	0.2%	5.6	0.2%	5.5	0.2%	1.4	0.3%
<i>Ratchayothin Avenue Management Co.,Ltd.</i>	50%	0.8	0.0%	0.8	0.0%	0.7	0.0%	0.2	0.0%
Total finance and interest income		21.5	0.8%	17.1	0.5%	19.2	0.7%	4.4	0.9%
3. Other revenue									
SF		38.2	1.4%	19.4	0.6%	14.9	0.6%	3.9	0.8%
<i>Petchkasem Power Center Co.,Ltd.</i>	74%	1.1	0.0%	1.6	0.0%	0.4	0.0%	0.1	0.0%
<i>Ekkamai Lifestyle Center Co.,Ltd.</i>	51%	0.4	0.0%	0.6	0.0%	0.2	0.0%	0.2	0.0%
<i>Siam Future Property Co.,Ltd.</i>	100%	4.8	0.2%	5.7	0.2%	4.3	0.2%	0.4	0.1%
<i>Siam Future Management Co.,Ltd.</i>	100%	0.0	0.0%	0.3	0.0%	0.1	0.0%	0.0	0.0%
<i>Ratchayothin Avenue Co.,Ltd.</i>	50%	5.8	0.2%	6.0	0.2%	0.1	0.0%	0.0	0.0%
<i>Ratchayothin Avenue Management Co.,Ltd.</i>	50%	0.0	0.0%	0.4	0.0%	0.0	0.0%	0.0	0.0%
Total other revenue		50.5	1.9%	33.9	1.0%	20.0	0.8%	4.6	0.9%
4. Share of profit from joint ventures	49%	1,222.3	45.5%	1,767.9	53.3%	1,523.4	57.2%	225.7	44.5%
Total revenue		2,684.9	100.0%	3,318.3	100.0%	2,664.4	100.0%	506.8	100.0%

Source: 56-1 Form for 2018-2020 and information from SF's key contact person for 3M2021

2.6.3 Pre- and Post- Major Shareholders of SF

Name of Shareholders as at 25 June 2021	Pre-Transaction		Post-Transaction	
	No. of Shares	%	No. of Shares	%
1) MAJOR	647,158,471	30.4%	-	-
2) LUCKY SECURITIES, INC.	172,393,639	8.1%	172,393,639	8.1%
3) Mr. Nopporn Witoonchart	131,829,073	6.2%	131,829,073	6.2%
4) Mr. Pongkit Suttapong	122,814,184	5.8%	122,814,184	5.8%
5) Mr. Suthilaksh Chirathivat	93,828,720	4.4%	93,828,720	4.4%
6) MORGAN STANLEY & CO. INTERNATIONAL PLC	70,800,000	3.3%	70,800,000	3.3%
7) Ms. Thanjira Pojkasemsin	50,892,630	2.4%	50,892,630	2.4%
8) Thai NVDR Co., Ltd.	40,336,569	1.9%	40,336,569	1.9%
9) Ms. Gasinee Witoonchart	37,663,200	1.8%	37,663,200	1.8%
10) Ms. Paopilas Hemwachirawarakorn	34,000,000	1.6%	34,000,000	1.6%
11) CPN	10,050,700	0.5%	657,209,171	30.8%
12) Entities and minority shareholders that each hold shares less than 5%	720,153,745	33.8%	720,153,745	33.8%
Total	2,131,920,931	100%	2,131,920,931	100%

2.6.4 Pre- and Post- Board of Directors Structure of SF

As at 19 July 2021, SF's Board of Directors comprises 12 directors. After the transaction, directors that were nominated by MAJOR will resign and CPN will nominate 4 new directors to replace the resigned directors.

	Title	Pre-Transaction	Post-Transaction
1.	Chairman	Mr. Oranop Jantaraprapa	Mr. Oranop Jantaraprapa
2.	Vice Chairman	Mr. Pongkit Suttapong	Mr. Pongkit Suttapong
3.	Director and Chairman of Executive Committee	Mr. Nopporn Witoonchart	Mr. Nopporn Witoonchart
4.	Director and President	Mr. Somnuk Pojkasemsin	Mr. Somnuk Pojkasemsin
5.	Director and Chief Financial Officer	Mr. Kittinanth Sumruatruamphol	Mr. Kittinanth Sumruatruamphol
6.	Director	Mr. Vicha Poolvaraluk	<i>Will be nominated by CPN</i>
7.	Director	Mr. Verawat Ongvasith	<i>Will be nominated by CPN</i>
8.	Director	Ms. Thitapat Issarapornpat	<i>Will be nominated by CPN</i>
9.	Chairman of the Audit Committee and Independent Director	Ms. Nantiya Montriwat	Ms. Nantiya Montriwat
10.	Member of the Audit Committee and Independent Director	Ms. Sabaithip Suntaros	Ms. Sabaithip Suntaros
11.	Member of the Audit Committee and Independent Director	Mr. Worawit Chailimpamontri	Mr. Worawit Chailimpamontri

	Title	Pre-Transaction	Post-Transaction
12.	Independent Director	Mr. Chai Jroongtanapibarn	Will be nominated by CPN

Remarks:

Directors No. 6-7 are directors of MAJOR

Director No. 12 is an independent director and chairman of the Audit Committee of MAJOR

Director No. 8 is the management of MAJOR

2.6.5 Pre- and Post- Management Structure of SF

As at 19 July 2021, the management of SF is as following.

	Title	Pre- and Post-Transaction
1.	Acting Chief Operating Officer	Mr. Nopporn Witoonchart
2.	President	Mr. Somnuk Pojkasemsin
3.	Chief Financial Officer	Mr. Kittinanth Sumruatruamphol
4.	Vice President	Recruiting
5.	Vice President	Recruiting

2.6.6 Financial Information

Analysis of Operating Results and Financial Positions

Consolidated Income Statements

THB Million	2018	2019	2020	3M2020	3M2021
Rental and service income	1,390.6	1,499.4	1,101.8	329.2	272.0
Finance and interest income	21.5	17.1	19.2	5.0	4.4
Other income	50.5	33.9	20.0	5.5	4.6
Share of profit from joint ventures	1,222.3	1,767.9	1,523.4	121.1	225.7
Total revenues	2,684.9	3,318.3	2,664.4	460.7	506.8
Cost of rental and services	(567.4)	(626.2)	(429.7)	(127.1)	(108.3)
Selling and Administrative Expenses	(256.3)	(275.8)	(231.0)	(61.3)	(61.6)
Profit before adjustments on investment property ("IP")	1,861.2	2,416.3	2,003.7	272.4	336.8
Gain (loss) from adjustments on investment property - net	281.8	(196.6)	469.0	103.3	18.4
Profit before finance costs and income tax	2,143.1	2,219.7	2,472.7	375.5	355.3
Finance costs	(74.9)	(96.1)	(90.1)	(21.0)	(22.3)
Profit before income tax	2,068.1	2,123.6	2,382.6	354.7	332.9
Income tax	(172.0)	(71.6)	(169.8)	(47.9)	(18.7)
Profit for the year	1,896.2	2,052.0	2,212.9	306.7	314.3
Profit attributable to the owners of parent	1,653.7	2,031.4	2,083.3	304.4	307.0
Profit attributable to minority interest	242.5	20.6	129.6	2.4	7.2
Financial Ratios					
Growth in service and rental income	N/A	23.6%	-19.7%	N/A	10.0%

THB Million	2018	2019	2020	3M2020	3M2021
% Selling and administrative expenses to rental and service income	18.4%	18.4%	21.0%	18.6%	22.4%
% Gross profit margin	61.2%	59.6%	62.3%	62.6%	61.4%
% Net profit margin	61.6%	61.2%	78.2%	66.1%	60.6%
% Return on Equity (ROE)	15.2%	16.3%	14.7%	15.6%	14.0%

Analysis of Operating Results

Revenue

Rental and service income – rental and service income in 2019 increased from the opening of new project, increase in rental rate, stable occupancy rate (with average occupancy rate in 2018-2020 of 94%, 92% and 96%, respectively). In 2020, there was a COVID-19 pandemic which directly affected core revenue of SF which is rental and service income because many tenants requested for the discount in rental rate as the government implemented the restriction to control the number of customers in the stores of tenants during service hours. Customer's behaviour also have been changed from COVID-19. Moreover, Market Place Nawamin closed for renovation and reopened in quarter 3 of 2020. COVID-19 still plays an important factor that have had a negative effect on SF's performance in 3M2021. Rental and service income in 3M2021 is less than that of 3M2020 as in 3M2020, COVID-19 has just started to be severe in March 2020.

Finance and interest income - Finance and interest income is the interest income collected from finance lease receivables. These receivables are anchor tenants in some of SF's projects that SF has leased retail space to on a long-term basis. These projects that has long-term financial lease agreements with tenants are Nawamin City Avenue, Pattaya Avenue, Market Place Nawamin, B-Quik Mengjai, the Esplanade Ratchadapisek, Petchkasem Power Center. The change in finance and interest income in each year is due to the tenants already pay the lease in full or there is any additional finance lease agreements made between SF and tenants.

Other income – other income comprises of installment service of utility systems to tenants' leased area, maintenance services to tenants' leased area and etc. In 2018, SF sold Piyarom Place project, therefore, other income was remarkably high (In 2017, the other income was approximately THB 33.0 million). In 2020 and 3M2021, other income decreased because many tenants slow down the maintenance or implementation of new facility in order to cut down cost due to COVID-19.

Share of profit from joint ventures - share of profit from joint ventures is mainly from SF Development Co.,Ltd. ("SFD") which operates Megabangna Shopping Center. SF holds 49% in SFD. In 2019, share of profit from joint ventures increased due to constant growth of operating performance of Megabanga. In 2020, COVID-19 also played an important factor affecting Megabanga operating performance. Megabanga's rental and service income decreased, therefore, share of profit from joint ventures also decreased. In 3M2021, share of profit from joint ventures increased by THB 104.6 million equivalent to 86.3%. The main reason is from the gain from

adjustment of investment property revaluated by the independent assets appraiser as SF's consolidated financial statements presented share of profit from joint ventures on a fair value basis. If consider Megabangna's actual operation in 3M2021, share of profit from joint ventures on a book value basis is equal to THB 109.7 million which decreased from 3M2020 by THB 120.4 million equivalent to 8.9% (source: reviewed financial statements for the period of 31 March 2021, Segmentation) which is an effect from COVID-19.

% Gross profit margin

The decrease of % gross profit margin in 2019 was because operating expenses and depreciation increased as there were more projects opened late in the year which were Market Place Sukapiban 3 and Market Place Dusit. In 2020, SF had cost saving plan in order to cope with less revenue from COVID-19. Also, the lock down measure issued by the government during March-May 2020 highly impacted retail businesses. Shopping malls and retail shops had to close and only supermarkets and grocery shops were allowed to open. Thus, expenses regarding utilities such as electricity and water decreased. SF also decreased the hiring of outsource employees in each project. Thus, cost of rental and service decreased and gross profit margin increased.

In 3M2021, COVID-19 is still ongoing and reflected in full quarter unlike in 3M2020 that COVID-19 had become severe in March 2020. Therefore, rental and service income in 3M2021 decreased from that of 3M2020 by 17.4% and cost of rental and service income in 3M2021 decreased from that of 3M2020 by 14.7%. In total, gross margin also decreased in 3M2021 compared with 3M2020.

Gain (loss) from adjustments on investment property

As SF recorded investment properties at fair value, SF has to arrange for independent appraiser to appraise the investment properties every 3 years. The gain (loss) from adjustments on investment properties will be adjusted into the financial statements. SF's management will review the value recorded every quarter. The change is mainly from a change in discount rate used by independent appraisers as deemed appropriate and also the open of new projects.

Selling and administrative expenses

Selling and administrative expenses mainly comprise of management and employee remuneration, director fee, advisory fees, commissions, maintenance, printing and office supplies, utilities, depreciation, etc.

In 2018-2019, portion of selling and administrative expenses to rental and service revenue were stable at 18.4% and increased in 2020 and 3M2021 to 21.0% and 22.4%, respectively. The increase trend is because rental and service revenue in 2020 decreased due to COVID-19. However, the total amount of selling and administrative expenses in 2020 decreased from that of 2019 at the amount of THB 44.8 million as during COVID-19, SF cut down marketing expenses related to marketing such as advertising and organizing marketing events. Also, as employees work from home, the utilities expense dropped.

Net Profit

In 2018-2020, SF has stable growth in net profit mainly as a result of the increase in share of profit from joint ventures, the decrease of cost of rental and service, selling and administrative expenses according to cost saving plan in 2020 to cope with COVID-19 and gain from adjustments on investment property in 2020.

In 3M2021, net profit slightly increased from 3M2020 although SF had decreased rent and service revenue due to ongoing COVID-19 situation and also decrease in gain from adjustment of investment property, SF records higher share of profit from joint ventures by THB 104.6 million equivalent to 86.4% than 3M2020 due to the gain from adjustment of the investment property as mentioned above. However, SF's profit decreased (excluding share of profit from joint ventures) and SF's tax is calculated based on profit excluding share of profit from joint ventures. Therefore, the tax for the period decreased and net profit of 3M2021 eventually is higher than that of 3M2020.

% Return on Equity or (%ROE)

In 2019, ROE increased to 16.3% as net profit increased in line with an increase in revenue. In 2020, ROE decreased to 14.7% as SF would like to maintain sufficient liquidity to cope with COVID-19 so SF paid less dividend in 2020. Thus, equity increased at a higher rate than the increase in net profit, resulting a in decreased ROE. As SF continues to manage its liquidity, ROE of 3M2021 decreased to 14.0% with the same reason aforementioned.

Consolidated Balance Sheets

THB Million	2018	2019	2020	3M21
Cash and cash equivalents	51.0	53.3	89.0	291.3
Short-term investments	77.6	15.0	-	-
Trade and other receivables	122.7	189.8	111.2	104.9
Finance lease receivables due within 1 year	21.2	20.9	21.0	20.3
Amount due from related parties	22.6	14.7	27.3	24.5
Short-term loans to related parties	14.5	12.8	12.8	12.8
Other current assets	36.8	45.1	55.8	60.8
Total current assets	346.4	351.6	317.1	514.6
Restricted cash	0.6	0.6	0.6	0.6
Finance lease receivables	509.3	432.2	406.2	391.1
Investment in joint ventures	7,082.8	8,653.8	9,948.5	9,977.3
Prepaid rent, net	0.8	0.8	0.7	0.7
Right-of-use	-	-	18.8	17.7
Building and equipment - net	61.2	63.0	58.7	55.6
Intangibles - net	32.2	33.5	31.2	30.3
Investment property	11,250.1	11,745.3	13,693.2	13,917.5

THB Million	2018	2019	2020	3M21
Deposit for leasehold land	48.5	48.5	50.1	50.1
Other non-current assets	43.3	40.7	37.7	37.2
Total non-current assets	19,028.9	21,018.3	24,245.9	24,478.0
Total assets	19,375.3	21,370.0	24,563.0	24,992.5
Short-term borrowings from financial institutions	859.8	379.8	910.0	1,160.0
Trade and other payables	320.9	203.5	255.8	604.5
Amount due to related parties	2.5	9.5	6.1	6.8
Unearned rental and service income due within 1 year	40.7	48.3	33.6	37.6
Long-term borrowings due within 1 year	152.0	806.5	446.1	393.1
Liabilities on land leases due within 1 year	121.2	160.3	180.5	189.8
Corporate income tax payable	5.0	10.0	3.4	5.5
Other current liabilities	241.4	233.2	277.8	208.8
Total current liabilities	1,743.5	1,851.0	2,113.2	2,606.0
Unearned rental and service income	359.8	527.5	520.2	546.8
Long-term borrowings	1,523.8	1,202.3	1,684.9	1,598.7
Deposits received from customers	499.0	533.6	523.8	530.2
Deferred tax liabilities	1,139.2	1,167.6	1,321.8	1,336.0
Liabilities on land leases	1,473.6	1,573.8	2,166.9	2,253.3
Employee benefit obligations	43.9	53.1	59.1	60.6
Total non-current liabilities	5,039.5	5,058.0	6,276.8	6,325.6
Total liabilities	6,782.9	6,909.0	8,390.0	8,931.6
Issued and paid-up share capital	1,776.6	2,131.9	2,131.9	2,131.9
Share premium	634.0	634.0	634.0	634.0
Retained earnings, appropriated - legal reserve	177.7	213.2	213.2	213.2
Retained earnings, unappropriated	8,910.9	10,374.5	11,957.0	11,837.7
Other components of equity	(0.5)	(0.5)	(0.5)	(0.5)
Equity attributable to owners of the parent	11,498.8	13,353.6	14,936.1	14,816.8
Non-controlling interests	1,093.6	1,108.0	1,237.3	1,244.5
Total equity	12,592.3	14,460.9	16,173.0	16,060.9
Total liabilities and equity	19,375.3	21,370.0	24,563.0	24,992.5

Analysis of Financial Position

Assets

SF's main assets comprise investment properties, investment in joint ventures, cash and cash equivalent, trade and other receivables and finance lease receivables.

Total assets as at the end of 2019, 2020, and 3M2021 kept increased due to the increase in share of profit in joint ventures (Megabangna), the increase in investment property revaluation according to accounting standard to reflect the fair market value as at the end of year/period. At the end of 3M2021, cash and cash equivalents

increased from dividend received from the joint venture in Megabangsa project, and the drawdown of loan while SF slowdown the investment due to COVID-19.

Liabilities

Liabilities mainly comprises loan from financial institutions, land lease obligation, deferred tax liabilities, trade and other payables, unearned rental and service income.

Total liabilities as at the end of 2019 increased from that of 2018 mainly from unearned rental and service income, land lease obligation that SF had to pay to landlord due to additional property lease which increased higher than the decrease of the loan and trade and other payables.

Total liabilities as at the end of 2020 increased from that of 2019 mainly from the increase in land lease obligation that SF had to pay to landlord due to additional property lease, the increase of loan from financial institutions as a working capital to increase liquidity and prepare to cope with COVID-19.

Total liabilities as at the end of 3M2021 increased from the end of 2020 mainly from the increase in trade and other payables (mainly from dividend payable), the increase of short-term loan from financial institutions as a working capital to increase liquidity and prepare to cope with COVID-19 that is still ongoing.

Shareholders' Equity

As at the end of 2018-2020, shareholders' equity continually increased from unappropriated retained earnings as SF continues to earn net profit and also the capital increase in 2019. Dividend payout ratio is 9.7% - 24.0% per annum.

	2018	2019	2020	3M21
Dividend payout ratio	24.0%	28.5%	22.9%	19.3%

Consolidated Statement of Cash Flows

THB Million	2018	2019	2020	3M21
Cash flow from operation	955.6	650.9	639.0	99.6
Interest paid	(73.2)	(93.4)	(90.4)	(17.9)
Tax paid	(54.1)	(55.3)	(44.0)	(8.9)
Net cashflow from Operation : CFO	828.3	502.2	504.7	72.9
Net cashflow from Investment : CFI	(676.9)	(166.5)	(456.8)	84.4
Net cashflow from Financing : CFF	(135.3)	(333.5)	(12.2)	45.1
Net cash and cash equivalents increase (decrease)	16.1	2.3	35.7	202.3
Beginning cash and cash equivalents	34.9	51.0	53.3	89.0
Ending cash and cash equivalents	51.0	53.3	89.0	291.3

Cashflow and liquidity analysis

In 2018-2020, SF's net cashflow from operation were sufficient for business expansion and debt repayment. SF has available credit line from banks such as overdraft.

In 3M2021, there was an adjustment in cashflow from operation in share of profit from joint ventures which is higher than that of 3M2020. Thus, net cashflow decreased dramatically. However, SF slow down the development and investment in new projects as a result of COVID-19. SF has increase in cashflow from the dividend received from its joint ventures (Megabangna) and drawdown of short-term loan.

Liquidity Ratios

	2018	2019	2020	3M21
Current ratios (times)	0.2	0.2	0.2	0.2
Debt to Equity (D/E) Ratios (times)	0.5	0.5	0.5	0.6
Interest-Bearing Debt to Equity (IBD/E) Ratios (times)	0.2	0.2	0.2	0.2

Liquidity ratios of SF at the end of 2018-3M2021 were quite stable at 0.2 times which is considered low as SF has high portion of short-term loan from financial institutions for its working capital.

D/E Ratios at the end of 2018-2020 were quite stable at 0.5 times and slightly increased as at 3M2021 as short-term loan from financial institutions increased during the period.

IBD/E Ratios as the end of 2018-3M2021 were quite stable at 0.2 times as SF had to manage total interest bearing-debt not to exceed the covenants specified in bond term and conditions which is 1.5 times.

2.7. Total consideration and Criteria Used in Determining the Value of the Consideration

Total consideration for the Transaction is cash amounted THB 7,765.9 million and has the criteria of the determination of value of the consideration as follow:

1. Firm value of SF
2. Agreed price between the Company and the Buyer which is set from the negotiation and agreement between CPN and MAJOR by incorporating the market value of SF's shares and assessment of SF's firm value

2.8. Payment Term

The Company will receive the consideration through Trade Report - Big Lot system via SET during the permitted time for Big Lot transaction which is expected to completed by 30 August 2021.

2.9. Transaction's Key Conditions

This Transaction will be completed under these conditions:

- MAJOR must obtain approval from a shareholders' meeting of the Company with votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote, excluding interested shareholder.
- CPN must obtain approvals from its Board of Directors' Meeting of which its board has already approved the Transaction on 5 July 2021.
- The parties have entered into the Share Sale and Purchase Agreement and the Buyer satisfies with the Due Diligence result in respect of SF which is expected to be completed by 20 August 2021.
- Condition precedent stipulated in the Share Sale and Purchase Agreement have been fulfilled. The Company is currently in the process of reviewing the details of Share Sale and Purchase Agreement ("SPA") and will disclose the material information of SPA by 20 August 2021, before the shareholders' meeting date

2.10. Use of Funding Received from the Disposition of Asset

The Company plans to utilize the funding received from the disposition of asset as follow:

1. Repay interest-bearing debt approximately THB 2,300 million which is scheduled for repayment by 2021
2. To spare as working capital for the business approximately THB 2,200 million
3. To spare as funding for business expansion and any business opportunity in the future approximately THB 3,200 million
4. To partly pay dividends if the funding in 2) and 3) have not been utilized.

2.11. Board of Directors' Opinion regarding the Entering into the Transaction

The Board of Directors of the Company views that the Transaction will help reduce downside risk from COVID-19 on MAJOR's development and management of shopping malls business segment. Moreover, MAJOR can utilize the funding received to repay loan which will reduce financial costs to MAJOR. MAJOR will also have cashflow spared for working capital in order to maintain financial liquidity and prepare to cope with business uncertainties resulted from COVID-19. Furthermore, the Transaction price of THB 12.0 per share falls in the range of fair value assessed by the IFA, between THB 7.9-13.0 per share. Thus, the Board of Directors of the Company unanimously approved the entering into the Transaction as the Board views that the Transaction is appropriate, reasonable and has long-term benefits to the Company and all shareholders.

3. Reasonableness of the Transaction

3.1. Objective and Necessity of the Transaction

COVID-19 pandemic has had a negative impact to SF. The Government policy to control the spread of COVID-19 virus resulted in a decreased number of customers came to SF's projects and consequently impacted the rental and service revenue which is a core revenue of SF. Therefore, the Transaction will help reduce downside risk from COVID-19 on MAJOR's development and management of shopping malls business segment. Moreover, MAJOR can utilize the funding received to repay loan which will reduce financial costs to MAJOR. MAJOR will also have cashflow spared for working capital amounted THB 2,200.0 million in order to maintain financial liquidity and prepare to cope with business uncertainties resulted from COVID-19.

Ater the Company's Shareholders' Meeting approved the Transaction, the Company will sell its total 647,158,471 ordinary shares in SF to CPN in aggregate consideration amount of THB 7,765.9 million in order to reduce the impact to the Company regarding the COVID-19 pandemic and to reduce the opportunity of having revenue and net profit in a downward trend.

3.2. Comparing Advantages and Disadvantages of Entering into the Transaction

Advantages of Entering into the Transaction

1. The Transaction will help reduce the interest bearing debt from the financial institutions and financial costs

The Company will repay interest bearing debt from the financial institutions approximately THB 2,300 million which is scheduled for repayment in 2021 and will result in a decrease in financial cost approximately THB 62.0 million per year (based on consolidated financial statements of year 2020, SF has average finance cost of 2.7% per year).

2. The Company can recognize gain from investment disposition in SF (after tax) approximately THB 2,824.0 million in quarter 3 of 2021

The Company initially invested in SF in 2003 amounted 77.8 million shares at THB 1.7 per share and continuously invested more in SF. As at 31 March 2021, the Company hold shares in SF amounted 634.0 million shares (29.7% of total issued and paid-up shares of SF) and has investment cost (equity method) amounted THB 4,361.5 million, equivalent to THB 6.9 per share. The Company realizes share of profit from the investment according to equity method. Subsequently, in April to May 2021, the Company acquired more of SF's shares amounted 13.2 million shares which resulted in share acquisition cost net with the share of profit from the investment during April-May 2021 amounted THB 91.1 million. Therefore, at present, the Company

holds SF's shares in total 647.2 million shares (30.4% of total issued and paid-up shares of SF), equivalent to THB 4,452.6 million or THB 6.9 per share.

The investment disposition by selling SF shares in total 647,158,471 ordinary shares equivalent to a transaction size of THB 7,765.9 million will result in the profit to the Company according to the following calculation.

Accounting Profit that the Company Expected to Earn and Recorded in Consolidated Financial Statements

	THB Million
Cash received from share sale	7,765.9
Book value of the investment disclosed in consolidated financial statements (equity method) as at 31 March 2021	(4,361.5)
Cost of acquiring 13.2 million ordinary shares of SF during April – May 2021	(91.1)
Profit of investment disposition* (before tax)	3,313.3
Corporate income tax (at the rate 20%)	(662.7)
Deferred Tax Asset as at 31 March 2021	173.4
Profit of investment disposition* (after tax)	2,824.0

Remark: * Profit from investment disposition before the deduction of relevant expenses to the transaction such as brokerage fee, financial advisor fee and legal advisor fee

3. The Company is able to utilize unused tax loss carry forward

As at 31 March 2021, the Company has unused tax loss carry forward of THB 867.0 million which will be expired in 2025 and 2026 amounted THB 718.0 million and THB 149.0 million, respectively and resulted in a deferred tax asset of THB 173.4 million. The Company expect to utilize such tax loss carry forward immediately since there is gain on sale of investment in SF to reduce the tax burden arisen from the Transaction by THB 173.4 million. However, the amount of tax that can be saved depend on the operating performance of the Company for the year 2021.

4. The Transaction will help improve liquidity and strengthen financial position of the Company

After the Company repays the interest-bearing debt approximately THB 2,300 million, the Company will have more liquidity which is an increase in cash (current assets) of THB 4,889.6 million and a decrease in current liability of THB 2,300 million as a result of the repayment of overdraft, short-term loan and current portion of long-term loan that due within 1 year in total THB 2,300 million. Thus, the current ratio will be improved from 0.5 times to 2.3 times.

In addition, the profit recognition from disposal of investments (after tax) in approximately THB 2,840.0 million will result in an increase in shareholders' equity and debt to equity ratio improved from 1.8 to 1.0

Financial Position Statement Simulation

Items in Financial Position Statement (THB million)	Pre-Transaction (As at 31 Mar 21)	Post-Transaction
Cash	1,789.6	6,679.2
Total current assets	2,785.0	7,674.7
Investment in associate	6,287.9	1,926.4
Total non-current assets	15,188.9	10,827.3
Total assets	17,973.9	18,502.0
Overdraft and short-term loan from banks and current portion of long-term loan that due within 1 year	3,219.9	919.9
Total Current liabilities	5,638.3	3,338.3
Long-term loan	2,210.0	2,210.0
Total non-current liabilities	5,818.7	5,818.7
Total liabilities	11,456.9	9,156.9
Total shareholders' equity	6,517.0	9,345.1
Debt to equity ratio	1.8	1.0
Current ratio (current assets/current liabilities)	0.5	2.3
Return on equity (ROE)	(5.9%)	29.4%

5. The Transaction will help improve the return on shareholders' equity ratio (ROE) in quarter 3 of 2021

The Company will realize gain from investment disposition (after tax) approximately THB 2,824.0 million which results in increased shareholders' equity of around THB 2,828.0 million and improved return on equity from (5.9%) to 29.4%

6. The Company is able to utilize a part of funding received to invest in a potential business

The Company plans to spare a part of funding received around THB 3,200 million for the Company or its subsidiary to invest in a potential business should there be any business opportunity in the future that is in line with the Company's strategy that aims to be one-stop entertainment provider that has a cinema business as a main theme. This will help enable better return on investment and will eventually benefit shareholders of the Company.

7. The Transaction will help improve the liquidity of the Company in order to cope with ongoing COVID-19 situation

As COVID-19 situation is not yet resolved, the Company has been affected from the government order to control the pandemic. The Company has temporarily closed the cinemas and for some cinemas that can still

operate, the proper distance between each seat has been implemented. This has made the Company to have net loss since the first quarter of 2020 until present. Therefore, this Transaction will enable the Company to use the funding received for debt repayment which will help reduce finance costs and the Company will have cashflow for using as working capital around THB 2,200 million. This will help increase liquidity and get the Company ready to cope with COVID-19.

Disadvantages of Entering into the Transaction

1. The Company will miss the opportunity to recognize gain from investment disposition should there be any other buyer that offer better price to purchase SF shares than CPN

If the Company decides not to sell SF shares to CPN in this Transaction, the Company would have an opportunity to receive an offer from other buyers that might give a better offer.

2. The Company will not receive dividend from SF in the future

After the Company sells its shares in SF, the Company will no longer receive dividend from SF in the future. In 2016-2020, SF paid dividend as follow.

Operating Period	Dividend Announcement Date	Dividend THB per Share	Dividend Yield (%)	Dividend that MAJOR received (THB million)
1 Jan – 31 Dec 2020	10 Feb 21	0.20	3.2%	134.7
1 Jan – 31 Dec 2019	12 Feb 20	0.22	6.0%	46.3
1 Jan – 31 Dec 2018	12 Feb 19	Share dividend 5:1 Cash dividend 0.10	1.5%	113.4
1 Jan – 31 Dec 2017	14 Feb 18	0.25	2.8%	89.5
1 Jan – 31 Dec 2016	14 Feb 17	0.20	3.2%	64.4

Source: Setsmart as at 9 July 2021, notes to the financial statements of MAJOR for the year ended 2017-2020

3. The Company will not be able to recognize share of profit from SF in the future

After the Company sells SF shares, SF will no longer be the Company's associate company and the Company will no longer realize gain from investment in SF through profit and loss statement using equity method. The history of share of profit from the investment in SF during 2018-2020 is as follow.

Operating Period	Share of Profit from Investment in SF (THB million)	MAJOR's Total Revenue (THB million)	% of Share of Profit from the Investment in SF to MAJOR's Total Revenue (%)
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2018	125.6	9,952.4	1.3
2019 (Revised)	555.6	10,697.1	5.2
2020	605.1	3,765.2	16.1

Remark:

^{a)} Source of information from MAJOR

^{b)} In 2019 and 2020, MAJOR adopted Accounting Standard Number 40 "Investment Property" for its accounting practice and recorded gain from adjustments on investment property as a part of share of profit from the investment in SF. If MAJOR does not record the gain with share of profit from the investment in SF, the proportion of share of profit from the investment in SF to total revenue of MAJOR in 2019 and 2020 will be 1.5% and 2.9%, respectively.

4. There are related expenses regarding the Transaction

To enter into this Transaction, the Company incurred expenses relevant to the Transaction such as financial advisor fee, legal advisor fee, securities brokerage fee for Big Lot, etc.

Advantages of Not Entering into the Transaction

1. The Company will have an opportunity to recognize additional profits from SF's development and management of shopping mall business

The Company will have an opportunity to receive a return from the expanding business of SF in the future. As as the date of this report, SF has 2 developing projects that is expected to operate within 2022.

2. The Company will have an opportunity to recognize gain from investment disposition should there be any other potential buyer that offer better price to purchase SF shares than CPN

The Company might receive a better offer from other potential buyer other than CPN.

3. The Company will receive a dividend from SF in the future

If the Company does not enter into the Transaction, the Company will still be able to receive dividend from SF.

4. The Company will be able to recognize share of profit from SF in the future

If the Company does not enter into the Transaction, the Company will still be able to realize gain from investment in SF through profit and loss statement using equity method. The history of share of profit from the investment in SF during 2018-2020 is as follow.

Operating Period	Share of Profit from Investment in SF (THB million)	MAJOR's Total Revenue (THB million)	% of Share of Profit from the Investment in SF to MAJOR's Total Revenue (%)
2018	125.6	9,952.4	1.3
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Remark:

^{a)} Source of information from MAJOR

^{b)} In 2019 and 2020, MAJOR adopted Accounting Standard Number 40 "Investment Property" for its accounting practice and recorded gain from adjustments on investment property as a part of share of profit from the investment in SF. If MAJOR does not record the gain with share of profit from the investment in SF, the proportion of share of profit from the investment in SF to total revenue of MAJOR in 2019 and 2020 will be 1.5% and 2.9%, respectively.

5. There will be no related expense regarding the Transaction

If the Company does not enter into the Transaction, the Company will not incur expenses relevant to the Transaction such as financial advisor fee, legal advisor fee, securities brokerage fee for Big Lot, etc.

Disadvantages of Not Entering into the Transaction

1. The Company will lose an opportunity to reduce the interest bearing debt to the financial institutions and also financial costs

If the Company does not enter into the Transaction, the Company will lose an opportunity to repay interest bearing debt from the financial institutions and lose an opportunity to reduce finance costs of which the Company has at 2.7% per year or approximately THB 123.5 million per year (based on consolidated financial statements of year 2020)

2. The Company will lose an opportunity to spare the funding for business expansion in the future

If the Company does not enter into the Transaction, the Company will lose an opportunity to have a spare funding for business expansion. However, the Company has unused credit facilities as at 31 March 2021 amounted THB 4,334.8 million.

3. The Company will lose an opportunity to divest its investment in SF at this offer price from CPN

As COVID-19 pandemic is not yet resolved, the Government policy to control the number of infected people results in the economy of Thailand has less growth than the previous year which has a negative impact on SF. Consequently, the opportunity that the Company will get the better offer than THB 12 per share from other potential buyer is low. Therefore, if the Company does not enter into the Transaction, the Company will lose an opportunity to sell SF shares at this Transaction price from the other buyer in the future.

4. Return on shareholders' equity will continue to dim as the Company's financial performance is not yet back to normal

COVID-19 pandemic that has arisen since the beginning of 2020 has had a negative impact on the operation of the Company and results in negative return on equity to the Company's shareholders. If the Company does not enter into the Transaction, the Company will continue to have negative return on equity as the COVID-19 pandemic is not yet resolved and the operation is still not back to normal.

3.3. Risk of Entering into the Transaction

Risk that Shareholders' Meeting of the Company shall not resolve to Approve the Transaction

This Transaction is considered a disposition of asset which the Company must obtain approval from a shareholders' meeting of the Company with votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote, excluding interested shareholders. Therefore, if the Company does not obtain approval from its shareholders' meeting, the Company will not be able to enter into this Transaction and will not benefit from advantages of the entering into the Transaction summarized previously. However, there is no penalty charge to compensate should the Company cannot enter into this Transaction.

4. Fairness of the Transaction Price and Conditions

IFA has analyzed and used the following approaches to derive the fair value of SF shares.

- 1) Discounted Cash Flows Approach (DCF)
- 2) Trading Comparable Approach
- 3) Market Price Approach
- 4) Book Value Approach
- 5) Precedent Transaction Comparable Transaction

IFA does not assess the value of SF's share by using Adjusted Book Value Method because SF adjusts book value quarterly on main items such as investment property that is recorded by using fair value basis. Also, from inquiry with the main contact person, IFA did not find any circumstance that will materially affect book value of SF after the period of the latest financial statements; the quarter ended 31 March 2021.

After reviewing advantages and limitations of each valuation approaches, IFA opines that the appropriate valuation approaches are DCF, Market Comparable Approach and Market Price which give the valuation range of THB 7.9 - 13.0 per share. The advantages, limitations and reasons that IFA views that the approach is appropriate are summarized as follow.

Valuation Approaches	Advantages	Limitations	Reasons IFA views that selected approaches are appropriate
1) DCF	<ul style="list-style-type: none"> Reflects long-term business plan and capture future value 	<ul style="list-style-type: none"> Rely heavily on assumptions 	<ul style="list-style-type: none"> This approach reflects the capability of SF to generate net profits in the future according to its business plan. Although this approach relies heavily on a lot of assumptions, IFA has received sufficient information to create reasonable assumptions. Thus, this approach is appropriate.
2) Market Comparable Approach			
2.1) P/E	<ul style="list-style-type: none"> Reflects the actual trading price 	<ul style="list-style-type: none"> Inappropriate if the structures of revenue, cost, expenses and capital are different among peers 	<ul style="list-style-type: none"> IFA uses market comparables of SF to compare so there is no difference in accounting policy, structures of revenue, cost, expenses and capital. Thus, this approach is appropriate.

Valuation Approaches	Advantages	Limitations	Reasons IFA views that selected approaches are appropriate
2.2) P/BV	<ul style="list-style-type: none"> Reflects the actual trading price 	<ul style="list-style-type: none"> Different company may adopt different accounting policy Inappropriate if the structures of revenue, cost, expenses and capital are different among peers 	
3) Market Price	<ul style="list-style-type: none"> Reflects the actual trading price 	<ul style="list-style-type: none"> Inappropriate if the share liquidity is low 	<ul style="list-style-type: none"> SF's shares do not have low liquidity. Thus, this approach is appropriate.
4) Book Value	<ul style="list-style-type: none"> Reflects the latest financial information 	<ul style="list-style-type: none"> Does not take into account the business plan and future growth of the company Does not reflect scenarios / situation that might affect the financial position in the future 	<ul style="list-style-type: none"> IFA views that this approach is inappropriate as it does not reflect business plan, the capability of SF to generate net profits, and its financial position in the future which are crucial factors to assess the value of SF's shares.
5) Precedent Transaction Comparable Transaction	<ul style="list-style-type: none"> Reflects the actual trading price 	<ul style="list-style-type: none"> No comparable transaction to be appropriately compared 	<ul style="list-style-type: none"> Since there is no comparable transaction. Thus, this approach cannot be adopted.

4.1. Discounted Cash Flows Approach (DCF)

To prepare the financial projection, IFA has review audited financial statements of SF for the year ended 2018-2020 and the reviewed financial statements of the 1st quarter of 2021 (1Q20), SF's 56-1 forms, SF's Annual Reports, information from SF's website and inquiry to SF's personnel together with macroeconomics and industry information from trustworthy sources.

The main principles of the financial projection prepared by IFA can be summarized as follow.

Main Assumptions	Principles
<p>1. Projection period and Terminal Value</p>	<ul style="list-style-type: none"> ○ For the projects that have freehold land (SF is an owner), IFA assumes that the period of freehold projects will end when the retail area rental agreements with anchor tenants end. The reason is that it is highly improbable that the retail property market and consumer behaviour in those project areas would remain the same which will affect the rental rate and rental period of the anchor tenants in the future. Therefore, when the rental agreements with anchor tenants end, freehold projects will have no terminal value. ○ For the projects that have leasehold land (SF leases from landlords), IFA assumes that there will be no renewal of land lease agreement with landlords once the land lease period of each project ends. The reason is that it is highly improbable that the retail property market and consumer behaviour in those project areas would remain the same which will affect the rental rate and rental period quoted by the landlords in the future. Therefore, when the land lease agreements with landlords end, leasehold projects will have no terminal value. ○ The projects that have freehold land are the Avenue Ratchayotin which is owned by SF's subsidiary (50%); Ratchayothin Avenue Co.,Ltd. ("RTA") and partial land of Megabangna Project which is owned by the joint venture company; SF Development Co.,Ltd. ("SFD"). IFA assumes that once the rental agreements with anchor tenants end in 2040 and 2045, there will be a sale of those pieces of land. However, IFA compares between discounting the future value of the land to present value and using the present appraisal value and found that there is no major difference. Thus, IFA added the appraisal values disclosed in the latest appraisal reports (prepared by independent assets appraiser) to SF's share value. ○ For the pieces of land that currently have no development plan which belong to North Bangkok Development ("NBD") and West Bangkok Development ("WBD"), joint ventures of SF, those land has market value although they are not developed. Therefore, IFA added the appraisal values disclosed in the latest appraisal reports (prepared by independent assets appraiser) to SF's share value.

Main Assumptions	Principles
<p>2. Projects that IFA incorporated in the financial projection</p>	<p>○ Projects that SF and its subsidiaries operate :</p> <ol style="list-style-type: none"> 1) The Avenue Chaeng Watthana (Operated by SF) 2) Market Place Bangbon (Operated by SF) 3) Market Place PrachaUtit (Operated by SF) 4) J Avenue (Thonglor 15) (Operated by SF) 5) Pattaya Avenue (Operated by SF) 6) Petchkasem Power Center (Operated by PKS, SF hold shares 74%) 7) Ekkamai Power Center (Operated by EKK, SF hold shares 51%) 8) La Villa (Ari-Pahonyothin) (Operated by SF) 9) Market Place Sukaphiban 3 (Operated by SF) 10) Market Place Nawamin (Operated by SF) 11) Nawamin City Avenue (Operated by SF) 12) Esplanade Ratchadapisek (Operated by SFP, SF hold shares 100%) 13) Market Place Krungthepkreetha (Operated by SF) 14) Market Place Nanglinchee (Operated by SF) 15) Market Place Dusit (Operated by SF) 16) Market Place Thonglor (Marche 55) (Operated by SF) <p>○ Projects that SF operates with joint venture company; SF Development Co.,Ltd. (“SFD”), is Megabangna. SF holds 49% shares in SFD.</p> <p>Remark:</p> <p>○ IFA does not prepare financial projection for 2 projects which are:</p> <ol style="list-style-type: none"> 1) B-Quik Mengjai which is a project operated by SF. It is a stand-alone retail store which has 1 tenant; B-Quik. SF leased the rental area to B-Quik under long-term financial lease and the profit of the lease was recognized since the transaction date in the year 2000. 2) The Avenue Ratchayothin which is a lifestyle shopping mall. In 2010, SF leased the land and rental area to Major Cineplex Lifestyle Property Fund (“MJLF”) for 30 years ending 2040. Therefore, IFA does not assume any revenue recognition throughout the projection period. <p>○ IFA does not prepare financial projection for any joint ventures other than SFD (Megabangna) as currently those joint ventures (NBD, WBD) are dormant companies. SF directly holds 49% in NBD and directly and indirectly holds 49% in WBD.</p>
<p>3. Revenue structure of SF</p>	<p>○ SF’s core revenues are 1) rental and service revenue of projects operated by SF and its subsidiaries of which IFA has incorporated in total of 16</p>

Main Assumptions	Principles
	<p>projects in the financial projection and 2) share of profit from joint venture which is Megabangna (1 project)</p> <ul style="list-style-type: none"> ○ Other non-core revenues are 1) Finance and interest income which is the interest income collected from finance lease receivables. These receivables are anchor tenants in some of SF's projects that SF has leased retail space to on a long-term basis. These projects that has long-term financial lease agreements with tenants are Nawamin City Avenue, Pattaya Avenue, Market Place Nawamin, B-Quik Mengjai, the Esplanade Ratchadapisek, Petchkasem Power Center and 2) Other income which comprises installment service of utility systems to tenants' leased area, maintenance services to tenants' leased area and etc
4. Expected demolition cost	<ul style="list-style-type: none"> ○ Ownership of building and building improvement at the end of the land lease agreement varies among projects and is specified in the agreement; 1) SF has to demolish the building and return the empty land to the landlord or 2) the landlord will have an ownership and have an option to choose between keeping the building or letting SF demolish the building for the landlord. ○ SF has never recorded expected demolition cost as a liability in the financial statements because in the past, although SF had to be responsible for the demolition, SF can negotiate with the contractor to resell the demolished scrap of which gave SF a net cash received after deducting the demolish costs. Therefore, IFA assumes that there is no expected demolition costs in every projects.

4.1.1. Key Financial Assumptions

Topics	Key Assumptions
1. Gross leaseable area	<ul style="list-style-type: none"> ○ IFA assumes that every projects have gross leaseable area (GLA) equals to those disclosed in form 56-1 for the year 2020 and information received from SF for the developing projects. ○ 2 developing projects are as follow: <ul style="list-style-type: none"> 1) The Market Place Thonglor – In 2020, this project has cut GLA to 3,528 square metres as it has been under renovation. Therefore, IFA assumes the GLA for the projection period of April – December 2021 and year 2022 equals to 3,528 sq.m. In 2023, this project will reopened as Marche 55.

Topics	Key Assumptions
	<p>IFA assumes the GLA to increase to 9,545 sq.m. starting from 2023 to the end of this project (year 2049) based on SF's business plan.</p> <p>2) The Market Place Krungthepkreetha – This project will be opened on 1 September 2021. IFA assumes the GLA equals to 5,078 sq.m. until the end of the project (year 2041) based on SF's business plan.</p>
2. Occupancy Rate	<ul style="list-style-type: none"> ○ For the period of April – December 2021 and year 2022, IFA assumes the occupancy rate of each project to be equal to those of 2020 as IFA is of view that SF will continue to receive negative impact from the COVID-19 pandemic. Except for Petchkasem Power Center Project: This is because in the past, this project's occupancy rate was high at the rate over 90%. However, in 2017, one of the long-term anchor tenants terminated the rental agreement and moved out of the premise. This resulted in occupancy rate dropped to 77% in 2017-2018. In 2019, SF was able to find short-term tenant (with renewable option) that rented the whole vacancy area and subrented to other retailers. As the tenant profile and agreement terms has been changed, IFA uses average occupancy rate of 2018-2020 of Petchkasem Power Center Project throughout the projection period. ○ From 2023 onwards, IFA assumes occupancy rate of each project to be equal to average occupancy rate of 2018-2019 of each project based on the occupancy rate before the COVID-19 pandemic (except for Petchkasem Power Center Project as aforementioned reason). ○ The Market Place Thonglor – IFA assumes the occupancy rate for this project during the period of April – December 2021 and year 2022 to be equal to 73% based on occupancy level of year 2020. This is to reflect the renovation and the ongoing COVID-19 pandemic situation. In 2023 onwards until the end of this project in 2092, IFA assumes the occupancy rate of 95% based on the actual rate that The Market Place Thonglor could reach during 2015-2017 before the renovation. ○ The Market Place Krungthepkreetha – IFA assumes the occupancy rate for this project during the period of April – December 2021 and year 2022 to be equal to 82.5% based on the average occupancy rate of the 1st and 2nd year of the operation that SF expects to have 75%-90% occupancy rate. In 2023, IFA assumes the occupancy rate of 90% and from 2024 onwards until the end of this project, IFA assumes the occupancy rate of 95% based on SF's business plan.

Topics	Key Assumptions
<p>3. Rental and service revenue per sq.m.</p>	<ul style="list-style-type: none"> ○ For the period of April to December 2021 and year 2022, IFA assumes rental and service revenue per sq.m. of each project to be equal to those of 2020 (this level of rental and service revenue per sq.m. already reflected the decrease of rental and service revenue in 2020 requested by the tenants of each project) with a growth of inflation rate of 1.2% p.a. as the COVID-19 pandemic situation is not yet resolved.. (Source of core inflation: Bank of Thailand, 10-year core inflation rate as at 1 July 2021) IFA views that, although Thailand has faced with economic recession from time to time, Thailand's average 10-year inflation rate remains positive. Therefore, IFA assumes the inflation on the revised rental rate (after the decrease due to COVID-19). ○ For year 2023 onwards, IFA assumes rental and service revenue per sq.m. to be at the same level of year 2019 which is the year prior to the COVID-19 situation as IFA forecasts that the pandemic should be resolved by then. IFA also assumes an annual growth in rental and service revenue per sq.m. of 5% p.a. throughout the rest of land lease period of each project based on the average increase in rental rate of SF during the normal situation (refer to rental and service agreements with tenants) and also industry practice of retail property industry (refer to IFA's past experience). ○ The Market Place Thonglor – IFA assumes the rental and service revenue per sq.m. for this project during the period of April – December 2021 and year 2022 to be equal to the rental and service revenue per sq.m. of year 2020 with a growth of inflation rate of 1.2% p.a. In 2023 onwards until the end of this project, IFA assumes the rental and service revenue per sq.m. to be equal to 2019 level with 5% growth annually. ○ The Market Place Krungthepkreetha – IFA assumes the rental and service revenue per sq.m. for this project during the period of September – December 2021 and year 2022 to be equal to THB 6,217 per sq.m. with a growth of inflation rate of 1.2% p.a. based on SF's business plan. In 2023 onwards until the end of this project, IFA assumes the rental and service revenue per sq.m. to increase 5% annually.
<p>4. Finance and interest income</p>	<ul style="list-style-type: none"> ○ Finance and interest income is the interest income collected from finance lease receivables. These receivables are anchor tenants in some of SF's projects that SF has leased retail space to on a long-term basis. These projects that has long-term financial lease agreements with tenants are Nawamin City Avenue, Pattaya Avenue, Market Place Nawamin, B-Quik

Topics	Key Assumptions
	<p>Mengjai, the Esplanade Ratchadapisek, Petchkasem Power Center. IFA assumes interest income received from finance lease receivables based on the collection schedule from tenants of each project throughout the projection period.</p>
5. Other income	<ul style="list-style-type: none"> ○ Other income comprises installment service of utility systems to tenants' leased area, maintenance services to tenants' leased area and etc. ○ IFA assumes this income to be variable to total gross leaseable area of each year throughout projection period. ○ For the period of April to December 2021 and year 2022, IFA assumes other income based on actual other income to total gross leaseable area of 3M21 which is lower than that of 2020 due to ongoing COVID-19 pandemic ((this level of other income per sq.m. already reflected the cost control of tenants due to COVID-19) and assumes a growth of inflation rate of 1.2% p.a. during the period of April to December 2021 and year 2022 as IFA views that, although Thailand has faced with economic recession from time to time, Thailand's average 10-year inflation rate remains positive. Therefore, IFA assumes the inflation on the revised other income per sq.m. (after the decrease due to COVID-19). ○ For year 2023 onwards, IFA assumes other income based on actual other income to total gross leaseable area of 2019 before COVID-19 pandemic and assumes a growth of inflation rate of 1.2% p.a
6. Cost of rental and services	<ul style="list-style-type: none"> ○ For the period of April to December 2021 and year 2022, IFA assumes the proportion of cost of rental and services to rental and services revenue of each project to be equal to those of 2020. ○ For year 2023 onwards, IFA assumes the proportion of cost of rental and services to rental and services revenue of each project to be equal to the average of 2018-2019, the years before COVID-19 pandemic, as IFA assumes that COVID-19 pandemic will be resolved in 2023.
7. Administrative expenses	<ul style="list-style-type: none"> ○ Administrative expenses mainly comprises headquarter and back office expenses such as management and employee remuneration, director remuneration, advisory fees, water, electricity, utilities, supplies and etc. ○ For the period of April to December 2021 and year 2022, IFA assumes the administrative expenses based on actual administrative expenses to total gross leaseable area of 3M21 which is approximately THB 895 per sq.m. and assumes a growth of inflation rate of 1.2% p.a.

Topics	Key Assumptions																								
	<p>○ For the year 2023, IFA assumes the administrative expenses based on actual administrative expenses to total gross leaseable area of 2019 which is approximately THB 1,008 per sq.m. and assumes a growth of inflation rate of 1.2% p.a.</p>																								
8. Selling expenses	<p>○ Selling expenses comprises marketing expenses. IFA assumes the proportion of selling expenses to be 3.6% of total rental and services income based on actual % selling expenses in 2020 which is inline with %selling expenses the past. Selling expenses are still necessary for SF. Every projects have anchor tenants that the government allowed them to open for service such as supermarkets, convenient stores, pharmacies, etc. Moreover, as consumer behaviour has shifted due to COVID-19, the expenses for marketing and sales promotion are mandatory to convince the tenants to stay with the projects including, to create awareness to the customers of these tenants. Therefore, IFA assumes the selling expenses to be equal to 3.6% of rental and service revenue throughout the projection period.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>THB Million</th> <th>2018</th> <th>2019</th> <th>2020</th> <th>3M21</th> </tr> </thead> <tbody> <tr> <td>% Rental & Service revenue</td> <td>3.5%</td> <td>2.9%</td> <td>3.6%</td> <td>3.4%</td> </tr> </tbody> </table>	THB Million	2018	2019	2020	3M21	% Rental & Service revenue	3.5%	2.9%	3.6%	3.4%														
THB Million	2018	2019	2020	3M21																					
% Rental & Service revenue	3.5%	2.9%	3.6%	3.4%																					
9. Finance costs	<p>○ IFA assumes finance costs of 2.95% p.a. throughout the projection period based on average finance costs of SF for the latest 12 months ending 31 March 2021.</p>																								
10. Working Capital	<p>○ IFA assumes working capital throughout projection period based on average working capital and cash cycle of 2018-3M21.</p> <p>○ Account payable and other payable as at 3M21 has included dividend payable of THB 427.6 million. IFA does not include this dividend payable in the calculation of payable days as part of working capital calculation.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Days</th> <th>2018</th> <th>2019</th> <th>2020</th> <th>3M21</th> <th>9M21F-2049F</th> </tr> </thead> <tbody> <tr> <td>Account Receivable</td> <td>34</td> <td>37</td> <td>48</td> <td>35</td> <td>38</td> </tr> <tr> <td>Account Payable</td> <td>167</td> <td>153</td> <td>195</td> <td>182</td> <td>174</td> </tr> <tr> <td>Cash Cycle</td> <td>(133)</td> <td>(116)</td> <td>(147)</td> <td>(147)</td> <td>(136)</td> </tr> </tbody> </table>	Days	2018	2019	2020	3M21	9M21F-2049F	Account Receivable	34	37	48	35	38	Account Payable	167	153	195	182	174	Cash Cycle	(133)	(116)	(147)	(147)	(136)
Days	2018	2019	2020	3M21	9M21F-2049F																				
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11. Investment property	<p>○ SF has 18 investment properties/projects and 2 investment properties of 2 developing projects which are the Market Place Krungthepkreetha and Marche 55 (previously, the Market Place Thonglor) of which as at 31 March 2021 have been recorded in the financial statements on a fair value basis. The fair value is assessed by independent property appraisers.</p>																								

Topics	Key Assumptions
	<ul style="list-style-type: none"> ○ IFA assumes each investment property to be amortized throughout the rest of land lease period. ○ IFA does not assume additional investment in any new project other than Market Place Krungthepkreetha and Marche 55 because there is no solid plan.
12. Capital Expenditure (CAPEX)	<ul style="list-style-type: none"> ○ Building and equipments are fixed assets of head quarters and back office of which mostly are office equipments, computers, intangibles such as software for the business. ○ CAPEX is for back office function only as IFA does not assume additional investment in any new project because there is no solid plan. Should there be any new investment in new project, it will be recorded as investment property. ○ IFA assumes the CAPEX of office equipments, computers, software each year based on average CAPEX of 2018-2020 to total gross leaseable area which is approximately THB 112.0 per sq.m. and has a growth rate of 1.2% p.a. throughout projection period and depreciated based on SF's accounting policy (3 years of software and 5 years for office equipments and computers).
13. Investment in joint ventures (SFD-Megabangna)	<ul style="list-style-type: none"> ○ Investment in joint ventures mainly are the investment in SF Development Co.,Ltd. ("SFD") that operates Megabangna of which SF holds 49% shares in SFD. Other joint ventures which are North Bangkok Development Company Limited (SF holds 49% of its shares) and West Bangkok Development Company Limited (SF holds directly and indirectly in total 49% of its shares) are a dormant company. IFA does not assume any business operation of and share of profit from these 2 companies in the projection. ○ Gross Leaseable Area – IFA assumes total gross leaseable area of Megabangna to be 167,996 sq.m. based on actual gross leaseable area of 3M21 that is inline with gross leaseable area of 2019-2020. ○ Occupancy Rate – for the period of April to December 2021 and year 2022, IFA assumes occupancy rate of Megabangna to be equal to 99.4% based on actual occupancy rate of 2020. For year 2023 onwards, IFA assumes occupancy rate to be equal to 99.7% based on average occupancy rate of 2018-2019. ○ Rental and service revenue – for the period of April to December 2021 and year 2022, IFA assumes rental and service revenue per sq.m. of

Topics	Key Assumptions
	<p>Megabangna to be equal to rental and service revenue of 2020 which is equal to THB 1,119 per sq.m. with a growth of inflation rate of 1.2% p.a. For year 2023 onwards, IFA assumes rental and service revenue to be equal to that of 2019 before COVID-19 pandemic which is THB 1,430 per sq.m. with a growth of 5% p.a. until the end of the project based on the average increase in rental rate of SF during the normal situation and also industry practice of retail property industry.</p> <ul style="list-style-type: none"> ○ Cost of rental and services – for the period of April to December 2021 and year 2022, IFA assumes the proportion of cost of rental and services to rental and services revenue of Megabangna equals to actual proportion of 2020 which is 24.0%. For 2023 onwards, IFA assumes % cost of rental and services revenue to rental and services revenue equals to average of 2018-2019 which is 26.1%. ○ Selling and administrative expenses – for the period of April to December 2021 and year 2022, IFA assumes % of selling and administrative expenses to rental and service revenues of Megabangna equals to that of year 2020 which is 10.0%. For year 2023 onwards, IFA assumes % of selling and administrative expenses to rental and service revenues equals to average of 2018-2019 which is 12.6%. ○ CAPEX – IFA assumes CAPEX of Megabangna to be equal to depreciation and amortization of each year. The depreciation and amortization of each year is around 33.2% of total cost and expenses of SFD based on average of actual figures of 2018-2020 which is approximately equal to THB 255.0 million in April – December 2021 and THB 1,732.8 million in 2045 which is the last year of the project. ○ Finance costs – IFA assumes finance cost of SFD to be equal to average actual finance cost of 2018-2020 which is approximately 4.5% p.a. ○ Corporate income tax rate of 20% p.a. is assumed in the projection ○ The projection recognizes share of profits in SFD based on SF's shareholding of 49%. ○ IFA assumes the share of profits in SFD until the end of the project (year 2045).
14. Finance lease receivables	<ul style="list-style-type: none"> ○ Finance lease receivables are anchor tenants of some projects as indicated in no. 5 Finance and interest income. IFA assumes the decrease in finance

Topics	Key Assumptions
	lease receivables based on the collection schedule from tenants of each project throughout the projection period.
15. Other items on balance sheets – assets side	<ul style="list-style-type: none"> ○ Amount due from related parties – IFA assumes no change from 31 March 2021 throughout the projection period. ○ Short term loans to related parties – IFA assumes no change from 31 March 2021 throughout the projection period. ○ Restricted cash – IFA assumes no change from 31 March 2021 throughout the projection period. ○ Right-of-Use – IFA assumes no change from 31 March 2021 throughout the projection period. ○ Deposits for leasehold land – IFA assumes no change from 31 March 2021 throughout the projection period. ○ Other current assets and other non-current assets – IFA assumes no change from 31 March 2021 throughout the projection period.
16. Borrowing, and repayment schedule	<ul style="list-style-type: none"> ○ Borrowing as at 31 March 2021 amounted THB 3,151.8 million comprises long-term loan from financial institutions THB 1,493.1 million, short-term loan from financial institutions THB 1,160.0 million and bond THB 498.8 million. ○ Long-term loan from financial institution – IFA assumes the repayment of term loan based on the bank’s repayment schedule of which will be repaid in full by year 2026. ○ Bond – IFA assumes the full redemption of outstanding bond as scheduled in November 2022. ○ Short-term loan – IFA assumes the repayment of short-term loan whenever SF has excess cash throughout the projection period. The short-term loan will be fully repaid in 2027.
17. Deposits received from customers	○ IFA assumes SF returned the deposits to customers (tenants) of each project when land lease period of each project ends.
18. Liabilities on land leases	○ IFA assumes the payment for land lease to the the landlords based on the repayment schedule of each land lease agreement.
19. Other items on balance sheets – liabilities side	<ul style="list-style-type: none"> ○ Amount due to related parties – IFA assumes no change from 31 March 2021 throughout the projection period. ○ Unearned rental and service revenue – IFA assumes no change from 31 March 2021 throughout the projection period.

Topics	Key Assumptions						
	<ul style="list-style-type: none"> ○ Corporate income tax payables – IFA assumes no change from 31 March 2021 throughout the projection period. ○ Deferred tax liabilities – IFA assumes no change from 31 March 2021 throughout the projection period. ○ Employee benefits obligations – IFA assumes no change from 31 March 2021 throughout the projection period. ○ Other current liabilities and other non-current liabilities – IFA assumes no change from 31 March 2021 throughout the projection period. 						
20. Other assumptions	<ul style="list-style-type: none"> ○ Corporate income tax 20% p.a. ○ Minimum cash balance – IFA assumes minimum cash balance equals to 3 months of selling and administrative expenses which follows the conservative basis in case of emergency that SF needs cash immediately. However, in case the short-term loan has to be drawn down, IFA assumes the interest rate of 2.95% p.a. which is the average interest rate of SF for the latest 12 months ending 31 March 2021. ○ SF has never recorded expected demolition cost as a liability in the financial statements because in the past, although SF had to be responsible for the demolition, SF can negotiate with the contractor to resell the demolished scrap of which gave SF a net cash received after deducting the demolish costs. Therefore, IFA assumes that there is no expected demolition costs in every projects when the land lease period according to the land lease agreements end. 						
21. Discount Rate	<ul style="list-style-type: none"> ○ IFA uses Weighted Average Cost of Capital (WACC) as a discount rate to derive the present value of cashflow to firm. ○ WACC is an average of Cost of Equity (Ke) and Cost of Debt (Kd) adjusted with tax savings (Tax) and weighted with the portion of equity (We) and debt (Wd). <table border="1" data-bbox="574 1576 1385 1957"> <thead> <tr> <th data-bbox="574 1576 847 1630">Detail</th> <th data-bbox="847 1576 1385 1630">Source/Calculation</th> </tr> </thead> <tbody> <tr> <td data-bbox="574 1630 847 1816">Risk Free Rate (Rf)</td> <td data-bbox="847 1630 1385 1816">15-year Thai Government Bond Yield as at 1 July 2021 (the date IFA prepares this IFA report) equals to 2.3% p.a. (Source: ThaiBMA)</td> </tr> <tr> <td data-bbox="574 1816 847 1957">Market Return (Rm)</td> <td data-bbox="847 1816 1385 1957">15-year return of the Stock Exchange of Thailand as at 1 July 2021 equals to 9.9% p.a. (Source: SETSMART)</td> </tr> </tbody> </table>	Detail	Source/Calculation	Risk Free Rate (Rf)	15-year Thai Government Bond Yield as at 1 July 2021 (the date IFA prepares this IFA report) equals to 2.3% p.a. (Source: ThaiBMA)	Market Return (Rm)	15-year return of the Stock Exchange of Thailand as at 1 July 2021 equals to 9.9% p.a. (Source: SETSMART)
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Market Return (Rm)	15-year return of the Stock Exchange of Thailand as at 1 July 2021 equals to 9.9% p.a. (Source: SETSMART)						

Topics	Key Assumptions	
	Market Premium	$R_m - R_f = 7.6\%$
	Leverage Beta (β)	Beta is a measure of stock's volatility in relation to the overall market. IFA uses SF's adjusted beta of 5 years as at 1 July 2021 which equals to 0.93 and adjusted with portion of interest bearing debt to equity ratio of SF as at 31 March 2021 to get the revealed beta equals to 1.09. (Source: Bloomberg)
	Kd	Average interest rate of SF for the latest 12 months ending 31 March 2021 which is 2.95% p.a.
	Ke	$= R_f + \beta * \text{Market Premium}$ $= 10.6\%$
	Wd	$= 18.0\%$ (As at 31 March 2021)
	We	$= 82.0\%$ (As at 31 March 2021)
	WACC Calculation	$= (K_e \times W_e) + (K_d \times (1 - \text{Tax}) \times W_d)$
		$= 9.1\%$

Key Assumptions

Summary of Occupancy Rate

Projects	End	Operated by	2018	2019	2020	1	2	3	4	5	6	7	8	9	10	15	20	25	29
						9M21F	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2035F	2040F	2045F	2049F
1 The Avenue Chaeng Watthana	2022	SF	89%	87%	84%	84%	84%	-	-	-	-	-	-	-	-	-	-	-	-
2 Market Place Bangbon	2024	SF	74%	60%	91%	91%	91%	91%	91%	-	-	-	-	-	-	-	-	-	-
3 Market Place PrachaUtiti	2024	SF	93%	93%	91%	91%	91%	93%	93%	-	-	-	-	-	-	-	-	-	-
4 J Avenue (Thonglor 15)	2024	SF	91%	95%	92%	92%	92%	93%	93%	-	-	-	-	-	-	-	-	-	-
5 Pattaya Avenue	2035	SF	91%	97%	72%	72%	72%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	-	-
6 Petchkasem Power Center	2035	PKS (74%)	77%	99%	97%	91%	91%	91%	91%	91%	91%	91%	91%	91%	91%	91%	91%	-	-
7 Ekkamai Power Center	2035	EKK (51%)	100%	100%	98%	98%	98%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	-	-
8 La Villa (Ari-Pahonyothin)	2036	SF	99%	100%	95%	95%	95%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	-	-
9 Market Place Sukaphiban 3	2037	SF	70%	79%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	-	-
10 Market Place Nawamin	2037	SF	79%	79%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	-	-
11 Nawamin City Avenue	2038	SF	90%	87%	84%	84%	84%	89%	89%	89%	89%	89%	89%	89%	89%	89%	89%	-	-
12 Esplanade Ratchadapisek	2040	SFP (100%)	96%	99%	96%	96%	96%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	-
13 Market Place Krungthekpreetha	2041	SF	-	-	-	83%	83%	90%	95%	95%	95%	95%	95%	95%	95%	95%	95%	-	-
14 Megabangna	2045	SFD (49%)	100%	100%	100%	99%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	-
15 Market Place Nanglinchee	2047	SF	86%	96%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%
16 Market Place Dusit	2049	SF	-	72%	75%	75%	75%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%
17 Market Place Thonglor (Marche 55)	2049	SF	56%	64%	73%	73%	73%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%

Remark: IFA does not include 2 projects in the financial projection:

- 1) B-Quik Mengjai: a project operated by SF which has B-Quik as its only 1 tenant (stand-alone retail store). SF leased the rental area on a long-term basis and already realized net profit in the year 2000.
- 2) The Avenue Ratchayothin: a lifestyle shopping mall which SF has leased the rental area on a long-term basis for 30 years to Major Cineplex Lifestyle Property Fund (MJLF) ending in 2040.

Key Assumptions (Cont.)

Summary of Gross Leaseable Area (Sq.m.)

Projects	End	Operated by	2018	2019	2020	1	2	3	4	5	6	7	8	9	10	15	20	25	29
						9M21F	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2035F	2040F	2045F	2049F
1 The Avenue Chaeng Watthana	2022	SF	20,320	20,320	20,320	20,320	20,320	-	-	-	-	-	-	-	-	-	-	-	-
2 Market Place Bangbon	2024	SF	7,169	7,169	7,169	7,169	7,169	7,169	7,169	-	-	-	-	-	-	-	-	-	-
3 Market Place PrachaUtitt	2024	SF	6,139	6,139	6,139	6,139	6,139	6,139	6,139	-	-	-	-	-	-	-	-	-	-
4 J Avenue (Thonglor 15)	2024	SF	8,385	8,385	8,385	8,385	8,385	8,385	8,385	-	-	-	-	-	-	-	-	-	-
5 Pattaya Avenue	2035	SF	24,630	24,630	24,630	24,630	24,630	24,630	24,630	24,630	24,630	24,630	24,630	24,630	24,630	24,630	24,630	-	-
6 Petchkasem Power Center	2035	PKS (74%)	46,270	46,270	46,270	46,270	46,270	46,270	46,270	46,270	46,270	46,270	46,270	46,270	46,270	46,270	46,270	-	-
7 Ekkamai Power Center	2035	EKK (51%)	15,165	15,165	15,165	15,165	15,165	15,165	15,165	15,165	15,165	15,165	15,165	15,165	15,165	15,165	15,165	-	-
8 La Villa (Ari-Pahonyothin)	2036	SF	5,634	5,634	5,634	5,634	5,634	5,634	5,634	5,634	5,634	5,634	5,634	5,634	5,634	5,634	5,634	-	-
9 Market Place Sukaphiban 3	2037	SF	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	-	-
10 Market Place Nawamin	2037	SF	4,135	4,135	4,135	4,135	4,135	4,135	4,135	4,135	4,135	4,135	4,135	4,135	4,135	4,135	4,135	-	-
11 Nawamin City Avenue	2038	SF	16,731	16,731	16,731	16,731	16,731	16,731	16,731	16,731	16,731	16,731	16,731	16,731	16,731	16,731	16,731	-	-
12 Esplanade Ratchadapisek	2040	SFP (100%)	42,532	42,532	42,532	42,532	42,532	42,532	42,532	42,532	42,532	42,532	42,532	42,532	42,532	42,532	42,532	42,532	-
13 Market Place Krungthekpreetha	2041	SF	-	-	-	5,078	5,078	5,078	5,078	5,078	5,078	5,078	5,078	5,078	5,078	5,078	5,078	5,078	-
14 Megabangna	2045	SFD (49%)	160,920	168,182	167,014	166,985	167,457	167,457	167,457	167,457	167,457	167,457	167,457	167,457	167,457	167,457	167,457	167,457	167,457
15 Market Place Nanglinchee	2047	SF	11,366	11,366	11,366	11,366	11,366	11,366	11,366	11,366	11,366	11,366	11,366	11,366	11,366	11,366	11,366	11,366	-
16 Market Place Dusit	2049	SF	-	6,058	6,058	6,058	6,058	6,058	6,058	6,058	6,058	6,058	6,058	6,058	6,058	6,058	6,058	6,058	6,058
17 Market Place Thonglor (Marche 55)	2049	SF	7,115	4,152	3,528	3,528	3,528	9,545	9,545	9,545	9,545	9,545	9,545	9,545	9,545	9,545	9,545	9,545	9,545

Remark: IFA does not include 2 projects in the financial projection:

- 1) B-Quik Mengjai: a project operated by SF which has B-Quik as its only 1 tenant (stand-alone retail store). SF leased the rental area on a long-term basis and already realized net profit in the year 2000.
- 2) The Avenue Ratchayothin: a lifestyle shopping mall which SF has leased the rental area on a long-term basis for 30 years to Major Cineplex Lifestyle Property Fund (MJLF) ending in 2040.

Key Assumptions (Cont.)

Rental and Service Income per sq.m.(THB per year)

Projects	End	Operated by	2018	2019	2020	1	2	3	4	5	6	7	8	9	10	15	20	25	29
						9M21F	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2035F	2040F	2045F	2049F
1 The Avenue Chaeng Watthana	2022	SF	4,637	4,690	3,189	3,227	4,690	-	-	-	-	-	-	-	-	-	-	-	-
2 Market Place Bangbon	2024	SF	2,936	3,556	2,060	2,085	2,110	3,729	3,916	-	-	-	-	-	-	-	-	-	-
3 Market Place PrachaUtitt	2024	SF	5,626	5,752	5,384	5,449	5,514	5,784	6,073	-	-	-	-	-	-	-	-	-	-
4 J Avenue (Thonglor 15)	2024	SF	16,766	17,487	15,296	15,480	15,666	18,341	19,258	-	-	-	-	-	-	-	-	-	-
5 Pattaya Avenue	2035	SF	3,419	3,169	2,050	2,075	2,100	2,202	2,312	2,428	2,549	2,677	2,811	2,951	3,099	3,955	-	-	-
6 Petchkasem Power Center	2035	PKS (74%)	3,216	2,753	2,381	2,410	2,439	2,887	3,032	3,183	3,343	3,510	3,685	3,869	4,063	5,185	-	-	-
7 Ekkamai Power Center	2035	EKK (51%)	5,557	5,665	4,507	4,561	4,616	5,942	6,239	6,551	6,879	7,223	7,584	7,963	8,361	10,672	-	-	-
8 La Villa (Ari-Pahonyothin)	2036	SF	21,142	21,184	17,085	17,290	17,498	22,220	23,331	24,497	25,722	27,008	28,359	29,777	31,265	39,903	-	-	-
9 Market Place Sukaphiban 3	2037	SF	4,640	8,149	8,629	8,733	8,838	9,279	9,743	10,231	10,742	11,279	11,843	12,435	13,057	16,664	-	-	-
10 Market Place Nawamin	2037	SF	5,193	6,197	2,664	2,696	2,729	2,862	3,005	3,156	3,313	3,479	3,653	3,836	4,027	5,140	-	-	-
11 Nawamin City Avenue	2038	SF	5,864	5,923	4,657	4,713	4,769	6,213	6,523	6,849	7,192	7,551	7,929	8,325	8,742	11,157	-	-	-
12 Esplanade Ratchadapisek	2040	SFP (100%)	9,502	9,828	6,517	6,595	6,674	10,309	10,824	11,365	11,934	12,530	13,157	13,815	14,505	18,513	23,628	-	-
13 Market Place Krungthekpreetha	2041	SF	-	-	-	6,217	6,292	6,367	6,444	6,521	6,599	6,678	6,758	6,840	6,922	7,347	7,798	-	-
14 Megabangna	2045	SFD (49%)	1,415	1,430	1,118	1,118	1,145	1,430	1,502	1,577	1,656	1,739	1,826	1,917	2,013	2,569	3,278	4,184	-
15 Market Place Nanglinchee	2047	SF	6,786	9,702	8,155	8,252	8,351	10,176	10,685	11,219	11,780	12,369	12,987	13,637	14,318	18,274	23,323	29,767	-
16 Market Place Dusit	2049	SF	-	6,910	6,887	6,969	7,053	7,398	7,768	8,156	8,564	8,992	9,442	9,914	10,409	13,285	16,956	21,640	26,304
17 Market Place Thonglor (Marche 55)	2049	SF	14,484	23,473	14,930	14,930	15,109	24,621	25,852	27,144	28,501	29,926	31,423	32,994	34,644	44,215	56,431	72,022	87,543

Remark: IFA does not include 2 projects in the financial projection:

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- 2) The Avenue Ratchayothin: a lifestyle shopping mall which SF has leased the rental area on a long-term basis for 30 years to Major Cineplex Lifestyle Property Fund (MJLF) ending in 2040.

Financial Projection of SF

					1	2	3	4	5	6	7	8	9	10	15	20	25	29
Profit and Loss (THB Million)	2018	2019	2020	3M21	9M21F	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2035F	2040F	2045F	2049F
Rental and services income	1,390.6	1,499.4	1,101.8	272.0	820.9	1,141.6	1,577.4	1,640.4	1,516.6	1,591.0	1,669.0	1,750.9	1,836.9	1,927.1	2,256.3	1,091.4	1,092.7	790.6
Finance and interest income	21.5	17.1	19.2	4.4	18.1	16.2	16.2	16.2	16.2	4.2	4.2	4.2	4.2	4.2	2.4	0.2	-	-
Other income	50.5	33.9	20.0	4.6	13.9	18.7	34.0	33.9	31.3	31.7	32.1	32.5	32.9	33.3	28.4	8.3	5.4	2.0
Share of profit from joint ventures	1,222.3	1,767.9	1,523.4	225.7	296.4	391.8	520.1	566.0	610.9	654.0	696.6	734.8	775.0	817.1	1,062.1	1,375.3	2,193.0	-
Total revenues	2,684.9	3,318.3	2,664.4	506.8	1,149.2	1,568.3	2,147.7	2,256.6	2,175.1	2,280.9	2,401.9	2,522.4	2,648.9	2,781.8	3,349.2	2,475.1	3,291.1	792.7
Cost of rental and services	567.4	626.2	429.7	108.3	313.0	444.5	548.4	568.8	537.6	563.6	590.9	619.6	649.7	681.3	779.7	413.9	419.8	256.4
Gross margin	2,117.5	2,692.1	2,234.7	398.4	836.2	1,123.8	1,599.4	1,687.8	1,637.5	1,717.3	1,810.9	1,902.8	1,999.2	2,100.5	2,569.5	2,061.2	2,871.3	536.3
Selling expenses	48.8	44.1	39.6	9.2	29.5	41.0	56.6	58.9	54.5	57.1	59.9	62.9	65.9	69.2	81.0	39.2	39.2	28.4
Administrative expenses	207.4	231.7	191.5	52.4	157.2	212.1	232.6	231.9	214.2	216.8	219.4	222.0	224.7	227.4	194.3	56.6	37.1	14.0
Depreciation and amortization	-	-	-	-	28.3	36.6	30.2	25.3	28.6	30.9	28.7	27.6	24.4	24.7	25.1	11.4	4.1	3.2
Total expenses	256.3	275.8	231.0	61.6	214.9	289.7	319.4	316.1	297.3	304.8	308.0	312.4	315.0	321.2	300.3	107.1	80.4	45.6
Profit before finance costs and income tax	1,861.3	2,416.3	2,003.7	336.9	621.2	834.1	1,280.0	1,371.7	1,340.2	1,412.4	1,503.0	1,590.4	1,684.2	1,779.3	2,269.2	1,954.1	2,790.8	490.7
Gain (loss) from adjustments on investment property, amortization	281.8	(196.6)	469.0	18.4	(678.1)	(900.0)	(854.5)	(838.1)	(715.8)	(689.1)	(689.1)	(689.1)	(689.1)	(689.1)	(665.5)	(299.9)	(101.7)	(52.4)
Profit (loss) before finance costs and income tax	2,143.1	2,219.7	2,472.7	355.3	(56.9)	(65.9)	425.5	533.6	624.4	723.3	813.9	901.3	995.1	1,090.2	1,603.7	1,654.3	2,689.1	438.4
Finance costs	(74.9)	(96.1)	(90.1)	(22.3)	(93.6)	(92.2)	(81.6)	(66.7)	(53.5)	(39.4)	(24.4)	(8.3)	-	-	-	-	-	-
Profit (loss) before income tax	2,068.1	2,123.6	2,382.7	332.9	(150.5)	(158.1)	343.9	466.9	570.9	683.9	789.5	893.0	995.1	1,090.2	1,603.7	1,654.3	2,689.1	438.4
Income tax	(172.0)	(71.6)	(169.8)	(18.7)	-	-	(68.8)	(93.4)	(114.2)	(136.8)	(157.9)	(178.6)	(199.0)	(218.0)	(320.7)	(330.9)	(537.8)	(87.7)
Profit (loss) for the year	1,896.2	2,052.0	2,212.9	314.3	(150.5)	(158.1)	275.1	373.5	456.7	547.1	631.6	714.4	796.1	872.1	1,282.9	1,323.4	2,151.3	350.7
% Gross profit margin (exclude share of profit from joint ventures)	61.2%	59.6%	62.3%	61.5%	63.3%	62.2%	66.3%	66.4%	65.6%	65.4%	65.3%	65.3%	65.3%	65.3%	65.9%	62.4%	61.8%	67.7%
% Operating profit margin (exclude share of profit from joint ventures)	43.7%	41.8%	42.1%	39.5%	38.1%	37.6%	46.7%	47.7%	46.6%	46.6%	47.3%	47.9%	48.5%	49.0%	52.8%	52.6%	54.4%	61.9%
% Net profit margin	70.6%	61.8%	83.1%	62.0%	-13.1%	-10.1%	12.8%	16.6%	21.0%	24.0%	26.3%	28.3%	30.1%	31.4%	38.3%	53.5%	65.4%	44.2%

Remark: gain (loss) from adjustments on investment property presented in the table throughout the projection period is the amortization of the investment property for the rest of the land lease period according to the land lease agreement. The amortization is non-cash transaction and is added back to the free cash flow to SF.

Financial Projection of SF (Cont.)

		1	2	3	4	5	6	7	8	9	10	15	20	25	29
Balance Sheets (THB Million)	3M21	9M21F	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2035F	2040F	2045F	2049F
Cash and cash equivalents	291.3	46.7	63.3	72.3	72.7	67.2	68.5	69.8	88.7	717.5	1,382.3	5,137.5	7,551.0	7,935.7	9,636.6
Trade and other receivables	104.9	114.6	120.1	165.9	172.6	159.5	167.4	175.6	184.2	193.2	202.7	237.3	114.8	114.9	83.2
Finance lease receivables	411.4	391.7	365.5	339.3	313.8	290.3	266.9	243.4	219.9	196.5	173.0	59.3	0.9	-	-
Amount due from related parties	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5	24.5
Short-term loans to related parties	12.8	12.8	12.8	12.8	12.8	12.8	12.8	12.8	12.8	12.8	12.8	12.8	12.8	12.8	12.8
Other current assets	60.8	60.8	60.8	60.8	60.8	60.8	60.8	60.8	60.8	60.8	60.8	60.8	60.8	60.8	60.8
Restricted cash	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Investment in joint ventures	9,977.3	10,273.6	10,665.4	11,185.5	11,751.5	12,362.5	13,016.5	13,713.1	14,447.9	15,222.8	16,040.0	20,836.4	27,055.8	35,901.1	35,901.1
Prepaid rent, net	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Investment property	13,917.5	13,239.4	12,339.4	11,484.9	10,646.7	9,930.9	9,241.8	8,552.7	7,863.7	7,174.6	6,485.5	3,063.6	877.3	333.7	4.2
Right-of-use	17.7	17.7	17.7	17.7	17.7	17.7	17.7	17.7	17.7	17.7	17.7	17.7	17.7	17.7	17.7
Building and equipment, Intangibles - net	85.8	77.6	67.8	63.1	63.2	58.1	50.9	46.3	43.1	43.4	43.7	41.1	12.8	2.7	-
Deposit for leasehold land	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1	50.1
Other non-current assets	37.2	37.2	37.2	37.2	37.2	37.2	37.2	37.2	37.2	37.2	37.2	37.2	37.2	37.2	37.2
Total assets	24,992.5	24,347.8	23,825.7	23,515.3	23,224.8	23,072.8	23,016.2	23,005.2	23,051.8	23,752.3	24,531.4	29,579.6	35,816.9	44,492.3	45,829.2

Financial Projection of SF (Cont.)

		1	2	3	4	5	6	7	8	9	10	15	20	25	29
Balance Sheets (THB Million) (Cont.)	3M21	9M21F	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2035F	2040F	2045F	2049F
Short-term borrowings from financial institutions	1,160.0	1,509.2	2,193.2	2,007.3	1,897.0	1,569.1	1,091.0	562.9	-	-	-	-	-	-	-
Trade and other payables	604.5	198.4	212.2	261.8	271.6	256.7	269.1	282.2	295.9	310.2	325.3	372.3	197.6	200.4	122.4
Amount due to related parties	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8
Unearned rental and service income	584.3	584.3	584.3	584.3	584.3	584.3	584.3	584.3	584.3	584.3	584.3	584.3	584.3	584.3	584.3
Corporate income tax payable	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
Other current liabilities	208.8	208.8	208.8	208.8	208.8	208.8	208.8	208.8	208.8	208.8	208.8	208.8	208.8	208.8	208.8
Long-term borrowings	1,991.8	1,685.1	860.0	472.1	146.2	11.9	-	-	-	-	-	-	-	-	-
Deposits received from customers	530.2	530.1	505.3	505.3	429.4	429.4	429.4	429.4	429.4	429.4	429.4	319.1	92.9	92.9	-
Deferred tax liabilities	1,336.0	1,336.0	1,336.0	1,336.0	1,336.0	1,336.0	1,336.0	1,336.0	1,336.0	1,336.0	1,336.0	1,336.0	1,336.0	1,336.0	1,336.0
Liabilities on land leases	2,443.0	2,312.6	2,100.6	2,039.2	1,877.7	1,746.0	1,619.9	1,492.3	1,373.8	1,263.8	1,155.7	654.6	359.5	229.2	170.2
Employee benefit obligations	60.6	60.6	60.6	60.6	60.6	60.6	60.6	60.6	60.6	60.6	60.6	60.6	60.6	60.6	60.6
Total liabilities	8,931.6	8,437.4	8,073.3	7,487.9	6,823.9	6,215.1	5,611.4	4,968.8	4,301.0	4,205.4	4,112.4	3,548.0	2,852.0	2,724.6	2,494.6
Issued and paid-up share capital	2,131.9	2,131.9	2,131.9	2,131.9	2,131.9	2,131.9	2,131.9	2,131.9	2,131.9	2,131.9	2,131.9	2,131.9	2,131.9	2,131.9	2,131.9
Share premium	634.0	634.0	634.0	634.0	634.0	634.0	634.0	634.0	634.0	634.0	634.0	634.0	634.0	634.0	634.0
Retained earnings, appropriated - legal reserve	213.2	213.2	213.2	213.2	213.2	213.2	213.2	213.2	213.2	213.2	213.2	213.2	213.2	213.2	213.2
Retained earnings, unappropriated	11,837.7	11,687.2	11,529.1	11,804.2	12,177.7	12,634.5	13,181.6	13,813.2	14,527.6	15,323.7	16,195.8	21,808.3	28,741.6	37,544.5	39,111.4
Other components of equity	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Equity attributable to owners of the parent	14,816.4	14,665.9	14,507.8	14,782.9	15,156.4	15,613.2	16,160.3	16,791.9	17,506.3	18,302.4	19,174.5	24,787.0	31,720.3	40,523.2	42,090.1
Non-controlling interests	1,244.5	1,244.5	1,244.5	1,244.5	1,244.5	1,244.5	1,244.5	1,244.5	1,244.5	1,244.5	1,244.5	1,244.5	1,244.5	1,244.5	1,244.5
Total equity	16,060.9	15,910.4	15,752.3	16,027.5	16,401.0	16,857.7	17,404.8	18,036.4	18,750.8	19,546.9	20,419.0	26,031.5	32,964.8	41,767.7	43,334.6
Total liabilities and equity	24,992.5	24,347.8	23,825.7	23,515.3	23,224.8	23,072.8	23,016.2	23,005.2	23,051.8	23,752.3	24,531.4	29,579.6	35,816.9	44,492.3	45,829.2

Financial Projection of SF (Cont.)

	1	2	3	4	5	6	7	8	9	10	15	20	25	29
SF Share Valuation (THB Million)	9M64F	2565F	2566F	2567F	2568F	2569F	2570F	2571F	2572F	2573F	2578F	2583F	2588F	2592F
Profit before finance cost and tax (excluding minority interest)	594.6	797.8	1,232.7	1,322.0	1,287.9	1,357.5	1,445.2	1,529.7	1,620.4	1,712.2	2,212.6	1,951.6	2,790.8	490.7
Tax (excluding minority interest)	5.3	7.3	(59.3)	(83.4)	(103.7)	(125.8)	(146.3)	(166.5)	(186.3)	(204.6)	(309.4)	(330.3)	(537.8)	(87.7)
Profit before finance cost and tax (after tax)	599.9	805.0	1,173.4	1,238.6	1,184.2	1,231.7	1,298.9	1,363.2	1,434.1	1,507.6	1,903.2	1,621.2	2,253.0	403.1
Add: Depreciation and Amortization (excluding minority interest)	681.2	903.2	851.2	830.0	711.0	686.5	684.3	683.2	680.0	680.3	659.7	311.2	105.8	55.5
Working Capital	(415.9)	8.4	3.8	3.1	(1.8)	4.6	4.8	5.1	5.3	5.6	(12.9)	(27.5)	4.1	(22.6)
Capital Expenditures	(20.0)	(26.9)	(25.5)	(25.5)	(23.5)	(23.8)	(24.1)	(24.4)	(24.7)	(25.0)	(21.3)	(6.2)	(4.1)	(1.5)
Free cash flow to firm	845.2	1,689.7	2,002.8	2,046.2	1,869.9	1,899.0	1,963.9	2,027.1	2,094.8	2,168.5	2,528.7	1,898.7	2,358.9	434.5
Present value of free cash flow to firm	791.4	1,450.0	1,575.0	1,474.6	1,234.9	1,149.4	1,089.3	1,030.4	975.8	925.7	697.8	338.6	271.9	35.3
Total present value of free cash flow to firm	19,637.3													
Less: Interest bearing debt as at 31 March 2021	(3,151.8)													
Add: Cash and cash equivalent as at 31 March 2021	291.3													
Add: Fair value of freehold land of subsidiary (RTA), joint ventures (SFD, NBD), associate (WBD)	4,438.4													
Present value of free cash flow to equity	21,215.2													
SF's paid-up shares (shares)	2,131.9													
Share value (Baht/share)	10.0													
Add: Controlling Premium	20%													
Share value after Controlling Premium (Baht /share)	11.9													

As the share proportion traded in this Transaction is 30.4%, CPN will have control in important agendas as indicated by relevant business law that require three-fourths of the total votes of the shareholders attending the meeting and having the right to vote including management control through appointment of directors on a pro rata basis. Therefore, IFA added control premium of 20% on top of the share value (refer to Damodaran, Aswath (2005). "The Value of Control: Implications for Control Premia, Minority Discounts and Voting Share Differentials"). In general, there will be a premium or a discount to share value in various cases such as a premium when acquiring shares at a shareholding that result in acquiring control in important agendas as indicated by relevant business law or a discount when traded shares have no secondary market (such as in a case of non-listed companies.)

The Result of the Share Value Assessment

	THB million
Free Cash Flow to Firm (FCFF)	19,637.3
Less: Debt as at 31 March 2021	(3,151.8)
Add: Cash and cash equivalent as at 31 March 2021	291.3
Add: Freehold land value of a subsidiary (RTA), joint ventures (SFD, NBD), associate (WBD) according to SF's shareholding in these companies	4,438.4
Free Cash Flow to Equity (FCFE)	21,215.2
Paid-up shares	2,131.9 shares
Share Value (THB/Share)	10.0 THB/Share
Share value added with control premium of 20% (THB/Share)	11.9 THB/Share

Freehold Land Value

IFA added back freehold land value of the companies in SF Group according to SF's shareholding in each company. The detail of land can be summarized as follow.

1) Freehold land of Ratchayothin Avenue Company Limited ("RTA")

Freehold land of RTA which is a subsidiary of SF (50%). The land is a part of the Avenue Ratchayothin Project located on Ratchadapisek Road, Ladyao Subdistrict, Chatuchak District, Bangkok. The land comprises of 3 land deeds and a total size of 9 rai. Agency For Real Estate Affairs Company Limited ("AREA"), which is an independent asset appraiser in SEC Office's approve list, assessed the value of the land by using market approach and obtained value of THB 650,000 per square wah, equivalent to THB 2,340.0 million based on appraisal report dated 31 December 2020 with public purpose objective.

2) Freehold land of SF Development Company Limited (“SFD”)

Freehold land of SFD which is a joint venture of SF (49%). The land is a part of Megabangna Project located on Bangkaew Subdistrict, Bangplee District, Samutprakarn. The land comprises of 38 land deeds and a total size of 197-1-51.2 rai. IFA was informed from SF that SFD did not request the independent asset appraiser to assess the value of land. SFD only request the independent asset appraiser to assess the value of investment property. However, the investment property appraisal report dated 30 December 2020 (accounting record purpose objective) also discloses the land value assessed by the Treasury Department of Thailand of which IFA has rechecked the disclosed value with the website of Treasury Department of Thailand. The total land value is average THB 50,546 per square wah or equivalent to THB 3,990.7 million.

3) Freehold land of West Bangkok Development Company Limited (“WBD”)

Freehold land of WBD is an associate which SF holds shares directly and indirectly in total 49%. The Company is dormant and the land has not been developed yet. The land comprises of 19 land deeds and a total size of 49-1-94.1 rai located on Saotong Subdistrict, Bangyai District, Nontaburi. AREA has assessed the value of the land by using market price approach and obtained the value of THB 79,000 per square wah or equivalent to THB 1,563.7 million based on the appraisal report dated 10 June 2019 with public purpose objective. IFA views that although the report date is over 1 year, IFA has reviewed public information and found that the area of WBD’s land has had no material change that will materially affect the land value such as risk of flood or natural disaster or any opening of new shopping mall or any projects.

4) Freehold land of North Bangkok Development Company Limited (“NBD”)

Freehold land of NBD which is a joint venture of SF (49%). The Company is dormant and the land has not been developed yet. The land comprises of 6 land deeds and a total size of 253-2-29 rai located on Buengyito Subdistrict, Thanyaburi District, Patumthani. AREA has assessed the value of the land by using market price approach and obtained the value of THB 11,000 per square wah or equivalent to THB 1,115.7 million based on the appraisal report dated 12 February 2020 with public purpose objective.

Sensitivity Analysis

IFA has assessed the sensitivity of the project by preparing the financial projection under the worst case scenario and best case scenario. The result is as follow.

Case	Main Assumptions	Share Price (after Control Premium) (THB/share)	% Change from Base Case
1) Base Case	○ COVID-19 is successfully controlled by the end of 2022. In the beginning of 2023, the	11.9	-

Case	Main Assumptions	Share Price (afterControl Premium) (THB/share)	% Change from Base Case
	<p>business is recovered and comes back to the same level as before COVID-19.</p> <ul style="list-style-type: none"> ○ Please see main assumptions of Base Case under 4.1.1 Key Financial Assumptions. 		
2) Worst Case	<ul style="list-style-type: none"> ○ COVID-19 is successfully controlled by the end of 2023. In the beginning of 2024, the business is recovered and comes back to the same level as before COVID-19. ○ In 2023, IFA uses the same assumptions of rental and service revenue, other income (maintenance, utility system installation), cost of rental and service, administrative expenses as those in 2022 of Base Case. Other assumptions are the same as in Base Case. ○ In 2024, IFA assumes that rental and service revenue comes back to the level before COVID-19 (year 2019) as well as other income, cost of rental and service, administrative expenses that reflected the operation result before COVID-19. 	11.8	(0.8%)
3) Best Case (IFA views that the probability that this case will happen is very low)	<ul style="list-style-type: none"> ○ COVID-19 is successfully controlled by the end of 2021. The first half of 2022, the business starts to be recovered and in the second half of 2022, the business comes back to the same level as before COVID-19. ○ For the first half of 2022, IFA uses the assumptions of rental and service revenue, other income, cost of rental and service, administrative expenses according to the assumptions of year 2022 of Base Case as the business operators are adjusting to the recovery. 	12.6	5.9%

Case	Main Assumptions	Share Price (afterControl Premium) (THB/share)	% Change from Base Case
	<ul style="list-style-type: none"> ○ For the second half of 2022, IFA assumes that rental and service revenue, other income, cost of rental and service, administrative expenses come back to those level of year 2019 before COVID-19. ○ In 2023, IFA assumes that SF can adjust rental and service revenue from the level of year 2019 by 5% to reflect the full recovery of business. 		

4.2. Market Comparable Approach

Market comparable approaches that IFA uses are Price to Equity Ratio (“P/E”) and Price to Book Value (“P/BV”). IFA uses the market multiples of SF 15-120 business days retrospectively. IFA does not use market comparable of other listed companies in the Stock Exchange of Thailand to compare as IFA views that there is no other listed company that has the same characteristics, revenue structure, assets size, level of revenue and net profit as that of SF. Moreover, there is no sign that SF shares has low trading volume (liquidity).

Business Days ¹	SF's Market Multiples	
	P/E ² (times)	P/BV ³ (times)
15 days	11.04	1.55
30 days	9.50	1.33
60 days	8.05	1.13
90 days	7.30	1.02
120 days	6.77	0.95
Earning per share (THB/share)	0.98	n/a
Book value per share (THB/share)	n/a	6.95
Add: Control Premium	20%	20%
Share price (THB/share)	8.0-13.0	7.9-12.9

¹ Information collected upto 2 July 2021

² Trailing 12-month net profit as at 31 March 2021 = THB 2,085.9 million

³ Book Value as at 31 March 2021 = THB 14,816.4 million

To assess fair value of share using market comparable approach, the value does not represent the control in important agendas as indicated by relevant business law. Thus, IFA add back 20% control premium into the share value to represent control in important agendas as indicated by relevant business law.

4.3. Market Price Approach

IFA uses the market price of SF 15-120 business days retrospectively.

Business Days ¹	Volume (Thousand Shares)	Value (THB million)	Average Price (THB/share)	Control Premium	Price after Control Premium (THB/share)
15 days	301,290.4	3,252.6	10.8	20%	13.0
30 days	482,020.6	4,845.3	10.1	20%	12.1
60 days	602,053.7	5,634.4	9.4	20%	11.3
90 days	726,551.4	6,360.2	8.8	20%	10.6
120 days	808,720.8	6,764.5	8.4	20%	10.1
Share price (THB/share)					10.1-13.0

To assess fair value of share using market price approach, the value does not represent the control in important agendas as indicated by relevant business law. Thus, IFA add back 20% control premium into the share value to represent control in important agendas as indicated by relevant business law.

4.4. Book Value Approach

To assess the value of shareholders, IFA reviews SF's equity attributable to owners of the parents as at 31 March 2021 as following.

Items in Equity	THB million
Paid-up share capital	2,131.9
Share premium	634.0
Retained earnings – appropriated / legal reserve	213.2
Retained earnings – Unappropriated	11,837.7
Other components of equity	(0.4)
Equity attributable to owners of the parents	14,816.4
Total shares (million shares)	2,131.9
Price per share (THB per share)	7.0
Control Premium	20%
Price per share after control premium (THB per share)	8.3

To assess fair value of share using book value approach, the value does not represent the control in important agendas as indicated by relevant business law. Thus, IFA add back 20% control premium into the share value to represent control in important agendas as indicated by relevant business law.

4.5. Precedent Transaction Comparable Transaction

IFA has researched for mergers and acquisitions of listed companies operated in retail property/shopping malls development and management in the past year. The criteria are the similar business to that of SF (lifestyle shopping malls), similar size of total assets, similar size of total revenue. However, IFA has found no comparable transaction to be appropriately compared.

4.6. Summary of the Fair Value of the Transaction Price by IFA

The fair value of the transaction price can be summarized as following :

Valuation Approaches	Fair Value of SF Shares (THB per share)	Premium (Discount) from Transaction Price (%)
1) DCF	11.9	(0.8%)
2) Market Comparable Approach		
• P/E	8.0-13.0	(33.3%)-8.3%
• P/BV	7.9-12.9	(34.2%)-7.5%
3) Market Price	10.1-13.0	(15.8%)-8.3%
4) Book Value	8.3	(30.8%)
5) Precedent Transaction Comparable Transaction	N/A	N/A
Transaction Price	12.0	

4.7. Advantages and Limitations of Each Valuation Approach

Valuation Approaches	Advantages	Limitations	Reasons IFA views that selected approaches are appropriate
1) DCF	<ul style="list-style-type: none"> Reflects long-term business plan and capture future value 	<ul style="list-style-type: none"> Rely heavily on assumptions 	<ul style="list-style-type: none"> This approach reflects the capability of SF to generate net profits in the future according to its business plan. Although this approach relies heavily on a lot of assumptions, IFA has received sufficient information to create reasonable assumptions. Thus, this approach is appropriate.

Valuation Approaches	Advantages	Limitations	Reasons IFA views that selected approaches are appropriate
2) Market Comparable Approach			
2.1) P/E	<ul style="list-style-type: none"> Reflects the actual trading price 	<ul style="list-style-type: none"> Inappropriate if the structures of revenue, cost, expenses and capital are different among peers 	<ul style="list-style-type: none"> IFA uses market comparables of SF to compare so there is no difference in accounting policy, structures of revenue, cost, expenses and capital. Thus, this approach is appropriate.
2.2) P/BV	<ul style="list-style-type: none"> Reflects the actual trading price 	<ul style="list-style-type: none"> Different company may adopt different accounting policy Inappropriate if the structures of revenue, cost, expenses and capital are different among peers 	
3) Market Price	<ul style="list-style-type: none"> Reflects the actual trading price 	<ul style="list-style-type: none"> Inappropriate if the share liquidity is low 	<ul style="list-style-type: none"> SF's shares do not have low liquidity. Thus, this approach is appropriate.
4) Book Value	<ul style="list-style-type: none"> Reflects the latest financial information 	<ul style="list-style-type: none"> Does not take into account the business plan and future growth of the company Does not reflect scenarios / situation that might affect the financial position in the future 	<ul style="list-style-type: none"> IFA views that this approach is inappropriate as it does not reflect business plan, the capability of SF to generate net profits, and its financial position in the future which are crucial factors to assess the value of SF's shares.
5) Precedent Transaction Comparable Transaction	<ul style="list-style-type: none"> Reflects the actual trading price 	<ul style="list-style-type: none"> No comparable transaction to be appropriately compared 	<ul style="list-style-type: none"> Since there is no comparable transaction. Thus, this approach cannot be adopted.

After reviewing aforementioned advantages and limitations, IFA opines that the appropriate valuation approaches are DCF, Market Comparable Approach and Market Price which give the valuation range of THB 7.9 - 13.0 per share.

4.8. The Appropriateness of the Terms and Conditions of the Transaction

IFA views that the terms and conditions of the Transaction are fair as following:

1. Interest of both contracted parties are fairly protected
2. Conditions precedent must be satisfied for the transacton's contractual obligation to become legal enforceable and comply with the relevant rules and regulations of the SET and SEC for listed companies. However, there is no punishment or penalty charge set out in the MoU in case the parties cannot complete the conditions precedent.
3. Due Diligence processes has been taken appropriately (financial, accounting, legal) and is expected to be completed by 20 August 2021.

Therefore, IFA opines that the terms and conditions are reasonable and fair.

5. Conclusion of IFA's Opinion

IFA has analyzed information related to the Transaction and information of SF, correspondence with the Company's and SF's key contact personnel as well as researches about the retail property industry's current and future trend. IFA opines that this Transaction will help MAJOR to recognize gain from sales of SF shares (after tax) of around THB 2,824.0 million which will help improve the operation result of the Company as the interest bearing debt will be partly repaid and results in less interest expenses to the Company, lower debt to equity ratio and improve liquidity that will enable the Company for business expansion and future business opportunities. IFA opines that the conditions related to the Transaction are reasonable and fair.

IFA has assessed SF share value by using various valuation approaches. However, IFA views that the appropriate approaches are DCF which reflects the capability of SF to generate net profits in the future, market comparable approach and market price approach which reflects the actual trading price. The selected approaches give the firm value range of THB 7.9 – 13.0 per share. Therefore, the agreed transaction price at THB 12.00 per share falls in to the valuation range. Thus, IFA views that this transaction price is reasonable and fair.

The Company is currently in the process of reviewing the details of Share Sale and Purchase Agreement ("SPA") and will disclose the material information of SPA by 20 August 2021, before the shareholders' meeting date.

After review advantages and disadvantages of the entering into the Transaction, IFA views that the Transaction is reasonable with price and conditions that are fair. There will be more benefits than downsides to the Company. The Company's shareholders are advised to approve the Transaction.

IFA certifies that IFA has prepared this IFA Report regarding the Transaction carefully in accordance with professional principles and standards and taken into account the suitability, reasonableness, including shareholders' benefit.

However, the shareholders shall carefully consider all information in the IFA Report . The result of this report is based on the assumptions that the information received from the Company and SF are true, complete and accurate. The assumptions used to prepare the financial projection are based on economics situation and business environment during the time that this IFA Report is prepared. Any changes that might occur in the future might affect the opinion of the IFA. Therefore, the decision to approve or not approve this Transaction is under the discretion of the Shareholders.

IFA certifies that IFA has carefully conducted the study and prepare this report with due care and give the opinion based on shareholders' benefits.

Yours Sincerely,
Independent Financial Advisor
KGI Securities (Thailand) PCL.

-Suwimol Srisophachit-

(Suwimol Srisophachit)
Executive Vice President

-Siriporn Laoratanakul-

(Siriporn Laoratanakul)
Executive Vice President

-Suwimol Srisophachit-

(Suwimol Srisophachit)
Financial Advisor

6. Appendix

Appendix 1: Information of Major Cineplex Group Public Company Limited (“MAJOR”)

1. Company Profile

Major Cineplex Group Public Company Limited (“MAJOR” or “The Company”) was established in 1995 as the Cinema and Total Lifestyle Entertainment Complex Provider. MAJOR’s core business consists of 5 core businesses which are 1) Cinema Business 2) Bowling Karaoke and Ice Skating Rink 3) Advertising Services 4) Rental and Services and 5) Movie contents. The Company was listed on the Stock Exchange of Thailand (SET) in May 2002 using “MAJOR” as a ticker. The Company is number one leader of cinema industry in Thailand with numbers of branches across nationwide (Bangkok Metropolitan Area and upcountry).

1) Cinema Business

At 31 March 2021, the Company has total 172 branches in Thailand and overseas equivalent to 817 screens and 182,259 seats under 12 brands:

- Major Cineplex
- Paragon Cineplex
- Paradise Cineplex
- Hatyai Cineplex
- Westgate Cineplex
- Icon Cineconic
- EGV Cinemas
- Esplanade Cineplex
- Mega Cineplex
- Quatier CineArt
- Cineplex
- Major Cinema

2) Bowling, Karaoke and Ice Skating Business

The Company has launched an entertaining bowling business under the brands of “Major Bowl Hit” and “Blue-O Rhythm & Bowl”. Furthermore, “Sub-Zero”, the new concept of ice skating rink has been added to the portfolio. As at 31 March 2021, the Company has operated 11 branches of bowling business and Sub-zero, consisting of 8 bowling locations in Thailand comprising 210 lanes, 127 karaoke rooms and 3 ice skating rinks and 3 bowling locations comprising 35 lanes in other countries.

3) Advertising Services Business

The Company has provided full-range of advertising services incorporating all media available in the Cineplex network across nationwide. Cinemedia integrates below-the-line solutions including screen advertising, VDO walls, tri-vision, plasma screens, menu board, outdoor media (Billboard/Cut-out) and 4 D Ads. In addition, the Company has got several activities such as interactive media and cross promotion.

4) Rental and Services Business

The Company operates retail space in the Standalone Cineplex to fulfill the lifestyle entertainment model by offering the customers with various entertainment services. The Company selects trendy brands that match customers' lifestyle and satisfaction. As at 31 March 2021, the Company has operated 47,934 sq.m. rental space with 90% occupancy rate.

5) Movie Content Business

The Company holds 92.5% stake in M Pictures Entertainment Plc. which has provided services of distributing film rights for cinema services, film production, satellite broadcasting and distributing of film rights.

The Company's other information can be summarized as follow:

Address	1839, 1839/1, 1839/6 Phaholyothin Road, Ladyao, Jatujak, Bangkok 10900
Telephone	0-2511-5427-36, 0-2515-5300
Fax	0-2930-3737
Website	www.majorcineplex.com
Registered Number	0107545000047
Registered Capital	THB 894,667,502 divided into 894,667,502 ordinary shares of par value at 1 THB per share
Paid-up Capital	THB 894,667,502 divided into 894,667,502 ordinary shares of par value at 1 THB per share

Board of Directors

List of directors as of 19 July 2021

1. Mr. Somchainuk Engtrakul	Chairman of the Board of Directors / Independent Director
2. Mr. Vicha Poolvaraluk	Director / Chief Executive Officer
3. Mr. Prasert Bunsumpun	Independent Director
4. Mr. Chai Jroongtanapibarn	Independent Director / Chairman of Audit Committee / Nomination and Compensation Committee
5. Mr. Veerawat Ongvasith	Director / Executive Director / Nomination and Compensation Committee / The Risk Management Committee
6. Mr. Kraithip Krairiksh	Independent Director / Audit Committee / Chairman of the Nomination and Compensation Committee

7. Dr. Satian Pooprasert	Independent Director / Chairman of the Risk Management Committee / Corporate Governance Committee
8. Mrs. Oranuch Apisaksirikul	Independent Director
9. Mr. Thanakorn Puriwekin	Director
10. Mrs. Paradee Poolvaraluk	Director / Executive Director
11. Ms. Chonticha Chitrarporn	Independent Director / Audit Committee / Risk Management Committee / Chairman of the Corporate Governance Committee

Management Team

List of management team as of 19 July 2021

1. Mr. Vicha Poolvaraluk	Chief Executive Officer
2. Ms. Thitapatlissarapornpat	Chief Finance officer and Company Secretary
3. Mr. Apichart Kongchai	Chief Cinema Officer
4. Mr. Surachedh Assawaruenganun	Chief Media Officer
5. Mr. Narute Jiensong	Chief Marketing Officer
6. Mr. Kitikorn Poomsawang	Chief Construction Officer
7. Ms. Jinda Wantanahatai	Chief Retail Officer
8. Mr. Apirak Vorachanonth	Chief People Officer

Major Shareholders

List of Top Shareholders as at the Record Date of 2 March 2021

Shareholders	No. of Shares	%
1. Poolvaraluk Family ^{a)}	302,160,336	33.77
2. Nortrust Nominees Ltd-CL AC	79,556,800	8.89
3. GIC Private Limited	53,633,500	5.99
4. The Bank of New York Mellon	37,760,400	4.22
5. South East Asia UK (Type C) Nominees Ltd.	34,293,380	3.83
6. Thai NVDR Company Limited	33,537,680	3.75
7. Morgan Stanley & Co. International PLC	30,594,800	3.42
8. State Street Europe Limited	21,751,650	2.88

^{a)} Poolvaraluk Family consists Mr. Vicha Poolvaraluk, Mr. Visarut Poolvaraluk and Mrs. Paradee Poolvaraluk

2. Revenue Structure

The Company's Revenue Structure presented by core businesses are as follow:

Business (Unit: THB Million)	2018		2019		2020		3M2021	
	Rev	%	Rev	%	Rev	%	Rev	%
1. Cinema Business	7,870	76%	8,282	76%	2,648	67%	634	67%
2. Advertising Services	948	9%	1,185	11%	390	10%	79	8%
3. Bowling Karaoke and Ice Skating Rink	480	5%	468	4%	217	6%	32	3%
4. Rental and Services	424	4%	432	4%	334	8%	86	9%
5. Movie contents	230	2%	330	3%	176	4%	22	2%
Total revenue from sales and services	9,952	96%	10,697	99%	3,765	96%	853	90%
Other income	457	4%	133	1%	171	4%	92	10%
Total Revenue	10,409	100%	10,830	100%	3,936	100%	945	100%

Source: 56-1 Year 2020 and FS 3M2021

3. Analysis of Operating Results and Financial Positions

Consolidated Income Statements

Unit: THB Million	2018	2019	2020	3M2020	3M2021
Services income	7,779.1	8,276.9	2,868.1	1,051.4	635.9
Sales	2,173.2	2,420.2	897.2	270.2	217.4
Total revenues	9,952.4	10,697.1	3,765.2	1,321.7	853.3
Cost of providing services	(5,671.6)	(5,856.7)	(2,683.7)	(948.2)	(634.0)
Cost of sales	(827.9)	(992.4)	(480.2)	(101.3)	(116.3)
Total costs	(6,499.5)	(6,849.1)	(3,163.9)	(1,049.5)	(750.3)
Gross profit	3,452.9	3,848.0	601.3	272.2	102.9
Other operating income	456.6	132.9	171.2	19.4	91.6
Selling expenses	(571.4)	(542.4)	(325.9)	(104.5)	(65.5)
Administrative expenses	(1,919.9)	(2,095.0)	(1,574.3)	(481.6)	(296.0)
Expected credit loss	-	-	(70.1)	(7.1)	(8.6)
Finance costs	(108.2)	(234.4)	(174.6)	(56.0)	(70.3)
Share of profit of investments in associates and joint ventures	262.3	679.7	739.8	72.1	94.3
Profit (loss) before income tax	1,572.4	1,788.9	(632.7)	(285.4)	(151.5)
Income tax	(273.1)	(355.0)	92.5	31.1	23.1
Profit (loss) for the period	1,299.3	1,434.0	(540.2)	(254.3)	(128.3)
Profit (loss) attributable to:					
Owners of the parent	1283.6	1,406.9	(527.5)	(255.0)	(120.0)
Non-controlling interests	15.7	27.0	(12.7)	0.7	(8.4)

Unit: THB Million	2018	2019	2020	3M2020	3M2021
Basic earnings (loss) per share	1.4	1.6	(0.6)	(0.3)	(0.1)
Financial Ratios					
Sales Growth		7.5%	(64.8%)		(35.4%)
Gross Profit Margin (%GPM)	34.7%	36.0%	16.0%	20.6%	12.1%
Net Profit Margin (%NPM)	12.2%	12.5%	(11.6%)	(18.0%)	(12.4)%
Return on Equity (%ROE)	18.9%	19.4%	(7.7%)	(13.8%)	(6.3%)

Analysis of Operating Results

Total Revenue

In 2019, the Company had total revenues of THB 10,697.1 million, comprising of THB 8,276.9 million service income and THB 2,420.2 million sales, that had increased from the previous period by THB 744.7 million or 7.5%. The increase was mainly due to the new branch expansion which attracts new customer groups such as students group from MPASS member card and family group with good response to Kids Cinema. The various products sales and foreign movies are still very popular. In addition, the more number of Thai movies on cinema met the needs of provincial customers.

In 2020, the Company had total revenues of THB 3,765.2 million, comprising of THB 2,868.1 million service income and THB 897.2 million sales, that had decreased from the previous period by THB 6,931.9 million or - 64.8%. The decrease was mainly due to the temporary business closure from 18 March 2020 to 31 May 2020 from the outbreak of COVID-19 which the Company reopened its operation on 1 June 2020. The postponement of Hollywood blockbusters lineup and the much less number of movies had significant impact on revenue.

In 3M2021, the Company had total revenues of THB 853.3 million, comprising of THB 635.9 million service income and THB 217.4 million sales, that had decreased from the previous period by THB 468.4 million or - 35.4%. Though the blockbuster movies earned high income, such as Godzilla vs Kong, measures in controlling COVID-19 situation along with the postponement of many foreign movies had significant impact on revenue.

Since the consolidated financial statements adopt equity method, there is no dividend revenue presented in the consolidated profit and loss statements.

Other income

In 2019, the Company had other income of THB 132.9 million that had decreased from the previous period by THB 323.6 million. The decrease was mainly due to the decrease of profit from disposal of investment in SF by THB 253.4 million (value of the dispositions of investment in SF in 2018 and 2019 amounted THB 542.9 million and THB 83.8 million, respectively), the decrease of profit from disposal of investment in available-for-

sale securities by THB 43.3 million, and the bad debt recovery of MVD Company Limited (a subsidiary company) of THB 10.0 million.

In 2020, the Company had other income of THB 171.2 million that had increased from the previous period by THB 38.3 million. The increase was mainly due to the decrease of the land and building tax by 90% in compliance with the Royal Decree on Land and Building Tax Reduction B.E. 2563.

In 3M2021, the Company had other income of THB 91.6 million that had increased from the previous period by THB 72.2 million. The increase was mainly due to the rental discount reclassification to other income in compliance with the Thai Financial Reporting Standard No. 16 Re: Lease Agreement (TFRS 16).

Costs of Sales and Services and Expenses

Costs of Sales and Services

In 2019, the Company had cost of sales and services of THB 6,849.1 million, comprising of THB 5,856.7 million cost of services and THB 992.4 million cost of sales, that had increased from the previous period by THB 349.6 million or 5.4% due to the increase of revenue.

In 2020, the Company had cost of sales and services of THB 3,163.9 million, comprising of THB 2,683.7 million cost of services and THB 480.2 million cost of sales, that had decreased from the previous period by THB 3,685.1 million or -53.8% due to film hire cost decrease as a result of the closure of cinemas.

In 3M2021, the Company had cost of sales and services of THB 750.3 million, comprising of THB 634.0 million cost of services and THB 116.3 million costs of sales, that had decreased from the previous period by THB 299.2 million or -28.5% due to film hire cost decrease and the less number of opened movie theatres.

Selling and administrative expenses

In 2019, the Company had selling and administrative expenses of THB 2,637.3 million which increased from the previous period by THB 141.6 million or 5.9%. The increase was mainly due to the maintenance and renovation costs of the existing branches, the technology development, and the employee expenses, etc.

In 2020, the Company had selling and administrative expenses of THB 1,900.2 million which decreased from the previous period by THB 737.1 million or -27.9%. The decrease was mainly due to expense control for COVID-19 impact.

In 3M2021, the Company had selling and administrative expenses of THB 361.5 million which decreased from the previous period by THB 224.5 million or -38.3%. The decrease was mainly due to expense control for COVID-19 impact.

Finance costs

In 2019, finance cost increased from the previous period by THB 126.2 million or 116.6% due to the increase in interest expense in compliance with TFRS 16.

In 2020, finance cost decreased from the previous period by THB 59.7 million or -25.5% mainly due to the adjustment of rental discount in compliance with TFRS 16.

In 3M2021, finance cost increased from the previous period by THB 14.3 million or 25.6% due to the issuance of Debentures No. 1/2021 at the amount of THB 500 million.

Expected Credit Loss

Expected credit loss in 2020 mainly from the allowance for doubtful accounts (long-outstanding accounts receivable) according to the Company's accounting policy. The Company is currently taking a legal action against this receivable.

Net profit (loss)

In 2019, net profit increased from the previous period by THB 134.7 million or 10.4% due to new branch expansion, new client base, and the more number of films on cinema.

In 2020, COVID-19 crisis had caused the net loss of THB 540.2 million which decreased from the previous period by THB 1,974.2 million or -137.7%.

In 3M2021, the unraveled COVID-19 situation had caused the net loss of THB 128.3 million which was better than the previous period by THB 125.9 million or 49.5%.

% Return on Equity or %ROE

2019's ROE increased to 19.4% according to the increase of net profits while 2020's and 3M2021's ROE decreased to -7.7% and -6.3% respectively due to the net loss from COVID-19 impact.

Consolidated Financial Positions

Unit: THB Million	2018	2019	2020	3M2021
Cash and cash equivalents	596.3	961.7	1,557.3	1,789.6
Trade accounts and other receivables	1,161.3	1,054.9	591.6	646.2
Short-term loans to related parties	1.3	0.5	2.3	3.6
Inventories	128.7	121.4	118.0	80.4
Films under production	192.2	117.4	131.9	136.2
Current portion of prepaid services	2.9	2.9	1.9	1.9
Other current assets	121.2	115.6	160.1	127.1
Total current assets	2,203.9	2,374.4	2,563.0	2,785.0
Investment in debt instrument	-	-	27.1	27.1
Finance lease receivables	11.0	10.4	13.9	13.0
Investment in associates and joint ventures	4,795.2	5,586.9	6,249.3	6,287.9
Interest in joint ventures	75.2	67.4	49.6	47.6
Long-term loans to related parties	1.8	3.2	1.9	1.9
Investment property	567.4	489.8	481.0	395.9
Property, plant and equipment	6,488.7	5,954.2	5,160.8	5,074.0
Right-of-use assets	3,110.1	2,870.7	2,662.5	2,813.3
Goodwill	130.1	75.1	-	-
Intangible assets	122.2	137.4	149.6	163.2
Deferred income tax assets	49.5	70.0	109.9	107.8
Long-term prepaid services	27.7	35.3	54.8	54.2
Other non-current assets	188.1	193.0	154.8	203.0
Total non-current assets	15,567.1	15,493.4	15,115.2	15,188.9
Total assets	17,771.0	17,867.7	17,678.2	17,973.9
Bank overdrafts and short-term borrowings from financial institutions	1,418.2	2,118.6	1,782.3	1,779.9
Trade accounts and other payables	2,059.7	1,744.7	1,395.3	1,405.1
Current portion of contract liabilities	392.9	545.3	632.6	632.7
Current portion of long-term borrowings	588.0	383.0	845.0	1,440.0
Current portion of lease liabilities	209.3	247.7	272.7	297.2
Short-term loans from related parties	14.5	12.8	12.8	12.8
Accrued income tax	95.3	79.5	17.8	16.8
Other current liabilities	102.0	116.0	50.5	53.8
Total current liabilities	4,880.0	5,247.7	5,009.1	5,638.2
Long-term borrowings from financial institutions	1,883.0	1,500.0	2,505.0	2,210.0
Lease liabilities	2,859.5	2,672.5	2,481.9	2,621.2
Deferred income tax liabilities	223.8	310.2	241.6	202.4
Employee benefit obligations	61.4	77.4	75.1	76.7
Contract liabilities	27.4	20.7	15.9	14.7
Other non-current liabilities	559.4	559.3	723.7	693.8
Total non-current liabilities	5,614.5	5,140.1	6,043.1	5,818.7
Total liabilities	10,494.5	10,387.7	11,052.2	11,456.9

Unit: THB Million	2018	2019	2020	3M2021
Issued and fully paid-up share capital	894.7	894.7	894.7	894.7
Share premium	4,055.6	4,055.6	4,055.6	4,055.6
Share premium – treasury share	288.4	288.4	288.4	288.4
Warrants	4.5	4.5	-	-
Appropriated retained earnings – legal reserve	90.6	90.6	90.6	90.6
Unappropriated retained earnings	2,203.6	2,399.5	1,547.2	1,427.2
Other components of equity	(381.4)	(399.7)	(394.1)	(385.3)
Equity attributable to owners of the parent	7,156.1	7,333.6	6,482.4	6,371.2
Non-controlling interests	120.4	146.4	143.7	145.8
Total equity	7,276.5	7,480.0	6,626.0	6,517.0
Total liabilities and equity	17,771.0	17,867.7	17,678.2	17,973.9

Analysis of Financial Position

Assets

The Company's assets mainly comprise of investments in associates and joint ventures, PPE, and the right-of-use assets.

Total assets as at 31 December 2019-2020 and 31 March 2021 increased from the previous period due to the increase in investments in associates and the increase of share of profit as a result of investment property value adjustment. Moreover, cash and cash equivalents increased to add more liquidity in business operation in order to prepare to deal with COVID-19 that have had negative impact to MAJOR's business. In 2020, trade receivables and other receivables decreased substantially as there was a drop in sales and service revenue due to COVID-19 pandemic that affected MAJOR's core businesses especially cinema business and bowling, karaoke and ice skate rink business which temporarily close. Moreover, other businesses has been affected such as advertising services business, rental and services business and movie contents business.

Liabilities

The Company's liabilities mainly comprise of short-term and long-term loans, trade and other payables, and lease liabilities, etc.

Total liabilities as at 31 December 2019 slightly decreased from Year 2018. This was mainly from a decrease in trade and other payables because of the repayment of the Icon Siam construction payable in 2018 while loans from financial institutions increased to pay for assets and investments in associates.

Total liabilities as at 31 December 2020 and 31 March 2021 increased from the previous year. This was mainly from additional loan from financial institutions for working capital which MAJOR received an impact of COVID-19 due to the closing of cinemas to prevent the COVID-19 pandemic that is still ongoing in 2021.

Equity

Equity continuously decreased during 2019 – 3M2021. In 2019, there was an additional dividend payment, while in 2020 and 3M2021, unappropriated retained earnings decreased due to the net loss from impact of COVID-19 situation. The dividend payout ratio is 63.6% - 94.4% during 2018 – 2019.

	2018	2019	2020	3M2021
Dividend Payout Ratio	94.4%	63.6%	N/A	N/A

Consolidated Cash Flow Statements

Unit: THB Million	2018	2019	2020	3M2021
Cashflow from Operation : CFO	2,685.9	2,657.4	202.4	48.7
Cashflow from (use in) Investment : CFI	(732.7)	(946.5)	(281.9)	(97.2)
Cashflow from (use in) Financing : CFF	(1,929.9)	(1,342.3)	670.6	267.0
Net increase (decrease) in cash and cash equivalents	23.3	368.6	591.2	218.5
Cash and cash equivalents at beginning of year/ period	573.0	596.3	961.7	1,557.3
Gain on exchange rate on cash and cash equivalents	-	(3.2)	4.4	13.8
Cash and cash equivalents at the end of year/period	596.3	961.7	1,557.3	1,789.6

Cash flow and liquidity analysis

In 2018 – 2019, MAJOR's CFO was sufficient to invest in MAJOR's business operations and debt repayments. Moreover, the Company can reach the source of funds and also has liquidity to drawdown bank overdrafts and undrawn loans. In 2020 and 3M2021, net loss occurred and reflect to a significant decrease in CFO due to the COVID-19 situation; therefore, MAJOR has to drawdown additional loans from financial institutions for working capital.

Other Liquidity Ratio

	2018	2019	2020	3M2021
Current Ratio (times)	0.5	0.5	0.5	0.5
Debt to Equity Ratio: D/E Ratio (times)	1.4	1.4	1.7	1.8
Interest-Bearing Debt to Equity: IBD/E (times)	0.5	0.5	0.8	0.8

Liquidity ratio of MAJOR during 2018 – 3M2021 was stable at 0.5 times which is quite low. This is because MAJOR has a lot of bank overdrafts and loans from financial institutions for working capital.

D/E Ratio during 2018 – 2019 was stable at 1.4 times and increased to 1.7 times in 2020 due to additional bank overdrafts and loans from financial institutions for working capital. This is due to the net loss from COVID-

19 situation. Furthermore, the COVID-19 situation still resulted in a negative impact to MAJOR and required more loans from financial institutions. D/E ratio increased to 1.8 times in 2021.

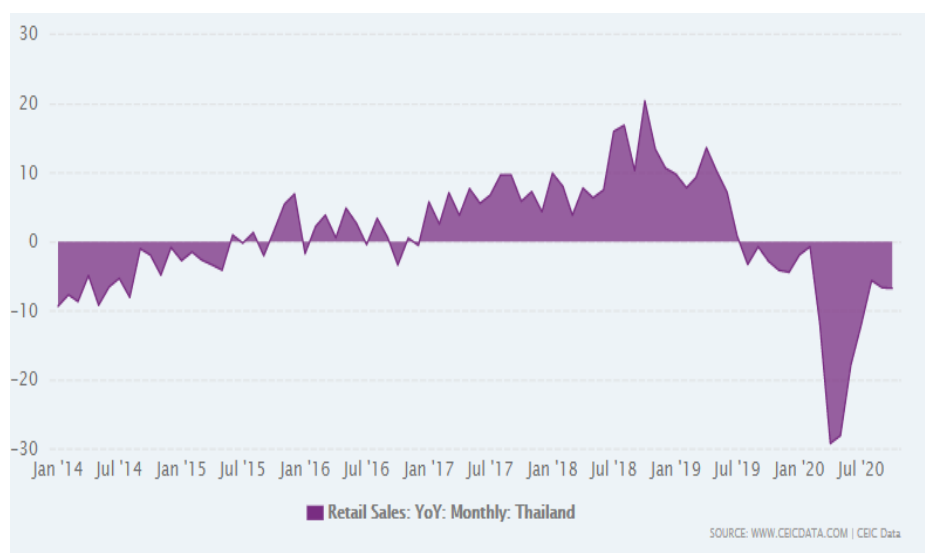
IBD/E ratio during 2018 – 2019 was stable at 0.5 times and increased to 0.8 times in 2020 and 3M2021 due to additional bank overdrafts and loans from financial institutions for working capital that affected net loss from the COVID-19 situation. In addition, MAJOR has to manage debt balances to in line with bond's requirement that MAJOR has to maintain IBD/E ratio to be not over 1.5 times.

Appendix 2: Retail Property Industry in Thailand

Retail Business Overview

In the fourth quarter of 2020 overall retail business was sluggish because of a lower confidential rate of Thai consumers and lower purchasing power due to high household debt level and the impact of COVID-19 pandemic. Consumer Confidence Index (CCI) and retail index significantly declined. With these challenges as well as a growing of e-commerce put pressure on the growth of retail business in the future. Not only modern trade retailer but also SMEs adapted their strategies to do online marketing faster than their previous plan. Selling the products only offline platform might not be enough to cover their cost. However, convenient and safe payment system or delivery speed are the key factors for online marketing¹. Ratio between offline and online in 2020's retail market is 92.3%: 7.7%²

Table illustrating Thailand retail index 2014-2020



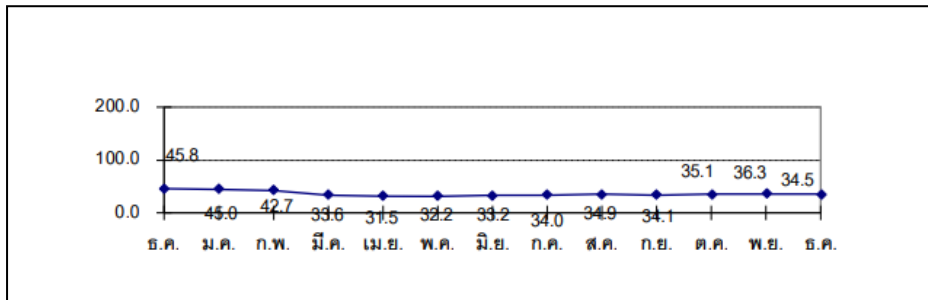
ที่มา: CEIC: Financial Data & Economic Indicator, CEIC Holdings Limited.

¹ Source: 2020 Retail Business to Shrink 5-8% Entrepreneurs Face More Challenges Post COVID-19 (Current Issue No.3102), Kasikorn Research Center

² Source: E-commerce market value to stall at 8-10% growth as 'New Normal' ushers in a more competitive environment (Current Issue No.3112), Kasikorn Research Center

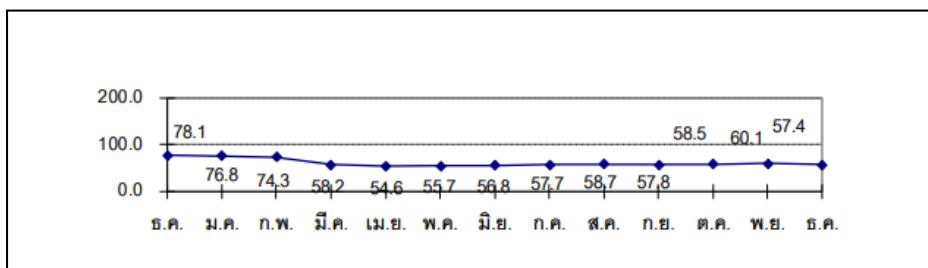
Table illustrating consumer confidence index in 2020

Consumer confidence index – present



Source: Center for Economic and Business Forecasting, University of the Thai Chamber of Commerce

Consumer confidence index – Future



Source: Center for Economic and Business Forecasting, University of the Thai Chamber of Commerce

According to the number of consumer confidence index above, Center for Economic and Business Forecasting, University of the Thai Chamber of Commerce forecasts that consumers will cautiously spend their expenditure in the first quarter 2021 until the domestic COVID-19 situation is resolved. Not only how soon the government could control the infection of COVID-19 but also the government plan to support domestic consumption during the first and second quarter 2021 as well as the political rally would directly effect to consumer confidence level in the future. Moreover, the new wave of COVID-19 since the end of year 2020 until early of July 2021, there are many COVID-19 infection in Bangkok and vicinity area. This caused the additional measures to control the COVID-19 pandemic such as a ban on restaurant dine-in, department stores and shopping malls are allowed to open until 20.00 hrs., and only for service of supermarkets, food and beverage outlets, banks and financial branches, pharmacies, phone and telecommunication shops, and vaccination centres, closing of the riskier for infection place such as Thai traditional massage shops, spas and beauty clinics, an attempt to request people to work from home as much as possible, a ban of cross-province travel, and a curfew during 9 p.m. – 4 a.m. and etc. These measures directly result in a negative impact to retail businesses. According to COVID-19 situation, some tenants cancelled the rental agreement and closed down their business for good. Therefore, the average occupancy rate in year 2020 declined. Vacancy area in each shopping centers rose and might increase if the pandemic could not be controlled. However, in the late of 2020, there was a progress on vaccine development from many companies. Lastly, this progress was a positive impact to the retail business.

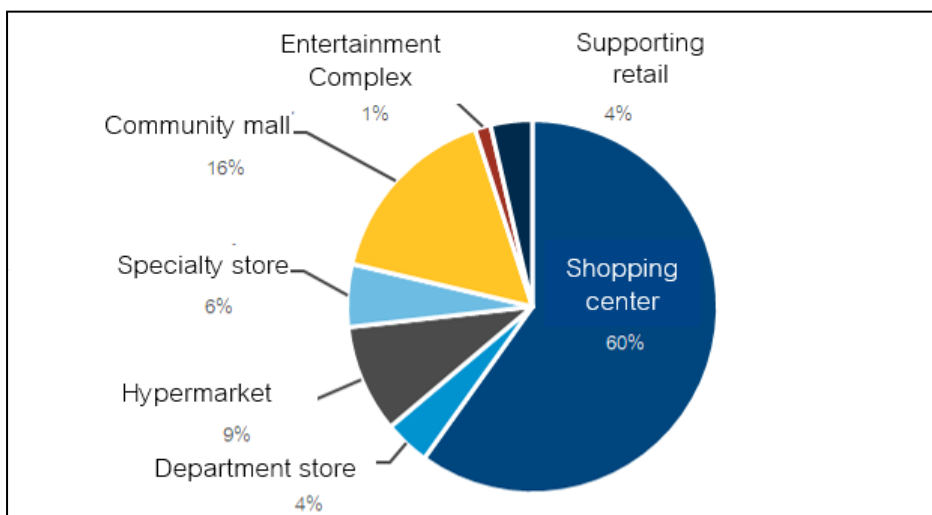
Retail Property Occupancy Rate and Rental Rate in Bangkok

Accumulated retail property categorized by type

Retail property consists of several type of properties. Most of retail property in Bangkok are department stores with a portion of around 60% of total Bangkok retail property supplies and has had many new projects opened during the past few years while some other type of retail property has not recently been developed and opened such as entertainment complex (cinema with other tenants such as retail shops, restaurants, and beverage cafe).

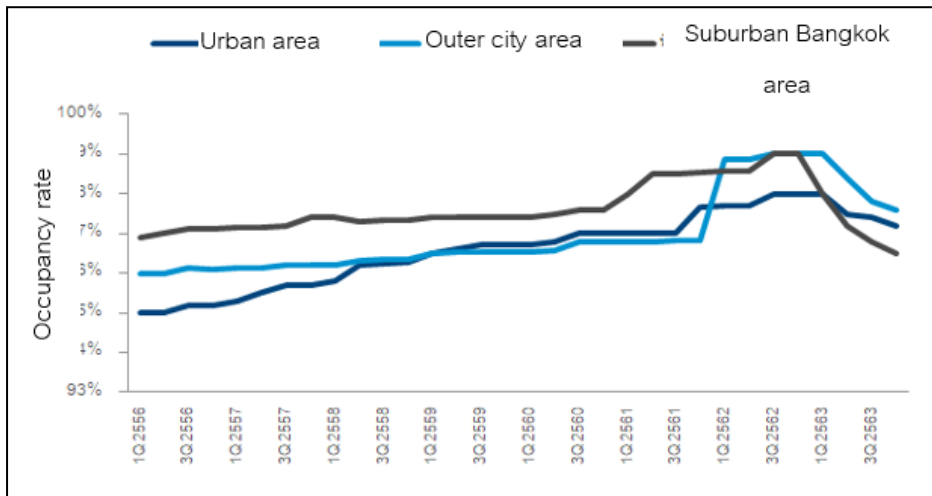
Moreover, hypermarket is also the retail property that does not have new project opened up during the past decade as the existing projects have already covered the main areas and reached the consumers. Recently, hypermarket developers shift to develop and open supermarket and convinence store instead as they can be located in the communities and are more reacheable than the bigger hypermarkets.

Table illustrating the retail space in Bangkok and neighboring areas categorized by type as at quarter 4 of 2020



Source: Research Department, Colliers International Thailand Ltd.

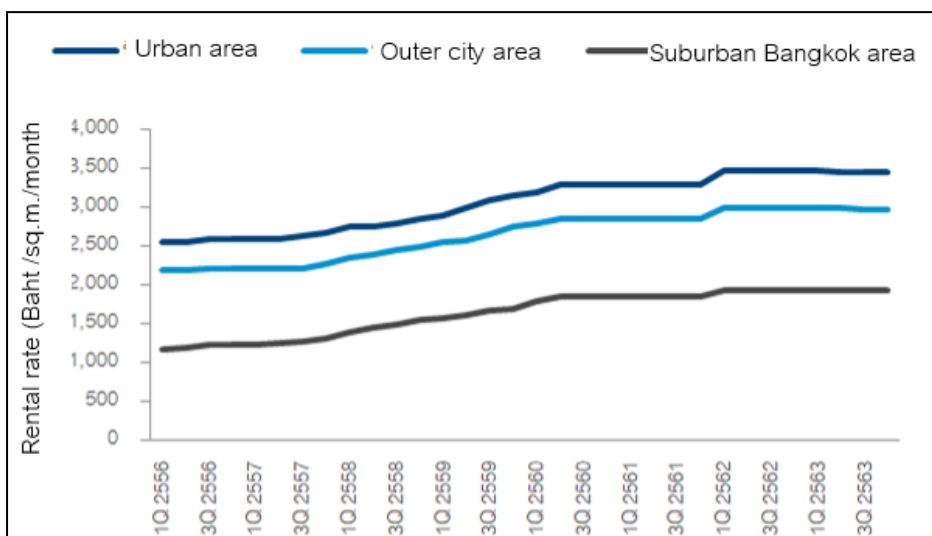
Table illustrating the average occupancy rate classified by location during quarter 1'2013 – quarter 3'2020



Source: Research Department, Colliers International Thailand Ltd.

Average occupancy rate in every area in quarter 4 of 2020 was around 96.1% declining around 0.2% from the previous quarter. Shopping centers had the highest occupancy rate in the retail property supplies.

Table illustrating the average rental rate of retail space classified by locations during quarter 1'2013 – quarter 3'2020



Source: Research Department, Colliers International Thailand Ltd.

The CBD had the highest rental rate in range THB 3,000 - 4,000 per square meter per month. In some shopping centers rental rate reached THB 5,500 per square meter per month while outer city area of Bangkok had rental rate from THB 800 - 3,000 per square meter per month. For community mall in outer city area, the rental rate for some projects could be down to THB 300-500 per square meter per month. This low rate of community mall was from unsuccessful mall that lower demand of community mall in the market.

Adaptation of retail developers and tenants in 2021

The sluggish domestic and worldwide declining economy caused people to be careful with money. Online shopping steeply grew in this year even though COVID-19 could be controlled in Thailand. Entrepreneurs could expand or promote their business through digital marketing. New normal after COVID-19 to people lifestyle should be included in their future plan. Because nobody could forecast when and how the pandemic will be solved. Some behavior might be permanently changed which might have an impact to retail developer as well as tenants. Therefore, cost management including downsizing space would be a tool to limit their fix cost. Expansion on online platform for buying food and goods would be the new normal to the business.¹

CBRE stated that a new strategy for retailers was downsizing and adjusting format of retail space which could safe rental cost and could increase flexibility to do the business. Large scale retailers would consider to reduce their space. Banking have been moving to online platform which required less branch. Food and beverage tenants are interested in delivery service, kitchen space would be larger. Fashion stores are interested in development of various distribution channel (omni-channel). Some business would close their non-profitable shops for cost management or delayed their expansion to concentrate on the existing location. Customer experience will be the most important factor for retailers to emphasize on which will provide service that the customers could not have on online shopping. The tenants that can provide new customer experience would gain more bargaining power on shopping centers. Rental format would change from permanent store to temporary store and shop size would be smaller such as pop-up store or sales booth.

Financial management and cash flow management became critical for retailers' strategy. Retailers would be more conservative on their further investment. Expansion on the new site would be revised to save cash flow and working capital in the company. Investment in other countries would be limited. Non-profitable branch might be closed down to control the operating cost.

Shopping center developers would innovate new idea providing in the rental space, collaborating indoor and outdoor area, specialty café and restaurants, recreational area and pet-friendly space would be integrated to attract domestic customers.

Future of Retail Business

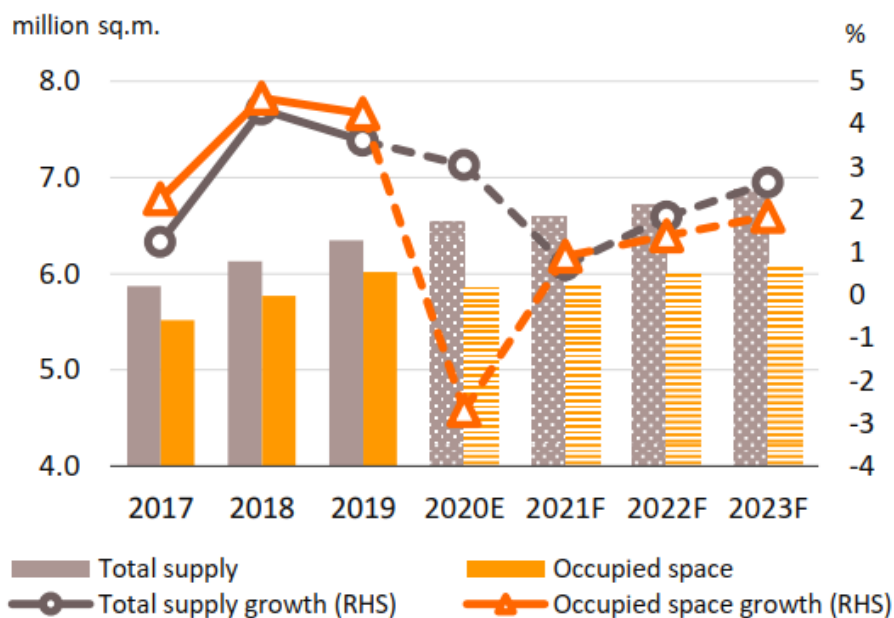
Kasikorn Research Center forecasted that revenue from retail stores for the whole year 2021 would still decrease 2.0% from the revenue of last year. However, the key factors that would impact the consumers' confidence during the rest of the year (quarter 4 of 2021) are the vaccination from June to September 2021, no new raging COVID-19 pandemic, various type of government schemes such as Kon-La-Krueng Campaign, (the government support the spending by 50%), Royal Decree of 500 Billion Baht Loan which might make the

¹ Source: Research Department, Colliers International Thailand Ltd

overall industry outlook in 2021 better than what was previously forecasted especially for necessary goods such as fast moving consumer goods (FMCG) categories. However, e-commerce would still be a channel that can continue to expand as many operator joined the online platform for the important sales event such as 11.11 and 12.12. Nevertheless, if the COVID-19 pandemic situation is not resolved, consumers' purchasing power will keep decreasing, resulting in more competition among e-commerce operators. On the other hand, for modern trade operators which focus on non-food goods especially shopping malls, retail stores specialized in electronics products, construction material/home improvement, home decoration products will not recover in the near future. Kasikorn Research Center views that, although the on-schedule vaccination plan would help boosting the confidence of consumers which would eventually results in the businesses come back operate normally, the operators would still face with higher costs to operate / costs of material. The trading business may seem to be intact but under abnormal circumstances, the consumer's purchasing power is fragile and the price competition is rather high as there are many operators competed with each other. Therefore, to mark up the price and let the consumers absorb the increasing costs is difficult to do in reality. Operators need to adapt themselves by reducing their profit margin and impletmenting marketing / promotion schemes so that the sales are still ongoing and generated cashflow to the firm. Government scheme to help both consumers and operators are still crucial under this pandemic situation.

Retail Business Industry Trend

Table illustrating demand-supply in Bangkok Metropolitan Area during 2021 - 2023



Source: CBRE
 Note: Forecast by Krungsri Research

Source: Krungsri Research, BAY

Retail business would improve complying with private consumption and public investment from government in infrastructure. Forecasting for 3 years ahead, demand in the rental will slightly grow around 1.0%-2.0% per year, while new supply will increase around 300,000 square meters. So, occupancy rate will decrease to 89%-90%. Rental rate could increase in urban area.

- **Enclosed mall:** revenue could grow. New supply continually add to the urban area. Renovation on the existing malls to serve various lifestyle could help increasing in rental rate.
- **Community mall:** revenue trend is stable. Both demand and supply are in the same level. Occupancy rate remains the same.
- **Space in retailer:** revenue remains the same level of 2020. Occupancy rate declines because of new supply.

The competition in retail was higher from many mixed-use projects in the future. Large-size of mixed-use projects would complete within 2025 with the additional of more than one million square meters. Also the growth of e-commerce could pressure on the developers on rental rate, occupancy rate and profitability of the company.