

**Information Memorandum on Acquisition and Disposal of Assets of
Dusit Thani Public Company Limited
regarding the entering into of the transactions in relation to the
Dusit Thani Maldives hotel project (List 2)**

and

**Opinions of the Independent Financial Advisor on Acquisition
and Disposal of Assets of
Dusit Thani Public Company Limited**

Item	Page
<u>Attachment No. 5</u>	
Information Memorandum on Acquisition and Disposal of Assets of Dusit Thani Public Company Limited regarding the entering into of the transactions in relation to the Dusit Thani Maldives hotel project (List 2)	1 - 59
<u>Attachment No. 6</u>	
Opinions of the Independent Financial Advisor on Acquisition and Disposal of Assets of Dusit Thani Public Company Limited	1 - 169

**Information Memorandum on Acquisition and Disposal of Assets of
Dusit Thani Public Company Limited regarding the entering into of the transactions
in relation to the Dusit Thani Maldives hotel project (List 2)**

Dusit Thani Public Company Limited (the “**Company**”) would like to inform the significant resolutions of the Board of Directors’ Meeting No. 3/2019, convened on 25 February 2019, as follows:

- (a) The establishment of two subsidiaries in the Republic of Maldives, namely Dusit Maldives Investment Company Limited (“**DMS2**”) and Dusit Maldives Management Company Limited (“**DMS3**”) in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives hotel project;
- (b) The restructuring of the Company’s assets in relation to the Dusit Thani Maldives hotel project, whereby (1) DMS Property Investment Private Limited (“**DMS**”), an indirect subsidiary of the Company, transfers all businesses, including the transfer of the leasehold rights over the land and ownership of the buildings and constructions, and assets in relation to the Dusit Thani Maldives hotel project to DMS2, and (2) DMS3 subleases and leases the assets in relation to the operation of the Dusit Thani Maldives hotel, and accepts the transfer of the relevant rights and duties from DMS2 in order to operate the Dusit Thani Maldives hotel and enter into relevant agreements;
- (c) The disposal of the total shares held by Dusit Thai Properties Public Company Limited (“**DTPP**”) in DMS2, representing 65 percent of the total shares of DMS2 to the Dusit Thani Freehold and Leasehold Real Estate Investment Trust (“**DREIT**”) and entering into relevant agreements;
- (d) The subscription for the newly-issued investment units of DREIT, which DREIT additionally issues and offers for sale to the existing unitholders whose names are set out in the unitholders register book in proportion to their respective unitholdings (Rights Offering);
- (e) The granting of authority to the Board of Directors or Chairman of the Executive Directors or Group Chief Executive Officer and/or any person designated by the Board of Directors or Chairman of the Executive Directors or Group Chief Executive Officer to be authorized to undertake relevant acts.

(The transactions in (a) - (e) shall collectively be referred to as “**Transactions in relation to the Dusit Thani Maldives Hotel Project**”)

The entering into of the transactions in (a), (b) (2), and (d) above constitute an asset acquisition transaction of the Company in accordance with 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, and 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 Assets, 2004 (including any amendment thereto) (collectively, the “**Notifications on Asset Acquisition and Disposal**”), having the highest transaction value of 18.57 percent, calculated based on the Total Value of Consideration basis, based on the audited Consolidated Financial Statements of the Company ending 31 December 2018. After calculating the value of all asset acquisitions which have occurred during the past six months based on the Total Value of Consideration basis, the highest transaction value is equivalent to 30.04 percent.

In addition, the entering into of the transaction in (c) constitutes an asset disposal transaction in accordance with the Notifications on Asset Acquisition and Disposal, having the highest transaction value of 12.97 percent, calculated based on the Total Value of Consideration basis, based on the

**Information Memorandum on Acquisition and Disposal of Assets of
Dusit Thani Public Company Limited regarding the entering into of the transactions
in relation to the Dusit Thani Maldives hotel project (List 2)**

Dusit Thani Public Company Limited (the “**Company**”) would like to inform the significant resolutions of the Board of Directors’ Meeting No. 3/2019, convened on 25 February 2019, as follows:

- (a) The establishment of two subsidiaries in the Republic of Maldives, namely Dusit Maldives Investment Company Limited (“**DMS2**”) and Dusit Maldives Management Company Limited (“**DMS3**”) in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives hotel project;
- (b) The restructuring of the Company’s assets in relation to the Dusit Thani Maldives hotel project, whereby (1) DMS Property Investment Private Limited (“**DMS**”), an indirect subsidiary of the Company, transfers all businesses, including the transfer of the leasehold rights over the land and ownership of the buildings and constructions, and assets in relation to the Dusit Thani Maldives hotel project to DMS2, and (2) DMS3 subleases and leases the assets in relation to the operation of the Dusit Thani Maldives hotel, and accepts the transfer of the relevant rights and duties from DMS2 in order to operate the Dusit Thani Maldives hotel and enter into relevant agreements;
- (c) The disposal of the total shares held by Dusit Thai Properties Public Company Limited (“**DTPP**”) in DMS2, representing 65 percent of the total shares of DMS2 to the Dusit Thani Freehold and Leasehold Real Estate Investment Trust (“**DREIT**”) and entering into relevant agreements;
- (d) The subscription for the newly-issued investment units of DREIT, which DREIT additionally issues and offers for sale to the existing unitholders whose names are set out in the unitholders register book in proportion to their respective unitholdings (Rights Offering);
- (e) The granting of authority to the Board of Directors or Chairman of the Executive Directors or Group Chief Executive Officer and/or any person designated by the Board of Directors or Chairman of the Executive Directors or Group Chief Executive Officer to be authorized to undertake relevant acts.

(The transactions in (a) - (e) shall collectively be referred to as “**Transactions in relation to the Dusit Thani Maldives Hotel Project**”)

The entering into of the transactions in (a), (b) (2), and (d) above constitute an asset acquisition transaction of the Company in accordance with 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, and 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 Assets, 2004 (including any amendment thereto) (collectively, the “**Notifications on Asset Acquisition and Disposal**”), having the highest transaction value of 18.57 percent, calculated based on the Total Value of Consideration basis, based on the audited Consolidated Financial Statements of the Company ending 31 December 2018. After calculating the value of all asset acquisitions which have occurred during the past six months based on the Total Value of Consideration basis, the highest transaction value is equivalent to 30.04 percent.

In addition, the entering into of the transaction in (c) constitutes an asset disposal transaction in accordance with the Notifications on Asset Acquisition and Disposal, having the highest transaction value of 12.97 percent, calculated based on the Total Value of Consideration basis, based on the

In this connection, the Company would like to inform the information memorandum on the entering into of the transactions in relation to the Dusit Thani Maldives hotel project as follows:

1. Information Memorandum (List 1)

1.1 Transaction Date

After (1) the Company has been granted approval from a shareholders' meeting to enter into the transactions in relation to the Dusit Thani Maldives hotel project (as detailed in 1.3) including obtaining approval from the Board of Directors' meeting and/or a shareholders' meeting (if necessary) of any relevant party in relation to such matter; (2) DREIT has been granted approval from the unitholders' meeting to invest in the Dusit Thani Maldives hotel project and to perform relevant acts, and has been granted consent from the Office of the Securities and Exchange Commission ("**SEC Office**") to issue and offer for sale of the trust units and other matters relating to the investment in the Dusit Thani Maldives hotel project; (3) DREIT has completed the issuance and offer for sale of the trust units in order to invest in the Dusit Thani Maldives hotel project and/or to operate the business of DREIT and/or to repay debts under the existing loan agreement of DREIT; and (4) the relevant parties has completely satisfied the conditions precedent specified in the agreement relating to the transactions in relation to the Dusit Thani Maldives hotel Project, whereby the Company expects that the transactions in relation to the Dusit Thani Maldives hotel project will be completed within December 2019.

1.2 Related parties and their relationship with the Company

1.2.1 Transaction on the establishment of two subsidiaries in the Republic of Maldives in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives hotel Project

(a) Dusit Maldives Investment Company Limited ("DMS2**")**

Shareholders:

(1) Dusit Thani Properties Public Company Limited ("**DTPP**") will hold 65 percent of the total shares of DMS2;

(2) MBK Hotel & Resort Company Limited ("**MBK**") will hold 35 percent of the total shares of DMS2.

Relationship with the Company: DTPP is a subsidiary of the Company in which the Company directly holds 2.75 percent and indirectly holds 84 percent of the total shares of DTPP through Dusit Thani Properties Company Limited.

MBK has no relationships with the Company.

(b) Dusit Maldives Management Company Limited ("DMS3**")**

Shareholder:

Dusit Management Company Limited ("**DMCO**") will hold 100 percent of the total shares of DMS3.

Relationship with the Company: DMCO is a subsidiary of the Company in which the Company holds 99.99 percent of its issued shares of DMCO.

1.2.2 Transaction on the transfer of business of the Dusit Thani Maldives hotel project to DMS2 and the transaction on the sublease and lease of assets in relation to the operation of the Dusit Thani Maldives hotel by DMS3

(a) Transaction on the transfer of business of the Dusit Thani Maldives hotel project to DMS2

Transferor: DMS

Transferee: DMS2 which is the newly-established company in the Republic of Maldives.

Relationship with the Company: DTPP (in which the Company directly holds 2.75 percent and indirectly holds 84 percent of the total shares through Dusit Thani Properties Company Limited) holds shares of DMS / will hold 65 percent of the total shares of DMS2 and MBK holds shares of DMS / will hold 35 percent of the total shares of DMS2).

(b) Transaction on the sublease and lease of assets in relation to the operation of the Dusit Thani Maldives hotel by DMS3

Sublessor and lessor: DMS2 which is the newly-established company in the Republic of Maldives.

Sublessee and lessee: DMS3 which is the newly-established company in the Republic of Maldives.

Relationship with the Company: DTPP (in which the Company directly holds 2.75 percent and indirectly holds 84 percent of the total shares through Dusit Thani Properties Company Limited) will hold 65 percent of the total shares of DMS2 and MBK will hold 35 percent of the total shares of DMS2.

DMCO (a subsidiary of the Company in which the Company holds 99.99 percent of the total shares) will hold 100 percent of the total shares of DMS3.

1.2.3 Transaction on the disposal of the total shares held by DTPP in DMS2 to DREIT

Seller: DTPP

Purchaser: DREIT

Relationship with the Company: DTPP is a subsidiary of the Company in which the Company directly holds 2.75 percent and indirectly holds 84 percent of its total shares through Dusit Thani Properties Company Limited.

DREIT is a REIT in which the Company holds 30.02 percent of the total issued and sold trust units, with Dusit Thani Property REIT Company Limited, a subsidiary in which the Company holds 99.99 percent of the total shares, as the REIT Manager.

1.2.4 Transaction on the subscription for the newly-issued investment units of DREIT

Issuer:	DREIT
Subscriber:	The Company
Relationship with the Company:	DREIT is a REIT in which the Company holds 30.02 percent of its total issued and sold trust units, with Dusit Thani Property REIT Company Limited, a subsidiary in which the Company holds 99.99 percent of its total shares, as the REIT Manager.

1.3 **Characteristics of the transaction**

1.3.1 Transaction on the establishment of two subsidiaries in the Republic of Maldives in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives hotel project

The Company by DTPP and DMCO will establish two subsidiaries in the Republic of Maldives in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives hotel Project. The details are as follows:

(a) DMS2

Business operation	:	DMS2 will accept the transfer of business, including the leasehold rights over the land of which the remaining lease term is approximately 40 years, as well as the ownership of the buildings and constructions, and assets used in the operation of the Dusit Thani Maldives hotel project from the government of the Republic of Maldives, and is the owner of the buildings and constructions, and assets used in the operation in the Dusit Thani Maldives hotel project (as detailed in 1.3.2).
Registered capital	:	Not exceeding USD 150,000
Shareholding	:	DTPP will hold 65 percent of the total shares of DMS2 and MBK will hold 35 percent of the total shares of DMS2.

(b) DMS3

Business operation	:	DMS3 will sublease and lease the assets in relation to the operation of the Dusit Thani Maldives hotel from DMS2 (as detailed in 1.3.2)
Registered capital	:	10,000 USD
Shareholding	:	DMCO (a subsidiary of the Company) will hold 100 percent of the total shares of DMS3.

1.3.2 Transaction on the transfer of business of the Dusit Thani Maldives hotel project to DMS2 and transaction on the sublease and lease of assets in relation to the operation of the Dusit Thani Maldives hotel by DMS3

After the establishment of DMS2 and DMS3 is completed (as detailed in 1.3.1), DMS (in which the Company indirectly holds 65 percent of the total shares through DTPP and MBK

holds 35 percent of the total shares), a company incorporated under the laws of the Republic of Maldives, which has been granted the leasehold rights over the land where the Dusit Thani Maldives hotel project is located for the period of approximately 40 years from the government of the Republic of Maldives and is the owner of the buildings and constructions, and assets used in the operation of the Dusit Thani Maldives hotel, will transfer the business of the Dusit Thani Maldives hotel project, located on Mudhdhoo Island in Baa Atoll, the Republic of Maldives, to DMS2. The transfer of the business of the Dusit Thani Maldives hotel project includes the transfer of (1) the leasehold rights and ownership of the immovable properties and assets in relation to the Dusit Thani Maldives hotel project (“**Assets in relation to the operation of the Dusit Thani Maldives hotel**”); (2) right of claim and liabilities as recorded on the book account on the specified date; (3) agreements with third parties, permits, and relevant licenses; and (4) staff who are employees of DMS (collectively referred to (2) - (4) as “**Relevant Rights and Duties**”), with the total value of not less than THB 2,304,000,000¹ (or equivalent to USD 72,000,000 based on the exchange rate of THB 32.00 per USD 1²) and DMS2 will accept the transfer of the business of the Dusit Thani Maldives hotel project from DMS as stated above.

After DMS2 has accepted the transfer of the Dusit Thani Maldives hotel project from DMS, DMS3 (which is the newly-established company as detailed in 1.3.1 and will have the status as an indirect subsidiary of the Company) will sublease and lease the Assets in relation to the operation of the Dusit Thani Maldives hotel, and accept the transfer of the Relevant Rights and Duties from DMS2 (excluding debts from the outstanding loans which DMS owes to DTPP and MBK under the loan agreement from the shareholders, which have been transferred from DMS to DMS2) in order to operate the Dusit Thani Maldives hotel and enter into relevant agreements.

In addition, upon calculation of the minimum fixed rental fee of the Dusit Thani Maldives hotel project in the amount of USD 7,000,000 per year³ (or equivalent to THB 224,000,000 per year based on the exchange rate of THB 32.00 per USD 1) from the total rental fee period of not more than 21 years, the rental fee which will be paid by DMS3 to DMS2 shall be in a total amount of not less than USD 147,000,000 (or equivalent to THB 4,704,000,000 based on the exchange rate of THB 32.00 per USD 1). In case of calculation of the fixed rental fee according to the current value, applying the discount rate of 12.50⁴ percent, the current value of the total rental fee would be amounting to THB 1,640,945,024.80 based on the exchange rate of THB 32.00 per USD 1.

¹ The total value is based on the value of the debt-free assets and the normalized working capital. In this regard, such total value is subject to change, dependent on the value of obligations to be accepted from the transfer, under Relevant Rights and Duties of DMS as at the date of the entering into of the transaction.

² In order to reduce the risk of exchange rate in the transaction, DTPP, MBK, Dusit Thani Property REIT Company Limited (as the REIT Manager), and DREIT agrees for the consideration for acceptance of transfer of business of the Dusit Thani Maldives hotel project to be paid in Thai Baht currency at the exchange rate of THB 32.00 per USD 1.

³ The parties will agree to make payment of the rental fee in USD currency.

⁴ The discount rate which was referred to by the independent appraisers in the appraisal reports dated February 20, 2019.

The significant details of the draft Land Sublease Agreement and Property Lease Agreement⁵ can be summarized as follows:

Sublessor and Lessor	DMS2
Sublessee and Lessee	DMS3
Subleased/Leased Property	The details of the Subleased Property are set out in Clause 1.4.2.
Sublease/Lease Term	21 years commencing on the date on which the Lessor notifies the Lessee
Right to renew the lease term of the Leased property of the Lessee	<p>If, at least three years prior to the expiry of the lease term under this Agreement, the Lessor is desirous to lease out of the Leased Property, whether in whole or in part, to any other person, the Lessor shall first procure that the Lessee is given the right of first refusal to be considered for renewal of the lease term of the Leased Property and that the Lessor shall notify the Lessee of its intention in writing.</p> <p>When the Lessee receives the notice from the Lessor, the Lessee shall inform the Lessor of its intention to renew the lease term of the Leased Property <u>or</u> not to renew the lease term of the Leased Property in writing within 120 days from receipt of the notice by the Lessee, provided that:</p> <p>(a) if the Lessee denies the renewal of the lease term of the Leased Property or does not inform the Lessor of its intention to renew the lease term of the Leased Property in writing within 120 days from receipt of the notice, the Lessor may lease out the Leased Property to other persons.</p> <p>(b) if the Lessee is desirous to renew the lease term of the Leased Property, the Lessee shall inform the Lessor of its intention to renew the lease term of the Leased Property in writing within 120 days from receipt of the notice. The notice of such intention shall indicate the details of the proposal to renew the lease term of the Leased Property, including the rental fee or any consideration, and rental fee payment condition) the “Lessee’s Acceptance Notice”). Accordingly, the Lessor shall consider the terms and</p>

⁵ The summary of the Land Sublease Agreement and the Property Lease Agreement is merely the summary of the preliminary terms and conditions thereof, which may be subject to amendment depending on further negotiation and discussion of the relevant parties in accordance with the laws of the Republic of Maldives without prejudice to the subject matters and principles set out in the above summary.

	<p>condition of the lease of the Leased Property proposed by the Lessee in the Lessee's Acceptance Notice and the Lessor shall be able to compare the terms and conditions proposed by the Lessee with the terms and conditions for the lease of the Leased Property proposed to the Lessor by other persons at the time. In the case that the terms and conditions for the lease of the Leased Property proposed by the Lessee are not less favorable than those proposed by other persons, the Lessor shall not be entitled to deny the Lessee's right to renew the lease of the Leased Property.</p> <p>The parties acknowledge and agree that the renewal of the lease term of the Leased Property shall be subject to the approval of the unitholders' meeting of DREIT and/or relevant authorities.</p>
Rental fee	<p>The rental fee rate and the calculation method shall be as set out in Clause 1.6.2 and the fixed rental fee shall be reviewed every three years.</p> <p>In the case that the variable rental fees stipulated in this Agreement calculated by the Hotel Manager or the Lessee are different, the rental fees from the audited or reviewed financial statements shall applied.</p>
Important duties of the Sublessee	<p>The duties of the Lessee shall be as set out in this Agreement, which include the following:</p> <ol style="list-style-type: none"> 1. The Lessee shall use the Leased Property in accordance with the purpose of the lease as specified in this Agreement and shall not operate any business in the Leased Property which is in violation of the law. 2. The Lessee shall not terminate or amend the hotel management agreement for the management of the hotel (the "Management Agreement"), whether in whole or in part, without the Lessor's prior written consent, provided that the Lessee shall notify the Lessor immediately in the case of an occurrence of any event which renders or may render that the Lessee is unable to undertake the management of the Hotel in compliance with the terms and conditions under the Management Agreement which results in the breach of the Management Agreement by the Lessee and the Management Agreement is terminated. 3. In the case that the lease of the Leased Property is renewed under the conditions of this Agreement,

	<p>the Lessee shall obtain the necessary approval and/or consent and/or permission from the Ministry of Tourism, Arts and Culture of the Republic of Maldives and/or any other relevant government agencies.</p>
Termination and indemnification	<ol style="list-style-type: none"> 1. The Lessor has the right to terminate this Agreement by serving a notice to the Lessee in writing and/or file a lawsuit demanding the Lessee to perform the terms under this Agreement and/or claim damages from the Lessee if the Lessee commits any event of default specified under the Agreement. 2. The Lessee has the right to terminate this Agreement by serving a notice to the Lessor in writing and/or file a lawsuit demanding the Lessor to perform this Agreement and/or claim damages from the Lessor if the Lessor commits any event of default specified under the Agreement. 3. This Agreement shall be terminated immediately upon any of the following events: <ol style="list-style-type: none"> (a) Upon the expiry of the lease term of the Leased Property and the Lessor does not agree to renew this Agreement in accordance with the terms and conditions with respect to the right to renew the lease term specified in this Agreement; (b) The parties mutually agree to terminate this Agreement; (c) In the case that the Lessor does not have the right to use the Leased Property due to the termination of the Master Lease Agreement; or (d) In the case that the shareholders of the Lessor do not transfer their shares to DREIT or the shareholders of the Lessor exercise the right to buy back the shares from DREIT as specified in the Share Sale and Purchase Agreement.

1.3.3 Transaction on the disposal of the total shares held by DTPP in DMS2 to DREIT

After DMS3 has completed the sublease and lease of the assets in relation to the Dusit Thani Maldives hotel project and has accepted the transfer of the Relevant Rights and

Duties (excluding debts from the outstanding loan which DMS owes to DTPP and MBK under the loan agreement from the shareholders, which have been transferred from DMS to DMS2) from DMS2, DTPP shall dispose of the total of its shares held in DMS2, representing 65 percent of the total shares of DMS2, with the total value of not exceeding THB 3,120,000 (or equivalent to USD 97,500⁶) and shall enter into the share sale and purchase agreement and other relevant agreements with DREIT.

The details of the draft Share Sale and Purchase Agreement⁷ can be summarized as follows:

The Purchaser	Krungthai Asset Management Public Company Limited as the trustee acting on behalf of DREIT
The Seller	DTPP and MBK
Purchased Shares	Shares in DMS2, representing 65 percent of the total shares held by the Company, and representing 35 percent of the total shares held by MBK.
Purchase Price	Not exceeding THB 3,120,000 (or equivalent to USD 97,500) for the shares purchased from the Company and not exceeding THB 1,680,000 (or equivalent to USD 52,500) for the shares purchased from MBK (the exchange rate is THB 32.00 per USD 1, which is the exchange rate jointly agreed by DTPP, MBK, Dusit Thani Properties REIT Company Limited (as the REIT Manager of DREIT) and DREIT).
Material Conditions Precedent	<p>The material conditions precedent according to the Share Sale and Purchase Agreement shall include the following:</p> <p>1. Conditions on Establishment of DREIT</p> <p>The Securities and Exchange Commission grants DREIT approval on capital increase and issue and offer for sale of the trust units to the public and DREIT has issued and offered for sale of the trust units to the public, and the funds obtained from such issuance and offering has been deposited into DREIT's account.</p> <p>2. Conditions under the Loan Agreement</p> <p>DREIT has entered into the loan agreement to obtain minimum credit facility for DREIT on the date of the share purchase, as well as satisfied all of the conditions</p>

⁶ Based on DTPP's shareholding proportion of 65 percent in DMS2.

⁷ The summary of the Share Sale and Purchase Agreement is merely the summary of the preliminary terms and conditions thereof, which may be subject to amendment depending on further negotiation and discussion of the relevant parties in accordance with the laws of the Republic of Maldives without prejudice to the subject matters and principles set out in the above summary.

	<p>precedent in the loan agreement or has waived any or all rights insuch conditions under the loan agreement.</p> <p>3. Other Conditions</p> <p>3.1 DMS2 has completely obtained the leasehold right over the land and assets in the Dusit Thani Maldives hotel project from DMS in accordance with the Resort Sale and Purchase Agreement, including DMS2 has obtained consent and necessary approval for the entering into the transaction under the laws of the Republic of Maldives.</p> <p>3.2 DMS3 has entered into the Land Sublease Agreement and the Property Lease Agreement and the Sale and Purchase of Agreement of the current assets used in the operation of the hotel with DMS2 and such agreements remain effective without any amendments thereto. In addition, DMS2 and DMS3 shall obtain consent and necessary approvals for entering into the transaction under the laws of the Republic of Maldives.</p> <p>3.3 The Purchaser has obtained consent and necessary approvals for entering into the share sale and purchase transaction under the laws of the Republic of Maldives.</p> <p>3.4 The Seller, DMS2 and DMS3 have duly obtained approval from a shareholders' meeting and/or the Board of Directors in accordance with the relevant law in order to enter into negotiations, entering, amendments, and the compliance with this agreement and other relevant documents. In addition, there shall be no objection from any person including its interested persons, shareholders and/or debtors with regard to the sale of shares, the performance under 1.3.1 and/or 1.3.2 and there shall be no restriction under the laws on the sale and purchase of the shares and the performance under 1.3.1 and/or 1.3.2 and the compliance with the agreement and/or other relevant documents.</p> <p>3.5 There shall be no incidents which has or will have an adverse material effect on the properties of the Dusit Thani Maldives hotel project, the business of DMS2 or the compliance with this agreement.</p> <p>3.6 Other conditions as will be further determined by the parties.</p>
--	--

Transfer of the purchased shares	<p>The Seller shall transfer the purchased shares to the Purchaser when there is the occurrence of the events specified under the Share Sale and Purchase Agreement which shall include:</p> <ul style="list-style-type: none"> • When all of the conditions precedent specified in the Share Sale and Purchase Agreement are fully satisfied within the specified period (except that the Purchaser agrees to waive such right in writing). • On the date of the share sale and purchase, the Seller agrees to transfer the ownership of the shares (including any shareholders' rights vested therein) to the Purchaser free from any liens, pledges, claims, or any encumbrances provided that the ownership in the shares shall immediately be transferred to the Purchaser on the date of the share sale and purchase and the Seller shall deliver the documents as agreed between the parties in the Share Sale and Purchase Agreement. • Subject to the terms and conditions of the Share Sale and Purchase Agreement, the Purchaser agrees to pay the share price in accordance with the terms of this agreement to the Seller on the date of the share sale and purchase. • On the same date after the ownership of the shares has been legally an completely transferred to the Purchaser or within any other period as agreed by the parties, provide that the Purchaser has obtained the necessary licenses for acceptance of the transfer of shares as specified under this Agreement under the laws of the Republic of Maldives, the Purchaser shall provide the loans to DMS2 and shall procure that DMS2 uses such loans as the consideration for the acceptance of the transfer of the leasehold right over the land and the ownership of the assets of the Dusit Thani Maldives hotel project from DMS and shall repay the outstanding shareholders loan which DMS2 owes to the Seller on the same date as the date of receipt of payment of the shares.
Termination and indemnification	<ul style="list-style-type: none"> • In the event of default occurred from the fault of the Seller, the Purchaser is entitled to terminate this Agreement by serving notice to the Seller in writing or file a lawsuit demanding the Seller to perform this agreement and/or claim damages from the Seller.

	<ul style="list-style-type: none"> • The Seller is entitled to terminate this agreement by serving notice to the Purchaser in writing or file a lawsuit demanding the Purchaser to comply with this agreement and/or claim damages from the Purchaser in the event of default occurred from the fault of the Seller. • This agreement shall immediately be terminated provided that each party has no right to claim damages, expenses or monies or other benefits from the other party, except the parties has agreed otherwise, in case where the parties mutually agree to voluntary terminate this agreement. • When the conditions precedent under this Agreement have not been fulfilled within the specified period and the shares cannot be transferred within the specified period without the fault of the Purchaser, the Purchaser is entitled to terminate this Agreement and the Seller shall be responsible for the damages and/or expenses incurred for the Purchaser.
Governing law	The laws of the Republic of Maldives

In this regard, after DTPP has completed the disposal of the total shares held of DMS2, representing 65 percent of the total shares of DMS2, to DREIT, DREIT agrees to grant the right to the existing shareholders of DMS2, namely DTPP and MBK, to buy back the shares in DMS2 from DREIT at the price equivalent to the purchase price at which DREIT has purchased such shares from DTPP and MBK (“**Provision on Share Buy-Back Option**”) in the case where DREIT as the major shareholder of DMS2 undertakes the following acts: (1) DREIT does not provide any shareholder’s loan to DMS2, resulting in DMS2 being unable to pay consideration for the acceptance of the transfer of the business of the Dusit Thani Maldives hotel project, as well as the assets used in the operation of the Dusit Thani Maldives hotel, and the Relevant Rights and Duties, which DMS2 owes to DMS, and to repay debts from the outstanding loans which DMS2 owes to DTPP and MBK under the loan agreement from the relevant shareholders (DMS also transferred the rights and duties under the loan agreement from the relevant shareholders to DMS2) or (2) DREIT provides a shareholder’s loan to DMS2 but does not procure DMS2 to pay consideration for the acceptance of the transfer of the business of the Dusit Thani Maldives hotel project, as well as the assets used in the operation of the Dusit Thani Maldives hotel, and the Relevant Rights and Duties, which DMS2 owes to DMS, and to repay debts from the outstanding loans which DMS2 owes to DTPP and MBK under the relevant loan agreement from the relevant shareholders (DMS also transferred the rights and duties under the loan agreement from the relevant shareholders to DMS2). The exercise of the share buy-back option is on the condition that DREIT shall receive the payment of the shareholder’s loan received by DMS2 from DREIT (if any) prior to the exercise of the share buy-back option.

In this regard, the details of the exercise of share buy-back option shall be as agreed among DTPP, MBK and DREIT in the share sale and purchase agreement.

1.3.4 Transaction on the subscription for the newly-issued investment units of DREIT

DREIT plans to issue and offer for sale of not exceeding 365,000,000 new trust units as a part of the source of fund for the investment in the Assets in relation to the operation of the Dusit Thani Maldives hotel and/or for the operation of DREIT and/or to repay debts under the existing loan agreement of DREIT. The trust units issued and offered for sale on this occasion shall be allocated for not lower than 100 percent of the trust units to be issued and offered for sale in the capital increase of DREIT on this occasion to the existing unitholders whose names are set out in the unitholders register book (Rights Offering).

In this regard, the Board of Directors Meeting of the Company resolved to approve that the Company subscribes for the newly-issued investment units of DREIT which DREIT additionally issues and offers for sale to the existing unitholders whose names are set out in the unitholders register book in proportion to their respective unitholding (Rights Offering) on this occasion, with the approximate total value of THB 504,816,320, whereby the Board of Directors or any person designated by the Board of Directors shall be authorized to subscribe for the trust units as deemed appropriate, and undertake relevant acts with respect to this matter in accordance with the criteria and procedures for the allocation of trust units as determined and notified by the REIT Manager of DREIT. For subscription of the trust units, the Company will not subscribe for trust units in excess of its current unitholding proportion.

1.4 Details of assets to be purchased or disposed of

1.4.1 Transaction on the establishment of two subsidiaries in the Republic of Maldives in order to accommodate the entering into of the Transactions in relation to the Dusit Thani Maldives hotel Project

- (a) DMS2 will accept the transfer of the business of the Dusit Thani Maldives hotel project, including the Assets in relation to the operation of the Dusit Thani Maldives hotel from DMS, and will sublease and lease the assets in relation to the operation of the Dusit Thani Maldives hotel out to DMS3.
- (b) DMS3 will sublease and lease the Assets in relation to the operation of the Dusit Thani Maldives hotel from DMS2.

1.4.2 Transaction on the transfer of business of the Dusit Thani Maldives hotel project to DMS2 and the transaction on the sublease and lease of Assets in relation to the operation of the Dusit Thani Maldives hotel by DMS3

DMS2 will accept the transfer of the business of the Dusit Thani Maldives hotel project, located on Mudhdhoo Island in Baa Atoll, the Republic of Maldives, which commenced its operation in February 2012, including accept the transfer of the Assets in relation to the operation of the Dusit Thani Maldives hotel. The details of assets are as follows:

(a) Land

The land on which the Dusit Thani Maldives hotel project is situated is located on Mudhdhoo Island in Baa Atoll, the Republic of Maldives, of which DMS (a company incorporated under laws of Republic of Maldives) has been granted with approximately 48-year leasehold right by the government of the Republic of Maldives. Presently, the remaining lease term is approximately at 40 years and 7 months (at the date of DREIT's investment, the remaining lease term will be approximately at 40 years) with the area as per the lease agreement of approximately 116 rai 2 ngan 60 square wah.

(b) Buildings and constructions

Any buildings and constructions built on the land where the Dusit Thani Maldives hotel project is located, owned by DMS, including but not limited to 95 luxurious villas as well as the facility area, the reception area, the restaurant and pool. This shall include all systems, fixed assets, facilities and component parts of such buildings as well as any other immovable properties owned by DMS and currently used in the operation of the Dusit Thani Maldives hotel project.

(c) Moveable properties currently used in the operation of the Dusit Thani Maldives hotel project.

Details of the villas in the Dusit Thani Maldives hotel project

No.	Type of Villa	Approximate area per villa (Sq. M.)	Number of villa (Units)	Approximate total area of the villas (Sq. M.)
1.	Beach Villa	122	9	1,098
2.	Beach Villa with Pool	122	10	1,220
3.	Beach Deluxe Villa with Pool	122	17	2,074
4.	Water Villa with Pool	150	30 ⁸	4,500
5.	Ocean Villa with Pool	180	20	3,600
6.	Two Bedroom Family Beach Villa	400	5	2,000
7.	Two-Bedroom Ocean Pavilion	370	2	740
8.	Two-Bedroom Beach Residence	560	1	560
9.	Three-Bedroom Beach Residence	690	1	690
Total			95	16,482

Source: information from DMS as at 11 February 2019

In this regard, DMS2 will accept the transfer of the business of the Dusit Thani Maldives hotel project, including accept the transfer of the leasehold rights (with the remaining lease term of approximately 40 years 7 months (it is expected that the remaining lease term will be approximately 40 years as at the date

⁸ Presently, one unit of the villas is utilized as a residence for the hotel manager.

of DREIT's investment) and the ownership of the immovable properties, which include the buildings and constructions, and assets in relation to the Dusit Thani Maldives hotel project, and the Relevant Rights and Duties (including debts from the outstanding loans which DMS owes to DTPP and MBK under the loan agreement from the relevant shareholders) from DMS, and DMS3 will sublease and lease the Assets in relation to the operation of the Dusit Thani Maldives hotel for the period of 21 years and accept the transfer of the Relevant Rights and Duties (excluding debts from the outstanding loans which DMS owes to DTPP and MBK under the loan agreement from the relevant shareholders) from DMS2 in order to operate the Dusit Thani Maldives hotel.

1.4.3 Transaction on the disposal of the total shares held by DTPP in DMS2 to DREIT

After DMS has completed the sublease and lease of the Assets in relation to the operation of the Dusit Thani Maldives hotel and has accepted the transfer of the Relevant Rights and Duties from DMS2, DTPP shall dispose of the total of 97,500 shares held in DMS2 to DREIT.

- General information of DMS2 can be summarized as follows:

Company's name:	Dusit Maldives Investment Company Limited
Registered capital:	150,000 USD
at the par value of	USD 1
Shareholding:	DTPP will hold 65 percent of the total shares of DMS2 and MBK will hold 35 percent of the total shares of DMS2.
Nature of business:	DMS2 is the newly-established company in the Republic of Maldives in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives hotel project, that is, DMS2 will accept the transfer of the business of the Dusit Thani Maldives hotel project, as well as the assets used in the operation of the Dusit Thani Maldives hotel from DMS, and DMS3 will sublease and lease the assets used in the operation of the Dusit Thani Maldives hotel.

1.4.4 Transaction on the subscription for the newly-issued investment units of DREIT

The Company will subscribe for the newly-issued investment units issued and offered for sale by DREIT to the existing shareholders whose names are set out in the unitholders register book in proportion to their respective unitholding (Rights Offering), whereby the directors or any person designated by the directors shall be authorized to subscribe for the trust units as deemed appropriate, and undertake relevant acts with respect to this matter in accordance with the criteria and procedures for the allocation of trust units as determined and notified by the REIT Manager of DREIT. For subscription of the trust units, the Company will not subscribe for trust units in excess of its current unitholding proportion.

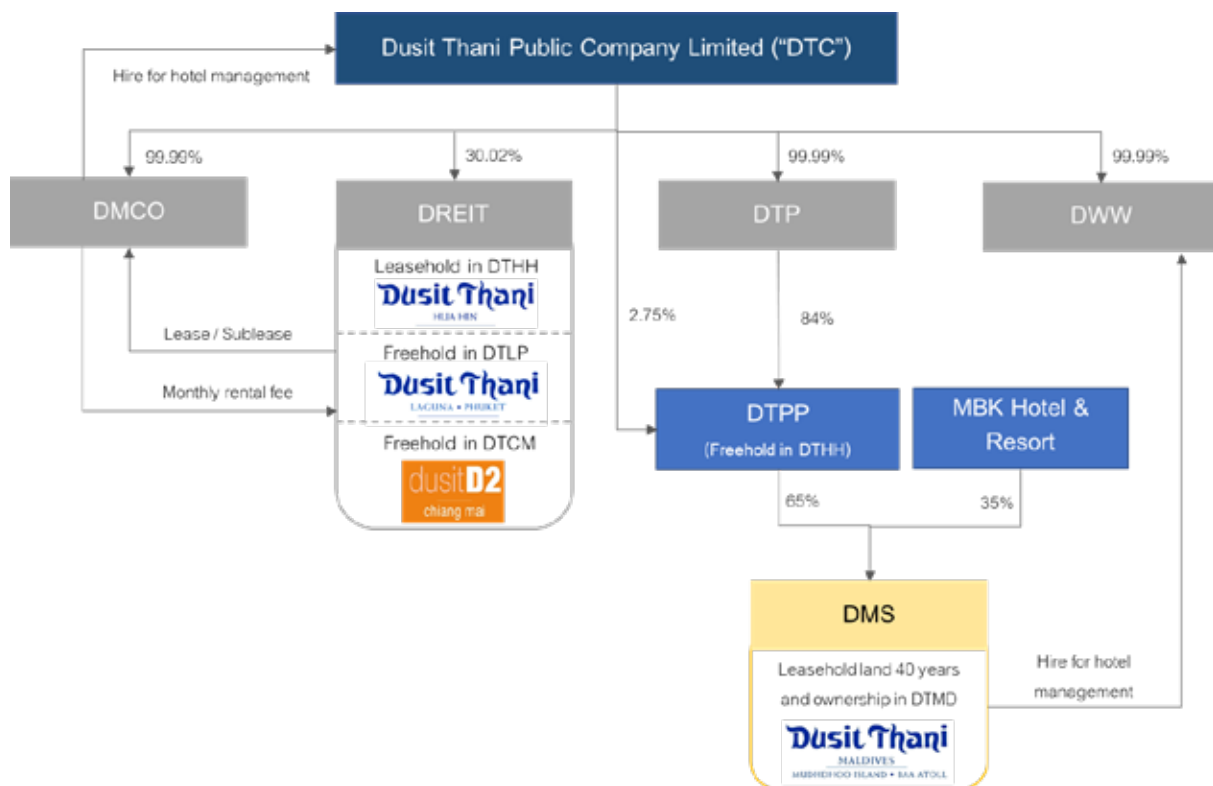
- General information of DREIT can be summarized as follows:

REIT's name:	Dusit Thani Freehold and Leasehold Real Estate Investment Trust
Registered capital:	THB 3,656,023,880, divided into 409,400,000 trust units
Paid-up registered capital:	THB 3,656,023,880, divided into 409,400,000 trust units

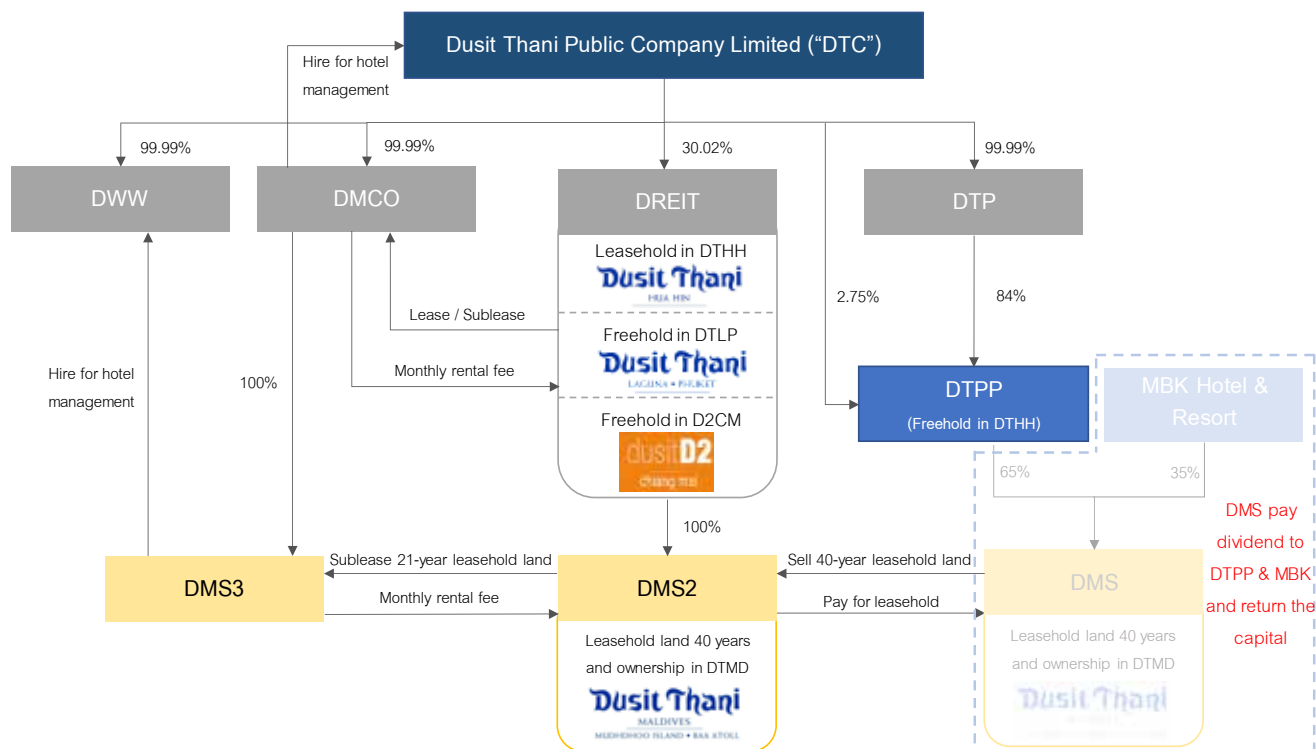
Shareholding:	As at 16 August 2018, the Company holds 122,920,000 trust units, representing 30.02 percent of the total issued and sold trust units.
Nature of business:	Property Fund and Real Estate Investment Trust with the core assets, namely Dusit Thani Laguna Phuket hotel project, Dusit Thani Hua Hin hotel project, and Dusit D2 Chiang Mai hotel project.
REIT Manager:	Dusit Thani Property REIT Company Limited
Trustee:	Krungthai Asset Management Public Company Limited

1.5 DTC's structure before and after the Transactions

DTC's structure before the transaction in relation to DTMD



DTC's structure **after** the transaction in relation to DTMD



1.6 Calculation of transaction value

1.6.1 Transaction on the establishment of two subsidiaries in the Republic of Maldives in order to accommodate the entering into of the Transactions in relation to the Dusit Thani Maldives hotel project

Comparison Basis	Calculation Procedures	Value (%) based on the audited Consolidated Financial Statements ending 31 December 2018
1. Net Tangible Asset (NTA) Basis	$\frac{\text{Net Asset Value of DMS2 and DMS3}}{\text{Net Asset Value of the Company}}$	0.08
2. Net Profit Basis	Not applicable, as it is the transaction on the incorporation of company	N/A
3. Total Value of Consideration Basis	$\frac{\text{Total Value of Shares of DMS2 and DMS3}}{\text{Total Assets of the Company}}$	0.03

Comparison Basis	Calculation Procedures	Value (%) based on the audited Consolidated Financial Statements ending 31 December 2018
4. Value of securities issued by the Company as consideration for the Acquired Assets Basis	Not applicable, as there is no issuance of new securities	N/A

1.6.2 Transaction on the sublease and lease of Assets in relation to the operation of the Dusit Thani Maldives hotel*

Comparison Basis	Calculation Procedures	Value (%) based on the audited Consolidated Financial Statements ending 31 December 2018
1. Net Tangible Asset (NTA) Basis	Not applicable, as it is the transaction on the sublease and lease of assets	N/A
2. Net Profit Basis	Not applicable, as it is the transaction on the sublease and lease of assets	N/A
3. Total Value of Consideration Basis	$\frac{\text{Total Value of Consideration to be Paid}}{\text{Total Assets of the Company}}$	14.18
4. Value of securities issued by the Company as consideration for the Acquired Assets Basis	Not applicable, as there is no issuance of new securities	N/A

Remark * Since this transaction is the restructuring of the Company's assets, in order to avoid the overlap of calculation of transaction size, the Company then has not calculated the transaction on the transfer of business of the Dusit Thani Maldives hotel project from DMS to DMS2, as this is the transaction between the subsidiaries of the Company.

1.6.3 Transaction on the disposal of the total shares held by DTPP in DMS2 to DREIT

Comparison Basis	Calculation Procedures	Value (%) based on the audited Consolidated Financial Statements ending 31 December 2018
1. Net Tangible Asset (NTA) Basis	$\frac{\text{Net Asset Value of DMS2}}{\text{Net Asset Value of the Company}}$	0.07
2. Net Profit Basis	Not applicable, as it is the transaction on the incorporation of company	N/A
3. Total Value of Consideration Basis	$\frac{\text{Total Value of Consideration Received}}{\text{Total Assets of the Company}}$	12.97*
4. Value of securities issued by the Company as consideration for the Acquired Assets Basis	Not applicable, as there is no issuance of new securities	N/A

Remark * the total size of the transaction on the transfer of business of the Dusit Thani Maldives hotel project to DREIT in the amount not less than THB 2,304,000,000 (or equivalent to USD 72,000,000).

1.6.4 Transaction on the subscription for the newly-issued investment units of DREIT

Comparison Basis	Calculation Procedures	Value (%) based on the audited Consolidated Financial Statements ending 31 December 2018
1. Net Tangible Asset (NTA) Basis	Not applicable, as it is the subscription for the newly-issued investment units in proportion to its respective unitholding	N/A
2. Net Profit from the Last Four Quarters Basis	Not applicable, as it is the subscription for the newly-issued investment units in proportion to its respective unitholding	N/A
3. Total Value of Consideration Basis	$\frac{\text{Total Value of Consideration Received}}{\text{Total Assets of the Company}}$	4.36

Comparison Basis	Calculation Procedures	Value (%) based on the audited Consolidated Financial Statements ending 31 December 2018
4. Value of securities issued by the Company as consideration for the Acquired Assets Basis	Not applicable, as there is no issuance of new securities	N/A

The entering into of the transactions in items 1.6.1, 1.6.2 and 1.6.4 above constitutes an asset acquisition transaction in accordance with the Notifications on Asset Acquisition and Disposal, having the highest transaction value of 18.57 percent, calculated based on the Total Value of Consideration basis, based on the audited Consolidated Financial Statements ending 31 December 2018. After calculating the value of all asset acquisitions which have occurred during the past six months based on the Total Value of Consideration basis, the highest transaction value is equivalent to 30.04 percent. The details are as follows:

All asset acquisition transactions which have occurred during the past 6 months (August 2018 – February 2019)	Investment Value (THB)	Transaction Value under the Total Value of Consideration Basis
The investment in LVM Holdings Pte. Ltd. (The Company disclosed the information to the Stock Exchange of Thailand on 10 September 2018)	495,000,000	4.93
The additional investment in Dusit Gourmet Co., Ltd.,	4,500,000	0.05
The investment in Epicure Catering Co., Ltd. (The Company disclosed the information to the Stock Exchange of Thailand on 22 January 2019)	613,000,000	5.43
The establishment of Dusit Hospitality Services Co., Ltd. (The Company disclosed the information to the Stock Exchange of Thailand on 18 December 2018)	1,000,000	0.01
The lease and renovation of Baan Dusit Thani	120,000,000	1.06

In addition, the entering into of the transaction in item 1.6.3 constitutes an asset disposal transaction in accordance with the Notifications on Asset Acquisition and Disposal, having the highest transaction value of 12.97 percent, calculated based on the Total Value of Consideration basis, based on the audited Consolidated Financial Statements ending 31 December 2018. The Company has not entered into any asset disposal transaction during the past six months, therefore, the highest transaction value is equivalent to 12.97 percent.

1.7 Total Value of Consideration and Value of Assets Purchased and Disposed of

1.7.1 Transaction on the establishment of two subsidiaries in the Republic of Maldives in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives hotel project

DTPP, which is a subsidiary of the Company, will establish DMS2 in the Republic of Maldives in order to accommodate the transactions in relation to the Dusit Thani Maldives hotel project, and will hold 65 percent of the total shares of DMS2. In this regard, DMS2 will become an indirect subsidiary of the Company, which has the registered capital of USD 150,000.

In addition, DMCO, which is subsidiary of the Company (in which the Company holds 99.99 percent of its total shares), will establish DMS3 in the Republic of Maldives in order to accommodate the Transactions in relation to the Dusit Thani Maldives hotel project, and will hold 100 percent of the total shares of DMS3. In this regard, DMS3 will become an indirect subsidiary of the Company, having the registered capital of USD 10,000.

1.7.2 Transaction on the transfer of business of the Dusit Thani Maldives hotel project to DMS2 and the transaction on the sublease and lease of Assets in relation to the operation of the Dusit Thani Maldives hotel by DMS3

DMS2 will accept the transfer of business of the Dusit Thani Maldives hotel project which include the Assets in relation to the operation of the Dusit Thani Maldives hotel and the Relevant Rights and Duties from DMS, with the total value of not less than THB 2,304,000,000⁹ (or equivalent to USD 72,000,000 based on the exchange rate of THB 32.00 per USD 1¹⁰) and DMS2 will make payment of consideration for the acceptance of the transfer of business to DMS on the same business day which DREIT makes payment for the purchased shares to the Company and MBK.

DMS3, as the main lessee of DMS2 (which will become a subsidiary of DREIT after the transfer of shares in DMS3 is completed) for the Assets in relation to the operation of the Dusit Thani Maldives hotel, agrees to pay the rental fees for the sublease and lease of assets to DMS2 on a monthly basis, consisting of fixed rental fee and variable rental fee. The details of rental fee are as follows:

Summary of Rental Fees

- (1) Total Income Rental
Final fixed rental fee plus the variable rental fee which will equivalent to EBITDA
– Share of Lessee or + Compensation from Lessee.

⁹ The total value is based on the value of the debt-free assets and the normalized working capital. In this regard, such total value is subject to change, dependent on the value of obligations to be accepted from the transfer, under Relevant Rights and Duties of DMS as at the date of the entering into of the transaction.

¹⁰ Please refer to footnote No. 2.

- (2) Fixed Annual Rental
Initial fixed rental fee in each year or the final fixed rental fee in each year (as the case may be) where,
- Initial Fixed Rental Fee
- Where the rental fee is reconsidered:
The higher rate between USD 7,000,000 or two-thirds of the average of the total rental fee of every previous 3 years (reconsidering the rental fee every 3 years from the year 2020).
 - Other years:
The higher rate between USD 7,000,000 or the final fixed rental fee of the previous year.
- Final Fixed Rental Fee
The higher rate between the initial fixed rental fee or two-thirds of the total income rental in such year.
- (3) Variable Rental
EBITDA, less the final fixed rental fee, less Lessee's share or plus compensation from Lessee, which will be calculated in such quarter or such year (as the case may be).
- (4) Lessee's Share or Compensation from Lessee
Lessee's Share
Only in the case where EBITDA is more than the initial fixed rental fee, whereas the Lessee's share in such quarter or such year (as the case may be) shall be equal to the lower amount between EBITDA – initial fixed rental fee or (EBITDA – USD 7,000,000) x (1-90%).
Compensation from Lessee
Only in the case where EBITDA is less than the initial fixed rental fee, whereas the Compensation from Lessee shall be equal to the initial fixed rental fee – EBITDA.
- (5) EBITDA
EBITDA = (A - B - C - D)
- A = Total revenues from the operation of hotel business (revenues with respect to the guest rooms, food and beverage, and other operations) during the quarter or during the year (as the case may be)
 - B = Total costs from the operation of hotel business (costs with respect to the guest rooms, food and beverage, and other operations) during the quarter or during the year (as the case may be)
 - C = Total selling and administrative expenses from the operation of hotel business during the quarter or during the year (as the case may be)
 - D = Total operating expenses from the operation of hotel business (building tax, hotel management fee, business interruption insurance premiums,

and public liabilities insurance premiums etc.) during the quarter or during the year (as the case may be)

In the case where the term of lease does not constitute a full calendar month or year (as the case may be), the parties shall calculate the above rental fees on a daily basis *mutatis mutandis*.

1.7.3 Transaction on the disposal of the total shares held by DTPP in DMS2 to DREIT

DREIT will make full payment of share price in cash, representing the total value of not exceeding THB 3,120,000 (or equivalent to USD 97,500¹¹ based on the exchange rate at THB 32.00 per USD 1, which is the exchange rate jointly agreed by DTPP, MBK, Dusit Thani Properties REIT Company Limited (as the REIT Manager of DREIT) and DREIT) to DTPP on the date on which the share purchase is completed on one occasion.

In addition, DREIT will provide the loan to DMS2 after DREIT has purchased the shares in DMS2 from DTPP and MBK, to repay debts from the outstanding loans which DMS owes to DTPP and MBK and to pay the consideration for the acceptance of the business of the Dusit Thani Maldives hotel project.

1.7.4 Transaction on the subscription for the newly-issued investment units of DREIT

The Company will subscribe for the newly-issued investment units of DREIT in proportion not more than the investment units previously held by the Company in DREIT, with the approximate total value of THB 504,816,320, and will make payment of the subscription price on one occasion to DREIT. The subscription price per unit, subscription, and other relevant details shall be as determined and notified by the REIT Manager.

1.8 Criteria used in calculating the value of consideration

1.8.1 Transaction on the establishment of two subsidiaries in the Republic of Maldives in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives hotel project

The determination of the value of consideration for the establishment of DMS2 and DMS3 is calculated based on the value of the registered capital of each company.

1.8.2 Transaction on the transfer of business of the Dusit Thani Maldives hotel project to DMS2 and the transaction on the sublease and lease of Assets in relation to the operation of the Dusit Thani Maldives hotel by DMS3

The determination of the value of consideration for the value of Dusit Thani Maldives hotel project is calculated based on the appraisal value received from the independent appraiser, namely JLL (Thailand) Co., Ltd., which calculated with the Discounted Cash Flow method, having the appraisal value of USD 72,000,000.

¹¹ Based on DTPP's shareholding proportion of 65 percent in DMS2, at the total registered capital of not exceeding USD 150,000.

The determination of the value of consideration for the investment value of the transaction on the sublease and lease of Assets in relation to the operation of the Dusit Thani Maldives hotel is calculated based on the performance in the past, as well as the return rate and risk to be received by DMS3.

1.8.3 Transaction on the disposal of the total shares held by DTPP in DMS2 to DREIT

The determination of the value of consideration for the total shares in DMS2 held by DTPP is calculated based on the par value of the paid-up registered capital of DMS2, together with the value of Dusit Thani Maldives hotel project transferred by DMS to DMS2, whereby DREIT will provide the loan to DMS2 to repay debts from the outstanding loans which DMS owes to DTPP and MBK, and to pay the consideration for the acceptance of the business of the Dusit Thani Maldives hotel project.

1.8.4 Transaction on the subscription for the newly-issued investment units of DREIT

The value of not exceeding 365,000,000 newly-issued investment units of DREIT to be additionally issued and offered for sale shall be calculated based on the asset appraisal value assessed by the independent appraisers in accordance with the criteria of the SEC Office, and shall take into consideration other relevant factors: (1) conditions of the capital market during the offer for sale of the trust units; (2) the appropriate rate of return for the investors; (3) the commerciality of the assets; (4) interest rates, both domestically and in the global market; (5) the exchange rate between Thai Baht currency and the relevant currency, such as US Dollar; (6) the rate of return to be received from the investment in equity instruments, debt instruments, and other investment options; and (7) results from the survey of demands of institutional investors (Book Building).

1.9 Expected benefits of the transaction

The restructuring of Company's assets by means of entering into the transactions in relation to the Dusit Thani Maldives hotel project would be the chance to raise fund for expanding and operating the business of the Company, which will help the Company to create consistent revenues and to be able to manager its assets to the utmost benefits. In addition, the sublease and lease of assets shall generate the revenues for the Company as the Hotel Manager of the Dusit Thani Maldives hotel because DMS3 will engage Dusit Worldwide Company Limited (which is a subsidiary of the Company) to be the asset management company for the Dusit Thani Maldives hotel project. Dusit Worldwide Company Limited is a business operator with long experience and expertise in the hotel management.

1.10 Source of Funds

In entering into the transaction on the sublease and lease of Assets in relation to the operation of the Dusit Thani Maldives hotel, and the subscription of the newly-issued investment units of DREIT, the Company shall use the source of funds from bills with maturity not exceeding 180 days and/or loans obtained from 2 Banks with the interest rate at 2.20%-2.80% , upon the conditions of the Banks as well as cash flow within the Company and/or shall procure other sources of funds as necessary and appropriate, such as procurement of loans from financial institutions or issuance and offer for sale of debentures, etc.

1.11 Use of Proceeds Plan

The Company may receive indirect benefits from the disposal of the total shares in DMS2 by DTPP to DREIT in the form of dividends which are used for working capital of the Company and/or expanding the investment of the company group's business

1.12 Opinions of the Board of Directors on the entering into of the transaction

After due consideration, the Board of Directors was of the view that the entering into such transaction would be the chance to raise fund for expanding the Company's business which will create return and value added to the Company and shareholders in the long term.

1.13 Opinions of the Audit Committee and/or directors of the Company which are different from those of the Board of Directors in item 1.12

No directors provide opinions which are different from those of the Board of Directors as specified in Item 1.12

2. Responsibility of the Board of Directors with respect to the information set out in documents delivered to the shareholders

The Board of Directors authorized the Board of Directors or Chairman of the Executive Directors or Group Chief Executive Officer, to undertake any act relevant to the transactions in relation to the Dusit Thano Maldives hotel project, including the preparation of this Information Memorandum. The Board of Directors has verified the information contained herein with prudence and hereby certifies that the information in this Information Memorandum is complete, comprises no false statement, contains no misleading statements or omission of notification of any facts that are material.

3. Qualifications of the independent financial advisor appointed to provide opinion on the entering into the transaction

3.1 Qualifications of Independent Financial Advisor

Baker Tilly Corporate Advisory Services (Thailand) Limited has been appointed as the Independent Financial Advisor to give its opinion to the shareholders of the Company on the rationale and benefits of the entry into the asset acquisition and disposal transactions of the Company. Baker Tilly Corporate Advisory Services (Thailand) Limited is a financial advisor recognized by the SEC Office; it does not hold any share in the Company or its subsidiary; does not have any other relationship with the Company or its subsidiary; and agrees to disclose the report of its opinion.

3.2 Opinion of Independent Financial Advisor

Please consider the Report of Independent Financial Advisor on the entering into of the asset acquisition and disposal transactions of the Company dated 29 March 2019, attached with the notice calling the Annual General Meeting of Shareholders No. 26/2019 (Attachment No. 6).

4. Indebtedness of the Company

The indebtedness of the Company can be detailed as follows:

4.1 Total amount of debt instruments having been issued and those not having been issued pursuant to the resolution of the shareholders meeting which authorises the Board of Directors of the listed company to consider issuing them for sale as it deems appropriate

4.1.1 The debt instruments which have been offered for sale:

As at 31 December 2018, the Company has issued and offered for sale the debentures as per the following details:

1) Debentures of the Company No. 1/2018 Due 2021

Type of Debenture	:	Unsubordinated and Unsecured Debentures with a Debentureholders' Representative in the Name-Registered Certificate
Placement type	:	Placement to institutional investors and high net worth investors (II&HNW)
Term of Debenture	:	3 years from the issuing date
Total Value of Debentures	:	THB1 ,000,000, 000
Amount of Offered Debenture	:	1,000, 000units
Par value	:	THB 1,000
Offering Price per Unit	:	THB 1,000
Issuing Date	:	13 September 2018
Maturity Date	:	13 September 2021
Interest Rate	:	Fixed rate at 3.50 % per year for the entire term of the Debenture
Repayment of Principal	:	One time repayment on the maturity date
Interest payment	:	Payment of Debenture Payment will be made every 6 (six) month on 13 March and 13 September for the entire term of the Debenture
Registrar and Debentureholders' Representative	:	Bank of Ayudhya Public Company Limited
Credit Rating	:	“BBB+ ”by TRIS Rating Co., Ltd.

4.1.2 Debt instrument not having been issued

The Company has unissued debentures at the amount of not exceeding Baht 4,000 million or equivalent in any other currency (pursuant to the resolution of the Annual General Meeting of Shareholders No. 25/2018).

4.2 Total balance of term loans

As of 31 December 2018, the Company and subsidiaries have term loans from financial institutions in the amount of THB 769 million. The Company has guaranteed such loan of a subsidiary in overseas in the amount not exceeding USD 29.25 million (or approximately THB 949 million). The subsidiary also has loan from other party in the amount of THB 73 million.

4.3 Total balance of other liabilities

As of 31 December 2018, the Company and subsidiaries have bank overdrafts and short-term loans from financial institutions in the amount of THB 167 million.

4.4 Contingent liabilities

As of 31 December 2018, the Company and subsidiaries have capital commitments – hotel renovation totaling THB 379 million.

5. Information of the Company

5.1 General Information of the Company

Company Name	Dusit Thani Public Company Limited
Address	No. 319 Chamchuri Square Building, 29th Floor, Phyathai Road, Pathumwan Bangkok 10330
Telephone No.	02-200-9999
Registered Capital	THB 850,000,000
Paid-up Capital	THB 850,000,000, divided into 850,000,000 shares

5.2 Information of nature of business operations and business trends of the Company, its subsidiaries, and its affiliates

5.2.1 Nature of business operations of the Company, its subsidiaries, and its affiliates

The Company is engaged in hospitality services which include the operations of owned hotels, providing hotel management services under trademark licensing of “Dusit Thani”. The Company also engages in education business, Mix-Used Property Development Project and other businesses. Details of which are as follows:

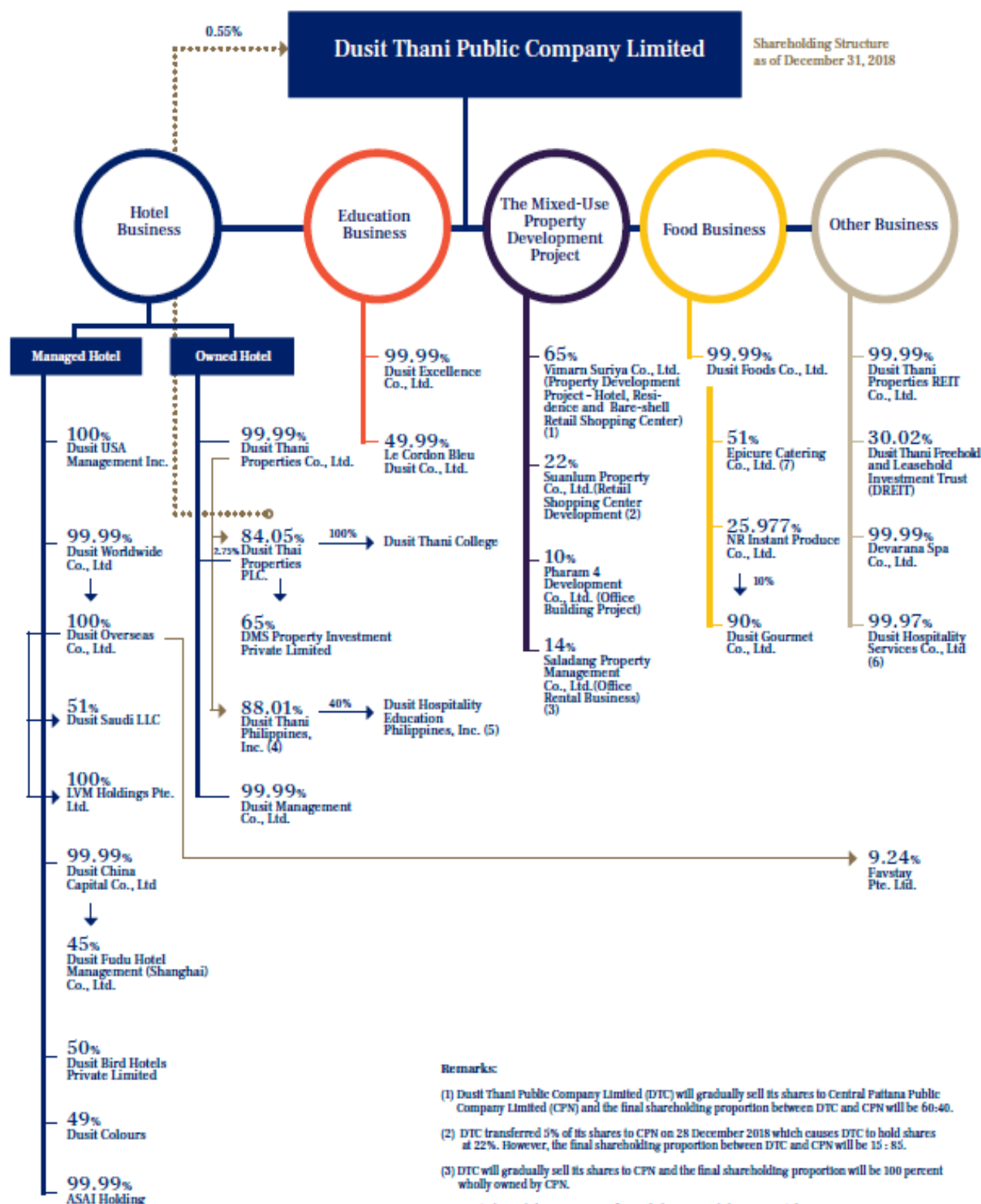
Company	Nature of Operations
Hotel and Hotel Management Business	
Dusit Thani Public Company Limited	<ul style="list-style-type: none"> - Owns hotel brands “Dusit Thani”, “Dusit Devarana”, “dusitD2”, “Dusit Princess”, “Dusit Residence” and “ASAI HOTELS” - Owns spa brands “Devarana Spa”, “Namm Spa”, “DVN Spa”, “d v n urban” and “dvn” - Owns and operates hotels; Dusit Thani Bangkok, Dusit Thani Pattaya and Asai Sathorn* - Manages 5 hotels under its subsidiaries in Thailand; (1) Dusit Thani Laguna Phuket, (2) dusitD2 Chiang Mai and (3) Dusit Thani Hua Hin. All three hotels are managed under Dusit Management Co., Ltd., (4) Dusit Princess Srinakarin and (5) Dusit Princess Chiang Mai. All two hotels are managed under Dusit Thai Properties Public Company Limited. - Manages hotels in Thailand and overseas; dusitD2 Khaoyai, dusitD2 Aonang Krabi, and Dusit Laguna Villa Resort Phuket* Grants trademark and license to 2 hotels; Dusit Thani Krabi Beach Resort and Dusit Princess Moonrise Beach Resort Phu Quoc, Vietnam <p>Remark * will be operated in the future</p>
Dusit Thani Philippines, Inc. (Formerly known as Philippine Hoteliers, Inc.)	<ul style="list-style-type: none"> - Owns one hotel in the Philippines; Dusit Thani Manila which is managed by Dusit Worldwide Co., Ltd. - Manages 4 hotels; Dusit Princess Lipa City*, Asai Cebu City*, Asai Mactan Cebu* and Asai Oslob Cebu* <p>Remark * will be operated in the future</p>
Dusit Thai Properties Public Company Limited	<ul style="list-style-type: none"> - On April 1, 2009, Royal Princess Public Company Limited and Dusit Hotels and Resorts Company Limited were merged as Dusit Thai Properties Public Company Limited. - Owns brand “Royal Princess”. - Owns land and hotel building of Dusit Thani Hua Hin. - Owns Dusit Princess Chiang Mai, Dusit Princess Srinakarin - Grants trademark and license to 2 hotels; Pathumwan Princess Hotel and Royal Princess Larn Luang.

Company	Nature of Operations
Dusit Overseas Co., Ltd.	<ul style="list-style-type: none"> - Manage hotels 6 hotels in overseas; Dusit Thani Abu Dhabi, Dusit Thani Dubai, Dusit Thani Lakeview Cairo and dusitD2 Nairobi, dusitD2 Thimphu Bhutan, Asai Yangon* - Grants trademark and license to dusitD2 Kenz <p>Remark *will be operated in the future</p>
Dusit Management Co., Ltd.	<ul style="list-style-type: none"> - An established juristic person for hotel operation for Dusit Thani Laguna Phuket, dusitD2 Chiang Mai and Dusit Thani Hua Hin to support the property management of Dusit Thani Freehold and Leasehold Real Estate Investment Trust.
DMS Property Investment Private Limited	<ul style="list-style-type: none"> - Owns Dusit Thani Maldives, which is under management agreement with Dusit Worldwide Co., Ltd.
Dusit USA Management, Inc.	<ul style="list-style-type: none"> - A juristic person which is registered in Delaware, U.S.A. for hotel management business in U.S.A. - Manages Dusit Thani Guam.
Dusit Fudu Hotel Management (Shanghai) Co., Ltd.	<ul style="list-style-type: none"> - Manages hotels in the Republic of China; dusitD2 Fudu Binhu Changzhou, Dusit Thani Fudu Qingfeng Changzhou, Dusit Thani Dongtai, Jiangsu, Dusit Devarana Hot Spring and Spa Conghua Guangzhou, Heritage Villa Zhouzhuang managed by Dusit and dusitD2 Society Hill Tianjin
Dusit Bird Hotels Private Limited	<ul style="list-style-type: none"> - A Joint Venture company between Dusit Thani Public Company Limited and Bird Hospitality Services Private Limited (India) for hotel management in India. - Due to different strategic investment plan between the Company and Bird Hospitality Services Private Limited (India), in 2016, both companies mutually agreed to close down their joint venture and it has been underway. - The Board of Director Meeting of Dusit Thani Public Company Limited No. 5/2018 held on 23 March 2018 approved the sale of investment of Dusit Bird Hotels Private Limited amounting 1,430,000 shares equal to 50% of a total registered and sold shares of Dusit Bird Hotels Private Limited.
Dusit Saudi LLC	<ul style="list-style-type: none"> - A Joint Venture company between Dusit Overseas Company Limited and Dyar Hotels and Resorts Limited for hotel management in Saudi Arabia, the Middle East and North Africa.

Company	Nature of Operations
Dusit Worldwide Co., Ltd.	<ul style="list-style-type: none"> - The group's regional operating headquarters provides hotel management services to the foreign companies such as Dusit Thani Manila and Dusit Thani Maldives and the hotels under the management of Dusit Overseas Co., Ltd. - Provides the marketing services to the hotels in Thailand and overseas for the affiliated companies.
Dusit China Capital Co., Ltd.	<ul style="list-style-type: none"> - Holds shares in Dusit Fudu Hotel Management (Shanghai) Co., Ltd.
Dusit Thani Properties Co., Ltd. (Formerly known as Dusit Thani International Co., Ltd.)	<ul style="list-style-type: none"> - Invests in other companies
Dusit Colours Co., Ltd.	<ul style="list-style-type: none"> - Provides the technical management consultancy related to hotel, serviced apartment, property, restaurant, spa, and other related businesses as a rented franchise and/or owns its business in Japan.
ASAI Holdings Co., Ltd.	<ul style="list-style-type: none"> - Provides hotel services, hotel management business and invests in other businesses.
LVM Holdings Pte Ltd.	<ul style="list-style-type: none"> - Invests in other companies engaging in the business of marketing, booking and full-service management of luxury villas under Elite Havens brand in Thailand and other countries.
Education Business	
Dusit Thani College	<ul style="list-style-type: none"> - An educational institution offering courses in hotel management and administration.
Dusit Thani Excellence Center	<ul style="list-style-type: none"> - A center of extension that introduces of the curriculum and knowledge of Dusit Thani College combined with the actual experience of the hotel and culinary business of the Dusit Thani Group in order to maximize the wide benefits by opening a short-term training course
Le Cordon Bleu Dusit Co., Ltd.	<ul style="list-style-type: none"> - A French style culinary school
Dusit Hospitality Management College under the management of Dusit Hospitality Education Philippines, Inc.	<ul style="list-style-type: none"> - Operates an educational business in the Philippines.

Company	Nature of Operations
Dusit Excellence Co., Ltd. (Former known as Dusit Thani Hotel Studies Co., Ltd.)	- Operates rental properties
Property Development Project Business	
Vimarn Suriya Co., Ltd.	- Operates property development business, hotels, residences and constructions and shopping complex
Suanlum Property Co., Ltd.	- Operates shopping complex development business.
Phraram 4 Development Co., Ltd.	- Operates office building development business.
Saladang Property Management Co., Ltd.	- Operates rental office business.
Food Business	
Dusit Foods Co., Ltd.	- Invests in other companies
Dusit Gourmet Co., Ltd.	- Provides marketing to food products under Dusit brand
Epicure Catering Co., Ltd.	- Provides services in foods and beverages
NR Instant Produce Co., Ltd.	- Manufactures and distributes seasonings and instant food products
Other related businesses	
Dusit Thani Public Company Limited	- Owns and operates the office building for rent named Dusit Thani Building
Devarana Spa Co., Ltd.	- Operates spa business
Dusit Thani Freehold and Leasehold Real Estate Investment Trust (DREIT) (Formerly known as Dusit Thani Freehold and Leasehold Property Fund (DTCPF))	<ul style="list-style-type: none"> - The properties of Dusit Thani Freehold and Leasehold Property Fund (DTCPF), the owner of Dusit Thani Laguna Phuket project, dusitD2 Chiang Mai Project, Leasehold of Dusit Thani Hua Hin project have been transferred to Dusit Thani Freehold Real Estate Investment Trust (DREIT), which its shares are held by the Company at 30.02% - Owns 2 hotels; Dusit Thani Laguna Phuket and dusitD2 Chiang Mai. - Owns a leasehold at Dusit Thani Hua Hin.
Dusit Thani Properties REIT Co., Ltd.	- The REIT Manager of trust.
Dusit Hospitality Services Co., Ltd.	- Provides hospitality services such as outside catering, cleaning service, restaurant, hotel pre-opening.

5.2.2 Shareholding Structure of the group companies as of 31 December 2018



Remarks:

- (1) Dusit Thani Public Company Limited (DTC) will gradually sell its shares to Central Pattana Public Company Limited (CPN) and the final shareholding proportion between DTC and CPN will be 60:40.
- (2) DTC transferred 5% of its shares to CPN on 28 December 2018 which causes DTC to hold shares at 22%. However, the final shareholding proportion between DTC and CPN will be 15 : 85.
- (3) DTC will gradually sell its shares to CPN and the final shareholding proportion will be 100 percent wholly owned by CPN.
- (4) Dusit Thani Philippines, Inc. is formerly known as Philippines Hoteliers, Inc.
- (5) Dusit Hospitality Education Philippines, Inc. is formerly known as Philippines Hoteliers International Center for Hospitality Education, Inc.
- (6) Dusit Hospitality Services Co., Ltd. was registered on 8 January 2019.
- (7) The first investment was 51% in January 2019. The second investment will be 19% in early 2020.

5.3 Summary of financial information, as well as the explanation and analysis of financial conditions and operating results for the past years

5.3.1 Summary of financial conditions and the operating results for the years 2016–2018

	Year 2016	Year 2017	Year 2018
Financial position (in Thousand Baht)			
Total assets	9,032,977	9,979,866	11,573,046
Total liabilities	3,678,888	4,099,149	5,494,911
Equity - the Company	4,588,981	4,823,537	4,970,782
Performance (in Thousand Baht)			
Total revenues	5,425,132	5,569,666	5,564,767
Revenues from sales and services	4,974,352	4,722,927	4,632,682
Cost of sales and services	2,915,209	2,801,253	2,745,836
Depreciation and amortization	661,689	592,048	462,478
Total expenses	1,706,870	1,765,095	1,920,510
Net profit - the Company	114,121	267,038	289,838
Net profit	152,915	332,369	350,256
Ratios per share ^{1/} (Baht)			
Net profit - the Company	0.14	0.32	0.34
Dividend	0.10	0.16	0.17
Book value	5.43	5.71	5.88
Number of shares (million shares)	850.00	850.00	850.00
Financial ratios (%)			
Net profit margin	2.10	4.79	5.21
Return on equity	2.49	5.67	5.92
Return on assets	2.33	4.94	4.65
Leverage ratio			
Interest-bearing debt to equity ratio (times)	0.37	0.35	0.40
Debt to Equity Ratio (times)	0.80	0.85	1.11
Interest coverage ratio (times)	14.66	14.51	14.01

5.3.2 Performance

Operation Result by Business

In FY2018, the Company reported the total revenue of THB 5,565 million, same level as FY2017, detailed as follows:

Unit: THB mn	Revenue breakdown				EBITDA breakdown			
	FY18	FY17	Change		FY18	FY17	Change	
Hotel business	4,626	4,590	36	0.8%	894	852	42	4.9%
Education business	425	442	-17	-3.8%	43	50	-7	-14.0%
Others	514	538	-24	-4.5%	62	197	-135	-68.5%
Total	5,565	5,570	-5	-0.1%	1,000	1,099	-99	-9.0%

Hotel Business, Education Business and Other Business accounted for 83.2%, 7.6% and 9.2% of total revenue, respectively.

Hotel Business

In FY2018, Revenue from Hotel Business was THB 4,626 million, in the same level as FY2017.

• Owned Hotels

	FY18	FY17	% Change
Occupancy %	77.1%	73.3%	5.1%
ADR (THB/night)	3,548	3,597	-1.4%
RevPar (THB/night)	2,734	2,636	3.7%

Remark: Hotel statistics exclude Dusit Princess Korat (“DPKO”) for comparative purpose

Owned Hotels reported revenue in FY2018 of THB 4,364 million, slightly decreased of 0.6 yoy, excluding Dusit Princess Korat owned hotels increased by 1.4%.

- Revenue from Owned Hotels in Thailand, excluding Dusit Princess Korat Hotel, decreased by 0.5% yoy. The growth was mainly driven by an increase in revenue from Dusit Thani Laguna Phuket, Dusit Princess Srinakarin and Dusit Thani Huahin resulting from higher occupancy rate.
- Revenue from Overseas Hotels was up by 5.3% yoy despite an adverse impact on the translated financial statements from foreign currency exchange due to Thai Baht appreciate against US Dollars and Philippines Peso since the beginning of the year. Dusit Thani Maldives Hotel reported an increase in revenue driven by higher average room rate per night (in USD currency) and higher occupancy rate from the main source countries: China, Russian and Korea. Dusit Thani Manila Hotel reported 9.1% revenue growth (in Peso currency) driven by an expanding room inventory after the completion of hotel renovation.

- **Hotel Management**

Revenue from Hotel Management in FY2018 was THB 277 million, an increase of 27.7% yoy, from revenue from Elite Heaven and a stronger operational performance of Dusit Thani LakeView Cairo, Dusit D2 Hotel Khao Yai and Dusit D2 Nairobi Hotel.

- **Share of Losses from Investment**

Share of losses from investment for FY2018 was THB 15 million, a lower loss of THB 2 million from FY2017. This was due to operational performance of Dusit Fudu Hotel Management (Shanghai) Company Limited in China which mainly from technician service income 36% of total revenues. FY2018 Dusit FUDU was signed 5 more technician service agreement from 2017.

EBITDA of Hotel Business in FY2018 was THB 894 million, an increase of 4.9% from FY2017 mainly from increase of revenue and reduce of loss sharing from investment.

Depreciation and Amortization in FY2018 was THB 416 million, a decrease of 22.4% from that in FY2017, as some assets under Dusit Thani Bangkok Hotel and Dusit Thani Pattaya Hotel have been fully depreciated. In addition, this was due to a decrease in depreciation expenses from Dusit Princess Korat as a result of the asset disposal in late 2017.

Education Business

FY2018, the total revenue from Education Business including share of profit from investment was THB 425 million, falling by 3.8% yoy, owing to a decrease in revenue from Dusit Thani College and the increase in share of losses from investment in Dusit Hospitality Education Philippines Inc. from increase in personnel cost in preparation for new college opening in 2019.

EBITDA of Education Business was THB 43 million, declining by 14.0% yoy.

Other Businesses

FY2018, revenue from Other Businesses was THB 514 million decreased by 4.5% yoy, contributed by the difference of FY2017 THB 90 million of lease right assignment fee, THB 325 million gain on sales Dusit Princess Korat while FY2018 THB 169 million gain on sales of long-term investment which was invested in 1Q18, THB 38 million gain on sales of investment in LRH in 2Q18, THB 160 million gain on sales of investment and an increase in share of profits from an investment in DREIT and Food Business.

EBITDA from Other Businesses was THB 62 million decreased by 68.5%, mainly attributable to the aforesaid drivers.

Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)

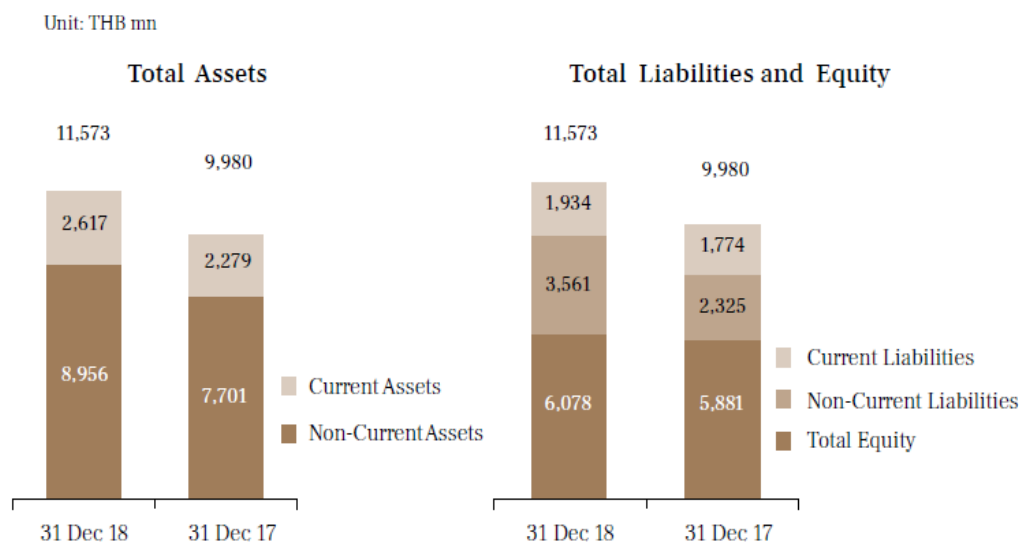
FY2018 EBITDA was THB 1,000 million, decreased of 9.0% yoy. This was mainly contributed by gain on sales Dusit Thani Korat and assignment fee in FY2017 despite sales of investment FY2018.

Finance Cost

The Company reported Finance Cost of THB 65 million, increased by 10.1% yoy, due to interest from debenture which issued on Q3 of 2018.

Net Profit

FY2018, the Company reported net profit of THB 290 million, increase by THB 23 million or 8.6% yoy.



Assets

As of 31 December 2018, the Company reported total assets of THB 11,573 million, an increase of THB 1,593 million or 16.0% from 31 December 2017.

- Current assets increased by THB 338 million due to an increase in account receivables and advance to villa owner
- Non-current assets increased by THB 1,255 million mainly from an increase of investment in associate NRIP and investment in subsidiaries, LVM Holdings Pte. Ltd. under intangible assets, trademarks and goodwill.

Liabilities

As of 31 December 2018, the Company reported total liabilities of THB 5,495 million, an increase of THB 1,397 million or 34.1% from 31 December 2017.

- Current Liabilities increased by THB160 million due to employee benefit obligation, trade payable, other payable and acquisition payable which due on next year offset with repayment of loan repayment.
- Non-Current Liabilities increased by THB 1,236 million, mainly from bond issuance in September 2018 and deposit received for building lease, following an agreement for the development of mix-used project.

Shareholders' Equity

As of 31 December 2018, Shareholders' Equity was THB 6,078 million, an increase of 3.3% from 31 December 2017, consisting of the equity attributed to owners of the parent of THB 4,971 million, and the non-controlling interest of THB 1,107 million.

5.3.3 Risk Factors which may affect Profits of the Company

The Company has, throughout 2018, continued to manage risks via its established structure. However, there can still be other unprecedented risks or those deemed unlikely to materialize in the near future. Therefore, all risk information described herein this report is not exhaustive. Investors should also be aware of such unidentified risks and their potential impacts. A due consideration should also be given prior to arriving at any investment decision.

Strategic Risk

In line with its intention to ensure the sustainable growth of the Company and its subsidiaries, the organization's long-term strategies have been established with an emphasis on balancing, diversifying and expending businesses. However, the success of such strategies depends on several business environments—both internal and external factors—which are unprecedented and uncontrollable. Consequently, the Company is exposed to the risks of not being able to achieve the intended strategies which can be caused by:

- **Risk from Revenue Reliance on Hotel Business**

The Company's revenue are mainly contributed from its hotel business; while other businesses generate additional revenue at a lesser amount. In 2018, the revenue from hotel business accounts for 83.13% of the total revenues; whereas those of education and other businesses account for 7.64% and 9.23% respectively. Therefore, the Company's ability to generate revenues and profits may vary according to the health of its hotel business which is extremely volatile to economic, political and social uncertainties.

To cope with such risk, the Company has, since 2016, formed Investment and New Business Department to diversify and expand the Company's portfolio to other potential businesses. Dusit Food, for instance, was established in 2018 to leverage Dusit's food and beverage business.

As for the hotel business, the Company has still embarked on increasing its hotel management services overseas especially in those promising regions, Middle East—United Arab Emirates, Eastern Asia—China, South Asia—India, including Europe and Africa, all of which are deemed major emerging markets with high purchasing power and potential growth. This will also help ensure a proper balance of revenue streams which are currently dominated by domestic hotels.

- **Risk from Hotel Management Service**

The Company has continuously expended its hotel management service in both domestic and overseas locations under the management agreement terms of 5-15 years. Therefore, the Company and its subsidiaries are inclined to encounter with the risks caused by the premature cancellation of the agreement, the denial to renew the management contract or changes in related rules and regulations, which will impact the Company's gross revenues.

In 2017 and 2018, the Company and its subsidiaries earned 3.18% and 3.99% of the total revenue from hotel management service. However, in response to this risk, the Company has leveraged its management standards—ranging from sales & marketing, operations, human resources and information technology—to ensure its work efficiency, to enhance competitiveness and to strengthen the brand recognition worldwide. Continuous efforts have also been put in nurturing a positive relationship with hotel owners. In addition, the Company and its subsidiaries have carefully considered adding new terms and conditions of the management agreement in order to reduce the impact from such risks

- **Risk from New Investment Projects**

Besides its hotel and education business expansion plan, the Company intends to venture into new businesses inside and outside Thailand. Therefore, the Company is exposed to various risks which are inherent to new business development projects—such as, not being able to find a new business/project in a desired location, project delay, joint venture risk or lower-than-expected return on investment. In addition, a considerable number of factors—be it economic, societal, political, competitive, consumer behavioral change and regulatory complexity—can affect the success of new projects. This includes the level of the Company's expertise in managing new businesses.

Nevertheless, to mitigate such risks, the Company has developed prudent investment criteria. Feasibility studies for each project are conducted by external investment experts. Furthermore, the Company has established its own Investment & New Business Department to be in charge of new business development which is led by seasoned management team. Nevertheless, exit strategy is also developed as a contingency plan.

- **Risk from high competition**

Inarguably, Thailand's hospitality and service industry has, in recent years, seen the increasingly high competition from both domestic and overseas hotel brands. Furthermore, the Company has also competed with international hotel chains, whose competitive advantages have been strengthened by acquiring or merging with their peer competitors. In addition, the already-intensifying competition has been aggravated by a variety of alternative accommodations—Airbnb, Timeshare Rental, Serviced Apartment and Homestay, for instance—which are gaining more popularity due to their price and flexibility to accommodate the need of customers. The dramatic

growth of Online Travel Agents, Agoda, Booking.com and Expedia has, likewise, affected the Company's market shares.

In response to such risks, the Company has placed great emphasis on accentuating its competitive advantages as being a pioneer of Thai centric 5-star hotels in the country. However, in order to remain competitive in the market, the Company has been renovating its hotel facilities on a regular basis. In terms of sales and marketing, regional offices have been opened in different locations, e.g., India, China, Hong Kong and Germany, to increase distribution channels as well as to enhance Dusit brand awareness. The company has also joined hand with well-known business partners and developed its customer loyalty program to understand—so that can retain—customers, all of which are to help enhancing the Company's competitiveness.

- **Technology risk**

In nowadays markets, technology utilization in business plays a vital role in differentiating an organization from its competitors. Hospitality industry, likewise, cannot escape from this mobilization to survive in the fierce market. It can be seen that international hotel chains have put efforts in applying or introducing new technologies to reduce work process as well as to enhance customer experiences.

Therefore, the Company is exposed to the risk of not being able to utilize new technologies in a timely manner, resulting in the loss of opportunity or competitive advantage. This risk also includes the chance of choosing technologies that do not fit with the size or the need of the Company.

To mitigate such risks, the Company has developed IT Strategic Plan to support technological needs and leverage technological resources in order to achieve the Company's future goals. Moreover, an experienced management team is employed to analyze customer needs and behavior to develop IT programs that suit the nature of business. IT Committee was also established to ensure that all IT acquisitions will best serve the company and customers.

- **Risk from economic, political natural disaster and terrorism**

Hospitality industry is considered one of the most vulnerable businesses to external factors—economic recession, political uncertainty, natural disaster, terrorism, for instance—all of which are unpredictable and can impose detrimental impact to the Company. In order to minimize the impact, the Company has executed several mitigation strategies/plans as follows:

- Balancing business portfolio by diversifying its revenue streams via different business units—Hotel, Education Dusit Foods—for example;
- Expanding business location to other potential countries, especially in those promising regions such as Asia Pacific, Middle East, Europe and United States;
- Continuously expending its hotel management service to the locations with high potential and purchasing power both domestic and overseas locations;
- Putting into place business contingency plan and business continuity plan to address the unexpected to ensure business resilience and continuity in a timely

manner;

- Purchasing multiple insurance plans—Industry All Risks, Political Violence and Business Interruption, for instance—to minimize business loss.

Operational Risks

The Company and its subsidiaries has continuously improved its working system and procedures to ensure the highest degree of efficiency in line with the Company's expansion. Nevertheless, the Company is exposed to the risk of not being able to execute such procedures due to various factors as follows:

- **Risk of Recruiting and Retaining Talents**

Owing to the country's increasing demand of manpower in hospitality industry coupled with the Company's strategy to expand its hotel management service, the Company is exposed to the risk of recruiting and retaining qualified talents—both managerial and operational level—to accommodate the growth of the Company. Furthermore, as talent markets around the globe have become aggressive, the chance of the Company to lose its experienced and skillful talents over competitors is higher.

To mitigate the foreseen risks related to manpower demand, the Company has conducted a manpower need analysis and implemented Employee Development Plan as well as Succession Plan to accommodate the Company's future expansion within the specified timeframe. Besides, in order to be competitive in the labor market, salary and benefit surveys are conducted in comparison to those of competitors to review and adjust the company's salary structure on a regular basis. However, the Company has employed executives from well-known international and local hotel chains to leverage the Company's ability to compete in an international level.

- **Information Technology Risk**

The Company has a policy to collect and store customer information to be utilized for service improvement and to support decision making related to various operations. In addition, the Company has also invested in IT operating systems to help enhance the effectiveness of internal administration. Consequently, the Company is exposed to the risk of data breach or system interruption—either by natural catastrophe, system errors or manmade disasters.

To mitigate the aforementioned risks, the Company has timely backed up critical data and stored them offsite (Offsite Data Backup). Business Contingency Plan and Data Recovery Plan were developed and communicated to all concerned for practice. Besides, the Company has purchased—and therefore is insured under—Cyber Insurance to reduce the impact of loss caused by possible cybercrime.

Financial Risks

In response to its business expansion plan, it is vital that the Company's financial resources are sufficiently optimized and leveraged to ensure a balance between investments and returns as well as an ability to compete. However, in order to seek or increase its financial capital, the Company is exposed to financial risks as follows:

- **Interest Rate Risk**

As of 31 December 2018, the Company and its subsidiaries has current liabilities with financial institutions, worth in total of Baht 2,006.5 million, (of which Baht 1,000 million is from Corporate Bond with fixed interest) and are inclined to make additional loans for further renovation and new investment projects. Therefore, the Company is exposed to risks caused by the fluctuation of interest rate in the future. If so, it will subsequently have a direct impact upon the Company's performance and cash flow. However, the Company has also been mitigating this risk by closely monitoring the fluctuation of interest rate to effectively manage such financial risk.

- **Credit and Financial Security Risk**

As of 31 December 2018, the Company and its subsidiaries have long-term loan worth in total of Baht 1,839 million, of which Peso 991.68 million belong to Dusit Thani Philippines, Inc (Formerly known as Philippine Hoteliers, Inc.) with the outstanding balance at Peso 655.92 million, of which USD 41.50 million is the long-term loan of the Company's subsidiary for the investment in Dusit Thani Maldives (the outstanding amount is USD 7.85 million) and of which Baht 115.45 million for the long-term loan of Dusit Thani Public Co., Ltd. (the outstanding amount is Baht 108.7 million).

For both long-term loans which are made under Peso and US Dollar, the Company has made an agreement with the creditors that throughout the loan period, the Company shall maintain its debt-to-equity ratio not more than 2:1 and 1.75:1 respectively. If the Company fails to abide with such obligation, it shall be deemed the Company in breach of loan agreement and the creditors may declare the loans to be canceled and any outstanding amounts under the agreement are immediately due and payable. If so, the Company and its subsidiaries cash flow and, ultimately, operation can be affected.

However, as of 31 December 2018, the Company has settled the aforementioned principals including the interests thereof in a timely manner. In addition, the Company has maintained its debt-to-equity ratio at 1.11:1, which is in accordance with the conditions stipulated in the loan agreement

Compliance Risks

- **Regulatory Compliance Risk**

As part of the good governance, the Company and its subsidiaries is committed to adhering to governing laws, rules and regulations of the countries in which the Company has operated—or to be operating in the future. The Company has also paid attention to the obtainment of all relevant permits and licenses. Nevertheless, due to regulatory complexity and changes that may be brought about unprecedentedly, the Company is still exposed to compliance risks especially when operating in an unfamiliar country or when expanding its educational business which is governed by numerous regulations.

To mitigate the said risks, the Company has enforced its auditing and compliance related functions to perform internal auditing on a regularly basis. This is to ensure that all permits and licenses are obtained; governing regulations, abided. As for overseas regulations, international law firms are employed to ensure that all operations are stringently in compliance with local regulations.

Investment Risk for Shareholders

- **Risk Arising from the Company Being a Major Shareholder (more than 25 percent)**

According to the closing of shareholder registration book on December 28th, 2018, group of Than Puying Chanut Piyaoui and related persons held the Company's share amounted at 424,475,680 shares which is accounted for 49.94% of the total Company's total paid-up. Therefore, it is possible that a resolution made by the major shareholder may dominantly impact shareholder meeting resolutions, except those resolutions pertinent to laws and regulations that requires three-fourths of the shareholder's votes. Nevertheless, the Board of Directors and high-level executives of the Company shall stringently adhere to the principles for Good Governance to ensure the highest management transparency.

5.4 Financial projections in the present year (if any)

-None-

5.5 Names of the Board of Directors, the executives, and the first 10 shareholders of the Company

1) Names of the Board of Directors as of 31 December 2018

No.	Director	Position
1.	Mr. Arsa Sarasin	Chairman / Independent Director
2.	Professor Hiran Radeesri	Independent Director / Chairman of the Audit Committee / Chairman of the Remuneration Committee / Chairman of the Corporate Governance and Nomination Committee

No.	Director	Position
3.	Mrs. Pranee Phasipol	Independent Director / Member of the Audit Committee / Member of the Remuneration Committee / Member of the Corporate Governance and Nomination Committee
4.	Mr. Teerapol Chotichanapibal ^{/1}	Independent Director/ Member of the Audit Committee
5.	Prof. Dr. Kittipong Kittayarak ^{/2}	Independent Director
6.	Prof. Emeritus Dr. Khunying Suchada Kiranandana	Independent Director
7.	Mr. Pakhawat Kovithvathanaphong	Independent Director
8.	Mr. Somprasong Boonyachai	Independent Director
9.	Mrs. Varang Chaiyawan	Director / Member of the Remuneration Committee / Member of the Corporate Governance and Nomination Committee
10.	Mr. Chanin Donavanik	Vice Chairman / Chairman of the Executive Committee
11.	Mrs. Sinee Thienprasiddhi	Director / Executive Director
12.	Mrs. Suphajee Suthumpun	Director/ Executive Director / Group Chief Executive Officer

Remarks * Mr. Chatri Sophonpanich, a Honorary Chairman, deceased on June 24, 2018

^{/1} Mr. Teerapol Chotichanapibal was appointed as Independent director effective on April 23, 2018 replacing Mr. Kenneth Korsirisophon and was appointed as Member of Audit Committee effective on October 1, 2018 replacing Prof. Dr. Kittipong Kittayarak.

^{/2} Prof. Dr. Kittipong Kittayarak resigned from the position of Member of Audit Committee effective on August 10, 2018.

2) Management Structure of the Company as of December 31, 2018

No.	Name	Position
1.	Mrs. Suphajee Suthumpun	Group Chief Executive Officer
2.	Mr. Narongchai Wongthanavimok	Group Chief Financial Officer
3.	Ms. La-ead Kovavisaruch	Chief Investment Officer
4.	Mrs. Chitanong Poomipark	Chief Legal Officer
5.	Mr. Boon Kwee Lim	Chief Operating Officer

No.	Name	Position
6.	Dr. Niramol Jindanuwat	Chief People Office
7.	Mr. Siradej Donavanik	Dusit Hospitality Education and Vice President of Development & Projects and Interim Managing Director,

Remarks: * Mr. Narongchai Wongthanavimok is holding the position of manager or equivalent in accounting or finance departments according to the definition of the Securities and Exchange Commission Notification (Executives' profile and details are as attached).

3) Top ten 10 major shareholders and other minor shareholders as of 28 December 2018

Details of 10 major shareholders and other minor shareholders as of 28 December 2018 are as follows:

Shareholders	No. of Shares	Percentage
1. Group of Thanpuying Chanut Piyaoui and related persons ¹	424,475,680	49.94
	191,938,320	22.58
2. Central Pattana Public Company Limited ²		
3. Mr. Chatri Sophonpanich	42,389,600	4.99
4. Mr. Vichit Chinwongvorakul	33,240,000	3.91
5. Thai Life Insurance Public Company Limited	21,882,430	2.57
	20,487,730	2.41
6. Thai NVDR Company Limited	20,441,000	2.40
7. Mrs. Jarunee Chinwongvorakul		
8. Mr. Sahanun Chentrakul	8,510,000	1.00
9. Dusit Thani Properties Company Limited	4,715,000	0.55
10. Office of the Privy Purse	4,383,200	0.52
Total	772,462,960	90.87
Minor shareholders	77,537,040	9.13
Registered and paid-up capital of Baht 850,000,000 comprising 850 million ordinary shares with a par value of Baht 1		

Remarks: ¹ Group of Thanpuying Chanut Piyaoui and related persons consist of Chanut and Children Co., Ltd., group of Mr. Chanin Donavanik, group of Mrs. Sinee Thienprasiddhi and group of Mrs. Sunong Salirathavibhaga.

² As of 28 December 2018, number of shares deposited through Thailand Securities Depository Co., Ltd. for depositor are included. On 5 February 2019, DTC shares held by Central Pattana Public Company Limited ("CPN") was acquired by Ananda Development Public Company Limited ("ANAN") amounting to 42,500,000 shares or equivalent to 5% of total paid-up share capital.

5.6 Other information that may materially affect the decision of investors (if any)

-None-

6. Opinions of the Board of Directors on the sufficiency of the working capital

In entering into the transaction on the sublease and lease of Assets in relation to the operation of the Dusit Thani Maldives hotel, and the subscription of the newly-issued investment units of DREIT, the Company shall use the source of funds from bills with maturity not exceeding 180 days and/or loans obtained from 2 Banks with the interest rate at 2.20%-2.80%, upon the conditions of the Banks as well as cash flow within the Company and/or shall procure other sources of funds as necessary and appropriate, such as procurement of loans from financial institutions or issuance and offer for sale of debentures, etc. After due consideration, the Board of Directors opined that the Company still has adequate liquidity for its ongoing operations.

7. Major ongoing litigation or claims

-None-

8. Interests or connected transactions between the Company and directors, executives, and shareholders directly and indirectly holding at least 10 percent of shares in the Company

The Company and subsidiaries have related transaction with the persons who may have the conflicts of interest during 2016, 2017 and 2018 as follows:

Transaction with the Company/Subsidiaries	Types of transactions	Balances/Value of transactions (Million Baht)			Details, conditions and their necessary
		2016	2017	2018	
Dusit Thani PLC. and subsidiaries with Acme Printing Co., Ltd. by Mrs. Sinee Thienprasiddhi is the major shareholder.	Printed the calendar and annual report of the Company	1.23/ 1.16	- / 0.86	- / 0.72	The Company engaged Acme Printing Co., Ltd. by bidding process with other companies and comparing the offering price and conditions. The Company has selected the best company, in order to meet the highest benefit to the Company and without decision making by connected person.

Transaction with the Company/Subsidiaries	Types of transactions	Balances/Value of transactions (Million Baht)			Details, conditions and their necessary
		2016	2017	2018	
Dusit Thani PLC. and subsidiaries with MBK PCL.by Mr. Chanin Donavanik and Mrs. Sinee Thienprasiddhi are the shareholders.	Management fee and other incomes	2.36/9.68	3.49 / 9.09	1.71 / 9.48	The conditions of pricing and services in sales and marketing are similar to those charged to other hotels in the group.
	Dividend income	- / 14.75	- / 14.75	- / 16.54	Per dividend declaration
Dusit Thani PLC. and subsidiaries with Piyasiri Co., Ltd. by Thanpuying Chanut Piyaoui's Group held majority of its ownership.	Medical expenses	- / 0.01	- / -	- / -	Prices and terms are in the normal business transaction.
Dusit Thani PLC. and subsidiaries with JTB (Thailand) Co., Ltd.by Mr. Chanin Donavanik is the shareholder.	Revenue from sales and services and other income	3.80/ 38.16	8.46 / 48.54	1.22 / 23.03	The Company had travel-agent agreement with JTB (Thailand) Co., Ltd. to perform the guestroom sales, which generally support hotel business. Prices and terms are in the normal business transaction.
Dusit Thani PLC. and subsidiaries with New Atlantic Co., Ltd.by Thanpuying Chanut Piyaoui's Group held majority of its ownership.	Revenue from sales and services	- / 0.01	- / -	- / -	Prices and terms are in the normal business transaction.
Dusit Thani PLC. and subsidiaries with The Navakij Insurance PCL.by Professor Hiran Radeesri is the director	Insurance expenses	- / 0.56	- / 0.75	- / 0.64	Prices and terms are in the normal business transaction.

Transaction with the Company/Subsidiaries	Types of transactions	Balances/Value of transactions (Million Baht)			Details, conditions and their necessary
		2016	2017	2018	
Dusit Thani PLC. and subsidiaries with Siam Makro Public Company Limited. by Mr. Arsa Sarasin is the director	Selling expense and administrative expense	- / -	- / 2.01	- / 2.73	Prices and terms are in the normal business transaction.

According to the Audit Committee meeting No. 2/2019, the Audit Committee had considered that the related transaction with the persons who may have the conflicts of interest during 2017 and 2018 were reasonable in pricing and conditions at the normal course of business.

Related transaction between the Company and subsidiaries in financial supporting

Besides the normal transaction in doing business which already disclosed in the notes to the financial statements, the Company has policies for related transaction with subsidiaries to acquire and dispose of assets and financial supporting transaction according to the Stock Exchange of Thailand's regulations. Even though the Company has related transaction with subsidiaries, such transaction must be approved by the Audit Committee and Board of Directors.

In 2016, 2017 and 2018, the Company had transaction related to assets or services and financial supporting to subsidiaries which was in the normal course of business. The summary of conditions and compensations of market and fair values from financial supporting transaction to subsidiaries by changing in balances and outstanding of loans were as follows:

Subsidiaries	Changing balances (Million Baht)			Balances (Million Baht)			Detail of transactions
	2016	2017	2018	2016	2017	2018	
1. Dusit China Capital Co., Ltd.	37.50	21.40	12.80	76.00	97.40	110.20	The Company provided long-term loan.
	1.75	2.47	3.11	1.75	2.47	3.11	The Company's interest income.
2. Vimarn Suriya Co., Ltd	47.11	46.01	(93.12)	47.11	93.12	-	The Company provided long-term loan.
	0.04	4.12	2.47	0.04	4.12	2.47	The Company's interest income.
3. Dusit Thani Properties Co., Ltd.	250.00	(2.00)	(248.00)	250.00	248.00	-	The Company provided short-term loan.
	0.17	7.03	1.67	0.17	7.03	1.67	The Company's interest income.

Subsidiaries	Changing balances (Million Baht)			Balances (Million Baht)			Detail of transactions
	2016	2017	2018	2016	2017	2018	
	-	-	90.40	-	-	(90.40)	The Company borrowed short-term loan.
	-	-	1.77	-	-	1.77	The Company's interest expense.
4. Dusit Excellence Co., Ltd.	-	34.62	135.15	-	34.62	169.77	The Company provided short-term loan.
	-	0.35	5.35	-	0.35	5.35	The Company's interest income.
5. Suanlum Property Co., Ltd.	-	14.04	75.80	-	14.04	89.84	The Company provided long-term loan.
	-	0.23	1.64	-	0.23	1.64	The Company's interest income.
6. Dusit Gourmet Co., Ltd.	-	-	-	-	-	-	The Company provided short-term loan.
	-	-	0.01	-	-	0.01	The Company's interest income.
7. Dusit Overseas Co., Ltd.	-	-	345.55	-	-	345.55	The Company provided short-term loan.
	-	-	4.21	-	-	4.21	The Company's interest income.
8. Dusit Foods Co., Ltd.	-	-	-	-	-	-	The Company provided short-term loan.
	-	-	8.08	-	-	8.08	The Company's interest income.

9. Summary of the key Agreements of the Company during the past two years

Important agreements of the Company and subsidiaries in the past 2 years

Year/No.	Type of Agreement	Signatory to the agreement		Details of transactions
		The Company or subsidiaries	Parties to the agreement	
<u>2017</u>				
1.	Land Purchase Agreement	Dusit Thani Public Company Limited	Kingchatchaval Company Limited	Dusit Thani Public Company Limited purchases 2 land title deeds having the area of 2 Ngan 01 sq.m., and 2.8/10 sq.m. from Kingchatchaval Company Limited, totaling Baht 179,344,000.
2.	Sublease Agreement	Dusit Thani Public Company Limited	Vimarn Suriya Company Limited	Dusit Thani Public Company Limited sub-leases Vimarn Suriya Company Limited the land approximately 21 Rai, located at No. 1, Saladaeng, intersection of Silom Road, Silom, Bangkok to develop and operate a Mixed-use project consisting of hotel, residence and retail shopping center.
3.	Lease Right Assignment Agreement	Dusit Thani Public Company Limited	Pharam 4 Development Company Limited	Dusit Thani Public Company Limited has assigned the right to lease the land from the Crown Property Bureau approximately 2 Rai to Pharam 4 Development Company Limited. This aims to hold the land lease right for the Office Project. Dusit Thani Public Company Limited will hold 10% stake of the registered capital of

Year/No.	Type of Agreement	Signatory to the agreement		Details of transactions
		The Company or subsidiaries	Parties to the agreement	
				Pharam 4 Development Company Limited.
4.	Shareholders' Agreement relating to OJV between DTC and CPN	Dusit Thani Public Company Limited ("DTC")	1. Central Pattana Public Company Limited ("CPN") 2. Pharam 4 Development Company Limited 3. Saladang Property Management Co., Ltd.	Dusit Thani Public Company Limited entered into the shareholders agreement with Central Pattana Public Company Limited to incorporate Pharam 4 Development Company Limited. This will operate the office building business with a shareholding portion of DTC: CPN which is 10:90.
5.	Sale and Purchase Agreement (Land, Buildings and Other Assets)	Dusit Thani Properties Public Company Limited	1. Sup Imperial Korat Company Limited 2. Imperial Nakhon Ratchasima Limited	Dusit Thani Properties Public Company Limited sold a land, buildings including other assets of Dusit Princess Korat hotel to Sup Imperial Korat Company Limited and Imperial Nakhon Ratchasima Limited at the total amount of Baht 565,000,000.
<u>2018</u>				
1.	Share Purchase Agreement in respect of NR Instant Produce Co., Ltd.	Dusit Foods Company Limited	Wellpo Capital Limited	Dusit Foods Company Limited, a new incorporated subsidiary of Dusit Thani Public Company Limited invested in NRIP by entering into the Share Purchase Agreement to acquire 2,452,076 ordinary shares (equivalent to 24.9 percent of the total shares of NRIP), totaling THB 613,019,000 from Wellpo

Year/No.	Type of Agreement	Signatory to the agreement		Details of transactions
		The Company or subsidiaries	Parties to the agreement	
				Capital Limited in order to engage in the food business.
2.	Share Subscription Agreement for NR Instant Produce Co., Ltd.	Dusit Foods Company Limited	<ol style="list-style-type: none"> 1. Asian Food Corporation Limited 2. DP Partners Limited 3. DLN 2017 Limited 4. DPA Funds Limited 5. NR Instant Produce Co., Ltd (NRIP) 	Dusit Foods Company Limited entered into the Share Subscription Agreement among all shareholders of NRIP and NRIP to acquire 200,000 newly issued ordinary shares of NRIP, totaling THB 50,000,000 which makes Dusit Foods to hold the shares in NRIP at 25.9 percent of the total shares of NRIP.
3.	Shareholders' Agreement and Share Subscription Agreement for Dusit Gourmet Company Limited	Dusit Foods Company Limited	NR Instant Produce Co., Ltd (NRIP)	Dusit Foods Company Limited entered into the shareholders' agreement and share subscription agreement with NR Instant Produce Co., Ltd (NRIP) to incorporate Dusit Gourmet Company Limited. This will operate the business of producing, import and export sale and marketing for sauce, dipping and sauce seasoning with a shareholding portion of DTC: CPN which is 90:10.
4.	Share Purchase Agreement for LVM Holdings Pte Ltd	Dusit Overseas Company Limited	Sellers listed in the Schedule 1.1 of the Share Purchase Agreement	Dusit Overseas Company Limited, a subsidiary of Dusit Thani Public Company Limited incorporated in Hong Kong entered into the Share Purchase Agreement to acquire all shares in LVM Holdings Pte. Ltd. which

Year/No.	Type of Agreement	Signatory to the agreement		Details of transactions
		The Company or subsidiaries	Parties to the agreement	
				engages in marketing, booking, and full-service management business for luxury villas located in various countries including Thailand under Elite Havens brand.

10. Proxy form with at least one name of a member of the Audit Committee being nominated as shareholder's proxy.

The details on the proxy form and profiles of the members of the Audit Committee nominated by the Company to be shareholders' proxies are set out in the supporting document for the Annual General Meeting of Shareholders No. 26/2019 (Attachment No. 13).

(Translation)

Opinions of the Independent Financial Advisor
on Acquisition and Disposal of Assets of
Dusit Thani Public Company Limited

Present to



The Shareholders of Dusit Thani Public Company Limited

Prepared by



Baker Tilly Corporate Advisory Services (Thailand) Company Limited

29 March 2019

Level 21/1 Sathorn City Tower, 175 South Sathorn Road

Thung Mahamek, Sathorn, Bangkok 10120

Tel: 02 679 5400 Fax: 02 679 5401

Table of Contents

Abbreviations.....	3
Executive Summary.....	14
Opinion of Independent Financial Advisor on Acquisition and Disposal of Assets of Dusit Thani Public Company Limited.....	22
1. Nature and Details of the Transaction.....	22
1.1. The General Characteristics and the Category of the Transaction	22
1.2. Date of the Transaction	26
1.3. Relevant Parties and Nature of Relationship.....	28
1.4. Size of the Transaction	31
1.5. Details of the Assets to be Acquired or Disposed	34
1.6. Summary of Related Agreements and Draft Agreements	42
1.7. Sources of Funds in the Acquisition of Assets Transaction.....	48
1.8. Use of Proceeds in the Disposal of Assets Transaction	48
2. Reasonableness of the Transaction	49
2.1. Objectives and Necessity of the Transaction	49
2.2. Advantages and Disadvantages from the Acquisition and Disposal of Assets Transaction	50
2.3. Risk from the Acquisition and Disposal of Assets Transaction	56
3. The Fairness of Price and Conditions of the Transaction	61
3.1. Fairness of price	61
3.2. Appropriateness of the Conditions Precedent of the Transaction.....	86
Summary of the Opinions of the Independent Financial Advisor	87
Appendix 1: Economic and Industry Overview.....	91
Appendix 2: Information of Dusit Thani Public Company Limited	100
Appendix 3: Summary Information of Dusit Thani Freehold and Leasehold Real Estate Investment Trust ...	114
Appendix 4: Summary Information of DMS Property Investment Private Limited	120
Appendix 5: Summary Information of Dusit Management Company Limited	125
Appendix 6: Financial Projection of the Transaction on Sublease and Lease of assets in relation to the operation of DTMD	130
Appendix 7: Financial Projection of DREIT in Dusit Thani Maldives Hotel Project.....	131
Appendix 8: Financial Projection of Dusit Thani Maldives Hotel Project.....	139
Appendix 9: Summary of Related Agreements and Draft Agreements.....	146

Abbreviations

<p>“Acquisition of Assets Transaction”</p>	<ol style="list-style-type: none"> 1) The establishment of two subsidiaries in the Republic of Maldives in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives Hotel Project which are (a) Dusit Maldives Investment Company Limited (“DMS2”) held by DTPP 65% and MBK 35% and (b) Dusit Maldives Management Company Limited (“DMS3”) held by DMCO 100% 2) The transfer of business of the Dusit Thani Maldives Hotel Project to DMS2 and the transaction on the sublease and lease of assets in relation to the operation of the Dusit Thani Maldives hotel by DMS3 which DMS will transfer of the business of the Dusit Thani Maldives Hotel Project to DMS2 as follows: <ul style="list-style-type: none"> - the leasehold rights and ownership of the immovable properties and assets in relation to the Dusit Thani Maldives Hotel Project - right of claim and liabilities as recorded on the book account on the specified date - agreements with third parties, permits, and relevant licenses - staff who are employees of DMS <p>Afterwards, DMS3 will sublease and lease the Assets in relation to the operation of the Dusit Thani Maldives Hotel from DMS2</p> 3) The subscription for the newly-issued investment units of DREIT which DREIT additionally issues and offers for sale to the existing unitholders whose names are set out in the unitholders register book in proportion to their respective unitholding (Rights Offering)
<p>“Acquisition or Disposal of Assets Notifications”</p>	<ol style="list-style-type: none"> 1) 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 (as amended) 2) Notification of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets 2004 (as amended)
<p>“ADR”</p>	<p>Average Daily Rate</p>
<p>“Coastline”</p>	<p>Coastline Hotels and Resorts Private Limited</p>
<p>“CPN”</p>	<p>Central Pattana Public Company Limited</p>
<p>“D2CM”</p>	<p>Dusit D2 Chiang Mai Hotel</p>
<p>“DCF”</p>	<p>Discounted Cash Flow Approach</p>

“Disposal of Assets Transaction”	The disposal of the total shares held by DTPP in DMS2 to DREIT. After DMS3 has completed the sublease and lease of the assets in relation to the Dusit Thani Maldives Hotel Project and has accepted the transfer of the relevant rights and duties from DMS2, DTPP shall dispose of the total of its shares held in DMS2, representing 65% of the total shares of DMS2 to DREIT
“DMCO”	Dusit Management Company Limited
“DMS”	DMS Property Investment Private Limited
“DMS2”	Dusit Maldives Investment Company Limited
“DMS3”	Dusit Maldives Management Company Limited
“DREIT”	Dusit Thani Freehold and Leasehold Real Estate Investment Trust
“DTC” or “the Company”	Dusit Thani Public Company Limited
“DTHH”	Dusit Thani Hua Hin Hotel
“DTLP”	Dusit Thani Laguna Phuket Hotel
“DTMD”	Dusit Thani Maldives Hotel Project
“DTP”	Dusit Thani Properties Company Limited
“DTPP”	Dusit Thani Properties Public Company Limited
“DWW”	Dusit Worldwide Company Limited
“EBITDA”	Earnings Before Interest, Tax, Depreciation, and Amortization
“FF&E”	Capital Expenditure used for replacing or redecorating a rental furniture and equipment (Including to vehicles relating to the hotel business operation), including to maintenance of the rental furniture and equipment
“The Head Lease Agreement”	Amended and re-stated agreement for the lease of the island of Mudhdhoo in Baa Atoll for the development of a 200-bed resort between the Government of the Republic of Maldives (represented by the Ministry of Tourism, Arts and Culture) and Coastline Hotels and Resorts Private Limited dated 21 March 2011 (As amended)
“IFA” or “BTCAS”	Baker Tilly Corporate Advisory Services (Thailand) Co., Ltd.
“JLL”	Jones Lang LaSalle (Thailand) Limited
“JPY M”	Japanese Yen Million
“MBK”	MBK Hotel & Resort Company Limited
“MLR”	Minimum Lending Rate
“MOT”	Ministry of Tourism
“NPV”	Net Present Value
“PV”	Present Value
“Revpar”	Revenue per available room

"SEC"	The Securities and Exchange Commission
"SET"	The Stock Exchange of Thailand
"Transaction"	The Acquisition and Disposal of Assets Transaction
"USD M"	United States Dollar Million
"WACC"	Weighted Average Cost of Capital

29 March 2019

Subject Opinions of the Independent Financial Advisor on Acquisition and Disposal of Assets of Dusit Thani Public Company Limited

To The Shareholders of Dusit Thani Public Company Limited

Attachment:

- 1) Economic and Industry Overview
- 2) Information of Dusit Thani Public Company Limited
- 3) Information of Dusit Thani Freehold and Leasehold Real Estate Investment Trust
- 4) Information of DMS Property Investment Private Limited
- 5) Information of Dusit Management Company Limited
- 6) Financial Projection of the Transaction on Sublease and Lease of assets in relation to the operation of DTMD
- 7) Financial Projection of DREIT in Dusit Thani Maldives Hotel Project
- 8) Financial Projection of Dusit Thani Maldives Hotel Project
- 9) Summary of Related Agreements and Draft Agreements

Reference:

- 1) Resolutions of Board of Directors' Meeting of Dusit Thani Public Company Limited No. 3/2019 on 25 February 2019 on the Acquisition and Disposal of Assets of the Subsidiaries
- 2) Information Memorandum on Acquisition and Disposal of Assets of Dusit Thani Public Company Limited on 25 February 2019
- 3) Resolutions of the Board of Directors of Dusit Thani Properties REIT Company Limited, the REIT Manager of Dusit Thani Freehold and Leasehold Real Estate Investment Trust ("DREIT") No. 3/2019 on 13 February 2019 regarding the Investment in the Additional Assets and Determination of the Date for the 2019 Annual General Meeting of DREIT
- 4) Valuation report of Dusit Thani Maldives Hotel Project prepared by Jones Lang LaSalle (Thailand) Limited on 20 February 2019 and appraised on 31 January 2019
- 5) Summary of the essence of relevant agreements which are:
 - The Head Lease Agreement with the Government of the Republic of Maldives (the Head Lease Agreement and the Deed of Assignment of the Island of Mudhdhoo in Baa Atoll between Coastline and DMS)
 - The summary of the draft agreements for the Assets Acquisition (the draft Share Sale and Purchase Agreement, the draft Resort Sale and Purchase Agreement, the draft Deed of Assignment of the Island of Mudhdhoo in Baa Atoll between DMS and DMS2, the draft

-
- Agreement for Sale and Purchase of Hotel Operating Assets and the draft Undertaking Agreement (Additional Investment Assets No. 1))
- The summary of the draft agreements for procuring benefits (the draft Land Sublease Agreement and Property Lease Agreement (Dusit Thani Maldives Hotel))
- 6) Audited financial statements of Dusit Thani Public Company Limited as of 31 December 2016, 31 December 2017 and 31 December 2018
 - 7) Audited financial statements of Dusit Thani Freehold and Leasehold Real Estate Investment Trust as of 31 December 2017 and 31 December 2018
 - 8) Audited financial statements of DMS Property Investment Private Limited as of 31 December 2016, 31 December 2017 and Management Account as of 31 December 2018
 - 9) Audited financial statements of Dusit Management Company Limited as of 31 December 2016 and 31 December 2017 and Management Account as of 31 December 2018
 - 10) Company Affidavit, Memorandum of Association and other information and documents, including interview with the management of the Company and concerned officials
 - 11) Annual Registration Statement (Form 56-1) of Dusit Thani Public Company Limited for the year 2017
 - 12) Annual Report of Dusit Thani Public Company Limited for the year 2015, 2016 and 2017

Dusit Thani Public Company Limited (“DTC” or “The Company”) is one of the leading hospitality services, providing Thai service identity with international standard level. At present, the Company is engaged in hotel business-related service as follows:

1. Hotel Business – Dusit International has experience in the hotel business for more than 68 years and started business operation in 1949. Currently, The Company operates under 6 trademarks which are Dusit Thani, Dusit Princess, dusitD2, Dusit Devarana, Asai and Elite Heavens and manage hotels and resorts under Dusit Group.
2. Education Business – The Company has experience in education business for more than 24 years and started off as a vocational school under Dusit Thani Hotel Group in 1993. Currently, the education business consists of Dusit Thani College, Le Cordon Bleu Dusit culinary school, Dusit Thani Excellence Centre and Philippine Hoteliers International Center for Hospitality Education, Inc.
3. Other businesses - The Mixed-Use Property Development Project, Devarana Spa, Office Rent Business and Dusit Thani Properties REIT Co., Ltd. (as the REIT Manager of Dusit Thani Freehold and Leasehold Real Estate Investment Trust or “DREIT”)

The Company plans to restructure the assets in relation to the Dusit Thani Maldives hotel project (DTMD) by selling DTMD to DREIT (through the disposal shares of Dusit Maldives Investment (DMS2) to DREIT). The Company will use the proceeds for expanding the business, working capital of The Company and /or expanding the investment in The Company group’s business for the long-term returns and value added for The Company and shareholders. In addition, The Company will subscribe the newly-issued investment units of DREIT in proportion to their respective unitholdings (30.02%) in order to maintain the proportion of unitholders in DREIT and have the opportunity to receive more distribution per unit. Moreover, DMS3 (a subsidiary of DTC) will enter into sublease agreement for 21 years with DMS2 for operating DTMD, which DWW (a subsidiary of DTC) will be engaged for managing DTMD. The entering into Transactions on Acquisition and Disposal of the Assets details are as follows;

DMS Property Investment Private Limited (“DMS”) (incorporated under the laws of the Republic of Maldives) which has been granted the leasehold rights over the land where DTMD is located for the term of approximately 40 years from the government of the Republic of Maldives and is the owner of the buildings and constructions, and assets used in the operation of the DTMD. Dusit Thai Properties Public Company Limited (“DTPP”) and MBK Hotel & Resort Company Limited (“MBK”) holds DMS of 65% and 35% respectively, therefore, DMS is considered a subsidiary of The Company as The Company holds share in DTPP directly 2.75% and indirectly 84% (through Dusit Thani Properties Company Limited (“DTP”)).

DMS has plan to sell its leasehold rights and freehold in DTMD to DREIT indirectly by (1) DTPP and MBK will establish Dusit Maldives Investment Company Limited ("DMS2") in the Republic of Maldives with the shareholding of 65% and 35% respectively. Afterwards, DMS will transfer the leasehold rights and ownership of the immovable properties and assets in relation to the DTMD for the period of approximately 40 years to DMS2 which the establishment of DMS2 causes DMS to save taxes on the profits of assets disposal. and (2) Dusit Management Company Limited ("DMCO") (100% held by The Company) will establish Dusit Maldives Management Company Limited ("DMS3") in the Republic of Maldives with the shareholding of 100%. DMS2 will sublease and lease of assets in relation to the operation of DTMD to DMS3 with the lease term of 21 years whereas DMS3 will pay fixed and variable rental fee to DMS2 monthly (See more details in 3.1.1 Fair value of the Acquisition of Assets - Transaction on the sublease and lease of assets in relation to the operation of DTMD)

However, prior to transfer the operation of DTMD to DMS2, DMS must repay the outstanding loan to Bank of Ayudhya Public Company Limited ("BAY") to release the share collateral of DTPP in DMS for 25,025,000 shares (or equal to 65% of DMS's capital of USD 38.50 M). As such, DTPP and MBK agrees to provide the shareholder loan to DMS (according to their shareholding proportion of 65% and 35% respectively) to repay the said loan. It is expected that the outstanding loan will be approximately USD 3.95 M at the date of entering into the transaction. In addition, the shareholder loan from DTPP and MBK will be transferred to DMS2 at the date that DMS sell its leasehold rights and freehold in DTMD.

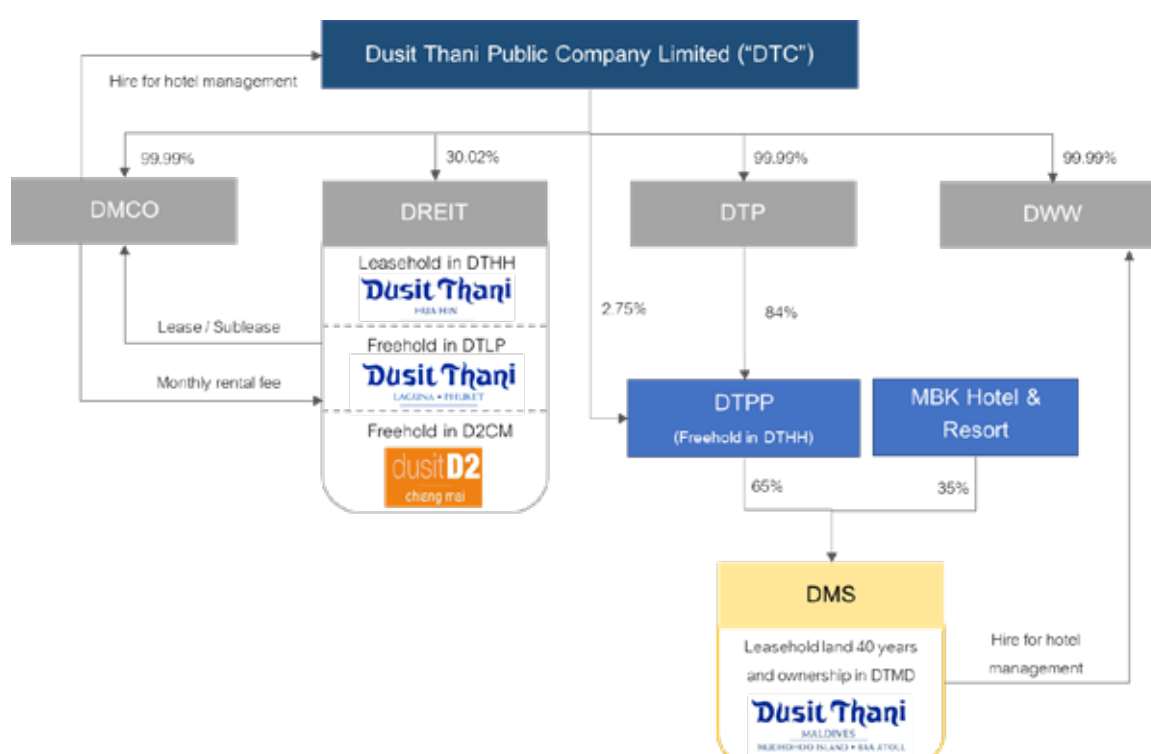
Afterwards, DREIT will indirectly invest in DTMD by (1) share acquisition of DMS2 from DTPP and MBK (after the share acquisition, DREIT will hold 100% in DMS2) and (2) providing shareholder loan to DMS2, so DMS2 will use such loans as the consideration for the acceptance of the transfer of the leasehold right over the land and the ownership of the assets of the DTMD from DMS and shall repay the outstanding shareholders loan which DMS2 owes to DTPP and MBK. However, after DREIT has completed the share acquisition of DMS2, DREIT agrees to grant the right to the existing shareholders of DMS2 (DTPP and MBK) to buy back the shares in DMS2 from DREIT in the case where DREIT (1) does not provide any shareholder's loan to DMS2, resulting in DMS2 being unable to pay consideration for the acceptance of the transfer of the business of the DTMD or (2) provides a shareholder's loan to DMS2 but does not procure DMS2 to pay consideration for the acceptance of the transfer of the business of the DTMD. The exercise of the share buy-back option is on the condition that DREIT shall receive the payment of the shareholder's loan received by DMS2 from DREIT (if any) prior to the exercise of the share buy-back option.

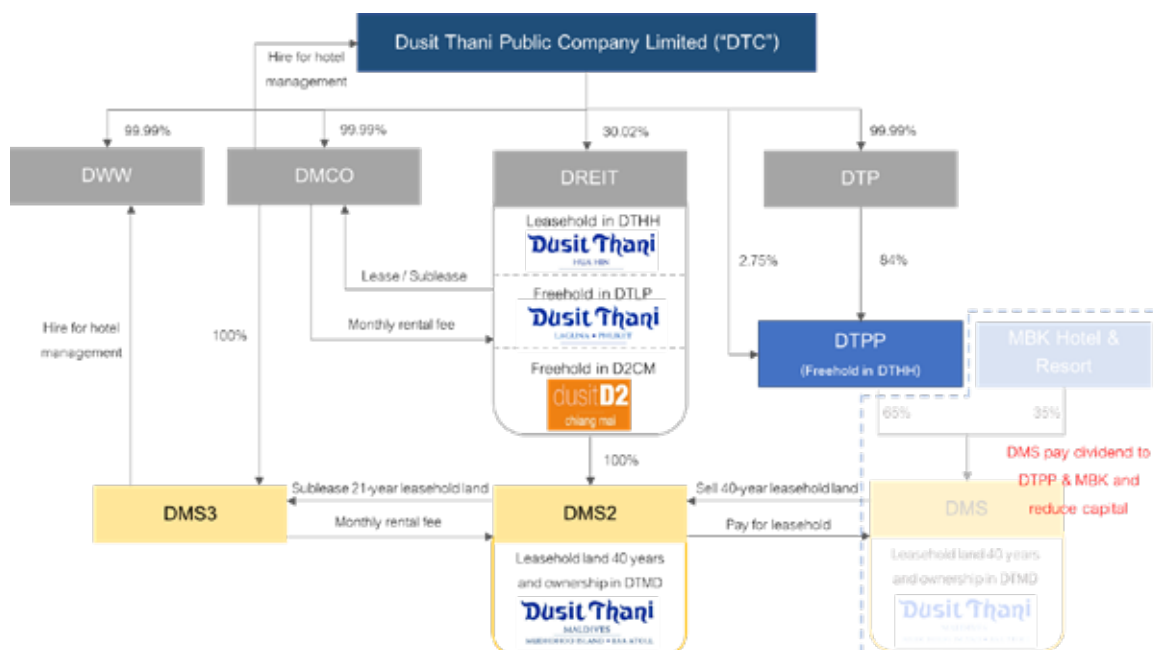
The part of the source of fund of DREIT to be used in the investment of DTMD will be obtained from the capital increase by means of issuance and offering for sale additional trust units of approximately not exceeding 365,000,000 new trust units to the existing trust unitholders whose names appear in the register book of the trust unitholders (Rights Offering). The Company wishes to subscribe for the newly-issued investment units of DREIT

in proportion to their respective unitholding (30.02%) to maintain the proportion of unitholders in DREIT and have the opportunity to receive more distribution per unit, with the approximate total value of THB 504.82 M. The Company shall use the source of funds from the cash flow within The Company and/or shall procure other sources of funds as necessary and appropriate, such as procurement of loans from financial institutions or issuance and offer for sale of debentures, etc.

After DMS receives the payment for the transfer of the leasehold right over the land and the ownership of the assets of the DTMD from DMS2, DMS will pay dividend from entering into the transaction (after deducting the tax leakage and equity) and pay dividend from retained earnings to the shareholders (DTPP and MBK). Therefore, The Company (which indirectly holds share of DMS) will receive dividend according to their shareholding proportion. After that, DMS will continue to reduce capital. The DTC's structure before and after the transaction in relation to DTMD are as follows:

DTC's structure before the transaction in relation to DTMD



DTC's structure **after** the transaction in relation to DTMD

Therefore, in order to achieve the objective of entering into such transactions, the Board of Directors' Meeting of Dusit Thani Public Company Limited No. 3/2019, convened on 25 February 2019, passed the resolutions to approve the entering into of the asset acquisition and disposal transaction with respect to the restructuring of assets in relation to the Dusit Thani Maldives Hotel Project and the investment in the newly-issued units of DREIT. The details are as follows:

The asset acquisition transactions of The Company consist of:

- Establishment of two subsidiaries in the Republic of Maldives, namely (1) Dusit Maldives Investment Company Limited ("DMS2") by DTPP (65%) and MBK (35%) with registered capital of not exceeding USD 150,000 and (2) Dusit Maldives Management Company Limited ("DMS3") by DMCO (100%) with registered capital of USD 10,000. The transaction size according to the holding proportion of DTPP and DMCO equals to THB 3.44 M (based on the exchange rate of THB 32.00 per USD 1*).
- DMS3 sublease and lease the Assets in relation to the operation of the Dusit Thani Maldives Hotel, and accept the transfer of the relevant rights and duties from DMS2 for the period of 21 years in order to operate the Dusit Thani Maldives Hotel and enter into relevant agreements. The transaction size equals to THB 1,640.95 M (based on the exchange rate of THB 32.00 per USD 1*).
- The subscription for the newly-issued investment units of DREIT which DREIT issued and offered for sale to the existing unitholders whose names are set out in the unitholders register book (Rights Offering) of not exceeding 365,000,000 new trust units. The transaction size according to the holding proportion of DTC in DREIT (30.02%) is approximately THB 504.82 M.

Remark: * In order to reduce the risk of exchange rate in the transaction, DTPP, MBK, Dusit Thani Property REIT Company Limited (as the REIT Manager), and DREIT agrees for the consideration for acceptance of transfer of business of the Dusit Thani Maldives hotel project to be paid in Thai Baht currency at the exchange rate of THB 32.00 per USD 1.

The abovementioned transactions constitute an asset acquisition transaction of The Company in accordance with 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, and 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 Assets, 2004 (including any amendment thereto) (collectively, the “Notifications on Asset Acquisition and Disposal”), having the highest transaction value of 18.57%, calculated based on the Total Value of Consideration basis, based on the audited consolidated financial statements of The Company ending 31 December 2018. After calculating the value of all asset acquisitions which have occurred during the past six months based on the Total Value of Consideration basis, the highest transaction value is equivalent to 30.04%.

The asset disposal transaction of The Company consists of the disposal of the total shares held by DTPP in DMS2, representing 65% of the total shares of DMS2 to DREIT. After DMS3 has completed the sublease and lease of the assets in relation to the operation of the Dusit Thani Maldives hotel and has accepted the transfer of the relevant rights and duties from DMS2, DTPP shall dispose of its total shares held in DMS2, representing 65% of the total shares of DMS2 to DREIT, with the total value of not exceeding USD 97,500 or not exceeding THB 3,120,000. After DTPP has completely transferred the ownership of the shares to DREIT, DMS2 will receive loan from DREIT to use as the consideration for the acceptance of the transfer of Dusit Thani Maldives Hotel Project from DMS and shall repay the outstanding shareholders loan which DMS2 owes to DTPP and MBK. Therefore, transaction size of the transfer of Dusit Thani Maldives Hotel Project to DREIT according to the holding proportion of DTPP in DMS 65% will not be lower than USD 46,800,000 (or THB 1,497,600,000) (based on the exchange rate of THB 32.00 per USD 1).

The abovementioned transaction constitutes an asset disposal transaction in accordance with the Notifications on Asset Acquisition and Disposal, having the highest transaction value of 12.97%, calculated based on the Total Value of Consideration basis, based on the audited Consolidated Financial Statements ending 31 December 2018.

The transactions in relation to the Dusit Thani Maldives Hotel Project has a transaction value which does not constitute an asset acquisition transaction that requires approval from a shareholders' meeting. Nevertheless, the Board of Directors deems it appropriate to propose that the shareholders meeting approve

the entering into of the asset acquisition and disposal transactions in relation to the Dusit Thani Maldives Hotel Project.

As a result, The Company has the duty to disclose the information memorandum in accordance with the Notifications on Asset Acquisition and Disposal upon the entering into asset acquisition and disposal transactions, appoint an independent financial advisor to provide opinions to the shareholders of The Company regarding the asset acquisition and disposal transactions including preparing other documents required by the regulators and convene a shareholders' meeting in order to approve the entering into of the asset acquisition and disposal transactions. The resolution thereof shall be passed by votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote, without counting the votes casted by the interested shareholders.

Based on the above regulations, The Company's Directors have appointed Baker Tilly Corporate Advisory Services (Thailand) Co., Ltd. ("IFA" or "BTCAS"), which is an independent financial advisor approved by the SEC and is independent of The Company, and DREIT, to render opinion to The Company's shareholders on the Acquisition and Disposal of Assets of Dusit Thani Public Company Limited.

In preparing this report, IFA has taken into consideration the information and documents available publicly, the information on industry analysis and forecast, the information and documents obtained from The Company, the financial information of The Company, the valuation report of the independent appraiser, including the management interview of The Company. IFA may not certify the accuracy or completeness of the information obtained.

In this regard, the opinion of the IFA bases on the economic environment and the information prevailing at the time of preparing this report only, therefore, any significant change in these factors could have an impact on our opinion. In preparing this report to render the opinion, the IFA has considered all information thoroughly and reasonably in line with professional standards and has given all rationales based on the fair and impartial information and analysis by paying regard primarily to the interest of the shareholders.

Executive Summary

Dusit Thani Public Company Limited ("The Company") has convened the Board of Directors' Meeting No. 3/2019 dated 25 February 2019 and has the resolution to approve the entering into of the asset acquisition and disposal transaction with respect to the restructuring of assets in relation to the Dusit Thani Maldives hotel project by disposal DTMD to DREIT (through the disposal shares of Dusit Maldives Investment (DMS2) to DREIT) and the investment in the newly-issued units of the Dusit Thani Freehold and Leasehold Real Estate Investment Trust ("DREIT") in proportion to their respective unitholdings (30.02%). In addition, DMS3 (a subsidiary of DTC) will enter into sublease agreement for 21 years with DMS2 for operating DTMD which DWW (a subsidiary of DTC) will be engaged for managing DTMD. The details are as follows:

The asset acquisition transactions of The Company consist of:

- a. Establishment of two subsidiaries in the Republic of Maldives which are DMS2 (by DTPP 65% and MBK 35%) with registered capital of not exceeding USD 150,000 and DMS3 (by DMCO 100%) with registered capital of USD 10,000. The transaction size equals to THB 3.44 M.
- b. DMS3 sublease and lease the Assets in relation to the operation of the Dusit Thani Maldives Hotel, and accept the transfer of the relevant rights and duties from DMS2 for the period of 21 years (excluding debts from the outstanding loan which DMS owes to DTPP and MBK under the loan agreement from the shareholders). The minimum fixed rental fee which will be paid by DMS3 to DMS2 equals to USD 7 M per year (or equivalent to THB 224 M per year). The total rental fee period of 21 years shall be in a total amount of not less than USD 147 M (or equivalent to THB 4,704 M). The transaction size equals to THB 1,640.95 M (the calculation is according to the current value with the discount rate of 12.50%) and
- c. The subscription for the newly-issued investment units of DREIT of not exceeding the current holding proportion of DTC in DREIT (Rights Offering). The transaction size is approximately THB 504.82 M.

The asset disposal transaction of The Company consists of the disposal of the total shares held by DTPP in DMS2, representing 65% of the total shares of DMS2 to DREIT. After DMS3 has completed the sublease and lease of the assets in relation to the operation of the Dusit Thani Maldives hotel and has accepted the transfer of the relevant rights and duties from DMS2, DTPP shall dispose of its total shares held in DMS2, representing 65% of the total shares of DMS2 to DREIT, with the total value of not exceeding USD 97,500 or not exceeding THB 3.12 M. After completed the disposal of the total shares to DREIT, DREIT shall provide the loans to DMS2 as the consideration for the acceptance of the transfer of Dusit Thani Maldives Hotel Project from DMS and shall repay the outstanding shareholders loan which DMS2 owes to DTPP and MBK. The total value will not

be less than USD 72,000,000 or THB 2,304,000,000 (based on the exchange rate of THB 32.00 per USD 1). However, after calculation in the amount of DTPP proportion of 65% of total DMS shares, the value will not be less than USD 46.80 M or THB 1,4797.60 M (based on the exchange rate at THB 32 per USD 1). Thus, the transaction size of the assets disposal Transaction shall be THB 1,500.72 M.

The asset acquisition transaction has the highest transaction value of 18.57%, calculated based on the Total Value of Consideration basis and after calculating the value of all asset acquisitions which have occurred during the past six months, the highest transaction value is equivalent to 30.04%. The asset disposal transaction has the highest transaction value of 12.97%, calculated based on the Total Value of Consideration basis, based on the audited Consolidated Financial Statements ending 31 December 2018. However, the transactions in relation to the Dusit Thani Maldives Hotel Project has a transaction value which does not constitute an asset acquisition transaction that requires approval from a shareholders' meeting. Nevertheless, the Board of Directors deems it appropriate to propose that the shareholders meeting approve the entering into of the asset acquisition and disposal transactions in relation to the Dusit Thani Maldives Hotel Project. The resolution thereof shall be passed by votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote, without counting the votes casted by the interested shareholders.

Based on the above regulations, The Company's Directors have appointed Baker Tilly Corporate Advisory Services (Thailand) Co., Ltd. ("IFA" or "BTCAS"), which is an independent financial advisor approved by the SEC and is independent of The Company, and DREIT, to render opinion to The Company's shareholders on the Acquisition and Disposal of Assets of Dusit Thani Public Company Limited.

The IFA is of the opinion that the entry into the Transaction on the Assets Acquisition and Disposal by selling DTMD to DREIT (through the disposal shares of Dusit Maldives Investment (DMS2) to DREIT) and subscription for the newly-issued investment units of DREIT in proportion to their respective unitholdings (30.02%) is reasonable. Because the Company will receive cash from selling DTMD to DREIT through dividend and capital reduction from the transfer of leasehold rights in land and ownership of DTMD through the sale of DMS2 shares to DREIT. Initially, The Company will use the proceeds for working capital of the Company and/or expanding the investment of the Company group's business. The subscription for the newly-issued investment units of DREIT is also to maintain the proportion of the unit holding of The Company including the opportunity to receive more distribution per unit. Moreover, after selling DMS2's shares to DREIT, DMS3 (a subsidiary of DTC) as a sublessee from DMS2, shall operate DTMD where by DWW (a subsidiary of DTC) will be hired for managing the hotel for 21 years. DMS3 has to pay the fixed rental fee and variable rental fee to DMS2 (a subsidiary of DTC) but DMS3 shall not have to pay for the capital expenditure (FF&E) and the major renovation cost in the leased property (Renovation) because such expenses will be transferred to DMS2 (a subsidiary of DTC). However, the acquisition and disposal of such assets has certain disadvantages and risks which shareholders can study more in section 2.2 and 2.3

IFA has determined the reasonableness in Net Present Value of Cash Flow of DTC entering into 4 transactions consisted of the Acquisition of Assets Transaction (Transaction on the establishment of two subsidiaries in the Republic of Maldives in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives hotel Project, transaction on the sublease and lease of assets in relation to the operation of DTMD and transaction on the subscription for the newly-issued investment units of DREIT in proportion to their respective unitholdings) and the Disposal of Assets Transaction (Transaction on the disposal of the total shares held by DTPP in DMS2 to DREIT) detailed as follows:

1. Summary of the Fairness of the Price of the Acquisition of Assets Transaction

1.1. Transaction on the establishment of two subsidiaries in the Republic of Maldives in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives Hotel Project (DTMD)

The transaction related to DTMD has the limitation under the laws of the Republic of Maldives regarding the direct investing in immovable property by foreigner and the limitation in the procurement of benefit of DREIT. When transferring the leasehold right over the land where DTMD is located from DMS to DMS2, all of the assets related to DTMD operation will be transferred to DMS2 along with such land leasehold right. The land leasehold right must be transferred to a company established in the Republic of Maldives. Also, the limitation in the procurement of benefit of the Trust which the Trust cannot operate other businesses such as hotel business etc. Moreover, the necessary licenses for the hotel operation must be applied by a company established in the Republic of Maldives, therefore, the Company needs to establish DMS2 and DMS3 in order to accommodate the entering into of the transactions in relation to DTMD. The details of registered capital of DMS2 and DMS3 are as follows:

- **Registered capital in the establishment of DMS2:** DTPP will hold 65% of the total shares of DMS2. In this regard, DMS2 will be an indirect subsidiary of the Company with registered capital of not exceeding than USD 150,000 or THB 4,800,000, consisting of the following details:

List	Amount	
	(USD M)	(THB M) ^{/1}
Operating reserved cash	139,118.60	4,451,795.20
Head Lease Transfer Fee	5,000.00	160,000.00
Sublease Registration Fee	5,000.00	160,000.00
Total Operating License Amendment/ Renewal Fee following the entering into the sublease agreement by DMS2 and DMS3	523.90	16,764.80
Other expenses ^{/2}	357.50	11,440.00
Total registered capital for the establishment of DMS2	150,000.00	4,800,000.00

Remark: ^{/1} The exchange rate is THB 32 per USD 1.

^{/2} Other expenses such as establishment fee, private company annual fee including a minimum capital of USD 130 for setting up a company required by law of the Republic of Maldives

- Registered capital in the establishment of DMS3: DMCO will hold 100% of DMS3's total shares with registered capital of USD 10,000 or THB 320,000, consisting of the following details:

List	Amount	
	(USD M)	(THB M) ^{/1}
Reserves for use in operations	8,498.50	271,952.00
Total Recurring Fee for relevant operating licenses	1,144.00	36,608.00
Other expenses ^{/2}	357.50	11,440.00
Total registered capital for the establishment of DMS3	10,000.00	320,000.00

Remark: ^{/1} The exchange rate is THB 32.00 per USD 1.

^{/2} Other expenses such as establishment fee, private company annual fee including a minimum capital of USD 130 for setting up a company required by law of the Republic of Maldives

From details of registered capital for the establishment of DMS2 and DMS3 cover the minimum of capital required by law of the Republic of Maldives and necessary expenses for the actual operation in company. Hence, IFA is of the opinion that the Transaction on the establishment of two subsidiaries in the Republic of Maldives in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives Hotel Project is reasonable.

1.2. Transaction on the sublease and lease of assets in relation to the operation of DTMD

IFA has determined reasonableness of the fair price of this transaction based on Discounted Cash Flow Approach is appropriate because its approach considers the assets' ability to generate Cash Flow in the future by estimating Free Cash Flow from the DTMD operation and cash outflow under the draft Land Sublease and Property Lease Agreement as following:

List	Amount (USD M)	Amount (THB M)
Present value of Free Cash Flow from DTMD operation	85.56	2,737.93
Present value of Cash Outflow from sublease rental fee	(82.52)	(2,640.62)
Expense for sale and purchase of DTMD operating assets	(0.32)	(10.34)
Net Present Value of free cash flow	2.72	86.97

Remark: The exchange rate is THB 32.00 per USD 1.

From the assessment by IFA, Present value of Free Cash Flow from DTMD operation according to the sublease and lease of assets total 21 years equals to **USD 85.56 M** which is higher than Present Value of Cash Outflow from the sublease and lease transaction of **USD 82.52 M** and additional expense of **USD 0.32 M** for sale and purchase of hotel operating assets. That will make Net Present Value of this transaction **positive** by **USD 2.72 M** or **THB 86.97 M**. Therefore, the IFA is of the opinion that the transaction on the sublease and lease of assets in relation to the operation of DTMD is reasonable.

1.3. Transaction on the subscription for the newly-issued investment units of DREIT in proportion to their respective unitholdings

The IFA has prepared the financial projection of distributions from DREIT's unit investment by using Discounted Cash Flow Approach (DCF) which is the appropriate approach because its approach considers the ability to generate distributions of DREIT in the future. In this regard, the evaluation of present value of the distributions from investment in DTMD is divided into 2 cases as follows:

- Case1: DREIT invests in DTMD (DREIT's unitholders will receive the distributions from DTLP, DTHH, D2CM and DTMD)
- Case2: DREIT not invests in DTMD (DREIT's unitholders will receive the distributions from DTLP, DTHH, and D2CM)

The difference of the present value of the distributions from case 1 and case 2 is the present value of the distributions received from the investment in the DTMD as follows:

Detail	Amount ^{/1}	
	(USD m)	(THB m)
Case1: Present value of the distributions from DTLP DTHH D2CM and DTMD	193.27	6,184.65
Case2: Present value of the distributions from DTLP DTHH and D2CM	125.54	4,017.18
Present value of the distributions from DTMD	67.73	2,167.48
Less: Transaction expenses ^{/2}	(1.83)	(58.50)
Less: The amount of subscription for the newly-issued investment units of DREIT in proportion to their respective unitholdings (Right Offering)	(52.55)	(1,681.60)
NPV of the distributions from DTMD	13.36	427.38
NPV of the distributions from DTMD in only DTC's portion of 30.02%	4.01	128.30

Remark: ^{/1} The exchange rate is THB 32.00 per USD 1.

^{/2} Transaction expenses are the expenses that DREIT is responsible such as financial advisor fee, IFA fee, legal advisor fee, appraisal fee, audit fee etc.

From the determination of Net Present Value of distributions from subscription for the newly-issued investment units of DREIT received by DTC is **positive by USD 4.01 M or THB 128.30 M**. Therefore, the IFA is of the opinion that the subscription for the newly-issued investment units of DREIT in proportion to their respective unitholdings is reasonable.

2. Summary of the Fairness of the Fair price of the Disposal of Assets Transaction

2.1. Transaction on the disposal of the total shares held by DTPP in DMS2 to DREIT

IFA is of the opinion that the fair value from the independent appraiser by DCF approach is appropriate to compare to the selling price of entering into the Transaction because the assumptions in the projection based on the historical of DTMD performance, the comparable assets with the appraised assets and the future operational plan of DTMD. And DCF approach by IFA is appropriate because IFA has considered the ability to generate the cash flows of the assets, the historical performance, industry information, and the future operational plan of DTMD. Therefore, the range of the fair value of Dusit Thani Maldives Hotel Project's assets will be USD 69.32 – 72.00 M.

When considering DMS 2's share value calculated from the fair value of the Dusit Thani Maldives Hotel Project, deducting debt (shareholders' loans) and tax leakage will have the fair value of the DMS2 in following table:

(USD M)	Fair Value		Cash Flow from the transaction
	IFA	Independent Appraisal	
Value of DTMD ^{/1}	69.32	72	72
Shareholder loans ^{/2}	3.95	3.95	3.95
Tax leakage ^{/3}	3.12	3.52	3.52
Fair Value of DMS2	62.25	64.53	64.53
Cash Flow is greater than Fair Value	USD 0 – 2.28 M or THB 72.92 M		
Net Cash Flow is greater than Net Fair Value according to DTPP holding proportion of 65% in DMS2	0 - 2.28 x 65% equals to USD 0 - 1.48 M or THB 47.40 M		
NPV only for DTC's portion that receives according to holding proportion in DTPP both direct (2.75%) and indirect (84.00%)	0 - 1.48 x 86.75% equals to USD 1.28 M or THB 41.12 M		

Remark: The exchange rate is THB 32.00 per USD 1

^{/1} Value of DTMD has been included registered capital for the establishment of DMS2 already.

^{/2} DMS's Shareholder loans for repaying BAY loans and for releasing the share collateral before entering into the transaction (data obtained from DTC), which is expected that BAY's loan balance will be approximately USD 3.95 M on the date of the transaction (30 September 2019). In this regard, such loan will be transferred to DMS2 on the date that DMS sells the leasehold rights and ownership of Dusit Thani Maldives Hotel Project

^{/3} Calculated from 15% of Dusit Thani Maldives Hotel Project's value deducting shareholder loans (USD 3.95 M) and total equity of DMS (USD 44.6 M referred to the forecasted financial statement as at 30 September 2019 from EY Office Limited)

Based on the information in table above, Net Cash Flow from entering into transaction on the disposal of 65% of total shares held by DTPP in DMS2 to DREIT is higher than Net Fair Value in the range of USD 0 – 1.48 M. As a result, Net Present Value of the difference between Net Cash Flow and Net Fair Value from such

transaction received by DTC according to the proportion of holding in DTPP both direct (2.75%) and indirect (84.00%) is **positive** by USD 1.28 M or THB 41.12 M.

The Fair Value of Dusit Thani Maldives Hotel Project is in the range of USD 69.32 - 72.00 M. Resulting in Net Present Value of the difference between Net Cash Flow and Net Fair Value from such transaction received by DTC, there will be **positive** by USD 0 – 1.28 M or THB 41.12 M. Therefore, the IFA is of the opinion that the transaction on this transaction is reasonable.

However, the Independent Financial Advisor has considered additional expenses related to entering into 3 transactions, consisting of the registered capital of DMS2 and DMS3 and other expenses for entering into the transaction such as Independent Financial Advisor fee, Independent Appraiser fee and document printing fee for shareholder's annual general meeting, amounting to about USD 0.14 M. Resulting in Net Present Value of 3 transactions only for DTC's portion after deducting transaction expenses can be summarized as follows:

List	Net Present Value of cash flow only for DTC's portion	
	(USD M)	(THB M)
The Acquisition of Assets Transaction		
DMS3 subleases and leases in relation to the operation of DTMD from DMS2	2.72	86.97
DTC's subscription for the newly-issued investment units of DREIT in proportion to their respective unitholdings (30.02%)	4.01	128.30
The Disposal of Assets Transaction		
Disposal of the total shares held by DTPP in DMS2 (65%) to DREIT ^{/1}	1.28	41.12
Net Present value of cash flow in all transactions <u>before</u> deducting transaction expenses	8.01	256.39
Transaction expenses		
Deduct: Registration capital of DMS3	(0.01)	(0.32)
Deduct: Transaction expenses ^{/2}	(0.13)	(4.03)
Net Present value of Cash Flow in all transactions <u>after</u> deducting transaction expenses	7.88	252.04

Remark: The exchange rate is THB 32.00 per USD 1.

^{/1} Value of DTMD has already been included registration capital of DMS2

^{/2} Transaction expenses include document preparation expenses for shareholder's annual general meeting of DTC and DTPP, legal advisor fee, appraisal fee and IFA fee

Net Present Value of Cash Flow in 3 transactions only for DTC's portion after deducting transaction expenses is still remaining **positive** by USD 7.88 M or THB 252.04 M. Therefore, IFA opines that the 3 transactions as mentioned above are reasonable.

Therefore, the shareholders should approve the transaction for the acquisition and disposal of assets of the Company. However, the decision as to vote in favor of the said transactions depends principally on the shareholders' individual judgement. The shareholders are recommended to additionally study the information in all documents enclosed with the notice of the shareholders' meeting so as to use judgement and discretion for proper voting decision.

In providing the above opinion, IFA has taken into account the information and documents available publicly, the information from industry analyses and forecasts, the information and documents supplied by concerned parties, including the management interview. IFA may not certify the accuracy or completeness of the information obtained from the Company and from the interview with the management of the Company. Moreover, the opinion is based on the economic environment and the information prevailing at the time of preparing this report. Therefore, any significant change in these factors could have an impact on the IFA's opinion.

Opinion of Independent Financial Advisor on Acquisition and Disposal of Assets of Dusit Thani Public Company Limited

The Board of Directors' Meeting No. 3/2019 of Dusit Thani Public Company Limited (the "Company"), convened on 25 February 2019, passed the significant resolutions as follows:

The asset acquisition transactions of the Company

- Establishment of two subsidiaries in the Republic of Maldives in order to accommodate the entering into the transactions related to Dusit Thani Maldives Hotel Project, namely Dusit Maldives Investment Company Limited ("DMS2") and Dusit Maldives Management Company Limited ("DMS3").
- The restructuring of the Company's assets in relation to the Dusit Thani Maldives Hotel Project, whereby (1) DMS Property Investment Private Limited ("DMS"), an indirect subsidiary of the Company, transfers all businesses, including the leasehold rights over the land and the ownership of the buildings and constructions, and assets in relation to the Dusit Thani Maldives Hotel Project to DMS 2, and (2) DMS3 subleases and leases the assets in relation to the operation of the Dusit Thani Maldives Hotel Project, and accepts the transfer of the relevant rights and duties from DMS2 in order to operate the Dusit Thani Maldives hotel and enter into relevant agreements
- The subscription for the newly-issued investment units of DREIT, which DREIT additionally issues and offers for sale to the existing unitholders whose names are set out in the unitholders register book in proportion to their respective unitholdings (Rights Offering)

The asset disposal transactions of the Company

- The disposal of the total shares held by DTTP in DMS2, representing 65% of the total shares of DMS2 to the Dusit Thani Freehold and Leasehold Real Estate Investment Trust ("DREIT") and entering into relevant agreements

1. Nature and Details of the Transaction

1.1. The General Characteristics and the Category of the Transaction

- ##### 1.1.1. Transaction on the establishment of two subsidiaries in the Republic of Maldives in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives Hotel Project

The Company by DTPP and DMCO will establish two subsidiaries in the Republic of Maldives in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives hotel Project. The details are as follows:

(a) DMS2

Business operation : DMS2 will accept the transfer of business, including the leasehold rights over the land of which the remaining lease term is approximately 40 years, as well as the ownership of the buildings and constructions, and assets used in the operation of the Dusit Thani Maldives hotel project from the government of the Republic of Maldives, and is the owner of the buildings and constructions, and assets used in the operation in the Dusit Thani Maldives Hotel Project

Registered capital : Not exceeding USD 150,000

Shareholding : DTPP will hold 65% of the total shares of DMS2 and MBK will hold 35% of the total shares of DMS2.

(b) DMS3

Business operation : DMS3 will sublease and lease the assets in relation to the operation of the Dusit Thani Maldives hotel from DMS2

Registered capital : USD 10,000

Shareholding : DMCO (a subsidiary of the Company) will hold 100% of the total shares of DMS3

Remark: With regards to the limitation under the laws of the Republic of Maldives in the direct investment of properties by the foreigner and the limitation in the procurement of benefit of DREIT. On the other hand, after transferring the leasehold rights over the land from DMS to DMS2 where DTMD is located, all assets related to DTMD operations will be transferred to DMS2 together with the leasehold rights over the such land. Of which the transfer of leasehold rights over the land must be transferred to a company established in the Republic of Maldives. Also, the limitation in the procurement of benefit of the Trust which the Trust cannot operate other businesses such as hotel business etc. In addition, the application of the request licenses for the hotel operation must be made by the company established in the Republic of Maldives. Therefore, DREIT will indirectly invest in Dusit Thani Maldives Hotel Project through the share acquisition in DMS2 and provision of loan to DMS2 after DMS2 has transferred the assets other than leasehold right and ownership of Dusit Thani Maldives Hotel Project (except for the outstanding loan that DMS owes to DTPP and MBK and has been transferred to DMS2) to DMS3 and the entering into the sublease and lease agreement of Dusit Thani Maldives Hotel Project with DMS3 (Source: Information Memorandum on DREIT's acquisition of the Additional Investment Assets No. 1 dated 13 February 2019).

1.1.2. Transaction on the transfer of business of the Dusit Thani Maldives Hotel Project to DMS2 and transaction on the sublease and lease of assets in relation to the operation of the Dusit Thani Maldives Hotel by DMS3

After the establishment of DMS2 and DMS3 is completed (as detailed in 1.1.1), DMS (in which the Company indirectly holds 65% of the total shares through DTPP and MBK holds 35% of the total shares), a company incorporated under the laws of the Republic of Maldives, which has been granted the leasehold rights over the land where the Dusit Thani Maldives Hotel Project is located for the period of approximately 40 years from the government of the Republic of Maldives and is the owner of the buildings and constructions, and assets used in the operation of the Dusit Thani Maldives Hotel, will transfer the business of the Dusit Thani Maldives hotel project, located on Mudhdhoo Island in Baa Atoll, the Republic of Maldives, to DMS2. The transfer of the business of the Dusit Thani Maldives Hotel Project includes the transfer of (1) the leasehold rights and ownership of the immovable properties and assets in relation to the Dusit Thani Maldives hotel project ("Assets in relation to the operation of the Dusit Thani Maldives hotel"); (2) right of claim and liabilities as recorded on the book account on the specified date; (3) agreements with third parties, permits, and relevant licenses; and (4) staff who are employees of DMS (collectively referred to (2) - (4) as "Relevant Rights and Duties"), with the total value of not less than USD 72,000,000 (or equivalent to THB 2,304,000,000) and DMS2 will accept the transfer of the business of the Dusit Thani Maldives Hotel Project from DMS as stated above.

After DMS2 has accepted the transfer of the Dusit Thani Maldives Hotel Project from DMS, DMS3 (which is the newly-established company as detailed in 1.1.1 and will have the status as an indirect subsidiary of the Company) will sublease and lease the Assets in relation to the operation of the Dusit Thani Maldives hotel, and accept the transfer of the Relevant Rights and Duties from DMS2 (excluding debts from the outstanding loans which DMS owes to DTPP and MBK under the loan agreement from the shareholders, which have been transferred from DMS to DMS2) in order to operate the Dusit Thani Maldives hotel and enter into relevant agreements.

In addition, upon calculation of the minimum fixed rental fee of the Dusit Thani Maldives hotel project in the amount of USD 7,000,000 per year (or equivalent to THB 224,000,000 per year) from the total rental fee period of not more than 21 years, the rental fee which will be paid by DMS3 to DMS2 shall be in a total amount of not less than USD 147,000,000 (or equivalent to THB 4,704,000,000). In case of calculation of the fixed rental fee according to the current value, applying the discount rate of 12.50%, the current value of the total rental fee would be amounting to THB 1,640,945,024.80 (based on the exchange rate of THB 32.00 per USD 1).

1.1.3. Transaction on the disposal of the total shares held by DTPP in DMS2 to DREIT

After DMS3 has completed the sublease and lease of the Assets in relation to the operation of the Dusit Thani Maldives Hotel and has accepted the transfer of the Relevant Rights and Duties (excluding debts from the outstanding loans which DMS owes to DTPP and MBK under the loan agreement from the shareholders which have been transferred from DMS to DMS2) from DMS2, DTPP shall dispose of its total shares held in DMS2, representing 65% of the total shares of DMS2 to DREIT, with the total value of not exceeding USD 97,500 (or equivalent to THB 3,120,000), and shall enter into the share sale and purchase agreement and other relevant agreements with DREIT (based on the exchange rate of THB 32.00 per USD 1).

In this regard, after DTPP has completed the disposal of its shares held in DMS2, representing 65% of the total shares of DMS2, to DREIT, DREIT agrees to grant the right to the existing shareholders of DMS2, namely DTPP and MBK, to buy back the shares in DMS2 from DREIT at the price equivalent to the purchase price at which DREIT has purchased such shares from DTPP and MBK ("Provision on Share Buy-Back Option") in the case where DREIT as the major shareholder of DMS2 undertakes the following acts: (1) DREIT does not provide any shareholder's loan to DMS2, resulting in DMS2 being unable to pay compensation for the acceptance of the transfer of the business of the Dusit Thani Maldives Hotel Project, as well as the assets used in the operation of the Dusit Thani Maldives Hotel, and the Relevant Rights and Duties, which DMS2 owes to DMS, and to repay debts from the outstanding loans which DMS owes to DTPP and MBK under the loan agreement from the relevant shareholders (DMS also transferred the rights and duties under the loan agreement from the relevant shareholders to DMS2) or (2) DREIT provides a shareholder's loan to DMS2 but does not procure DMS2 to pay consideration for the acceptance of the transfer of the business of the Dusit Thani Maldives Hotel Project, as well as the assets used in the operation of the Dusit Thani Maldives Hotel, and the Relevant Rights and Duties, which DMS2 owes to DMS, and to repay debts from the outstanding loans which DMS2 owes to DTPP and MBK under the relevant loan agreement from the relevant shareholders (DMS also transferred the rights and duties under the loan agreement from the relevant shareholders to DMS2). The exercise of the share buy-back option is on the condition that DREIT shall receive the payment of the shareholder's loan received by DMS2 from DREIT (if any) prior to the exercise of the share buy-back option.

In this regard, the details of the exercise of share buy-back option shall be as further agreed among DTPP, MBK and DREIT in the share sale and purchase agreement.

1.1.4. Transaction on the subscription for the newly-issued investment units of DREIT to the existing unitholders

DREIT plans to issue and offer for sale of not exceeding 365,000,000 new trust units as a part of the source of fund for the investment in the Assets in relation to the operation of the Dusit Thani Maldives hotel and/or for the operation of DREIT and/or to repay debts under the existing loan agreement of DREIT. The trust units issued and offered for sale on this occasion shall be allocated for not lower than 100% of the trust units to be issued and offered for sale in the capital increase of DREIT on this occasion to the existing unitholders whose names are set out in the unitholders register book (Rights Offering).

In this regard, the Board of Directors Meeting of the Company resolved to approve that the Company subscribes for the newly-issued investment units of DREIT which DREIT additionally issues and offers for sale to the existing unitholders whose names are set out in the unitholders register book in proportion to their respective unitholding (Rights Offering) on this occasion, with the approximate total value of THB 504,816,320, whereby the Board of Directors or any person designated by the Board of Directors shall be authorized to subscribe for the trust units as deemed appropriate, and undertake relevant acts with respect to this matter in accordance with the criteria and procedures for the allocation of trust units as determined and notified by the REIT Manager of DREIT. For subscription of the trust units, the Company will not subscribe for trust units in excess of its current unitholding proportion.

1.2. Date of the Transaction

After (1) the Company has been granted approval from a shareholders' meeting to enter into the transactions in relation to the Dusit Thani Maldives Hotel Project including obtaining approval from the Board of Directors' meeting and/or a shareholders' meeting (if necessary) of any relevant party in relation to such matter; (2) DREIT has been granted approval from the unitholders' meeting to invest in the Dusit Thani Maldives Hotel Project and to perform relevant acts, and has been granted consent from the Office of the Securities and Exchange Commission ("SEC") to issue and offer for sale of the trust units and other matters relating to the investment in the Dusit Thani Maldives Hotel Project; (3) DREIT has completed the issuance and offer for sale of the trust units in order to invest in the Dusit Thani Maldives Hotel Project and/or to operate the business of DREIT and/or to repay debts under the existing loan agreement of DREIT; and (4) the relevant parties has completely satisfied the conditions precedent specified in the agreement relating to the transactions in relation to the Dusit Thani Maldives Hotel Project, whereby the Company expects that the transactions in relation to the Dusit Thani Maldives Hotel Project will be completed within December 2019. The tentative time line of the transactions are as follows:

Day/Month/Year	Transaction
26 April 2019	Annual General Meeting of DTC shareholders
29 April 2019	Annual General Meeting of DREIT shareholders
May – September 2019	The process of consideration from SEC to the approval of newly-issued and offering Trust units of DREIT and other relevant subjects, and issued and offering Trust units of DREIT
August 2019	The establishment of DMS2 and DMS3
September 2019	<ul style="list-style-type: none"> - DMS and DMS2 being approved by the relevant authorities for deed of assignment of the Island in Maldives and the acceptance by DMS2 of the transfer of the leasehold right over the land and the ownership of buildings and constructions, and assets of DMS - DMS2 and DMS3 being approved by the relevant authorities for sublease over the land and lease the assets and sublease by DMS3 from DMS2 - DREIT being approved by the relevant authorities for the oversea investment - DREIT, DTPP and MBK being approved by the relevant authorities for the transfer of shares, being approved by the relevant authorities for the oversea investment and purchasing shares of DMS2 by DREIT from DTPP and MBK - DREIT will provide loan to DMS2 to repayment for the transfer of the leasehold right over the land and the ownership of the assets of Dusit Thani Maldives Hotel Project to DMS and shareholder loans
September – December 2019	<ul style="list-style-type: none"> - DMS will pays dividends to DTPP and MBK - DMS will reduce its capital
Remark: The above tentative time line of the transactions is just a preliminary estimation and may be changed	

1.3. Relevant Parties and Nature of Relationship

1.3.1. Transaction on the establishment of two subsidiaries in the Republic of Maldives in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives hotel Project

(a) Dusit Maldives Investment Company Limited ("DMS2")

Shareholders: (1) Dusit Thani Properties Public Company Limited ("DTPP") will hold 65% of the total shares of DMS2;

(2) MBK Hotel & Resort Company Limited ("MBK") will hold 35% of the total shares of DMS2.

Relationship with the Company: DTPP is a subsidiary of the Company in which the Company directly holds 2.75% and indirectly holds 84% of the total shares of DTPP through Dusit Thani Properties Company Limited.

MBK has no relationships with the Company.

(b) Dusit Maldives Management Company Limited ("DMS3")

Shareholder: Dusit Management Company Limited ("DMCO") will hold 100% of the total shares of DMS3.

Relationship with the Company: DMCO is a subsidiary of the Company in which the Company holds 99.99% of its issued shares of DMCO.

1.3.2. Transaction on the transfer of business of the Dusit Thani Maldives Hotel Project to DMS2 and the transaction on the sublease and lease of assets in relation to the operation of the Dusit Thani Maldives hotel by DMS3

(a) Transaction on the transfer of business of the Dusit Thani Maldives Hotel Project to DMS2

Transferor: DMS

Transferee: DMS2 which is the newly-established company in the Republic of Maldives.

Relationship with the Company: DTPP (in which the Company directly holds 2.75% and indirectly holds 84% of the total shares through Dusit Thani Properties Company Limited) holds shares of DMS / will hold 65% of the total shares of DMS2 and MBK holds shares of DMS / will hold 35% of the total shares of DMS2).

(b) Transaction on the sublease and lease of assets in relation to the operation of the Dusit Thani Maldives hotel by DMS3

Sublessor and lessor: DMS2 which is the newly-established company in the Republic of Maldives.

Sublessee and lessee: DMS3 which is the newly-established company in the Republic of Maldives.

Relationship with the Company: DTPP (in which the Company directly holds 2.75% and indirectly holds 84% of the total shares through Dusit Thani Properties Company Limited) will hold 65% of the total shares of DMS2 and MBK will hold 35% of the total shares of DMS2.

DMCO (a subsidiary of the Company in which the Company holds 99.99% of the total shares) will hold 100% of the total shares of DMS3.

1.3.3. Transaction on the disposal of the total shares held by DTPP in DMS2 to DREIT

Seller: DTPP

Purchaser: DREIT

Relationship with the Company: DTPP is a subsidiary of the Company in which the Company directly holds 2.75 percent and indirectly holds 84 percent of its total shares through DTPP

DREIT is a REIT in which the Company holds 30.02% of the total issued and sold trust units, with Dusit Thani Property REIT Company Limited, a subsidiary in which the Company holds 99.99% of the total shares, as the REIT Manager.

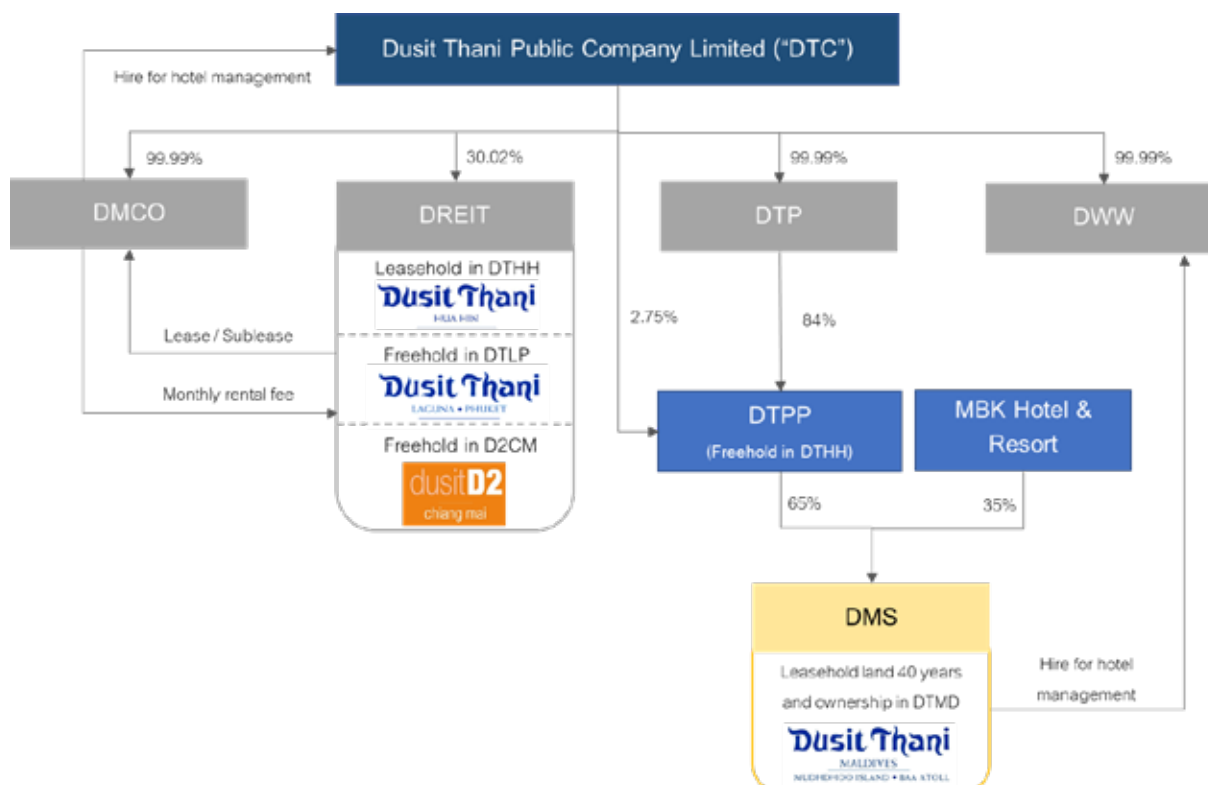
1.3.4. Transaction on the subscription for the newly-issued investment units of DREIT

Issuer: DREIT

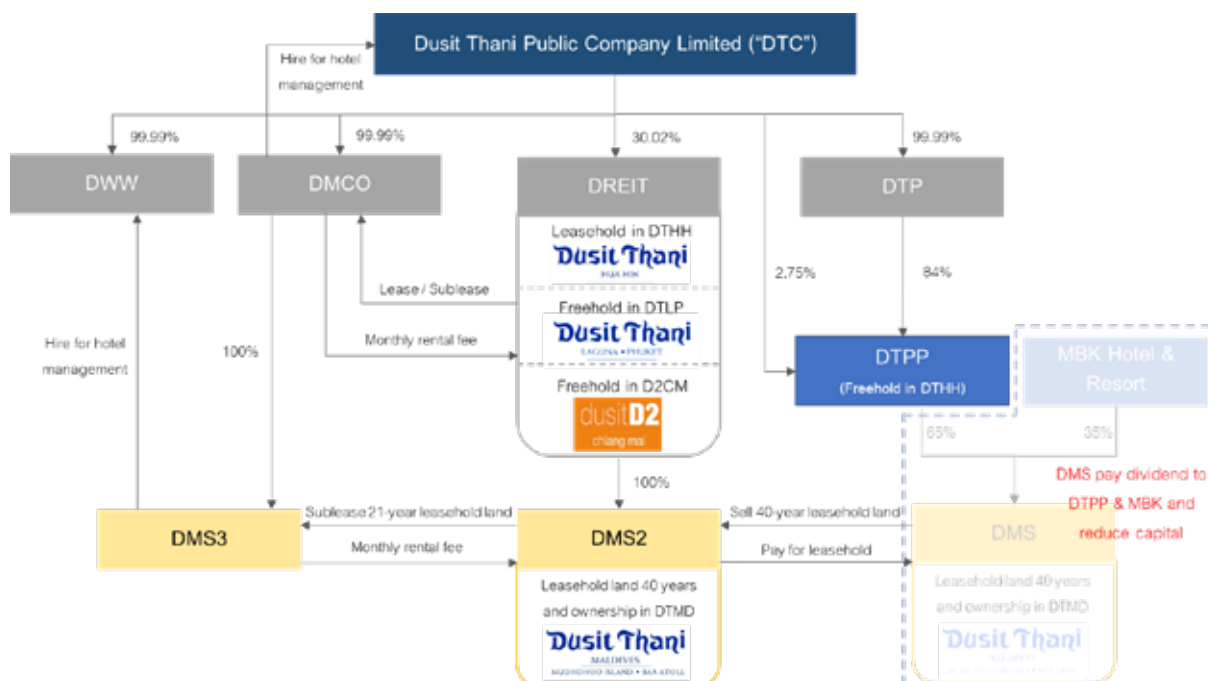
Subscriber: The Company

Relationship with the Company: DREIT is a REIT in which the Company holds 30.02% of its total issued and sold trust units, with Dusit Thani Property REIT Company Limited, a subsidiary in which the Company holds 99.99% of its total shares, as the REIT Manager.

DTC's structure before the transaction in relation to DTMD



DTC's structure after the transaction in relation to DTMD



1.4. Size of the Transaction

1.4.1. Transaction on the establishment of two subsidiaries in the Republic of Maldives in order to accommodate the entering into of the Transactions in relation to the Dusit Thani Maldives Hotel Project

DTPP, the subsidiary of the Company, will establish DMS2 in the Republic of Maldives and hold 65% of the total shares of DMS2. DMS2 will then be the indirect subsidiary of the Company. The registered capital is USD 150,000 (or THB 4,800,000) or calculate according to the holding proportion of DTPP in DMS2 65% equals to USD 97,500 (or THB 3,120,000)

Moreover, DMCO, the subsidiary of the Company, will establish DMS3 in the Republic of Maldives and hold 100% of the total shares of DMS3. DMS3 will then be the indirect subsidiary of the Company. The registered capital is USD 10,000 or THB 320,000 (the transaction size is calculated based on the exchange rate of THB 32.00 per USD 1).

The calculation of transaction size according to the Acquisition or Disposal of Assets Notification by the total value of consideration basis is approximately 0.03% of the total assets of the Company from audited consolidated financial statements as of 31 December 2018. The calculation is as follows:

$$\begin{aligned}
 \text{Transaction Size} &= \frac{\text{Total Value of Shares of DMS2 and DMS3} \times 100}{\text{Total Assets of the Company}} \\
 &= \frac{(\text{THB } 3.12 \text{ M} + \text{THB } 0.32 \text{ M}) \times 100}{\text{THB } 11,573.05 \text{ M}} \\
 &= 0.03\%
 \end{aligned}$$

1.4.2. Transaction on the sublease and lease of Assets in relation to the operation of the Dusit Thani Maldives hotel of DMS3

Upon calculation of the minimum fixed rental fee of the Dusit Thani Maldives Hotel Project in the amount of USD 7,000,000 per year (or THB 224,000,000 per year) from the total rental fee period of not more than 21 years, the rental fee which will be paid by DMS3 to DMS2 shall be in a total amount of not less than USD 147,000,000 (or THB 4,704,000,000). In case of calculation of the fixed rental fee according to the current value, applying the discount rate of 12.50% (source: the discount rate of the independent appraiser in the appraisal report as at 20 February 2019), the current value of the total rental fee would be amounting to THB 1,640,945,024.80 (based on the exchange rate of THB 32.00 per USD 1).

The calculation of transaction size according to the Acquisition or Disposal of Assets Notification by the total value of consideration basis is approximately 14.18% of the total assets of the Company from audited consolidated financial statements as of 31 December 2018. The calculation is as follows:

$$\begin{aligned}
 \text{Transaction Size} &= \frac{\text{Total Value of Consideration to be Paid} \times 100}{\text{Total Assets of the Company}} \\
 &= \frac{\text{THB 1,640.95 M} \times 100}{\text{THB 11,573.05 M}} \\
 &= 14.18\%
 \end{aligned}$$

Remark: Since this transaction is the restructuring of the Company's assets, in order to avoid the overlap of calculation of transaction size, the Company then has not calculated the transaction on the transfer of business of the Dusit Thani Maldives Hotel Project from DMS to DMS2, as this is the transaction between the subsidiaries of the Company.

1.4.3. Transaction on the disposal of the total shares held by DTPP in DMS2 to DREIT

After DMS3 has completed the sublease and lease of the assets in relation to the Dusit Thani Maldives Hotel Project and has accepted the transfer of the Relevant Rights and Duties (excluding debts from the outstanding loan which DMS owes to DTPP and MBK under the loan agreement from the shareholders, which have been transferred from DMS to DMS2) from DMS2, DTPP shall dispose of the total of its shares held in DMS2, representing 65% of the total shares of DMS2 to DREIT, with the total value of not exceeding USD 97,500 (or THB 3,120,000).

In addition, after DTPP has completely transferred the ownership of the shares to DREIT, DMS2 will receive loan from DREIT to use as the consideration for the acceptance of the transfer of Dusit Thani Maldives Hotel Project from DMS and shall repay the outstanding shareholders loan which DMS2 owes to DTPP and MBK. Therefore, transaction size of the transfer of Dusit Thani Maldives Hotel Project to DREIT according to the holding proportion of DTPP in DMS 65% will not be lower than USD 46,800,000 (or THB 1,497,600,000) (based on the exchange rate of THB 32.00 per USD 1).

The calculation of transaction size according to the Acquisition or Disposal of Assets Notification by the total value of consideration basis is approximately 12.97% of the total assets of the Company from audited consolidated financial statements as of 31 December 2018. The calculation is as follows:

$$\begin{aligned}
 \text{Transaction Size} &= \frac{\text{Total Value of Consideration Received} \times 100}{\text{Total Assets of the Company}} \\
 &= \frac{(\text{THB } 3.12 \text{ M} + \text{THB } 1,497.60 \text{ M}) \times 100}{\text{THB } 11,573.05 \text{ M}} \\
 &= 12.97\%
 \end{aligned}$$

1.4.4. Transaction on the subscription for the newly-issued investment units of DREIT

The Board of Directors Meeting of the Company resolved to approve that the Company subscribes for the newly-issued investment units of DREIT which DREIT additionally issues and offers for sale to the existing unitholders whose names are set out in the unitholders register book in proportion to their respective unitholding (Rights Offering) on this occasion, with the approximate total value of THB 504,816,320.

The calculation of transaction size according to the Acquisition or Disposal of Assets Notification by the total value of consideration basis is approximately 4.36% of the total assets of the Company from audited consolidated financial statements as of 31 December 2018. The calculation is as follows:

$$\begin{aligned}
 \text{Transaction Size} &= \frac{\text{Total Value of Consideration Paid} \times 100}{\text{Total Assets of the Company}} \\
 &= \frac{\text{THB } 504.82 \text{ M} \times 100}{\text{THB } 11,573.05 \text{ M}} \\
 &= 4.36\%
 \end{aligned}$$

The entering into of the transactions in items 1.4.1, 1.4.2 and 1.4.4 above constitutes an asset acquisition transaction in accordance with the Notifications on Asset Acquisition and Disposal, having the highest transaction value of 18.57%, calculated based on the Total Value of Consideration basis, based on the audited Consolidated Financial Statements ending 31 December 2018. After calculating the value of all asset acquisitions which have occurred during the past six months based on the Total Value of Consideration basis, the highest transaction value is equivalent to 30.04%. The details are as follows:

All asset acquisition transactions which have occurred during the past 6 months (August 2018 – February 2019)	Investment Value (THB)	Transaction Value under the Total Value of Consideration Basis (%)
The investment in LVM Holdings Pte. Ltd. (The Company disclosed the information to the Stock Exchange of Thailand on 10 September 2018)	495,000,000	4.93
The additional investment in Dusit Gourmet Co., Ltd.,	4,500,000	0.05
The investment in Epicure Catering Co., Ltd. (The Company disclosed the information to the Stock Exchange of Thailand on 22 January 2019)	613,000,000	5.43
The establishment of Dusit Hospitality Services Co., Ltd. (The Company disclosed the information to the Stock Exchange of Thailand on 18 December 2018)	1,000,000	0.01
The lease and renovation of Baan Dusit Thani	120,000,000	1.06
Total	738,500,000	11.47

Source: Information Memorandum on Acquisition and Disposal of Assets of the Company dated 26 February 2019

In addition, the entering into of the transaction in item 1.4.3 constitutes an asset disposal transaction in accordance with the Notifications on Asset Acquisition and Disposal, having the highest transaction value of 12.97%, calculated based on the Total Value of Consideration basis, based on the audited Consolidated Financial Statements ending 31 December 2018. The Company has not entered into any asset disposal transaction during the past six months, therefore, the highest transaction value is equivalent to 12.97%.

1.5. Details of the Assets to be Acquired or Disposed

1.5.1. Transaction on the establishment of two subsidiaries in the Republic of Maldives in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives Hotel Project

- (a) DMS2 will accept the transfer of the business of the Dusit Thani Maldives Hotel Project, including the assets in relation to the operation of the Dusit Thani Maldives Hotel from DMS, and will sublease and lease the assets in relation to the operation of the Dusit Thani Maldives Hotel out to DMS3.
- (b) DMS3 will sublease and lease the Assets in relation to the operation of the Dusit Thani Maldives Hotel from DMS2.

1.5.2. Transaction on the transfer of business of the Dusit Thani Maldives Hotel Project to DMS2 and the transaction on the sublease and lease of Assets in relation to the operation of the Dusit Thani Maldives hotel by DMS3

DMS2 will accept the transfer of the business of the Dusit Thani Maldives Hotel Project, located on Mudhdhoo Island in Baa Atoll, the Republic of Maldives, which commenced its operation in February 2012, including accept the transfer of the Assets in relation to the operation of the Dusit Thani Maldives Hotel. The details of assets are as follows:

(a) Land

The land on which the Dusit Thani Maldives Hotel Project is situated is located on Mudhdhoo Island in Baa Atoll, the Republic of Maldives, of which DMS (a company incorporated under laws of Republic of Maldives) has been granted with approximately 48-year leasehold right by the government of the Republic of Maldives. Presently, the remaining lease term is approximately at 40 years and 7 months (at the date of DREIT's investment, the remaining lease term will be approximately at 40 years) with the area as per the lease agreement of approximately 116 rai 2 ngan 60 square wah.

(b) Buildings and constructions

Any buildings and constructions built on the land where the Dusit Thani Maldives Hotel Project is located, owned by DMS, including but not limited to 95 luxurious villas as well as the facility area, the reception area, the restaurant and pool. This shall include all systems, fixed assets, facilities and component parts of such buildings as well as any other immovable properties owned by DMS and currently used in the operation of the Dusit Thani Maldives Hotel Project.

(c) Moveable properties currently used in the operation of the Dusit Thani Maldives Hotel Project.

Details of the villas in the Dusit Thani Maldives Hotel Project

No.	Type of Villa	Approximate area per villa (Sq. M.)	Number of villa (Units)	Approximate total area of the villas (Sq. M.)
1	Beach Villa	122	9	1,098
2	Beach Villa with Pool	122	10	1,220
3	Beach Deluxe Villa with Pool	122	17	2,074
4	Water Villa with Pool	150	30	4,500
5	Ocean Villa with Pool	180	20	3,600
6	Two Bedroom Family Beach Villa	400	5	2,000

No.	Type of Villa	Approximate area per villa (Sq. M.)	Number of villa (Units)	Approximate total area of the villas (Sq. M.)
7	Two-Bedroom Ocean Pavilion	370	2	740
8	Two-Bedroom Beach Residence	560	1	560
9	Three-Bedroom Beach Residence	690	1	690
Total			95	16,482

Source: Information Memorandum on Acquisition and Disposal of Assets of the Company dated 26 February 2019

* Currently, 1 water villa with pool is used for the management of DTMD, therefore, the total villas for the customers are 94 villas

In this regard, DMS2 will accept the transfer of the business of the Dusit Thani Maldives Hotel Project, including accept the transfer of the leasehold rights (with the remaining lease term of approximately 40 years 7 months (it is expected that the remaining lease term will be approximately 40 years as at the date of DREIT's investment) and the ownership of the immovable properties, which include the buildings and constructions, and assets in relation to the Dusit Thani Maldives Hotel Project, and the Relevant Rights and Duties (including debts from the outstanding loans which DMS owes to DTPP and MBK under the loan agreement from the relevant shareholders) from DMS, and DMS3 will sublease and lease the Assets in relation to the operation of the Dusit Thani Maldives Hotel for the period of 21 years and accept the transfer of the Relevant Rights and Duties (excluding debts from the outstanding loans which DMS owes to DTPP and MBK under the loan agreement from the relevant shareholders) from DMS2 in order to operate the Dusit Thani Maldives Hotel.

Photos of Dusit Thani Maldives Hotel Project

The exterior of DTMD



The interior of villas



Restaurants



Source: www.dusit.com

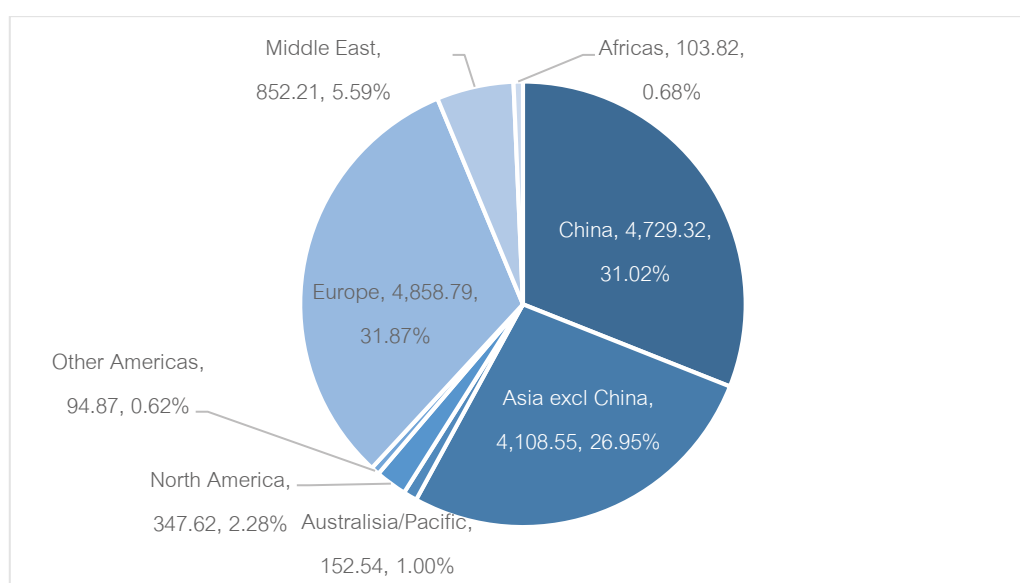
The historical operation of Dusit Thani Maldives Hotel Project

ประเภท	2555	2556	2557	2558	2559	2560	2561
Occupancy (%)	35.30%	60.03%	65.67%	63.47%	67.82%	76.80%	84.43%
Average Daily Rate (USD/night)	501	638	660	649	569	520	526
Revenue per Available Room (USD/night)	177	383	434	412	386	399	444
EBITDA (USD M) *	(0.85)	6.88	7.33	7.98	6.98	7.09	8.79

Source: the information from DTC

Remark: *after deducting rental fee for Maldives for USD 1 M per year

The Room Revenue by the Nationality of Guests in Year 2018 (USD thousand)



Source: Information from the Company

Revenue and Cost Structure of Dusit Thani Maldives Hotel Project

Revenue and Cost Structure of Dusit Thani Maldives Hotel Project for 94 villas in year 2016 – 2018 are as follows:

(Unit: USD M)	2016	2017	2018
Revenue			
Rooms	13.29	13.69	15.25
Food & Beverage	5.73	6.66	7.88
Minor Other Department (MOD)	1.40	1.51	1.62
Rentals & Other Income	0.53	0.65	1.24
Total Revenue	20.96	22.52	25.99
Cost of Sales			
Rooms	-	-	-
Food & Beverage	1.43	1.60	1.96
Minor Other Department (MOD)	0.12	0.14	0.15
Total cost of sales	1.54	1.74	2.11
Other costs			
Payroll cost	2.57	2.90	3.19
Other costs	1.77	2.43	2.47
Total other costs	4.35	5.34	5.66
Gross operating profit	15.07	15.45	18.22
Expenses			
Payroll	1.65	1.77	1.84
Others	3.96	4.25	4.97
Total expenses	5.60	6.02	6.81
Management Fee			
Base Management Fee	0.42	0.45	0.52
License Fee	0.21	0.23	0.26
Incentive Fee	0.44	0.44	0.53
Total Management Fee	1.07	1.11	1.31
Others Expense			
Insurance Premium	0.17	0.16	0.16
Land rental for Maldives *	1.00	1.00	1.00
Others	0.24	0.06	0.16
Total Others Expense	1.41	1.22	1.31
Earnings before interest tax depreciation and amortization	6.98	7.09	8.79

Remark: * Land rental for Maldives is according to 1.6.1 the Head Lease Agreement

1.5.3. Transaction on the disposal of the total shares held by DTPP in DMS2 to DREIT

After DMS has completed the sublease and lease of the Assets in relation to the operation of the Dusit Thani Maldives Hotel and has accepted the transfer of the Relevant Rights and Duties from DMS2, DTPP shall dispose of the total of 97,500 shares or 65% held in DMS2 to DREIT. General information of DMS2 can be summarized as follows:

Company's Name:	Dusit Maldives Investment Company Limited
Registered Capital:	USD 150,000
Par Value:	USD 1
Shareholding:	DTPP will hold 65% of the total shares of DMS2 and MBK will hold 35% of the total shares of DMS2.
Nature of business:	DMS2 is the newly-established company in the Republic of Maldives in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives Hotel Project, that is, DMS2 will accept the transfer of the business of the Dusit Thani Maldives Hotel Project, as well as the assets used in the operation of the Dusit Thani Maldives Hotel from DMS, and DMS3 will sublease and lease the assets used in the operation of the Dusit Thani Maldives Hotel.

1.5.4. Transaction on the subscription for the newly-issued investment units of DREIT

The Company will subscribe for the newly-issued investment units issued and offered for sale by DREIT to the existing shareholders whose names are set out in the unitholders register book in proportion to their respective unitholding (Rights Offering), whereby the directors or any person designated by the directors shall be authorized to subscribe for the trust units as deemed appropriate, and undertake relevant acts with respect to this matter in accordance with the criteria and procedures for the allocation of trust units as determined and notified by the REIT Manager of DREIT. For subscription of the trust units, the Company will not subscribe for trust units in excess of its current unitholding proportion. General information of DREIT can be summarized as follows:

REIT's name:	Dusit Thani Freehold and Leasehold Real Estate Investment Trust
Registered capital:	THB 3,656,023,880, divided into 409,400,000 trust units
Paid-up registered capital:	THB 3,656,023,880, divided into 409,400,000 trust units
Shareholding:	As at 16 August 2018, the Company holds 122,920,000 trust units, representing 30.02% of the total issued and sold trust units.
Nature of business:	Property Fund and Real Estate Investment Trust with the core assets, namely Dusit Thani Laguna Phuket hotel project, Dusit Thani Hua Hin hotel project, and Dusit D2 Chiang Mai hotel project.
REIT Manager:	Dusit Thani Property REIT Company Limited
Trustee:	Krungthai Asset Management Public Company Limited

1.6. Summary of Related Agreements and Draft Agreements

The Summary of Related Agreements and Draft Agreements is only a brief summary. The Company's shareholders can study additional information in Appendix 9: Summary of Related Agreements and Draft Agreements

1.6.1. Summary of the Head Lease Agreement with Government of the Republic of Maldives

See more detail in Appendix 9: Summary of Related Agreements and Draft Agreements

1.6.2. Summary of the draft agreement related to assets acquisition

Summary of the Draft Share Sale and Purchase Agreement

The Seller	DTPP and MBK
The Purchaser	Krungthai Asset Management Public Company Limited as the trustee acting on behalf of DREIT
Purchased Shares	Shares in DMS2, representing 65 percent of the total shares held by the Company, and representing 35 percent of the total shares held by MBK.
Purchase Price	<ul style="list-style-type: none"> Not exceeding THB 3,120,000 (or equivalent to USD 97,500) for the shares purchased from the Company and not exceeding THB 1,680,000 (or equivalent to USD 52,500) for the shares purchased from MBK (the exchange rate is THB 32.00 per USD 1, which is the exchange rate jointly agreed by DTPP, MBK, Dusit Thani Properties REIT Company Limited (as the REIT Manager of DREIT) and DREIT).
Transfer of the purchased shares	On the same date after the ownership of the shares has been legally and completely transferred to the Purchaser or within any other period as agreed by the parties, provide that the Purchaser has obtained the necessary licenses for acceptance of the transfer of shares as specified under this Agreement under the laws of the Republic of Maldives, the Purchaser shall provide the loans to DMS2 and shall procure that DMS2 uses such loans as the consideration for the acceptance of the transfer of the leasehold right over the land and the ownership of the assets of the Dusit Thani Maldives hotel project from DMS and shall repay the outstanding shareholders loan which DMS2 owes to the Seller on the same date as the date of receipt of payment of the shares.

Summary of the Draft Resort Sale and Purchase Agreement

Seller	DMS Property Investment Private Limited
Buyer	Dusit Maldives Investment Private Limited ("DMS2")
Assets to be Purchased	<p>Dusit Thani Maldives hotel, located on Mudhdhoo Island in Baa Atoll, the Republic of Maldives (the "Hotel Project") which consist of the following:</p> <ul style="list-style-type: none"> Leasehold right in the land which the Hotel Project is situated All buildings, constructions including but not limited to 95 luxurious villas built on the land pursuant to the Head Lease Agreement which is where the Hotel Project is situated. This shall include the pool, various systems, fixed assets, facilities and component parts of such buildings as well as any other immovable properties owned the Seller and used in the operation of the Hotel Project.

	<ul style="list-style-type: none"> • All assets including the furniture, tools and equipment necessary and suitable for the operation of the Hotel Project such as beds, closets, storages, sanitary, electronic appliances that are recorded in the accounting book as of the date to be specified by the Parties. • All claims and liabilities that are recorded in the accounting book as of the date to be specified by the Parties as well as current assets and current liabilities used in the operation of the Hotel Project. • Agreements with third parties, letters of permission, licenses which are necessary and suitable for the operation of the Hotel Project. • Staffs who are the employees of the Seller in the operation of the Hotel Project.
Purchase Price	<p>Not less than USD 72 Million excluding tax, registration fees, as well as other relevant fees and expenses. In this regard, on the Transfer Date (which will be defined below), if it appears that DMS2 has any current assets, current liabilities and liabilities, the Parties agree to add or deduct the amount of such current assets, current liabilities and liabilities from the purchase price as aforementioned except otherwise agreed by the Parties.</p> <p>Remark: such value may change depending on the obligation value to be transferred under the rights and obligations of DMS on the Transaction date</p>
Conditions Precedent	<ul style="list-style-type: none"> • The Buyer agrees to be responsible for the existing obligations and liabilities in relation or in connection with the Assets to be Purchased or those which has occurred until the day before the Transfer Date • The Seller shall use its best effort to provide to each and every employee with notice of the transfer of the business of the hotel to the Buyer or the persons determined by the Buyer under this agreement and agrees to be responsible for the payment of severance pay and compensation for the termination of employment as specified by the law in case the employees did not give consent in order to be transferred and become the employees of the Buyer.
Taxes and Expenses	<p>The buyer agrees to be responsible for the expenses arising in connection with the compliance with the terms and conditions of this agreement and/or other relevant agreements such as the preparation of the agreements, legal fees, and expenses in connection to the due diligence. In this regard, each Party will be responsible for the taxes arising for its own account that are levied by the authority or enforced in relation to the entering into this agreement.</p>

Summary of the Draft Deed of Assignment of the Island of Mudhdhoo in Baa Atoll

Assignor	DMS Property Investment Private Limited ("DMS")
Assignee	Dusit Maldives Investment Company Limited ("DMS2")
Material Terms	<ul style="list-style-type: none"> • The Assignor had on [•] transferred and assigned the lease of the island of Mudhdhoo in Baa Atoll (the "Island"), the Assignor holds from the Ministry of Tourism, Arts and Culture ("Government"), to assignee by virtue of the Resort Sale and Purchase Agreement. • The Assignor, by this Deed of Assignment, transfer rights, interests, powers, functions, privileges held by the Assignor in and to (1) the Amended and Re-Stated Agreement for the Lease of the Island of Mudhdhoo in Baa Atoll for the Development of a 200-Bed Resort between the Government and Coastline Hotels and Resorts Private Limited dated 21 March 2011 and as

	<p>amended (2) Summary of the Deed of Assignment of the Island of Mudhdhoo in Baa Atoll between Coastline Hotels and Resorts Private Limited and DMS Property Investment Private Limited dated 6 September 2011 (“the Head Lease Agreement”) and all obligations and duties imposed on the Assignor under the terms and conditions contained in the Lease Agreement. The Assignee accepts the assignment of transfer and setting over of all interests, powers, duties and obligations conferred and imposed now and in the future on the Assignor under the Lease Agreement and agrees to perform all the remaining and executory obligations of the Assignor in place of the original Lessee under the Lease Agreement.</p>
--	---

Summary of the Draft Agreement for Sale and Purchase of Hotel Operating Assets

Seller	Dusit Maldives Investment Private Limited (“DMS2”)
Buyer	Dusit Maldives Management Private Limited (“DMS3”)
Assets to be Purchased	<ul style="list-style-type: none"> • Current assets which are necessary and suitable for the operation of the Dusit Thani Maldives hotel project located on Mudhdhoo Island, in Baa Atoll, the Republic of Maldives (the “Hotel Project”), the details of which are as specified in the agreement. • All claims and liabilities that are recorded in the accounting book as of the date to be specified by the Parties. • Agreements with third parties, letter of permission, licenses which are necessary and suitable for the operation of the Hotel Project. • Staffs who are the employees of the Seller in the operation of the Hotel Project.
Purchase Price	<p>Equivalent to the difference between the value of the current assets and current liabilities as referred to in the Resort Sale and Purchase Agreement, excluding tax, registration fees, as well as other relevant fees and expenses</p> <p>Remark: the purchase price of the current assets and current liabilities will be specified on the Transaction date.</p>
ภาษีอากรและค่าใช้จ่าย	<p>The Seller agrees to bear the expenses arising in connection with the compliance with the terms and conditions of this agreement and/or other relevant agreements such as the preparation of the agreements, legal fees, and expenses in connection to the due diligence. In this regard, each Party will bear the taxes arising for its own account that are levied by the authority or enforced in relation to the entering into this agreement.</p>

Summary of the Draft of Undertaking Agreement (for the Additional Investment Assets No. 1)

Parties	Krunghthai Asset Management Public Company Limited as the trustee acting on behalf of Dusit Thani Freehold and Leasehold Real Estate Investment Trust (“DREIT”)
	Dusit Thani Public Company Limited (“Dusit Thani”) as the shareholder of Dusit Management Company Limited (“Dusit Management”) in the proportion of 99.99 percent, whereby Dusit Management and/or the subsidiary of Dusit Management are/is the sub-lessee and lessee of DREIT’s assets for the Dusit Thani Maldives hotel project which is located in Mudhdhoo Island, in Baa Atoll, the Republic of Maldives. (the “Hotel Project”)

Shareholding and maintaining its shareholding in Dusit Management	During the term that Dusit Management and/or the subsidiary of Dusit Management are/is the sub-lessee and lessee of the Hotel Project, Dusit Thani agrees to maintain its shareholding in Dusit Management in the proportion of not less than 99.99% of all shares in Dusit Management by holding by itself or through the subsidiary of Dusit Thani and will proceed in order for Dusit Management to maintain its shareholding in the subsidiary of Dusit Management, who is the sub-lessee and lessee of the Hotel Project, in the proportion of not less than 99.99% of all shares in the subsidiary as aforementioned.
Maintaining the proportion of shareholders in Dusit Management	During the period where Dusit Management and/or the subsidiary of Dusit Management are/is the sub-lessee and lessee of the Hotel Project, Dusit Thani shall proceed in order for Dusit Management to maintain the proportion of shareholders as appeared in the quarterly financial statements which are prepared by the sub-lessee and lessee of the Hotel Project and/or reviewed and/or audited by the auditors in the amount of not less than Baht 4,000,000.
Maintaining the Debt to Equity Ratio	During the period where Dusit Management and/or the subsidiary of Dusit Management are/is the sub-lessee and lessee of the Hotel Project, Dusit Thani shall proceed in order for Dusit Management and/or the subsidiary of Dusit Management to not incur any debts and/or obligations unless it is the incurrence of debt for the operation of the Hotel Project whereby the sub-lessee and lessee agrees to maintain the debt to equity ratio at 2.5 to 1, calculated only with the debt from the loans from financial institution and will consider such ratio by referring to the financial statements of Dusit Management.
The Future Investment and Right of First Refusal in the Investment of Other Assets	<ul style="list-style-type: none"> • Unless the parties agreed otherwise, during 15 years from the date that DREIT invests in the Hotel Project, Dusit Thani and any person that Dusit Thani has direct or indirect control over shall not operate in hotel business (as defined in the Hotel Act B.E. 2547 (and as amended)) whether by holding the ownership of or holding the possessory right in and/or by providing management services to the hotel business located within 10 kilometers from the location of the Hotel Project (as the case may be) • During 5 years from the date that DREIT invests in the Hotel Project, in case where Dusit Thani desires to sell or let the hotels or resorts of Dusit Thani or the affiliate companies which are located in Thailand to any other Real Estate Investment Trusts, Dusit Thani agrees to grant DREIT the right of first refusal to invest in such assets before other Real Estate Investment Trusts
The Proceedings relating to the Licenses and Any Acts to Operate the Hotel Project in case where Dusit Management and/or the Subsidiary of Dusit Management are/is the Sub-lessee and Lessee of the Hotel Project	<p>(1) Dusit Thani agrees to proceed follows:</p> <ul style="list-style-type: none"> (a) Rendering assistance and any proceedings in order for Dusit Management and/or the subsidiary of Dusit Management to obtain licenses relating to the operation in the Hotel Project and to take any actions to maintain such licenses to be effective during the term that Dusit Management and/or the subsidiary of Dusit Management are/is the sub-lessee and lessee of the Hotel Project so that Dusit Management and/or the subsidiary of Dusit Management will be able to operate the Hotel Project legally and fully; and (b) Proceed with any actions in order for Dusit Management and/or the subsidiary of Dusit Management to comply with laws and regulations of government agencies as well as to strictly comply with the obligations as prescribed in the agreement for sub-lease and lease of the Hotel Project agreement, hotel management agreement of the Hotel Project and any other agreements relating to operation of the Hotel Project.

	(2) Where the agreement for the sub-lease and lease of the Hotel Project is terminated regardless of whatever reasons, Dusit Thani agrees to proceed with any actions in order for Dusit Management and/or the subsidiary of Dusit Management to deliver, act, cooperate, as well as to proceed any acts as per the request of DREIT for such purposes so that DREIT will be able to continue to operate the Hotel Project
Undertaking to provide the Financial Support	During the period that Dusit Management and/or the subsidiary of Dusit Management are/is the sub-lessee and lessee of the Hotel Project under the agreement for sub-lease and lease of the Hotel Project, Dusit Thani agrees to provide financial support as well as to reserve money in order to support expenses incurred in the event where Dusit Management and/or the subsidiary of Dusit Management lack of financial liquidity or there are insufficient funds for the expenses incurred in the operation of the Hotel Project in order for Dusit Management and/or the subsidiary of Dusit Management to be able to operate the Hotel Project in accordance with the purposes and the highest benefits as Dusit Management and/or the subsidiary of Dusit Management has agreed with DREIT. In this regard, Dusit Thani agrees that any amount of loan or financial support contributed to Dusit Management and/or the subsidiary of Dusit Management will be deemed as subordinated debt, in which Dusit Thani shall be entitled to the repayment only if Dusit Management and/or the subsidiary of Dusit Management has paid all debts to DREIT and/or other creditors

1.6.3. Summary of the draft agreement for procuring benefits

Summary of the Draft Land Sublease Agreement and Property Lease Agreement (Dusit Thani Maldives Hotel ("Hotel"))

Sublessor and Lessor	DMS2
Sublessee and Lessee	DMS3
Subleased/Leased Property	The details of the Subleased Property are set out in 1.5.2 of this IFA report
Sublease/Lease Term	21 years commencing on the date on which the Lessor notifies the Lessee
Right to renew the lease term of the Leased property of the Lessee	<p>If, at least three years prior to the expiry of the lease term under this Agreement, the Lessor is desirous to lease out of the Leased Property, whether in whole or in part, to any other person, the Lessor shall first procure that the Lessee is given the right of first refusal to be considered for renewal of the lease term of the Leased Property and that the Lessor shall notify the Lessee of its intention in writing.</p> <p>When the Lessee receives the notice from the Lessor, the Lessee shall inform the Lessor of its intention to renew the lease term of the Leased Property <u>or</u> not to renew the lease term of the Leased Property in writing within 120 days from receipt of the notice by the Lessee.</p>
Rental Fee	The rental fee rate and the calculation method shall be as set out in 3.1.1 Transaction on the sublease and lease of assets in relation to the operation of DTMD of this IFA report and the fixed rental fee shall be reviewed every three years.
Important duties of the Sublessee	The duties of the Lessee shall be as set out in this Agreement, which include the following:

	<ol style="list-style-type: none"> 1. The Lessee shall not terminate or amend the hotel management agreement for the management of the hotel (the "Management Agreement"), whether in whole or in part, without the Lessor's prior written consent. 2. In the case that the lease of the Leased Property is renewed under the conditions of this Agreement, the Lessee shall obtain the necessary approval and/or consent and/or permission from the Ministry of Tourism, Arts and Culture of the Republic of Maldives and/or any other relevant government agencies. 3. The Lessee shall take any action in order to obtain any licenses or any documents in relation to and necessary for the Hotel business operation from the related government agencies and to comply with the material terms and conditions therein and to maintain the licenses which are important to the Hotel business operation during the entire lease term of this Agreement, including to assist with the communication, notification, and request for approval in relation to the compliance with this Agreement. 4. In any case where this Agreement terminates (except for the case where this Agreement terminates due to an Event of Default by the Lessor), the Lessee shall proceed to terminate all related employment agreements of the Hotel's personnel, unless the Lessor consents the Lessee in writing otherwise. The Lessee shall be liable for the expenses which relates to the termination of employment agreements of such Hotel's personnel (if any)
Conditions of the Leased Properties	<p>The Lessor shall deliver the Leased Properties to the Lessee in the condition as at the date of this Agreement and as per any other terms of this Agreement. With respect to the expenses incurred from the Leased Properties, the Lessor shall provide:</p> <ol style="list-style-type: none"> (a) annual statement for capital expenditure budget on change or adding of the Leased Furniture and Equipment (including other vehicles in relation to the Hotel business operation), as well as on renovation and maintenance of the Leased Furniture and Equipment, in the amount not exceeding 3 percent of the total revenue per annum. (b) budget reserves for the expenses on major renovation and maintenance of the Leased Properties, in the amount not exceeding 5 percent of the total revenue per annum. <p>In any year, if the expenses on major renovation and maintenance of the Leased Properties are less than the budget reserves for the expenses on major renovation and maintenance of the Leased Properties (Renovation Budget) provided by the Lessor in such year in the amount as specified in the previous paragraph (the "Remaining Amount"), the parties agree to accumulate the Remaining Amount into the budget reserves for the expenses on major renovation and maintenance of the Leased Properties (Renovation Budget) provided by the Lessor for the following years until the Remaining Amount has been used up.</p> <p>In this regard, the Lessee may consider the use of such budget reserves for the expenses on major renovation and maintenance of the Leased Properties (Renovation Budget) at its discretion.</p> <p>If the Lessor is unable to procure the source of fund for the budget reserves for the expenses on major renovation and maintenance of the Leased Properties (Renovation Budget), it shall not be deemed as an Event of Default by the Lessor. However, if the Lessor is unable to procure the</p>

	source of fund for the expenses on major renovation and maintenance of the Leased Properties in the amount of which the Lessee has notified the Lessor pursuant to the previous paragraph <u>for the period of 3 consecutive years</u> , the parties agree to jointly negotiate in good faith to adjust the new rate for the lease rent. If the parties fail to agree on the new lease rent rate, this Agreement shall be deemed to be immediately terminated without constituting an Event of Default by either party.
Termination and indemnification	<p>This Agreement shall be terminated immediately upon any of the following events:</p> <ul style="list-style-type: none"> (a) Upon the expiry of the lease term of the Leased Property and the Lessor does not agree to renew this Agreement in accordance with the terms and conditions with respect to the right to renew the lease term specified in this Agreement; (b) The parties mutually agree to terminate this Agreement; (c) In the case that the Lessor does not have the right to use the Leased Property due to the termination of the Master Lease Agreement; or (d) In the case that the shareholders of the Lessor do not transfer their shares to DREIT or the shareholders of the Lessor exercise the right to buy back the shares from DREIT as specified in the Share Sale and Purchase Agreement.

1.7. Sources of Funds in the Acquisition of Assets Transaction

In entering into the transaction on the sublease and lease of Assets in relation to the operation of the Dusit Thani Maldives hotel, and the subscription of the newly-issued investment units of DREIT, the Company shall use the source of funds from the cash flow within the Company and/or shall procure other sources of funds as necessary and appropriate, such as procurement of loans from financial institutions or issuance and offer for sale of debentures, etc. From the management interview, the Company plans to use the bridging loan that the Company currently has with 2 commercial banks to subscribe for the newly issued investment units of DREIT. The interest rate is in the range of 2.20% - 2.80% depending on the bank covenant at that time.

1.8. Use of Proceeds in the Disposal of Assets Transaction

The Company may receive indirect benefits from the disposal of the total shares in DMS2 by DTPP to DREIT in the form of dividends which are used for working capital of the Company and/or expanding the investment of the company group's business.

2. Reasonableness of the Transaction

2.1. Objectives and Necessity of the Transaction

The objective of entering into the Transaction is to restructure the Company's assets by means of entering into the transactions in relation to the Dusit Thani Maldives Hotel Project ("DTMD") (through the share disposal of Dusit Maldives Investment Limited (DMS2) to DREIT). This would be the chance to raise fund for expanding and operating the business of the Company. The Company may receive indirect benefits in the form of dividends and capital reduction from DMS which will be used for working capital of the Company and/or expanding the investment of the company group's business to create return and value added to the Company and shareholders in the long term.

Even though the Company sells DTMD to DMS2 (a subsidiary of DREIT), the Company would still be able to create consistent revenues and manage DTMD to the utmost benefits from the sublease and lease of assets by DMS3 from DMS2. Also, DMS3 will engage DWW (a subsidiary of the Company) to be the asset management company for the Dusit Thani Maldives Hotel Project. DWW is a business operator with long experience and expertise in the hotel management.

Moreover, the Company will subscribe the newly-issued investment units of DREIT in proportion to their respective unitholdings (30.02%) which has a psychological effect on the success in capital increase of DREIT and the transaction. In addition, the Company might have the opportunity to receive more distributions from investment units subscription.

2.2. Advantages and Disadvantages from the Acquisition and Disposal of Assets Transaction

Advantages from the Acquisition and Disposal of Assets Transaction:

- 1) The Company will receive cash from entering into the transactions through dividends and capital reduction from DMS due to transferring business of Dusit Thani Maldives Hotel Project to DMS2

The Company will receive dividend and capital reduction from DMS from transferring business of the Dusit Thani Maldives Hotel Project to DMS2. After all of the conditions precedent specified in the Draft Share Sale and Purchase Agreement are fully satisfied, DTPP (the Company's subsidiary) shall dispose of the total of its shares held in DMS2 (65%) to DREIT and at the same time, DREIT shall provide the loans to DMS2 and shall procure that DMS2 brings such loans as the consideration for the acceptance of the transfer of the leasehold right over the land and the ownership of the assets of the Dusit Thani Maldives Hotel Project from DMS and shall repay the outstanding shareholders loan which DMS2 owes to DTPP and MBK (which is the debts from the outstanding loans which DMS owes to DTPP and MBK and has been transferred to DMS2).

In this regard, the net cash flows that DMS receives from DMS2 after deducting tax related to the transfer of leasehold rights over the land and ownership of the assets used in Dusit Thani Maldives Hotel Project to DMS2 (such as tax leakage), DMS will pay dividend to shareholders and reduce capital. Therefore, the Company will receive cash flows from entering into the transaction according to their holding proportion in DMS of approximately USD 36.39 M or THB 1,164.42 M

Nevertheless, The Company is obliged to bring the cash to subscribe the newly-issued investment units of DREIT approximately THB 504.82 M, establish of DMS3 (THB 0.32 M) and other expenses such as independent financial advisor fee and legal advisor fee etc. Therefore, The Company will receive net cash flows equals to THB 655.25 M. If The Company enter into the transactions with other third parties, The Company might receive cash fully from the transactions with noobligation to subscribe the investment units of DREIT and establish of DMS3. Thus, The Company will lose the opportunity to use such cash flows in other activities such as working capital in the business of The Company and / or expanding investment of the company group's business etc. The details of net cash flows are as follows:

Items	Cash receive from the Transaction	
	USD M	THB M
Cash receive from transferring leasehold rights over the land and ownership in DTMD to DMS2	72.00	2,304.00
Deduct: Shareholders loan (DTPP and MBK) ^{/1}	3.95	126.40
Deduct: Tax leakage ^{/2}	3.52	112.56
Cash receive after shareholders loan and tax leakage	64.53	2,065.04
Cash to DTPP according to holding proportion in DMS (65%)	41.94	1,342.28
Cash to the Company according to holding proportion in DTPP (directly 2.75% and indirectly 84.00%)	36.39	1,164.42
Transaction Expenses ^{/3}		4.35
Cash to the Company after deducting transaction expenses		1,160.07
Subscribes for the newly-issued investment units of DREIT in the Company's existing proportion		504.82
Remaining cash after investment units subscription		655.25

Remark: The exchange rate of THB 32.00 per USD 1

^{/1} Estimated liabilities – Shareholders loan of DMS as of 30 September 2019 (Information from the Company)

^{/2} 15% of total value of DTMD (USD 72 M) deduct shareholders loan (USD 3.95 M) and equity of DMS (USD 44.6 M from the financial projection of DMS as of 30 September 2019 from EY Company Limited)

^{/3} Transaction Expenses such as the capital registered of DMS3, independent financial advisor, legal advisor etc. (see more details in summary of the opinions of the independent financial advisor)

From the management interview, the Company plans to use source of fund from the promissory note (repayment term not more than 180 days) and/or short term loan that the Company currently has with 2 commercial banks to invest in the newly-issued investment units of DREIT approximately THB 504.82 M. The interest rate is in the range of 2.20% - 2.80% depending on the bank covenant at that time. After the Company receives dividend and capital reduction from DMS from transferring the leasehold rights over the land and the ownership of the assets used in the Dusit Thani Maldives Hotel Project to DMS2, the Company will use such proceed to repay loan after that. Thus, the Company might have an obligation of more interest repayment from subscription of newly-issued investment units of DREIT.

2) The establishment of DMS2 in the Republic of Maldives to accept the transfer of the business of Dusit Thani Maldives Hotel Project (“DTMD”) from DMS is a tax saving

The establishment of DMS2 in the Republic of Maldives to accept the transfer of the business including the assets in relation to the operation of DTMD from DMS and DREIT indirectly invests by holding shares of DMS2 is a tax saving from the gain on sale of assets. Such business transfer is between the companies established in the Republic of Maldives (tax rate 15%). However, if DTPP directly disposes its shares in DMS (65%) to DREIT, DTPP will have to pay the corporate income tax from the gain on sales of assets for 20% which is higher than the Republic of Maldives.

- 3) The subscription of the investment units in DREIT will make the Company being able to maintain the shareholding proportion in DREIT and could obtain more distributions.

If the Company fully subscribes the newly-issued investment units, The Company will be able to maintain the control dilution of the Company and also have the opportunity to receive more return from the subscription of investment units.

Since DREIT will plan to newly issue and offer for the existing unitholders whose names are set out in the unitholders register book in proportion to their respective unitholding (Rights Offering) of not exceeding 365,000,000 new trust units as a part of the source of fund for the investment in the Assets in relation to the operation of the Dusit Thani Maldives hotel and/or for the operation of DREIT and/or to repay debts under the existing loan agreement of DREIT. The comparison of shareholding proportion between the subscription and non-subscription is as the table below. In case the Company does not subscribe while all other investors fully subscribe, the Company's control dilution will dilute for 47.13% and the shareholding proportion will decrease to 15.87%.

Unitholder	Before capital increase		Case of DTC subscribe in existing proportion		Case of DTC does not subscribe	
	Number of unit	Proportion (%)	Number of unit	Proportion (%)	Number of unit	Proportion (%)
1. DTC	122,920,000	30.02	232,509,155	30.02	122,920,000	15.87
2. Other investors	286,480,000	69.98	541,890,845	69.98	651,480,000	84.13
Total	409,400,000	100	774,400,000	100	774,400,000	100

In addition, after entering into the Transaction, DREIT will have freehold and leasehold right in 4 hotels (D2CM, DTHH, DTLP and DTMD) that have growth potential. Moreover, the tourism industry in Thailand and Maldives is likely to grow with an increasing trend of the number of tourists in every year. Part of the GDP growth has contribution from the tourism industry (see more detail in appendix 1: General information of economic and industry). Therefore, if the Company subscribes for the newly-issued investment units of DREIT in the Company's existing proportion (30.02%), the Company could obtain more return from the investment. The estimated net present value of cash distributions from DREIT throughout the projection period (40 years) equals to USD 4.01 M (or THB 128.30 M) or 9.87% in term of IRR which is high comparing with other investments such as bank deposit, government bond and debenture etc. However, when considering of the existing investment in 3 hotels (DTLP, DTHH and DTHH), IRR is equal to 8.35%. Additionally, the said subscription will affect to the success of capital increasing of DREIT.

4) DMS transfer risk of the Lease Agreement of the Island of Mudhdhoo in Baa Atoll from the Government of the Republic of Maldives to DMS2 (a subsidiary of DREIT)

The entering into the business transfer of Dusit Thani Maldives Hotel Project is a risk transfer of the lease of the Island of Mudhdhoo in Baa Atoll from the Government of the Republic of Maldives ("Government") to DMS2 according to the Deed of Assignment (See more details in 1.6.2. Summary of the draft agreement related to assets acquisition). The transfers include all and whatsoever rights, interests, powers, functions, privileges, duties and obligations that have been defined for DMS under the Head Lease Agreement (See more details in 1.6.1. Summary of the Head Lease Agreement with Government of the Republic of Maldives). The risk of the Government may suspend or terminate the Master Lease agreement in case of emergency will also be transferred to DMS2, which DMS will receive the payment for the acceptance of the transfer of DTMD of not less than USD 72 M at the date of the Transaction

In this regard, if Government terminates the Master Lease Agreement, the Land Sublease Agreement and Property Lease Agreement (which DMS3 is the sublessee from DMS2) shall be terminated immediately. Thus, the Company will no longer receive cash and recognize profit from Dusit Thani Maldives Hotel Project and DMS3 will no longer pay rental fee to DMS2 from the date of agreement termination.

5) DMS3 is not obliged to pay for the capital expenditure and major renovation expense in the leased assets

DMS3, the subsidiary of the Company, can operate Dusit Thani Maldives Hotel Project ("DTMD") by sublease from DMS2 which DMS3 will not have the burden of the capital expenditure which is used to change or add the leased furniture and equipment (including vehicles related to the hotel business operation), including the renovation of the leased furniture and equipment (FF&E) and the major renovation cost of the leased assets (Renovation). As refer to the Land Sublease Agreement and Property Lease Agreement (Dusit Thani Maldives Hotel), DMS2 will provide FF&E budget for DMS3 in the amount of not more than 3% of the total revenue in each year. In addition, DMS2 will provide Renovation budget for DMS3 in the amount of not more than 5% of the total revenue in each year which DMS3 can consider using such budget at their own discretion. The remaining Renovation budget can be carried over in the following years until all balances are used.

However, if DMS2 is unable to procure the source of fund for the Renovation Budget to Dusit Thani Maldives Hotel Project due to after entering into the transactions, DREIT will have a burden to maintenance of 4 hotels (D2CM, DTHH DTLP and DTMD), it shall not be deemed as an Event of Default by DMS2. If DMS2 is unable to procure the source of fund for the expenses on major

renovation and maintenance of the Leased Properties in the amount of which DMS3 has notified DMS2 for the period of 3 consecutive years, the parties agree to jointly negotiate in good faith to adjust the new rate for the lease rent. If the parties fail to agree on the new lease rent rate, this Agreement shall be deemed to be immediately terminated without constituting an Event of Default by either party (see more details in 1.6.3. Summary of the draft agreement regarding the Procurement of Benefits).

Disadvantages from the Acquisition and Disposal of Assets Transaction:

- 1) DTPP is obliged to provide capital to DMS for repaying BAY's loan to release the collateral before entering into the Transaction

Currently, DMS has obtained loan from Bank of Ayudhaya Public Company Limited ("BAY") according to the Term Loan Facility dated 3 September 2011 (and as amended) for the working capital and repay debts arise from the hotel operation. As of 31 December 2018, the outstanding loan equals to USD 7.85 M which DTPP has entered to the Pledge of Shares Agreement that DTPP holds in DMS to BAY for 25,025,000 shares (or equal to 65% of the registered capital of DMS, USD 38.50 M) as a share collateral of such loan.

Nevertheless, prior to transfer the operation of Dusit Thani Maldives Hotel Project to DMS2, DMS must repay the outstanding loan to BAY to release the share collateral. As such, DTPP and MBK agrees to provide the shareholders loan to DMS (according to their shareholding proportion of 65% and 35% respectively) to repay the said loan. It is expected that the outstanding loan will be approximately USD 3.95 M at the date of entering into the transaction. However, such shareholders loan will be repaid by disposal of shares in DMS2 to DREIT and DREIT provide shareholders loan to DMS2 to repay to DMS.

- 2) The Company has the limitation to dispose or lease hotels or resorts located in Thailand to any other Real Estate Investment Trust during 5 years from the date that DREIT invests in Dusit Thani Maldives Hotel Project.

According to the Draft of Undertaking Agreement (for the Additional Investment Assets No. 1) between DREIT and the Company (as the shareholder of DMCO 99.99%) said that for during 5 years from the date that DREIT invests in Dusit Thani Maldives Hotel Project, if the Company desires to sell or let the hotels or resorts of Dusit Thani or the affiliate companies which are located in Thailand to any other Real Estate Investment Trusts, Dusit Thani agrees to grant DREIT the right of first refusal to invest in such assets before other Real Estate Investment Trusts (Right of First Refusal). If DREIT declines or does not notify the investment in such assets within 120 days, The

Company will be able to sell, dispose, transfer or lease such assets to other Real Estate Investment Trusts. However, the material in terms and conditions offered to other Real Estate Investment Trusts shall not be different from or better than the offer that the Company has offered to DREIT. Therefore, the Company has the limitation to dispose or lease of such hotels or resorts. In this regard, the Company is still able to dispose or lease hotels or resorts to other parties who is not Real Estate Investment Trusts.

- 3) **The Company will have the remaining period of the land sublease and property lease of Dusit Thani Maldives Hotel Project from DMS2 for only 21 years (originally 40 years of the leasehold rights of Maldives Island)**

After DMS transfers all businesses of Dusit Thani Maldives Hotel Project to DMS2, DMS3 will sublease and lease of assets in relation to the said project from DMS2 for the lease period of 21 years approximately which reduce from the Head Lease Agreement (40 years). However, DMS2 agrees to grant DMS3 the right to negotiate for renewal of the agreement before others.

- 4) **The Company is obliged to provide financial support to DMCO and/or the subsidiary of DMCO in the event where DMCO lack of financial liquidity. Any amount of loan or financial support will be deemed as subordinated debt**

According to the Draft of Undertaking Agreement (for the Additional Investment Assets No. 1 of DREIT), during the period that DMCO and/or the subsidiary of DMCO are/is the sub-lessee and lessee under the agreement for sub-lease and lease of DTMD, the Company agrees to provide financial support as well as to reserve money in order to support expenses incurred in the event where DMCO and/or the subsidiary of DMCO lack of financial liquidity or there are insufficient funds for the expenses incurred in the operation of DTMD in order for DMCO and/or the subsidiary of DMCO to be able to operate DTMD consistently. In this regard, the Company agrees that any amount of loan or financial support contributed to DMCO and/or the subsidiary of DMCO will be deemed as subordinated debt, in which the Company shall be entitled to the repayment only if DMCO and/or the subsidiary of DMCO has paid all debts to DREIT and/or other creditors.

2.3. Risk from the Acquisition and Disposal of Assets Transaction

1) The risk of agreement termination due to the default of DMS3 of the Land Sublease Agreement and Property Lease Agreement (Dusit Thani Maldives Hotel) with DMS2

Before entering into the sublease and lease of assets in relation to the operation of the Dusit Thani Maldives Hotel ("DTMD"), DMS is able to operate DTMD consistently for 40 years from the leasehold rights of Maldives Island. However, after entering into the sublease and lease of assets in relation to the operation of DTMD, DMS3 will have an ongoing obligation to pay the rental fees (comprise of fixed and variable rental fees) to DMS2. If DMS3 could not pay rental fees to DMS2 as stipulated in the agreement which may result from DTMD's operating performance is not as expected, this may cause default and DMS2 has the right to terminate the agreement. Therefore, DMS3, as the subsidiary of the Company, will lose benefits of the net cashflow and recognize profit from DTMD.

However, Dusit Thani Maldives Hotel Project has potential to grow (see more details in 1.5 Details of the Assets to be Acquired or Disposed). The historical EBITDA before deducting land rental for Maldives of DMS is not less than the minimum fixed rental fee per year (USD 7 M) which DMS3 must pay to DMS2 and DMS2 is obliged to pay for the land rental for Maldives. The Net Present Value between EBITDA of DMS3 and the rental fee from the financial projection is positive USD 2.72 M or THB 86.97 M (see more details in 3.1.1 Fair value of the Acquisition of Assets - Transaction on the sublease and lease of assets in relation to the operation of DTMD). As such, there is a possibility that DMS3 will be able to utilize its current and future operating cash flow to pay all the monthly rental fee to DMS2.

2) The risk from the renewal of the Land Sublease Agreement and Property Lease Agreement of Dusit Thani Maldives Hotel Project after the maturity of the lease period 21 years and may be oblige to pay employees compensation and severance pay

DMS2 gives DMS3 the right of first refusal to renew the lease term of the leased property which DMS2 shall notify DMS3 at least 3 years prior to the expiry of the lease term. However, if the terms and conditions for the lease proposed by DMS3 are less favourable than those proposed by the other persons, DMS2 shall deny DMS3's right to renew the lease of the leased property (see more details in 1.6.3 Summary of the Draft Land Sublease Agreement and Property Lease Agreement (Dusit Thani Maldives Hotel)). If DMS3 does not renew the lease term, the Company will no longer receive cash and recognize profit from Dusit Thani Maldives Hotel Project.

In addition, in the case that DMS3 does not renew the Land Sublease Agreement and Property Lease Agreement after the maturity of the lease period 21 years, DMS3 will have to terminate the contract of all hotel employees and will be responsible for the expenses related (if any) unless DMS2 has given DMS3 in written consent to not execute. According to Maldives' Employment Act, the compensation and the severance pay are not specified if such circumstances occur, but the measure of compensation shall be decided based on what in the opinion of the Tribunal is reasonable with due regard to the suffer of employee by the employer's actions. Therefore, it is possible that DMS3 has to pay for such compensation and expense with uncertain amount.

However, if DMS3 and/or DMCO does not take action as abovementioned, the Company will be responsible for and jointly compensate the damages with DMS3 and / or DMCO (see more details in 1.6.2. Summary of the draft agreement related to assets acquisition - Summary of the Draft of Undertaking Agreement (for the Additional Investment Assets No. 1))

3) The risk of the completeness and accuracy of the licenses that may affect the Dusit Thani Maldives Hotel Project operation

In order to DMS3 operates the Dusit Thani Maldives Hotel Project correctly. DMS3 have to proceed to obtain the licenses. or any documents from relevant government authorities that are necessary for hotel operations and comply with the agreement terms and conditions, and maintain the licenses that are essential for hotel operation throughout the period under the sublease agreement over the land and lease of the assets under the Republic of Maldives law. Therefore, if DMS3 is unable to proceed to obtaining completely and correctly the licenses, this may affect the operation of Dusit Thani Maldives Hotel Project.

4) The risk of not succeed in entering into the Transaction due to:

(a) DMS2 might not receive the shareholder's loan from DREIT or any other circumstance which DMS2 could not pay consideration for the acceptance of the business transfer of Dusit Thani Maldives Hotel Project

According to the Share Sale and Purchase Agreement, after DTPP and MBK sell and transfer the ownership of the shares in DMS2 (100%) to DREIT, DREIT shall provide the loans to DMS2 and shall procure that DMS2 uses such loans as the consideration for the acceptance of the transfer of the leasehold right over the land and the ownership of the assets of the Dusit Thani Maldives Hotel Project from DMS according to the Resort Sale and Purchase Agreement. Also, DMS2 shall repay the outstanding shareholders loan which DMS2 owes to DTPP and MBK. Therefore, it is a risk that DMS2 might not receive the shareholder's loan from DREIT or any

other circumstance which DMS2 could not pay consideration for the acceptance of the business transfer of Dusit Thani Maldives Hotel Project.

However, DREIT agrees to grant the right to the existing shareholders of DMS2 (DTPP and MBK) to buy back the shares in DMS2 from DREIT at the price equivalent to the purchase price at which DREIT has purchased such shares from DTPP and MBK if DREIT (1) does not provide any shareholder's loan to DMS2, resulting in DMS2 being unable to pay consideration for the acceptance of the transfer of the business of the Dusit Thani Maldives Hotel Project which DMS2 owes to DMS and to repay debts from the outstanding loans which DMS owes to DTPP and MBK and (2) provides a shareholder's loan to DMS2 but does not procure DMS2 to pay consideration for the acceptance of the transfer of the business of the Dusit Thani Maldives Hotel Project which DMS2 owes to DMS, and to repay debts from the outstanding loans which DMS owes to DTPP and MBK.

The exercise of the share buy-back option is on the condition that DREIT shall receive the payment of the shareholder's loan received by DMS2 from DREIT (if any) prior to the exercise of the share buy-back option.

(b) DREIT might not find sufficient funding source from the issuance and offering of additional trust units and loans

The source of fund that DREIT use in the investment of Dusit Thani Maldives Hotel Project will be obtained from 2 sources namely (1) funds from the issuance and offering of additional trust units and (2) funds from loans. However, there is possibility that DREIT might not find sufficient funding source to enter into the Transaction. So, DMS2 might not receive the shareholder's loan from DREIT to pay consideration for the acceptance of the business transfer of Dusit Thani Maldives Hotel Project and repay the shareholder's loan (as stated in topic (a) above).

(c) The parties related to the Draft Share Sale and Purchase Agreement, the Draft Resort Sale and Purchase Agreement, and the Draft Agreement for Sale and Purchase of Hotel Operating Assets cannot fulfil all conditions precedent

The material conditions precedent of the related agreements which needs consent and necessary approvals for entering into the transaction under the laws of the Republic of Maldives are as follows:

1. The business transfer of Dusit Thani Maldives Hotel Project includes the transfer of the leasehold right over the Mudhdhoo land in Baa Atoll which needs consent and necessary approvals from the Government of the Republic of Maldives. DMS, as the transferor, must submit the request for leasehold right transfer to the Ministry of Tourism ("MOT") prior to transferring to DMS2.
2. The sublease of land of Dusit Thani Maldives Hotel Project between DMS2 and DMS3 shall obtain consent and approval from MOT and must be registered with MOT.
3. The share sale of DMS2 between DTPP, MBK and DREIT shall obtain consent and approval as follows:
 - Share Transfer Approval which DMS2 shall obtain consent and approval from MOT
 - Foreign Investment Approval from Ministry of Economic Development ("MED") which DREIT shall obtain consent and approval from MED to complete the share sale of DMS2 as DREIT is foreigner under the Republic of Maldives law.

Therefore, there is possibility that the parties might not fulfil all conditions precedent which may cause the delay or the transaction to be unsuccessful.

5) The Company has risk of delay in receiving dividend and capital reduction from DMS after transferring business of Dusit Thani Maldives Hotel Project to DMS2

After DMS receives the payment for the transfer of the leasehold right over the land and the ownership of the assets of Dusit Thani Maldives Hotel Project from DMS2, DMS has plan to pay dividend to the shareholders and reduce capital. So, the Company has the right to receive cash according to their indirect shareholding proportion in DMS after deducting the transaction expenses for approximately USD 36.25 M or THB 1,160.07 M. The cash receipt calculates from the forecasted financial statement as at 30 September 2019 from EY Office Limited. However, the process of paying dividend and reducing capital could be delayed.

In investing in DREIT, the Company will use the bridging loan to invest in the investment units of DREIT of approximately THB 504.82 M. The Company has plan to use the proceed from the business transfer of Dusit Thani Maldives Hotel Project to repay such bridging loan, to use for working capital of the Company and/or expanding the investment of the company group's business. Therefore, if the Company receives cash delay, the Company may have increased interest burden and may affect the business plan of the Company.

- 6) DMS has risk of paying employees compensation and severance pay in the case that employees do not have consent to transfer to DMS2 and DMS3

As refer to the Employment Act of the Republic of Maldives, when a business is sold, leased, or transferred, the employment agreements of employees associated with such business or work shall be transferred to the transferee of such business or work. Hence, the employees of DMS will be transferred to DMS2 and DMS3, respectively. DMS agrees to pay such compensation and expense arise from the layoff according the law in the case that employees do not have consent to transfer to DMS2 and DMS3.

However, the Employment Act of the Republic of Maldives, the compensation and the severance pay are not specified if such circumstances occur, but the measure of compensation shall be decided based on what in the opinion of the Tribunal is reasonable with due regard to the suffer of employee by the employer's actions. Therefore, it is possible that DMS has to pay for such compensation and expense with uncertain amount.

- 7) DMS has risk to oblige for all the expenses related to the investment in Dusit Thani Maldives Hotel Project if the Transaction is unsuccessful

If entering into the acquisition and disposal of assets transaction is unsuccessful, DMS will be responsible for all the expenses of DREIT in relation to the investment in Dusit Thani Maldives Hotel Project, such as financial advisor fee, independent financial advisor fee, legal advisor fee, appraiser fee etc. On the contrary, if the transaction succeeds, DREIT will be responsible for such expenses.

3. The Fairness of Price and Conditions of the Transaction

3.1. Fairness of price

3.1.1. Fair value of the Acquisition of Assets Transaction

Transaction on the establishment of two subsidiaries in the Republic of Maldives in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives hotel Project

The transaction related to DTMD has the limitation under the laws of the Republic of Maldives regarding the direct investing in immovable property by foreigner and the limitation on the procurement of benefit of DREIT. When transferring the leasehold right over the land where DTMD is located from DMS to DMS2, all of the assets related to DTMD operation will be transferred to DMS2 along with such land leasehold right. The land leasehold right must be transferred to a company established in the Republic of Maldives. Also, the limitation on the procurement of benefit of the Trust which the Trust cannot operate other businesses such as hotel business etc. Moreover, the necessary licenses for the hotel operation must be applied by a company established in the Republic of Maldives, therefore, the Company needs to establish DMS2 and DMS3 in order to accommodate the entering into of the transactions in relation to DTMD. The details of registered capital of DMS2 and DMS3 are as follows:

1. **Registered capital in the establishment of DMS2:** DTPP will hold 65% of the total shares of DMS2. In this regard, DMS2 will be an indirect subsidiary of the Company with registered capital of not exceeding than USD 150,000 or THB 4,800,000, consisting of the following details:

List	Amount	
	(USD M)	(THB M) ^{/1}
Operating reserved cash	139,118.60	4,451,795.20
Head Lease Transfer Fee	5,000.00	160,000.00
Sublease Registration Fee	5,000.00	160,000.00
Total Operating License Amendment/ Renewal Fee following the entering into the sublease agreement by DMS2 and DMS3	523.90	16,764.80
Other expenses ^{/2}	357.50	11,440.00
Total registered capital for the establishment of DMS2	150,000.00	4,800,000.00

Remark: ^{/1} The exchange rate is THB 32 per USD 1.

^{/2} Other expenses such as establishment fee, private company annual fee including a minimum capital of USD 130 for setting up a company required by law of the Republic of Maldives

2. Registered capital in the establishment of DMS3: DMCO will hold 100% of DMS3's total shares with registered capital of USD 10,000 or THB 320,000, consisting of the following details:

List	Amount	
	(USD M)	(THB M) ^{/1}
Reserves for use in operations	8,498.50	271,952.00
Total Recurring Fee for relevant operating licenses	1,144.00	36,608.00
Other expenses ^{/2}	357.50	11,440.00
Total registered capital for the establishment of DMS3	10,000.00	320,000.00

Remark: ^{/1} The exchange rate is THB 32.00 per USD 1.

^{/2} Other expenses such as establishment fee, private company annual fee including a minimum capital of USD 130 for setting up a company required by law of the Republic of Maldives

From details of registered capital for the establishment of DMS2 and DMS3 cover the minimum of capital required by law of the Republic of Maldives and necessary expenses for the actual operation in company. Hence, IFA is of the opinion that the Transaction on the establishment of two subsidiaries in the Republic of Maldives in order to accommodate the entering into of the transactions in relation to the Dusit Thani Maldives Hotel Project is reasonable.

Transaction on the sublease and lease of assets in relation to the operation of DTMD

IFA has determined reasonableness of the fair price of this transaction based on Discounted Cash Flow Approach which is considered the assets' ability to generate Cash Flow in the future due to entering into transaction on sublease and lease of assets in relation to the operation of DTMD that DMS3 has to pay rental to DMS2. The costs/expenses of DTMD are based on the average costs/expenses per actual revenue in 2016 – 2018 (the average of the past 3 years reflects the current situation rather than using longer average) As such, IFA estimated Free Cash Flow from the DTMD operation and cash outflow under the draft Land Sublease Agreement and Property Lease Agreement then discounted by the weighted average cost of capital (WACC) of DTC in order to find the Net Present Value of the Free Cash Flow from such transaction.

The main assumptions used in the financial projection are as Follows:

Assumption	Description
Projection Period	From 30 September 2019 to 31 December 2040, totaling 21 years (based on the draft Land Sublease Agreement and Property Lease Agreement between DMS2 and DMS3)
Free Cash Flow from the DTMD operation	
Revenue	
Occupancy Rate	IFA estimates occupancy rate as follows. <ul style="list-style-type: none"> • Year 2019: 84.43% (based on actual occupancy rate in 2018 and referred to the hotel budget and the marketing plan for 2019. Based on the interview, the management elucidated that the average occupancy rate in 2018 was 84.43% as a result of the change in policy of management and marketing and also hired the new General Manager to manage.

Assumption	Description
	<p>The policy of DTMD will focus mainly on the number of guests or occupancy rates which are not less than last year)</p> <ul style="list-style-type: none"> • Year 2020: 84% (referred to the management interview focusing on the occupancy rate will not be less than last year) • Year 2021: 82% (referred to the management interview focusing on the occupancy rate will not be less than last year and IFA has also adjusted by the Conservative Basis) • From 2022 onwards: 80% throughout the projection period (based on management interviews, the occupancy rate of Resorts type in the Republic of Maldives in 2013 - 2017 and the Conservative Basis)
Average daily rates	<ul style="list-style-type: none"> • Year 2019 – 2020: USD 538 (based on an average room rate in 2016 – 2018) • From 2021 onwards: increasing 2.83% per year (based on an average growth of Revenue per average available room (Revpar) in 2016 – 2018)
Food and Beverage Revenue	Approximately 47.82% of total revenue (based on an average in 2016 - 2018)
Revenue from Minor Operated Department	Includes laundry, fitness and activities for customers which sets equal to approximately 10.7% of total revenue (based on an average in 2016 - 2018)
Rentals & Other Income	Includes store rental fee in DTMD and fee for sea plane which sets equal to increasing 2.46% per year based on an average inflation rate of Maldives in 2019 – 2023 (source: IMF)
Expense	
Food and Beverage cost	24.6% of Food and Beverage revenue (based on an average in 2016 - 2018)
Minor Operated Department cost	8.8% of Revenue from Minor Operated Department (based on an average in 2016 - 2018)
Payroll cost	Increasing 2.5% per annum according to the policy of hotel management which corresponds to the average in 2016 - 2018
Other costs of room revenue	Includes complementary and telephone charge which sets equal to 12.1% of room revenue (based on an average in 2016 - 2018)
Other costs of food and beverage revenue	Consists of laundry in the restaurant section, restaurant decoration and entertainment which sets to be 6.3% of food and beverage revenue (based on an average in 2016 - 2018)
Other costs of Revenue from Minor Operated Department	6.2% of Revenue from Minor Operated Department (based on an average in 2016 - 2018)
Other expense in payroll cost of General administration, sales & marketing and POMECD department	Increase by 2.5% per year in line with the hotel management's policy which corresponds to the average in 2016 - 2018
Other expenses	Include insurance premium of Directors and Officers Liability Office, utility fee and hotel promotion from offline and online channels set to be 19% of total revenue in proportion to an average other expenses per total revenue in 2016 - 2018
Management fee	<ul style="list-style-type: none"> • Base management fee: 2% of total revenue (based on the hotel management Agreement between DMS and DWW) • Incentive fee: 5% of profit after deducting operating expenses, base management fee and license fee (based on the hotel management Agreement between DMS and DWW)

Assumption	Description
	<ul style="list-style-type: none">License fee: 1% of total revenue (Based on the license Agreement between DMS and DTC)
Insurance premium	<p>Consisting of Business Interruption insurance except Property All Risk, Marine Hull and Political Violence in which the DREIT will be responsible for these insurance premiums (Based on the draft Land Sublease and Property Lease Agreement of DTMD and the hotel management's policy)</p> <p>Sets to equal to 0.02% of gross profit before deducting all related payroll costs plus insurance premium of USD 27.37 per room that increased by 2.5% per annum which corresponds to the average in 2016 - 2018</p>
FF&E Reserve	DREIT will be responsible for these FF&E and Renovation reserve for DTMD (Referred to the draft Land Sublease and Property Lease Agreement of DTMD)
Renovation Reserve	
Cash outflow under the draft Land Sublease and Property Lease Agreement	
Fixed Rent *	<p>Initial Fixed Rental Fee:</p> <ul style="list-style-type: none">In case reconsidered rent: The higher rate between USD 7,000,000 or two-thirds of the average of the total rental fee of every previous 3 years (reconsidering the rental fee every 3 years from the year 2020)In case no reconsidered rent: The higher rate between USD 7,000,000 or the final fixed rental fee of the previous year <p>Final Fixed Rental Fee:</p> <p>The higher rate between USD 7,000,000 or the final fixed rental fee of the previous year</p>
Variable Rent *	<p>EBITDA less the final fixed rental fee, less Lessee’s share or plus compensation from Lessee</p> <ul style="list-style-type: none">In case EBITDA is more than the initial fixed rental fee (Lessee’s Share): the lower amount between EBITDA – initial fixed rental fee or (EBITDA – USD 7,000,000) x (1-90%).In case EBITDA is less than the initial fixed rental fee (Compensation from Lessee): initial fixed rental fee – EBITDA <p>whereby EBITDA means to Free Cash Flow of asset before deduction depreciation, amortization, rental fee for Maldives and expenses that DREIT is responsible for</p>

Remark: *calculating Fixed Rent and Variable Rent of this transaction uses the same principle as 3 hotels (DTLP, DTHH and D2CM) that DREIT invest in. In this regards, Fixed Rent in every 3 years may increase or decrease depending on the performance of DTMD, however; the fixed rent will not be lower than the initial fixed rent of USD 7 M in which the total rent (Fixed Rent + Variable Rent) will be equal to EBITDA deducted by Lessee's Share or plus with compensation from lessee

In the case, the lessee/sub-lessee agrees to pay the monthly rental fee by the 15th of each month according to the proportion of initial fixed rent to the lessor referred to the draft sublease and lease of assets in relation to the operation of DTMD as follows

Month	Proportion of initial fixed rent by year (%)
January	10.50
February	14.00
March	13.50
April	10.50
May	7.00
June	4.00
July	4.00
August	8.00
September	9.00
October	6.50
November	7.00
December	6.00

In any year, if the initial fixed rent paid by the lessee to the lessor is less than the final fixed rent according to the results of the calculation in the above formula with using the financial information of the lessee that states in the audited financial statement, the lessee agrees to pay the remaining final fixed rent to the lessor within the next period after calculating the rent.

And also, the variable rent in which the lessee pays to the lessor differs from the variable rent according to the results obtained from the calculation in the above formula with using the financial information of the tenants that states in the audited financial statement, the lessee agrees to pay the remaining variable rent to the lessor or the lessor agrees to offset the excess variable rent to lessee that has the right to receive within the next month after calculating the rent.

Additional expense

According to the draft agreement for sale and purchase of hotel operating assets, DMS3 has to pay in amount of USD 0.32 M (referred to the projection from the Company) to DMS2 for capability of using operating assets in DTMD.

Discount Rate

The IFA uses the weighted average cost of capital (WACC) as a discount rate for the calculation of the present value of Free Cash Flow. The calculation is based on the financial structure of DTC referred to the audited financial statement as of 31 December 2018 with the following details of calculation:

$$WACC = K_e * E / (D + E) + K_d * (1 - T) * D / (D + E)$$

K_e	=	Total sum of Cost of equity and Country Risk Premium of Maldives
K_d	=	Cost of interest-bearing debt
T	=	Corporate income tax
E	=	Shareholders' equity
D	=	Interest-bearing debt

The cost of equity for shareholders (K_e) is derived from the Capital Asset Pricing Model (CAPM) as follows:

$$K_e = R_f + \beta (R_m - R_f) + \text{Country Risk Premium of Maldives}$$

IFA has included the country risk of the Maldives into K_e in order to reflect the risk that the Company has invested in foreign country which is based on the difference between the return of 1-year Treasury bill in Maldives and Thailand equal to 2.80%. In detail, the 1-year Treasury bill in Maldives on 3 March 2019 is equal to 4.6% (source: Maldives monetary authority) and 1-year Treasury bill in Thailand on 7 March 2019 is equal to 1.80% (source: Thaibma).

Where

Risk Free Rate (R_f) based on 40-year Thai government bond yield with a term close to remaining term of the Head Lease Agreement with Government of the Republic of Maldives is equal to 3.58% (data as of 7 March 2019)

Beta (β) risk indicators according to the stock market price after adjusted the data as close to the average of the market which calculated from the correlation coefficient between variation of the Stock Exchange of Thailand Index (SET Index) and share price of DTC for 3 years is 0.77 (source: Bloomberg as of 7 March 2019)

Market Risk (R_m) an average rate of return on investment in the SET over the past 40 years with a term close to remaining term of the Head Lease Agreement with Government of the Republic of Maldives equals to 14.46% (source: SET as of February 2019)

Details of the factors and the assumptions can be summarized as follows:

Calculation Factors	Assumptions
Risk Free Rate (R_f)	3.58%
Market Return (R_m)	14.46%
Beta	0.77
Cost of equity (K_e)	14.83%
Cost of debt (K_d) *	4.08%
Proportion of target equity to asset (W_e)	75.14%
Proportion of target debt to asset (W_d)	24.86%
WACC	11.96%

Remark: * K_d of the Company based on the audited financial statements as of 31 December 2018

From the assumptions above, the **WACC is 11.96%** which is used as a discount rate for the calculation of net present value of Free Cash Flow in transaction on the sublease and lease of assets in relation to the operation of DTMD.

From the information and assumptions above, the Free Cash Flow from hotel operation and cash outflow from sublease rental fee can be calculated as follow:

List	Amount	
	(USD M)	(THB M)
Present value of Free Cash Flow from DTMD operation	85.56	2,737.93
Present value of Cash Outflow under the draft sublease and lease assets Agreement	(82.52)	(2,640.62)
Estimation on expense for sale and purchase of DTMD operating assets	(0.32)	(10.34)
Net Present Value of Free Cash Flow	2.72	86.97

Remark: The exchange rate is THB 32.00 per USD 1.

From the assessment by IFA, Present value of Free Cash Flow from DTMD operation according to the sublease and lease of assets total 21 years equals to **USD 85.56 M** which is higher than Present Value of Cash Outflow from the sublease and lease transaction of **USD 82.52 M** and additional expense of **USD 0.32 M** for sale and purchase of hotel operating assets. That will make Net Present Value of this transaction **positive by USD 2.72 M or THB 86.97 M**. Therefore, the IFA is of the opinion that the transaction on the sublease and lease of assets in relation to the operation of DTMD is reasonable.

Sensitivity Analysis

The IFA has conducted a sensitivity analysis in order to reflect the potential impact on the Net Present Value of Free Cash Flow in transaction on the sublease and lease of assets in relation to the operation of DTMD by changing in assumptions of occupancy rate and the discount rate (WACC) from the base case scenario.

The result of the sensitivity analysis is shown below:

- Change in the occupancy rate

Change in Occupancy rate	Net Present Value of Free Cash Flow	
	(USD M)	(THB M)
4.00%	3.35	107.05
2.00%	3.03	97.01
0.00%	2.72	86.97
-2.00%	2.40	76.93
-4.00%	2.09	66.89

Remark: The exchange rate is THB 32.00 per USD 1.

From the above sensitivity analysis, If the occupancy rate changes from the range of -4% to 4% from the base case, the net present value of Free Cash Flow in this transaction will be in the range of USD 2.09 – 3.35 M or THB 66.89 – 107.05 M.

- Change in the discount rate (WACC)

Change in WACC	Net Present Value of Free Cash Flow	
	(USD M)	(USD M)
1.00%	2.48	79.34
0.50%	2.59	83.04
0.00%	2.72	86.97
-0.50%	2.85	91.16
-1.00%	2.99	95.63

Remark: The exchange rate is THB 32.00 per USD 1.

From the above sensitivity analysis, If the discount rate (WACC) changes from the range of -1% to 1% from the base case, the Net Present Value of Free Cash Flow in this transaction will be in the range of USD 2.48 - 2.99 M or THB 79.34 – 95.63 M.

Transaction on the subscription for the newly-issued investment units of DREIT in proportion to their respective unitholdings

The IFA has prepared the financial projection of distributions of investment in DREIT's units by using Discounted Cash Flow Approach (DCF). The approach considers an ability to generate the distributions of DREIT in the future by calculating the present value (PV) of distributions using the appropriate discount rate. The IFA has applied Cost of Equity (K_e) as a discount rate.

The projection of the distributions of DREIT will be in 2 cases as follows;

- Case1: DREIT invests in DTMD (DREIT's unitholders will receive the distributions from DTLP, DTHH, D2CM and DTMD)
- Case2: DREIT not invests in DTMD (DREIT's unitholders will receive the distributions from DTLP, DTHH, and D2CM)

IFA evaluates the present value of the distributions from investment in DREIT's units in the case that DREIT will indirectly invest in DTMD. The distributions estimated period will be 41 years (September 30, 2019 to December 31, 2059) relating to the remaining period of the Head lease agreement with the Republic of Maldives 40 years (Details on 1.6.1. Summary of the Head Lease Agreement with Government of the Republic of Maldives) where the DREIT's freehold assets can operate with an on-going basis.

The assumptions for conducting this projection are about future perspective which established under the current lease and / or sublease agreement of the land, equipment and buildings, the draft of the contract relating to the investment in the DTMD, management interview and operating policy of DREIT, which are based on economic and Industrial situation, and information prevailing at the time of conducting this study only. Therefore, if there is any significant change in these factors that affect DREIT's operation, the financial projection by this approach could present differently from such factors.

The assumptions used for the financial projection of DREIT are as follows:

Hotel Operation Assumption

Assumption	DTLP	DTHH	D2CM	DTMD
Room	225	296	130	94
Occupancy Rate	No renovation year: 79.50% 1 st renovation year: 63.17% 2 nd renovation year: 69.22% (Due to occupancy rates during 2017 and 2018 decreased from hotel	No renovation year: 71.26% 1 st renovation year: 47.04% 2 nd renovation year: 62.19% (after hotel renovation under the renovation plan in 2019 and 2020, it will increase the	No renovation year: 80.30% Renovation year: 47.30% (based on an average occupancy rate of hotel in 2016 – 2018 and the renovation plan)	• Year 2019: 84.43% (referred to the hotel management interview, the hotel budget and the marketing plan in 2019 and the occupancy rate in 2018)

Assumption	DTLP	DTHH	D2CM	DTMD
	renovation, it could not reflect reality. Therefore, IFA has applied to an average occupancy rate of competitors 2016 – 2018 to set occupancy rate of DTLP)	occupancy rate equal to an average occupancy rate of competitors 2016 – 2018		<ul style="list-style-type: none"> • Year 2020: 84.00% (referred to the management interview focusing on the occupancy rate will not be less than last year) • Year 2021: 82.00% (referred to the management interview focusing on the occupancy rate will not be less than last year and IFA has also adjusted by the Conservative Basis) • From 2022 onwards: 80% throughout the projection period (based on executive management interviews, the occupancy rate of Resorts type in the Republic of Maldives in 2013 - 2017 and the Conservative Basis)
Average Daily Rate (ADR)	THB 5,174.00 (based on average ADR in year 2016 – 2018) with 4.70% growth rate per year (based on growth rate of Phuket tourists' expenditure per head in year 2016 – 2018)	THB 3,244.95 (based on an average ADR in year 2016 – 2018) with 3.54% growth rate per year (based on Hua-Hin tourists' expenditure per head in year 2016 – 2018)	THB 2,794.58 (based on average ADR in year 2016 – 2018) with 2.94% growth rate per year (based on Chiangmai tourists' expenditure per head in year 2016 – 2018)	<ul style="list-style-type: none"> • Year 2019 – 2020: THB 17,232 • Year 2021 onwards: 2.83% growth rate per year
Food and Beverage (F&B) Revenue	54.06% of room revenue (based on average portion of F&B revenue in year 2016 – 2018)	6.30% of room revenue (based on average portion of F&B revenue in year 2016 – 2018)	24.30% of room revenue (based on average portion of F&B revenue in year 2016 – 2018)	47.82% of room revenue (based on average portion of F&B revenue in year 2016 – 2018)
Minor Operated Department (MOD) Revenue	1.63% of room revenue (based on average portion of MOD revenue in year 2016 – 2018)	7.46% of room revenue (based on average portion of MOD revenue in year 2016 – 2018)	5.42% of room revenue (based on average portion of MOD revenue in year 2016 – 2018)	10.75% of room revenue (based on average portion of MOD revenue in year 2016 – 2018)

Assumption	DTLP	DTHH	D2CM	DTMD
Operating Cost	<ul style="list-style-type: none"> F&B cost: 29.66% of F&B Revenue MOD cost: 12.99% of MOD Revenue (based on an average in 2016 – 2018)	<ul style="list-style-type: none"> F&B cost: 26.23% of F&B Revenue MOD cost: 27.98% of MOD Revenue (based on an average in 2016 – 2018)	<ul style="list-style-type: none"> F&B cost: 26.23% of F&B Revenue MOD cost: 27.98% of MOD Revenue (based on an average in 2016 – 2018)	<ul style="list-style-type: none"> F&B cost: 24.60% of F&B Revenue MOR cost: 8.80% of MOD Revenue (based on an average in 2016 – 2018)
Labor Cost	<ul style="list-style-type: none"> Room cost: in year 2019, room labor cost is THB 28.91 m with 2.50% growth rate per year F&B cost: in year 2019 F&B cost is THB 42.77 m with 2.50% growth rate per year MOD cost: in year 2019 MOD labor cost is THB 5.57 m with 2.50% growth rate per year (growth rate based on hotel management policy which is in line with an historical average)	<ul style="list-style-type: none"> Room cost: in year 2019, room labor cost is THB 26.67 m with 2.50% growth rate per year F&B cost: in year 2019 F&B labor cost is THB 33.25 m with 2.50% growth rate per year MOD cost: in year 2019 MOD labor cost is THB 6.99 m with 2.50% growth rate per year (no labor cost growth in renovation year and growth rate based on hotel management policy which is in line with an historical average)	<ul style="list-style-type: none"> Room cost: in year 2019, room labor cost is THB 10.20 m with 2.50% growth rate per year F&B cost: in year 2019 F&B labor cost is THB 9.40 m with 2.50% growth rate per year MOD cost: in year 2019 MOD labor cost is THB 2.10 m with 2.50% growth rate per year (growth rate based on hotel management policy which is in line with an historical average)	<ul style="list-style-type: none"> Room cost: in year 2019, room labor cost is THB 1.15 m with 2.50% growth rate per year F&B cost: in year 2019 F&B labor cost is THB 1.68 m with 2.50% growth rate per year MOD cost: in year 2019 MOD labor cost is THB 0.44 m with 2.50% growth rate per year (growth rate based on hotel management policy which is in line with an historical average)
Other Cost	<ul style="list-style-type: none"> Room cost: 18.91% of room revenue F&B cost: 9.26% of F&B revenue MOD cost: 25.96 of MOD revenue (based on an average in 2016 – 2018)	<ul style="list-style-type: none"> Room cost: 16.34% of room revenue F&B cost: 10.47% of F&B revenue MOD cost: 11.79 of MOD revenue (based on an average in 2016 – 2018)	<ul style="list-style-type: none"> Room cost: 17.45% of room revenue F&B cost: 9.73% of F&B revenue MOD cost: 17.18 of MOD revenue (based on an average in 2016 – 2018)	<ul style="list-style-type: none"> Room cost: 12.10% of room revenue F&B cost: 6.33% of F&B revenue MOD cost: 6.20% of MOD revenue (based on an average in 2016 – 2018)
Salary Expense	<ul style="list-style-type: none"> Office expense: THB 23.61 m with 2.50% growth rate. F&B expense: THB 9.86 m with 2.50% growth rate. MOD expense: THB 10.18 m with growth rate 2.50% (growth rate based on hotel management policy which is in line with an historical average) 	<ul style="list-style-type: none"> Office expense: THB 26.18 m with 2.50% growth rate. F&B expense: THB 12.06 m with 2.50% growth rate. MOD expense: THB 7.65 m with growth rate 2.50% (growth rate based on hotel management policy which is in line with an historical average) 	<ul style="list-style-type: none"> Office expense: THB 8.75 m with 2.50% growth rate. F&B expense: THB 3.97 m with 2.50% growth rate. MOD expense: THB 2.48 m with growth rate 2.50% (growth rate based on hotel management policy which is in line with an historical average) 	<ul style="list-style-type: none"> Office expense: USD 1.04 m with 2.50% growth rate. F&B expense: USD 0.32 m with 2.50% growth rate. MOD expense: USD 0.59 m with growth rate 2.50% (growth rate based on hotel management policy which is in line with an historical average)
Office Expense	<ul style="list-style-type: none"> Office expense: 3.60% of total revenue 	<ul style="list-style-type: none"> Office expense: 6.81% of total revenue 	<ul style="list-style-type: none"> Office expense: 5.12% of total revenue 	<ul style="list-style-type: none"> Office expense: 3.52% of total revenue

Assumption	DTLP	DTHH	D2CM	DTMD
	<ul style="list-style-type: none"> F&B expense: 5.06% of total revenue MOD expense: 8.16% of total revenue (based on an average in 2016 – 2018) 	<ul style="list-style-type: none"> F&B expense: 2.95% of total revenue MOD expense: 10.38% of total revenue (based on an average in 2016 – 2018) 	<ul style="list-style-type: none"> F&B expense: 5.01% of total revenue MOD expense: 7.54% of total revenue (based on an average in 2016 – 2018) 	<ul style="list-style-type: none"> F&B expense: 6.08% of total revenue MOD expense: 9.37% of total revenue (based on an average in 2016 – 2018)
Management Expense and Other Expense	<ul style="list-style-type: none"> Base management fee: 2.00% of total revenue (based on the hotel management Agreement between DMCO and DTC) Incentive fee: 5.00% of profit after deducting operating expenses, base management fee and licensing fee (based on the hotel management Agreement between DMCO and DTC) Business Interruption: calculating from 0.02% of gross profit before deducting labor and salary expenses and including insurance premium THB 875.84 per room with 2.50% growth rate per year (Based on the hotel management plan) 	<ul style="list-style-type: none"> Base management fee: 2.10% of total revenue (based on the hotel management Agreement between DMCO and DTC) Incentive fee: 5.00% of profit after deducting operating expenses, base management fee and licensing fee (based on the hotel management Agreement between DMCO and DTC) Business Interruption: calculating from 0.02% of gross profit before deducting labor and salary expenses and including insurance premium THB 875.84 per room with 2.50% growth rate per year (Based on the hotel management plan) 	<ul style="list-style-type: none"> Base management fee: 2.00% of total revenue (based on the hotel management Agreement between DMCO and DTC) Incentive fee: 5.00% of profit after deducting operating expenses, base management fee and licensing fee (based on the hotel management Agreement between DMCO and DTC) Business Interruption: calculating from 0.02% of gross profit before deducting labor and salary expenses and including insurance premium THB 875.84 per room with 2.50% growth rate per year (Based on the hotel management plan) 	<ul style="list-style-type: none"> Base management fee: 2.00% of total revenue (based on the hotel management Agreement between DMS and DWW) Incentive fee: 5.00% of profit after deducting operating expenses, base management fee and licensing fee (based on the hotel management Agreement between DMS and DWW) Licensing fee: 1% of total revenue (based on the trade-name license Agreement between DMS and DTC) Business Interruption: calculating from 0.02% of gross profit before deducting labor and salary expenses and including insurance premium THB 875.84 per room with 2.50% growth rate per year (Based on the hotel management plan)

DREIT's Operation Assumption

List	Assumption
Revenue Assumption	
Rental Revenue	<p>DTLP, DTHH and D2CM</p> <p>Fixed Rent *</p> <p><u>Initial Fixed Rental Fee</u></p> <ul style="list-style-type: none"> Where the rental fee is reconsidered: The higher rate between THB 205.00 M or two-thirds of the average of the total rental fee of every previous 3 years (reconsidering the rental fee every 3 years from the year 2020). Other year: The higher rate between THB 205.00 M or the final fixed rental fee of the previous year. <p><u>Final Fixed Rent Fee</u></p> <p>The higher rate between the initial fixed rental fee or two-thirds of the total income rental in such year.</p> <p>Variable Rent</p> <p>EBITDA, less the final fixed rental fee, less Lessee's share or plus compensation from Lessee, which will be calculated in such quarter or such year (as the case may be).</p> <ul style="list-style-type: none"> Only in the case where EBITDA is more than the initial fixed rental fee (Lessee's Share), whereas the Lessee's share in such quarter or such year (as the case may be) shall be equal to the lower amount between EBITDA – initial fixed rental fee or (EBITDA – THB 205.00 M) x (1-90%). Only in the case where EBITDA is less than the initial fixed rental fee (Compensation from Lessee), whereas the Compensation from Lessee shall be equal to the initial fixed rental fee – EBITDA. <p>Therefore, EBITDA is operating profit before deducting and the expenses where DREIT is responsible. (referred to the draft the sublease and/or lease assets agreement between DMCO and DREIT for DTLP DTHH and D2CM)</p> <p>DTMD</p> <p>Fixed Rent *</p> <p><u>Initial Fixed Rental Fee</u></p> <ul style="list-style-type: none"> Where the rental fee is reconsidered: The higher rate between USD 7.00 M or two-thirds of the average of the total rental fee of every previous 3 years (reconsidering the rental fee every 3 years from the year 2020). Other year: The higher rate between USD 7.00 M or the final fixed rental fee of the previous year. <p><u>Final Fixed Rent Fee</u></p> <p>The higher rate between the initial fixed rental fee or two-thirds of the total income rental in such year.</p> <p>Variable Rent</p> <p>EBITDA, less the final fixed rental fee, less Lessee's share or plus compensation from Lessee, which will be calculated in such quarter or such year (as the case may be).</p> <ul style="list-style-type: none"> Only in the case where EBITDA is more than the initial fixed rental fee (Lessee's Share), whereas the Lessee's share in such quarter or such year (as the case may be) shall be equal to the lower amount between EBITDA – initial fixed rental fee or (EBITDA – USD 7,000,000) x (1-90%). Only in the case where EBITDA is less than the initial fixed rental fee (Compensation from Lessee), whereas the Compensation from Lessee shall be equal to the initial fixed rental fee – EBITDA. <p>Therefore, EBITDA is operating profit before deducting and the expenses where DREIT is responsible.</p>

List	Assumption												
	<p>(referred to the draft the sublease and lease assets Agreement of DTMD between DMS and DWW)</p> <p>Remark: * Fixed Rent in every 3 years may increase or decrease depending on the performance of DTMD, however; the fixed rent will not be lower than the initial fixed rent of THB 205.00 M (DTLP DTHH and D2CM) or USD 7 M (DTMD) in which the total rent (Fixed Rent + Variable Rent) will be equal to EBITDA deducted by Lessee's Share or plus with compensation from lessee</p>												
Expenses Assumption													
REIT Manager Fee	0.18% of total asset value (TAV) per year (based on the DREIT deed)												
Trustee Fee	0.12% of total asset value (TAV) per year (based on the DREIT deed)												
Registrar Fee	<table> <tr> <th>Paid-up capital or registration capital (THB m)</th><th>Fee rate calculating on registration capital (%)</th></tr> <tr> <td>Not more than 1,000</td><td>0.043</td></tr> <tr> <td>More than 1,000 but not more than 5,000</td><td>0.038</td></tr> <tr> <td>More than 5,000 but not more than 10,000</td><td>0.032</td></tr> <tr> <td>More than 10,000</td><td>0.023</td></tr> </table> <p>Source: TSD announcement regarding fees and expenses related to the registrar for the company</p>	Paid-up capital or registration capital (THB m)	Fee rate calculating on registration capital (%)	Not more than 1,000	0.043	More than 1,000 but not more than 5,000	0.038	More than 5,000 but not more than 10,000	0.032	More than 10,000	0.023		
Paid-up capital or registration capital (THB m)	Fee rate calculating on registration capital (%)												
Not more than 1,000	0.043												
More than 1,000 but not more than 5,000	0.038												
More than 5,000 but not more than 10,000	0.032												
More than 10,000	0.023												
SET Listing Fee	<p>The annual fee rate of SET is calculated according to the paid-up capital of DREIT as following table. However, SET listing fee must not be less than THB 50,000 and not more than THB 3,000,000 per year.</p> <table> <tr> <th>Paid-up capital or registration capital (THB M)</th><th>Fee rate calculating on registration capital (%)</th></tr> <tr> <td>Not more than 200</td><td>0.035</td></tr> <tr> <td>More than 200 but not more than 1,000</td><td>0.030</td></tr> <tr> <td>More than 1,000 but not more than 5,000</td><td>0.025</td></tr> <tr> <td>More than 5,000 but not more than 10,000</td><td>0.020</td></tr> <tr> <td>More than 10,000</td><td>0.010</td></tr> </table> <p>Source: Board of SET announcement Re: Fee rate for accepting common stock or preferred stock as listed securities, 2001</p>	Paid-up capital or registration capital (THB M)	Fee rate calculating on registration capital (%)	Not more than 200	0.035	More than 200 but not more than 1,000	0.030	More than 1,000 but not more than 5,000	0.025	More than 5,000 but not more than 10,000	0.020	More than 10,000	0.010
Paid-up capital or registration capital (THB M)	Fee rate calculating on registration capital (%)												
Not more than 200	0.035												
More than 200 but not more than 1,000	0.030												
More than 1,000 but not more than 5,000	0.025												
More than 5,000 but not more than 10,000	0.020												
More than 10,000	0.010												
Capital Expenditure Assumption													
FF&E Reserved	<p>3% of total hotel revenue per year</p> <p>(referred to the draft the sublease and/or lease assets Agreement between DMCO and DREIT for DTLP DTHH and D2CM) and the draft the sublease and lease assets Agreement of DTMD between DMS and DWW)</p>												
Renovation Reserved	<p>DTLP, DTHH, and D2CM: 5% of total hotel revenue</p> <p>DTMD: approximately THB 44.80 m or USD 1.40 m per annum</p> <p>(referred to the draft the sublease and/or lease assets Agreement between DMCO and DREIT for DTLP DTHH and D2CM) and the draft the sublease and lease assets Agreement of DTMD between DMS and DWW)</p>												

Other Expenses

- Land Rental Fee for DTMD operation at USD 1 m per year (Detail on 1.6.1 Summary of the Head Lease Agreement with Government of the Republic of Maldives)
- Corporate Tax in the Republic of Maldives of DMS2 at 15% (based on Business Profit Tax Act Maldives)
- Insurance premium related to DREIT asset such as All-risk Insurance and Political Violence Insurance (based on the actual expenses in 2016 – 2018)
- Other service fee, audit fee, appraisal fee, advisory fee, loan front end fee and office expenses are applied the growth rate of Thailand and the Republic of Maldives depending on the cost that will occur in any country (based on the actual expenses in 2016 – 2018) (Details on Appendix 7 Financial Projections of DREIT only for DTMD)
- Transaction expenses of DREIT amounted to THB 58.50 m which consisted of Financial advisory fee, Tax advisory fee, Legal advisory fee, Appraisal fee, Audit fee, Independent financial advisor fee, expenses related to the extraordinary general meeting, SET transaction fee and marketing expenses (based on estimated costs from the Company)

Interest Expense

A part in DREIT's source of fund being used to purchase DMS2 shares from DTPP and MBK and provide loans to DMS2 to disburse for land leasehold rights, freehold of buildings and structures and the assets related to DTMD, are from loans of the financial institutions approximately THB 2,045.00 m. The IFA has assumed the interest rate and principal repayment based on the current loan agreement of DREIT, which has an interest rate of 3.90 - 4.10%.

Discount Rate

IFA uses the cost of the unitholders (K_e) as the discount rate for computing Present Value of distributions. Due to the fact that Cash Flow or such distributions are the return from investment in the ownership which DTC is the current DREIT unitholder and it will subscribe additional DREIT's investment units. K_e is therefore reasonable than using WACC as a discount rate which can be calculated from the Capital Asset Pricing Model (CAPM) as follows:

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

Risk Free Rate (R_f) is risk-free rate based on 40-year Thai government bond yield with a term close to remaining term of the Head Lease Agreement with Government of the Republic of Maldives is equal to 3.58% (data as of 7 March 2019)

Beta (β) is risk indicators according to the unit market price after adjusted the data as close to the average of the market which calculated from the correlation coefficient between variation of the Stock Exchange of Thailand Index (SET Index) and unit price of DREIT for 3 years is 0.40 (source: Bloomberg as of 7 March 2019)

Market Return (R_m) is an average rate of return on investment in the SET over the past 40 years with a term close to remaining term of the Head Lease Agreement with Government of the Republic of Maldives equals to 14.46% (source: SET as of February 2019)

Detail of factors, assumptions and discount rate can be summarized as follows

Factor	Assumption
Risk free rate on government bond (R_f)	3.58%
Rate of return on investment in the SET (R_m)	14.46%
Market-based risk indicator of stock price (Beta)	0.40
Cost of Capital (K_e)	7.96%

From the above assumptions, IFA calculates the present value of the distributions from Investment in DTMD, which the projection will be in 2 cases as follows;

- Case1: DREIT invests in DTMD (Distributions from DTLP, DTHH, D2CM and DTMD)
- Case2: DREIT not invests in DTMD (Distributions from DTLP, DTHH and D2CM)

The difference of the present value of the distributions from case 1 and case 2 is the present value of the distributions received from the investment in the DTMD as follows;

Detail	Amount	
	(USD m)	(THB m)
Case1: Present value of the distributions from DTLP DTHH D2CM and DTMD	193.27	6,184.65
Case2: Present value of the distributions from DTLP DTHH and D2CM	125.54	4,017.18
Present value of the distributions from DTMD	67.73	2,167.48
Less: Transaction expenses ^{/1}	(1.83)	(58.50)
Less: The amount of subscription for the newly-issued investment units of DREIT in proportion to their respective unitholdings (Right Offering)	(52.55)	(1,681.60)
NPV of the distributions from DTMD	13.36	427.38
NPV of the distributions from DTMD in only DTC's portion of 30.02%	4.01	128.30

Remark: The exchange rate is THB 32.00 per USD 1.

^{/1} Transaction expenses are the expenses that DREIT is responsible such as financial advisor fee, IFA fee, legal advisor fee, appraisal fee, audit fee etc.

From the above feasibility of the subscription for the newly-issued investment units of DREIT, NPV of distributions from subscription for the newly-issued investment units of DREIT received by DTC is **positive** by USD 4.01 M or THB 128.30 M. Therefore, the IFA is of the opinion that the subscription for the newly-issued investment units of DREIT in proportion to their respective unitholdings is reasonable.

Sensitivity Analysis

The IFA has conducted a sensitivity analysis in order to see the reflect on the NPV of the distributions when the key assumptions have been changed from the base case. However, the actual cash flows may be higher/lower than the projection in this sensitivity analysis.

IFA has conducted the sensitivity analysis based on 2 different assumptions as follows:

- **Change in Occupancy Rate**

Change in Occupancy Rate	NPV of the distributions from DTMD (THB M)	NPV of the distributions from DTMD in only DTC's portion of 30.02%	
		(THB M)	(USD M)
4.00%	658.99	197.83	6.18
2.00%	543.20	163.07	5.10
0.00%	427.38	128.30	4.01
-2.00%	311.43	93.49	2.92
-4.00%	195.45	58.68	1.83

Remark: The exchange rate is THB 32.00 per USD 1.

From the sensitivity analysis with the change in occupancy rate assumption of DTMD, the NPV of the distributions from DTMD in only the Company's holding proportion of 30.02% is in a range of THB 58.68 – 197.83 M. or USD 1.83 – 6.18 M

- **Change in Discount Rate**

Change in Discount Rate	NPV of the distributions from DTMD (THB M)	NPV of the distributions from DTMD in only DTC's portion of 30.02%	
		(THB M)	(USD M)
1.00%	146.46	43.97	1.37
0.50%	278.92	83.73	2.62
0.00%	427.38	128.30	4.01
-0.50%	594.19	178.38	5.57
-1.00%	782.10	234.79	7.34

Remark: The exchange rate is THB 32.00 per USD 1.

From the sensitivity analysis with the change in discount rate assumption of DTMD, the NPV of the distributions from DTMD in only the Company's holding proportion of 30.02% is in a range of THB 43.97 – 234.79 M. or USD 1.37 – 7.34 M

3.1.2. Fair price of the Disposal of Assets Transaction

Transaction on the disposal of the total shares held by DTPP in DMS2 to DREIT

After DMS3 has completed the sublease and lease of the assets in relation to DTMD and has accepted the transfer of the Relevant Rights and Duties (excluding debts from the outstanding loan which DMS owes to DTPP and MBK under the loan agreement from the shareholders, which have been transferred from DMS to DMS2) from DMS2, DTPP shall dispose of the total of its shares held in DMS2, representing 65% of the total shares of DMS2 with the total value of not exceeding THB 3,120,000 (or equivalent to USD 97,500)

In this regard, IFA has considered the appropriateness of the value of transaction on the disposal of the total shares held by DTPP in DMS2 to DREIT with the fair value of DTMD to find Net Present Value of Free Cash Flow in entering into this transaction by using 3 approaches as follows:

- Book Value Approach
- Discounted Cash Flow Approach (Income Approach) by Independent Appraiser
- Discounted Cash Flow Approach by the Independent Financial Advisor

1) Book Value Approach

In determining the fair value of DTMD by this approach, The IFA has calculated based on the book value of DTMD stated in the financial statement of DMS as of 31 December 2018 with the summary in the following table;

List of assets	Book Value
	As of 31 December 2018 (USD M)
Building on Lease Land	45.52
Furniture and Fixture - LL	1.33
Tool and equipment	0.79
Machinery & Equipment	0.76
Office equipment	0.47
Other	0.25
Total book value	49.13

Source: DTC

Remark: * includes Software Development, Sound System and Vehicles.

The Book Value of Dusit Thani Maldives Hotel Project as of 31 December 2018 is **USD 49.13 M**

The IFA is of the opinion that the book value approach is not appropriate because it reflects the assets' value at a certain point in time, but takes no account of the future Cash Flow generating ability of those assets.

2) Discounted Cash Flow Approach (Income Approach) by Independent Appraisers

In this valuation approach, the IFA has considered from appraisal report by independent appraiser approved by the SEC, namely, Jones Lang LaSalle (Thailand) Limited. It uses the Income Approach as an appropriate valuation approach for comparing the fair price of Dusit Thani Maldives Hotel Project since the appraised assets are hotel building with assets related to the hotel operation that can generate income, the assumptions used by the appraiser can be summarized as follows:

Assumption	Jones Lang LaSalle (Thailand) Limited
Projection period	10 years including cash flow after the projection period of 30 years
Appraisal Date	31 January 2019
Revenue	
Average daily rates for 2020	USD 529/room/night (based on the supportive marketing promotion, an average room rate will be lower than 2017)
Average daily rate growth	Year 2021: increasing by 2.8% Year 2022: increasing by 3.5% Year 2023 onwards: increasing by 3% (based on long-term inflation, in 2022 will grow from the increasing number of pool villa rooms)
Occupancy Rate	84% throughout the projection period (based on the actual occupancy rate in 2017 -2018)
Food and Beverage Revenue	Approximately 30% of total revenue (based on marketing plan on year 2019)
Revenue from Minor Operated Department	Approximately 3% of total revenue (based on marketing plan on year 2019)
Revenue from spa	Approximately 3.5% of total revenue (based on marketing plan on year 2019)
Other revenue	Approximately 3.6% of total revenue (based on marketing plan on year 2019)
Expense	
Room cost (variable cost)	Approximately 21% of room revenue (based on marketing plan on year 2019)
Food and Beverage cost (variable cost)	54% of food and beverage revenue (based on marketing plan on year 2019 and the hotel management interview)
Cost in Revenue from Minor Operated Department (variable cost)	48.4% of Revenue from Minor Operated Department (based on an average cost of other operations from 2017 - 2019)
Cost in Revenue from spa (variable cost)	33.9% of Revenue from spa (based on marketing plan on year 2019)

Assumption	Jones Lang LaSalle (Thailand) Limited
Other expenses	<ul style="list-style-type: none"> • General administration: 8.2% of total revenue • Software system: 2.5% of total revenue • Marketing: 5.9% of total revenue • Heat, Light & Power: 5.9% of total revenue • Maintenance: 6% of total revenue (based on marketing plan on year 2019)
Fixed Cost	<ul style="list-style-type: none"> • Land rental for Maldives: USD 1 M per year (according to the laws of Government of the Republic of Maldives) • Insurance premium: 0.6% of total revenue (based on marketing plan on year 2019) • Reserve for FF&E: 4.00% of total revenue (referred to the hotel management agreement) • Reserve for capital expense in 2020 - 2024: USD 2.93 M according to the 5-year renovation plan of DTMD in 2020 – 2024 (referred to the hotel management agreement)
Management fee	<ul style="list-style-type: none"> • Base management fee: 2% of total revenue • Incentive fee: 5% of profit after deducting operating expenses, base management fee and license fee • License fee: 1% of total revenue (referred to the hotel management agreement and the trade-name license Agreement)
Discount Rate/ Capitalization Rate	
Capitalization Rate	9.50% (based on transaction data in Maldives by JLL)
Discount Rate	12.50% (based on Capitalization Rate of 9.5% plus 3% of long term of inflation)

The appraised value by the independent appraiser can be shown in the following table:

Independent Appraiser	Appraised Value (USD M)
Jones Lang LaSalle (Thailand) Limited	72.00

The fair value of Dusit Thani Maldives Hotel Project (DTMD) with Discounted Cash Flow Approach (Income Approach) by Independent Appraiser is **USD 72.00 M**.

Therefore, IFA is of the opinion that the Fair Value calculated from DCF (Income Approach) by the independent appraiser is appropriate to compare the price of this transaction. Because these assumptions mentioned above referred to the historical performance of DTMD, information such as the same type of assets nearby and the operating performance in the future of DTMD etc.

3) Discounted Cash Flow Approach by the Independent Financial Advisor

The IFA has estimated the Free Cash Flow of Dusit Thani Maldives Hotel Project for 40 years from 30 September 2019 to 7 September 2059 (see more details in 1.6.2 summary of draft agreement for transaction on the transfer of business on Mudhdhoo Island in Baa Atoll) and Free Cash Flow after the projection period discounted by the weighted average cost of capital of DTC ("WACC") to calculate the fair value of DTMD

The main assumptions used in the financial projection are as Follows:

Revenue

The main revenue of the hotel consists of room revenue, food and beverage revenue, Revenue from Minor Operated Department and Rentals & Other Income. The assumptions are as follows:

Revenue	Assumption
Room revenue	
Occupancy Rate *	<p>IFA estimates occupancy rate as follows. • Year 2019: 84.43% (referred to the hotel management interview, the hotel budget and the marketing plan in 2019 and the actual occupancy rate in 2018)</p> <p>• Year 2020: 84.00% (referred to the management interview focusing on the occupancy rate will not be less than last year)</p> <p>• Year 2021: 82.00% (referred to the management interview focusing on the occupancy rate will not be less than last year and IFA has also adjusted by the Conservative Basis)</p> <p>• From 2022 onwards: 80% throughout the projection period (based on executive management interviews, the occupancy rate of Resorts type in the Republic of Maldives in 2013 - 2017 and the Conservative Basis)</p>
Average daily rates	<p>• Year 2019 – 2020: USD 538 (based on an average room rate in 2016 – 2018)</p> <p>• From 2021 onwards: increasing 2.83% per year (based on an average growth of Revenue per average available room (Revpar) in 2016 – 2018)</p>
Food and Beverage Revenue	
Food and Beverage Revenue	Approximately 47.82% of total revenue (based on an average in 2016 - 2018)
Revenue from Minor Operated Department	
Revenue from Minor Operated Department	Includes laundry, fitness and activities for customers which sets equal to approximately 10.7% of total revenue (based on an average in 2016 - 2018)
Rentals & Other Income	
Rentals & Other Income	Includes store rental fee in DTMD and fee for sea plane etc. (based on an average in 2016 – 2018) which sets equal to increasing 2.46% per year based on an average inflation rate of Maldives in 2019 – 2023 (source: IMF)

Remark: in which considering the average occupancy rate of DTMD compared to direct competitors, it was found that the average occupancy rate of DTMD was higher than that hotel competitors. IFA considers the DTMD of occupancy rate referred to management interviews, the hotel budget and the marketing plan for year 2019.

%OR	2016	2017	2018	Avg.
Competitors	62.30%	61.90%	57.30%	60.50%
DTMD	67.82%	76.80%	84.43%	76.35%

The assumption of occupancy rate in 2019 is based on the actual occupancy rate in 2018, the hotel budget and marketing plan for the year 2019. Based on the interview, the management elucidated that the average occupancy rate in 2018 was 84.43% as a result of the change in policy of management and marketing and also hired the new General Manager to manage. The policy of DTMD will focus mainly on the number of guests or occupancy rates which are not less than last year. The actual occupancy rate for the first 2 months of 2019 (January 2019 of 86.3% and February 2019 of 91.6%) is higher than the specified monthly budget plan.

In addition, IFA considers the resort hotel industry data with average annual occupancy rate of 2013 - 2017 equal to 77.20% (see more details in Appendix 1: Economic and Industry Overview)

Cost of sales

Estimated as percent on revenue based on the average proportion of actual costs to revenue in 2016 – 2018 as follows:

Cost of sales	Assumption
Food and Beverage cost	24.6% of Food and Beverage revenue (based on an average in 2016 - 2018)
Minor Operated Department cost	8.8% of Revenue from Minor Operated Department (based on an average in 2016 - 2018)
Payroll cost	Increasing 2.5% per annum according to the policy of hotel management which is in line with an historical average during 2016 – 2018.
Other costs of room revenue	Includes complementary and telephone charge which sets equal to 12.1% of room revenue (based on an average in 2016 - 2018)
Other costs of food and beverage revenue	Consists of laundry in the restaurant section, restaurant decoration and entertainment which sets to be 6.3% of food and beverage revenue (based on an average in 2016 - 2018)
Other costs of Revenue from Minor Operated Department	6.2% of Revenue from Minor Operated Department (based on an average in 2016 - 2018)

Operating expenses

Operating expenses include employee-related expenses and related operating expenses with the following details:

Operating expense	Assumption
Other expense in payroll cost of General administration, sales & marketing and POMECS department	Increase by 2.5% per year in line with the hotel management's policy management which is in line with an historical average during 2016 – 2018.
Other expenses	Including insurance premium of Directors and Officers Liability Office, utility fee and hotel promotion from offline and online channels set to be 19% of total revenue in proportion to an average other expenses per total revenue in 2016 - 2018
Management fee	• Base management fee: 2% of total revenue (based on the hotel management Agreement between DMS and DWW)

Operating expense	Assumption
	<ul style="list-style-type: none"> • Incentive fee: 5% of profit after deducting operating expenses, base management fee and license fee (based on the hotel management Agreement between DMS and DWW) • License fee: 1% of total revenue (based on the trade-name license Agreement between DMS and DTC)
Land rental for Maldives	USD 1 M per year (based on the Head Lease Agreement with Government of the Republic of Maldives)
Insurance premium	Including Property All Risk, Business Interruption, Marine Hull and Political Violence Sets to be USD 0.15 M in 2019 (based on the hotel management policy) and after that will be increasing 2.46% per annum based on an average inflation rate of Maldives in 2019 – 2023 (source: IMF)
FF&E Reserve	3% of total revenue per annum (based on the hotel management policy)
Renovation Reserve	USD 1.4 M per year (based on the hotel management policy)

Terminal Growth

The IFA has determined the terminal growth rate of 0.00% per annum

Discount Rate

This is based on the discount rate described in transaction on the sublease and lease of assets in relation to the operation of DTMD (See more details in section 3.1.1 Fair price of the acquisition of assets transaction – Discount rate) which is 11.96%.

From the information and the assumptions above, the fair value of Dusit Thani Maldives Hotel Project is USD 69.32 M.

IFA is of the opinion that DCF approach by IFA is appropriate. This is because IFA considers the assets' ability to generate cash flow in the future by analyzing historical operating performance, industry information and information obtained from DTC as well as management interview of the Hotel to understand the operational plan of the Hotel Project in the future.

From consideration 2 approaches above, The DCF approach by IFA is appropriate and the Fair Value from independent appraiser is appropriate to compare the price of this transaction. Therefore, the Fair Value of DTMD is in the range of USD 69.32 – 72.00 M.

When considering DMS 2's share value calculated from the fair value of the Dusit Thani Maldives Hotel Project, deducting debt (shareholder loans) and tax leakage will have the fair value of the DMS2 in following table:

(USD M)	Fair Value		Cash Flow from the transaction
	IFA	Independent Appraisal	
Value of DTMD	69.32	72	72
Shareholder loans ^{/1}	3.95	3.95	3.95
Tax leakage ^{/2}	3.12	3.52	3.52
Fair Value of DMS2	62.25	64.53	64.53
Cash Flow is greater than Fair Value	USD 0 – 2.28 M or THB 72.92 M		
Net Cash Flow is greater than Net Fair Value according to DTPP holding proportion of 65% in DMS2	0 - 2.28 x 65% equals to USD 0 - 1.48 M or THB 47.40 M		
NPV only for DTC's portion that receives according to holding proportion in DTPP both direct (2.75%) and indirect (84.00%)	0 - 1.48 x 86.75% equals to USD 1.28 M or THB 41.12 M		

Remark: The exchange rate is THB 32.00 per USD 1.

^{/1} DMS's Shareholder loans for repaying BAY loans and for releasing the share collateral before entering into the transaction (data obtained from DTC), which is expected that BAY's loan balance will be approximately USD 3.95 M on the date of the transaction (30 September 2019). In this regard, such loan will be transferred to DMS2 on the date that DMS sells the leasehold rights and ownership of Dusit Thani Maldives Hotel Project

^{/2} Calculated from 15% of Dusit Thani Maldives Hotel Project's value deducting shareholder loans (USD 3.95 M) and total equity of DMS (USD 44.6 M referred to the forecasted financial statement as at 30 September 2019 from EY Office Limited)

Based on the information in table above, Net Cash Flow from entering into transaction on the disposal of 65% of total shares held by DTPP in DMS2 to DREIT is higher than Net Fair Value in the range of **USD 0 – 1.48 M**. As a result, Net Present Value of the difference between Net Cash Flow and Net Fair Value from such transaction received by DTC according to the proportion of holding in DTPP both direct (2.75%) and indirect (84.00%) is **positive by USD 1.28 M or THB 41.12 M**.

The Fair Value of Dusit Thani Maldives Hotel Project is in the range of USD 69.32 - 72.00 M. Resulting in Net Present Value of the difference between Net Cash Flow and Net Fair Value from such transaction received by DTC, there is **positive by USD 0 – 1.28 M or THB 41.12 M**. Therefore, the IFA is of the opinion that the transaction on this transaction is reasonable.

Sensitivity Analysis

The IFA has conducted a sensitivity analysis in order to reflect the potential impact on the Fair Value of Dusit Thani Maldives Hotel Project and Net Present Value of the difference between Net Cash Flow and Net Fair Value by changing in assumptions of occupancy rate and the discount rate (WACC) from the base case scenario.

The result of the sensitivity analysis is shown below:

- **Change in the occupancy rate**

Change in Occupancy rate	Net Fair value (1)	Net Cash Flow (2)	difference between Net Cash Flow and Net Fair Value (3): (2) – (1)	Net Present Value of Net Cash Flow only for DTC's portion ((3) x 65% x 86.75%)	
				(USD M)	(THB M)
4%	68.10	64.53	(3.57)	(2.01)	(64.36)
2%	65.18	64.53	(0.64)	(0.36)	(11.62)
0%	62.25	64.53	2.28	1.28	41.12
-2%	59.33	64.53	5.20	2.93	93.86
-4%	56.41	64.53	8.12	4.58	146.60

Remark: The exchange rate is THB 32.00 per USD 1.

From the above sensitivity analysis, If the occupancy rate changes from the range of -4% to 4% from the base case, Net Fair Value of DTMD will be in the range of USD 56.41 – 68.10 M and Net Present Value of Free Cash Flow only for DTC's portion in this transaction will be in the range of USD -2.01 – 4.58 M or THB -64.36 – 146.60 M.

- **Change in the discount rate (WACC)**

Change in Occupancy rate	Net Fair value (1)	Net Cash Flow (2)	difference between Net Cash Flow and Net Fair Value (3): (2) – (1)	Net Present Value of Net Cash Flow only for DTC's portion ((3) x 65% x 86.75%)	
				(USD M)	(THB M)
1.00%	56.84	64.53	7.69	4.34	138.84
0.50%	59.43	64.53	5.10	2.88	92.11
0.00%	62.25	64.53	2.28	1.28	41.12
-0.50%	65.34	64.53	(0.81)	(0.46)	(14.65)
-1.00%	68.73	64.53	(4.20)	(2.37)	(75.78)

Remark: The exchange rate is THB 32.00 per USD 1.

From the above sensitivity analysis, If the discount rate (WACC) changes from the range of -1% to 1% from the base case, Net Fair Value of DTMD will be in the range of USD 56.84 – 68.73 M and Net Present Value of Free Cash Flow only for DTC's portion in this transaction will be in the range of USD -2.37 – 4.34 M or THB -75.78 – 138.84 M.

3.2. Appropriateness of the Conditions Precedent of the Transaction

After entering into transactions in relation to the Dusit Thani Maldives Hotel Project, the transaction size is not considered as the acquisition of assets that must be approved by the shareholders' meeting. However, the Board of Directors deems it appropriate to propose to the shareholders' meeting to approve on the acquisition and disposal of assets related to the Dusit Thani Maldives Hotel Project. Therefore, the Board of Directors Meeting No. 3/2562 dated 25 February 2019 has determined the conditions for entering into the transaction as follows:

- The Company shall obtain approval from the Annual General Meeting of Shareholders with affirmative votes of not less than three-fourths of the total votes of the shareholders who attend the meeting and have the right to vote, whereby the shareholders who have special interest in the transaction shall not be entitled to cast vote thereon
- The parties involved in various contractual transactions have fully complied with the conditions precedent as specified
- DREIT must obtain approval from the DREIT unitholders' meeting with a vote of not less than three-fourths of the total votes of the unitholders attending the meeting and having the right to vote and receive approval from Securities and Exchange Commission in issuing and offering trust units and other matters related to an investment in Dusit Thani Maldives Hotel Project
- MBK has been approved by the Board of Directors and / or the shareholders' meeting (if necessary) related to an investment in Dusit Thani Maldives Hotel Project.

The IFA opines that the above conditions are reasonable due to conditional upon each other in the transaction related to an investment in Dusit Thani Maldives Hotel Project. Moreover, the Transaction needs the resolution from the Shareholders' Meeting of the Company which is in accordance with the SET conditions to protect the shareholders' interests.

In addition, considering the approval on the transaction of acquisition and disposal of assets, entering into agreement and signing any document relating to such transaction have conditions precedent upon each other. Therefore, If the parties are unable to fulfill all conditions precedent, it may cause the transaction to be delayed or unsuccessful.

Summary of the Opinions of the Independent Financial Advisor

Summary of the Opinions of the IFA on Acquisition and Disposal of Assets of Dusit Thani Public Company Limited

IFA has determined the fair value of the acquisition and disposal of assets of Dusit Thani Public Company Limited by the independent appraiser and Discounted Cash Flow Approach (DCF) by IFA to evaluate the Net Present Value only in DTC's portion of 4 transactions. In addition, IFA has considered the transaction expenses which the details are as follows;

- **Registered Capital of DMS2** is USD 150,000 or THB 4,800,000. After the establishment of DMS2 and DMS3, DREIT will purchase DMS2 shares from DTPP in the proportion of 65%. Therefore, DTPP will be received the price of DMS2 shares at its registered capital.

List	Amount ^{/1}	
	(USD M)	(THB M)
Operating reserved cash	139,118.60	4,451,795.20
Head Lease Transfer Fee	5,000.00	160,000.00
Sublease Registration Fee	5,000.00	160,000.00
Total Operating License Amendment / Renew Fee following the entering into the sublease agreement by DMS2 and DMS3	523.90	16,764.80
Other Expenses ^{/2}	357.50	11,440.00
Total Registered Capital of DMS2	150,000.00	4,800,000.00

Remark: ^{/1} The exchange rate is THB 32.00 per USD 1.

^{/2} Other expenses such as establishment fee, private company annual fee including a minimum capital of USD 130 for setting up a company required by law of the Republic of Maldives

- **Registered Capital of DMS3** is USD 10,000 or THB 320,000.

List	Amount ^{/1}	
	(USD M)	(THB M)
Operating reserved cash	8,498.50	271,952.00
Total recurring fee for relevant operating licenses	1,144.00	36,608.00
Other Expenses ^{/2}	357.50	11,440.00
Total Registered Capital of DMS3	10,000.00	320,000.00

Remark: ^{/1} The exchange rate is THB 32.00 per USD 1.

^{/2} Other expenses such as establishment fee, private company annual fee for including a minimum capital of USD 130 for setting up a company required by law of the Republic of Maldives

- **Other Transaction Expenses** is approximately USD 0.13 M or THB 4.03 M consisted of document preparation expenses for shareholder's annual general meeting of DTC and DTPP, legal advisor fee, appraisal fee and IFA fee

From the above assessment, Net Present Value of all transactions after deducting the transaction expenses can be summarized as follows;

List	Net Present Value only for DTC's portion	
	(USD M)	(THB M)
The Acquisition of Assets Transaction		
DMS3 subleases and leases in relation to the operation of DTMD from DMS2	2.72	86.97
DTC's subscription for the newly-issued investment units of DREIT in proportion to their respective unitholdings (30.02%)	4.01	128.30
The Disposal of Assets Transaction		
Disposal of the total shares held by DTPP in DMS2 (65%) to DREIT ^{/1}	1.28	41.12
Net Present Value in all transactions <u>before</u> deducting transaction expenses	8.01	256.39
Transaction expenses		
Deduct: Registration capital of DMS3	(0.01)	(0.32)
Deduct: Transaction expenses ^{/2}	(0.13)	(4.03)
Net Present Value in all transactions <u>after</u> deducting transaction expenses	7.88	252.04

Remark: The exchange rate is THB 32.00 per USD 1.

^{/1} Value of DTMD has already been included registration capital of DMS2

^{/2} Transaction expenses include document preparation expenses for shareholder's annual general meeting of DTC and DTPP, legal advisor fee, appraisal fee and IFA fee

The Net Present Value of all transaction after deducting transaction expenses is **positive by USD 7.88 M or THB 252.04 M**. Therefore, the IFA is of the opinion that the above 4 transactions is reasonable.

Sensitivity Analysis

The IFA has conducted a sensitivity analysis in order to see the reflect on Net Present Value of the above 4 transactions when the occupancy rate and discount rate assumptions have been changed from the base case

The result of the sensitivity analysis is shown below:

- Change in Occupancy Rate

Change in Occupancy Rate	NPV of sublease and lease assets (1)	NPV of subscription for newly-issued unit investment (2)	NPV of the disposal of the total DMS2 shares (3)	Total NPV before deducting the transaction expenses (1)+(2)+(3)	Transaction Expenses (4)	Total NPV after deducting the transaction expenses (1)+(2)+(3)+(4)	
						(USD M)	(THB M)
4.00%	3.35	6.18	(2.01)	7.52	(0.14)	7.38	236.17
2.00%	3.03	5.10	(0.36)	7.76	(0.14)	7.63	244.11
0.00%	2.72	4.01	1.28	8.01	(0.14)	7.88	252.04
-2.00%	2.40	2.92	2.93	8.26	(0.14)	8.12	259.93
-4.00%	2.09	1.83	4.58	8.51	(0.14)	8.37	267.82

Remark: The exchange rate is THB 32.00 per USD 1.

From the sensitivity analysis with the change in occupancy rate assumption of a range negative 4% - 4% from a base case, Net Present Value will be in a range USD 7.38 – 8.37 M or THB 236.17 – 267.82 M

- Change in Discount Rate

•Change in Discount Rate	NPV of sublease and lease assets (1)	NPV of subscription for newly-issued unit investment (2)	NPV of the disposal of the total DMS2 shares (3)	Total NPV before deducting the transaction expenses (1)+(2)+(3)	Transaction Expenses (4)	Total NPV after deducting the transaction expenses (1)+(2)+(3)+(4)	
						(USD M)	(THB M)
1.00%	2.48	1.37	4.34	8.19	(0.14)	8.06	257.81
0.50%	2.59	2.62	2.88	8.09	(0.14)	7.95	254.53
0.00%	2.72	4.01	1.28	8.01	(0.14)	7.88	252.04
-0.50%	2.85	5.57	(0.46)	7.97	(0.14)	7.83	250.54
-1.00%	2.99	7.34	(2.37)	7.96	(0.14)	7.82	250.28

Remark: The exchange rate is THB 32.00 per USD 1.

From the sensitivity analysis with the change in discount rate assumption of a range negative 1% - 1% from a base case, Net Present Value will be in a range USD 7.82 – 8.06 M or THB 250.28 – 257.81 M.

Baker Tilly Corporate Advisory Services (Thailand) Ltd., as the IFA, hereby certifies that we have considered and analyzed all information and rendered opinion fairly and thoroughly under professional standards by paying attention primarily to the interest of the trust unitholders.

In providing the above opinion, the IFA has taken into account the information and documents available publicly, the information from industry analyses and forecasts, the information and documents supplied by the Company, summary of the independent appraisal report including the management interview. The IFA may not certify the accuracy or completeness of the obtained information. Moreover, the opinion hereby proposed to the trust unitholders is given regarding the Acquisition and Disposal of Assets only. Such opinion is based on the economic environment and the information prevailing at the time of preparing this report. Therefore, any significant change in these factors could have an impact on the IFA's opinion.

Yours sincerely,

(Yundyong Thantiviramanon)

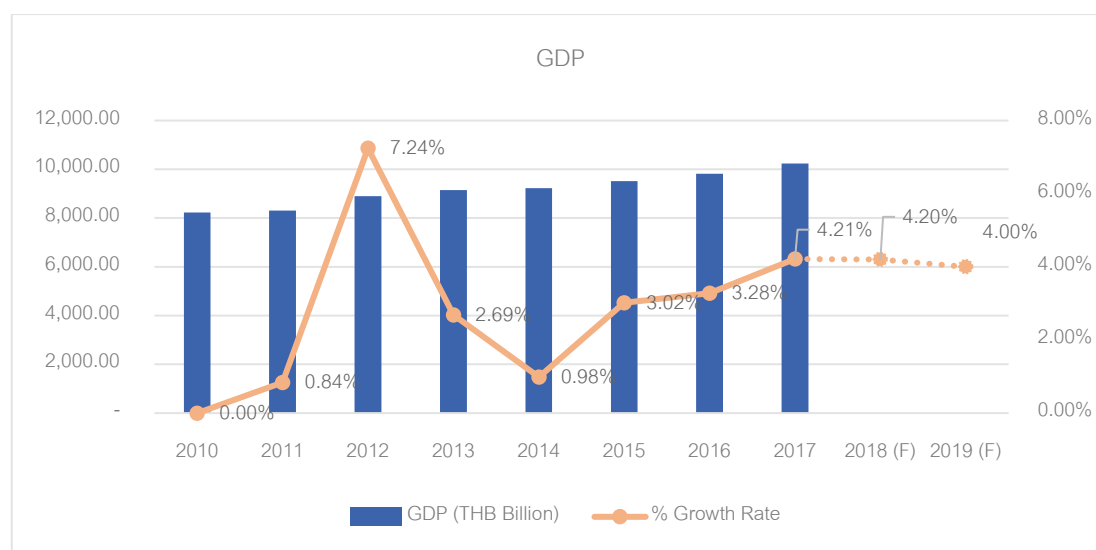
Senior Partner

Compliance Supervisor

Baker Tilly Corporate Advisory Services (Thailand) Limited

Appendix 1: Economic and Industry Overview

1. Gross Domestic Product of Thailand and Maldives



Source: Bank of Thailand as of 31 January 2019

The Thai economy in the fourth quarter of 2018 expanded by 3.7%, accelerating from 3.2% in the previous quarter. After seasonally adjusted, the economy grew by 0.8% from the third quarter of 2018.

In 2018, The Thai economy expanded by 4.1%, up from 4.0% in 2017 and was recorded as the fastest expansion in 6 years. Export value grew by 7.7% while private consumption and total investment grew by 4.6 and 3.8%, respectively. Headline inflation averaged at 1.1% and the current account recorded a surplus of 7.4% of GDP.

The Thai Economy in the fourth quarter of 2018 and in 2018

- **Private consumption** expanded by 5.3%, compared with a 5.2% growth in the previous quarter supported by the favourable improvement of overall income conditions in an economic system.

In 2018, private consumption expenditure expanded by 4.6%, the highest pace in 6 years, compared with 3.0% in 2017.

- **Total investment** grew by 4.2%, increased from 3.9% in the previous quarter. Private investment grew by 5.5%, accelerated from a 3.8% growth in the previous quarter. Government investment slightly decreased by 0.1% as a result of the drop in government spending and investment by 3.0%; whereas, the state enterprise's investment accelerated by 4.6%.

In 2018 Total investment expanded by 3.8% with the growth of government investment of 3.3% and the expansion of private investment of 3.9%, the highest pace in 6 years.

- **Exports** Export value was recorded at US\$ 62.5 billion, expanded by 2.3%, decelerating from a growth of 2.6% in the previous quarter. The export volume index increased by 0.7%, a slight recover from the decrease of 4.0% in the previous quarter.

In 2018 Export value was US\$ 253.42 billion increased by 7.7%, continuing from a 9.8% growth in 2017. For export index, export number increased by 4.2% and export price also accelerated by 3.4% and when calculated in terms of Thai Baht, export value increased by 2.7%.

- **Agriculture sector** expanded by 1.4 percent, decelerated from a 2.7 percent growth in the previous quarter in line with a reduction of livestock production index especially paddy and sugarcane due to the droughts in some production area.

In 2018 Agricultural sector expanded by 5.0% improved from 3.7% growth in 2017. Agricultural Production Index increased by 5.5%, while Agricultural Price Index declined by 5.7%. As a result, Overall Farm Income Index decreased by 0.4%.

- **Manufacturing sector** expanded by 3.3%, improved from 1.6% growth in previous quarter in line with an increase in Manufacturing Production Index (MPI)

In 2018 manufacturing sector expanded by 3.0% increased from 2.9% growth in 2017 with an increase in Manufacturing Production Index of 2.8%, and the average capacity utilization rate stood at 68.5%.

- **Hotels and restaurants sector** expanded by 5.3%, improved from a 4.1% increase in the previous quarter in line with the number and income from foreign tourists turned back to a normal condition.

In 2018 hotels and restaurants sector expanded by 7.9 percent compared with 10.6% growth in 2017. Number of foreign tourists was at 38.28 million persons (increased by 7.5%). The total tourism receipts were at THB 3,075.0 billion (increased by 9.0%). Receipts from foreign tourists were at THB 2,007.5 billion (increased by 9.6%). Receipts from Thai tourists were at THB 1,068.0 billion (increased by 7.9%). The average occupancy rate was at 71.40.

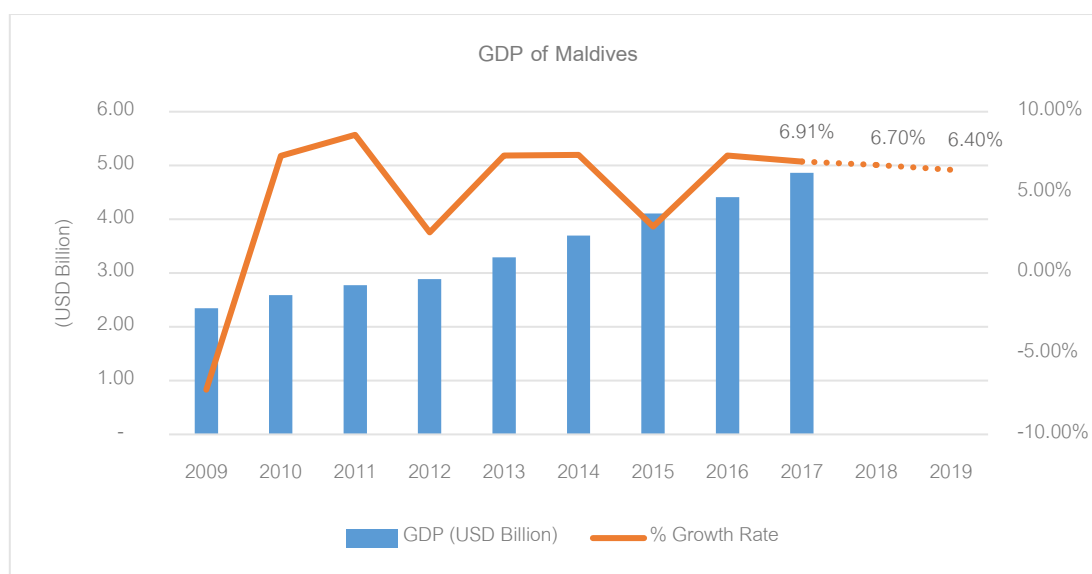
- **Transport and communication sector** expand by 6.1%, compared with a 5.3% growth in the previous quarter due to the recovery of tourist numbers and the expansion of goods and passengers transport services.

In 2018 transport and communication sector expanded by 6.3%, compared to 7.3% in 2017, which the transport services grew by 3.2% and telecommunication services increased by 10.2%.

The Thai economy in 2019 is projected to grow in the range of 3.5 – 4.5%, supported by the following factors:

- A favorable growth momentum of private consumption that continuously support an economic growth,
- An improvement of private investment attributed by rising capacity utilization and increased BOI's investment applications,
- An acceleration of public investment following progresses of the investment from the government in infrastructure projects and private sector.
- A recovery of tourism sector
- A clearer redirection of global trade, production, and investment which will help ease the impacts from global slowdown.

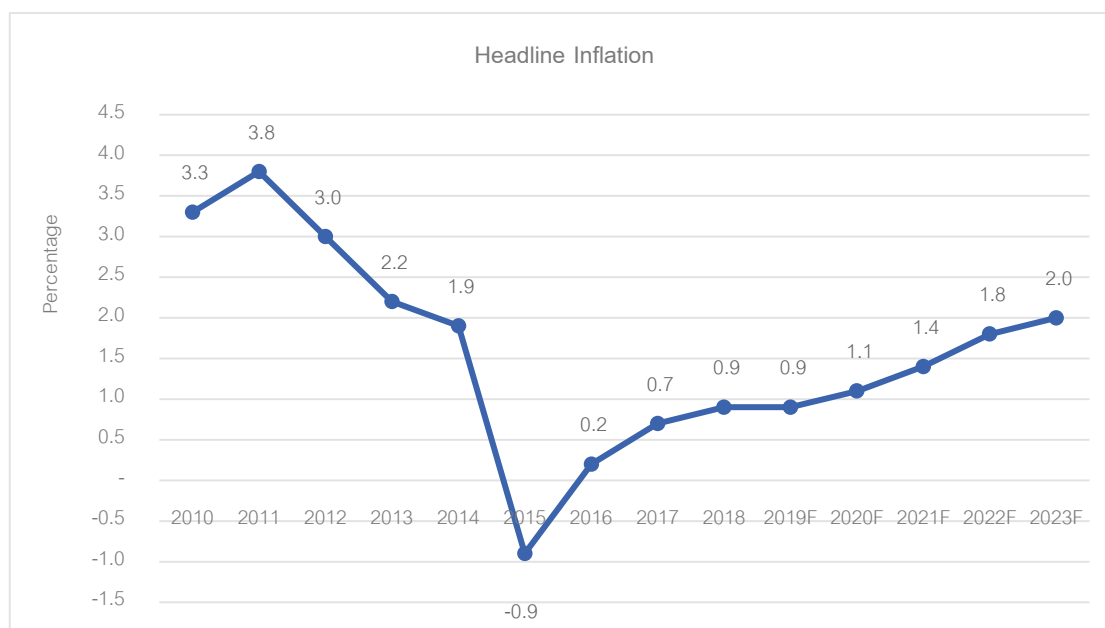
In this regard, the Thai economy in 2019, it is expected that export value will grow by 4.1%, and private consumption and total investment will grow by 4.2% and 5.1%, respectively. Headline inflation is forecasted to be in the range of 0.5% – 1.5% and the current account will record a surplus of 6.2% of GDP. (source: Thai Economic Performance in Q4 2018 and Outlook for 2019, NESDC Economic report as of 18 February 2019)



Source: World Bank as of 8 March 2019

The economy in Maldives is likely to continue to grow in the past with the main supporting factors from tourism sector in 2017 which accounted for 40% of GDP. The World Travel and Tourism Council ("WTTC") predicted that in 2018, the tourism sector expanded by about 2.5%, which is reflected in the overview in hotels, tours, airlines and transportation. In addition, WTTC also expects that by 2028 the tourism sector will cause directly to increase significantly GDP of 45.4% (Source: Economic Impact 2018 Maldives, World Travel and Tourism Council)

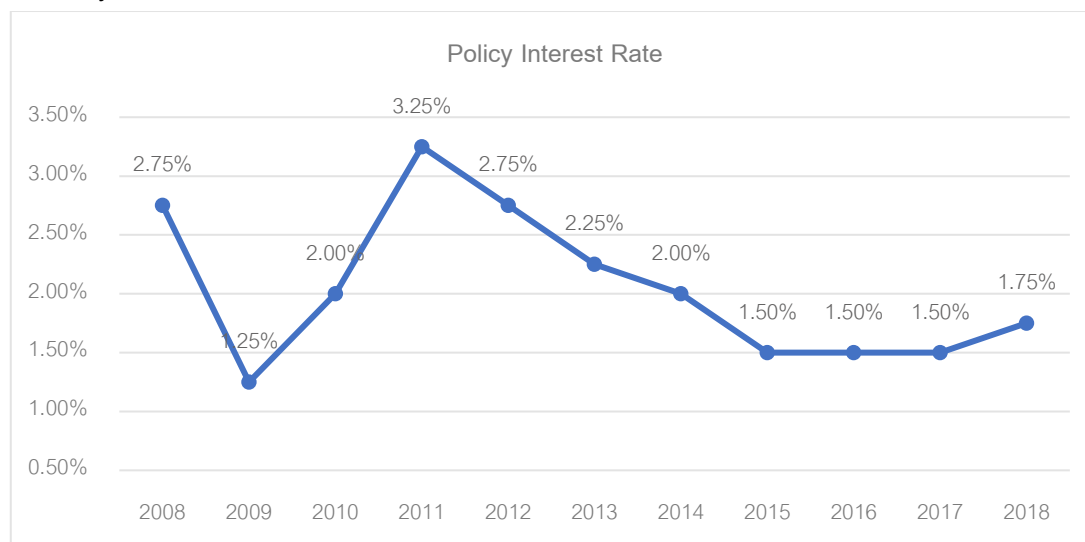
2. Inflation Rate



Source: International Monetary Fund (IMF) as of 31 January 2019

Headline inflation in the third quarter of 2018 averaged 1.5%, accelerating from 1.3% in the second quarter of 2018. The food and non-alcoholic beverage price index increased by 0.4% and the price index of non-food and beverage increased by 2.2%. Core inflation was at 0.8 %, equal to the previous quarter.

3. Policy Interest Rate



Source: Bank of Thailand as of 31 January 2019

In the meeting on 19th December 2018, the Monetary Policy Committee (MPC) decided to raise policy rate by 0.25% to 1.75% per annum because of the continual expansion of the Thai economy owing to strong domestic demand and the need for reducing the risk of financial instability and building up policy space for the future monetary policy movement. Similarly, major economies continued to implement monetary policy normalization.

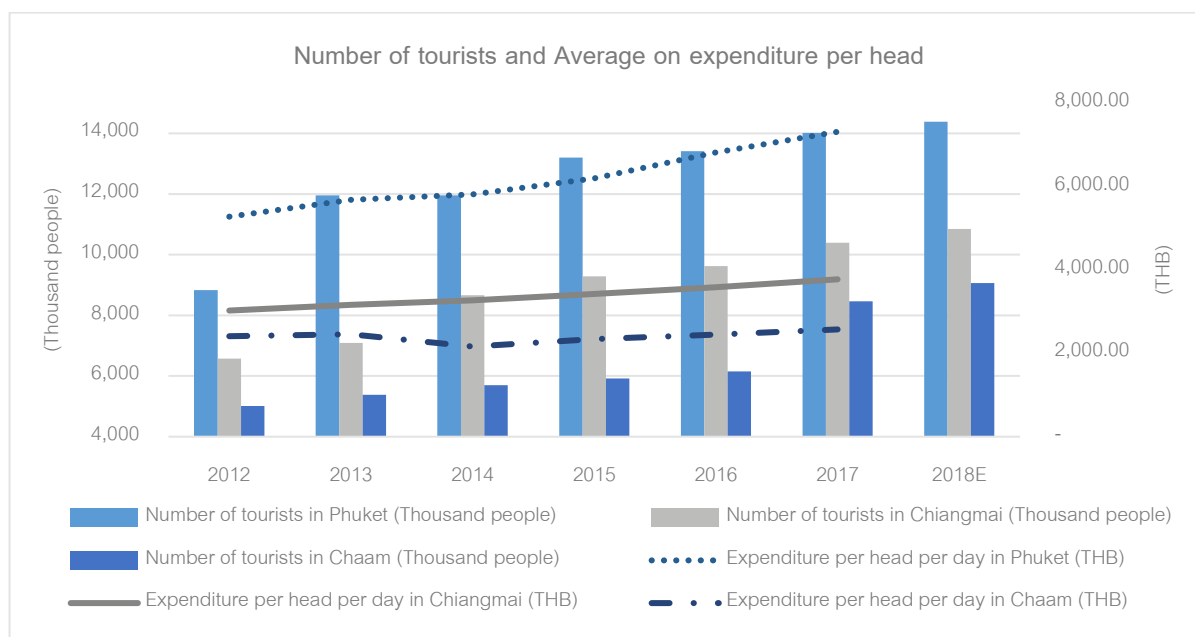
4. Tourism industry in Thailand and Maldives



Source: Ministry of Tourism and Sports of Thailand

In 2018, the total number of tourists in Thailand increased from 2017 by 4.37% which were 38.28 million foreign tourists traveling in the country, an increase of 7.54% from 2017. The forecasted revenue in 2018 increased by 11.42% from 2017 following to the expansion of Chinese and ASEAN tourists especially Malaysia that is low base from the previous year resulting in of the illegal tour bus suppression.

The Tourism Authority of Thailand (TAT) is expected to experience further growth in 2019, with a 10% increase in tourism revenue, reaching THB 3.41 trillion, which are THB 2.29 trillion for an international market and THB 1.12 trillion for a domestic market. TAT forecasts that international arrivals will reach 40.9 million in 2019, higher than the expected number of 37 million people, and domestic tourists of 169 million grew from base of 2018 that predicted to be approximately 160 million. (Source: The Tourism Authority of Thailand and www.prachachat.net/tourism/news-185736, data as of 5 July 2018)

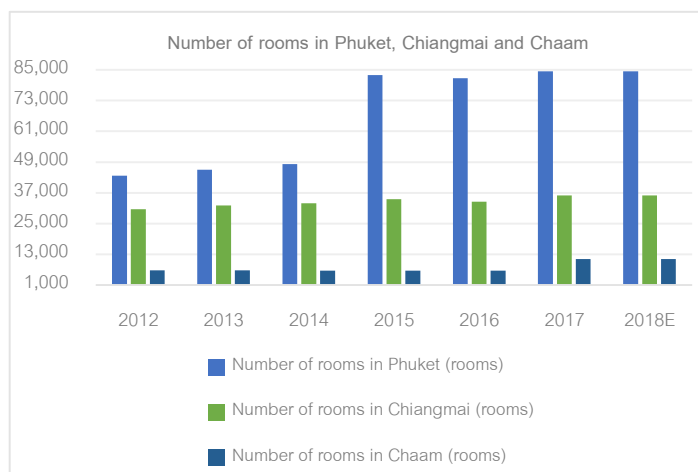
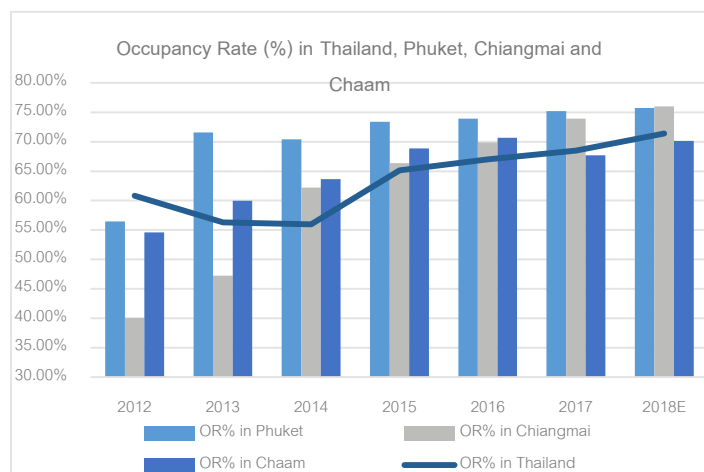


Source: Ministry of Tourism and Sports of Thailand

The number of tourists in Phuket for 2018 amounted to 14.38 million people, an increase of 0.37 million or 2.64% from 2017 which has an average growth rate of tourists from 2012 - 2017 is 8.00%. In term of tourist spending per person in 2017 is THB 7,311.01, increasing from 2016 amounted to THB 498.95 per person or 7.32%, with an average spending growth from 2012 - 2017 of 6.74%.

The number of tourists in Chiangmai for 2018 amounted to 10.85 million people, an increase of 0.45 million from 2017 or 4.37%, with an average growth rate of tourists from 2012 – 2017 of 7.94%. in term of tourists expenditure per person in 2017 is THB 3,773.63 per person, increasing from 2016 by THB 188.57 per person or 5.26%, with an average spending growth from 2012 – 2017 of 5.26%.

The number of tourists in Chaam for 2018 amounted to 9.065 million people, increasing from 0.61 million in 2017, or 4.15 %, with an average growth rate of tourists from 2012 - 2017 at 11.04%. The expenditure of tourists per person in 2017 is THB 2,572.05 per person, increasing from 2016 by THB 128.10 per person or 5.24%, with an average growth rate of spending from 2012 - 2017 of 1.33%.



Source: Ministry of Tourism and Sports of Thailand

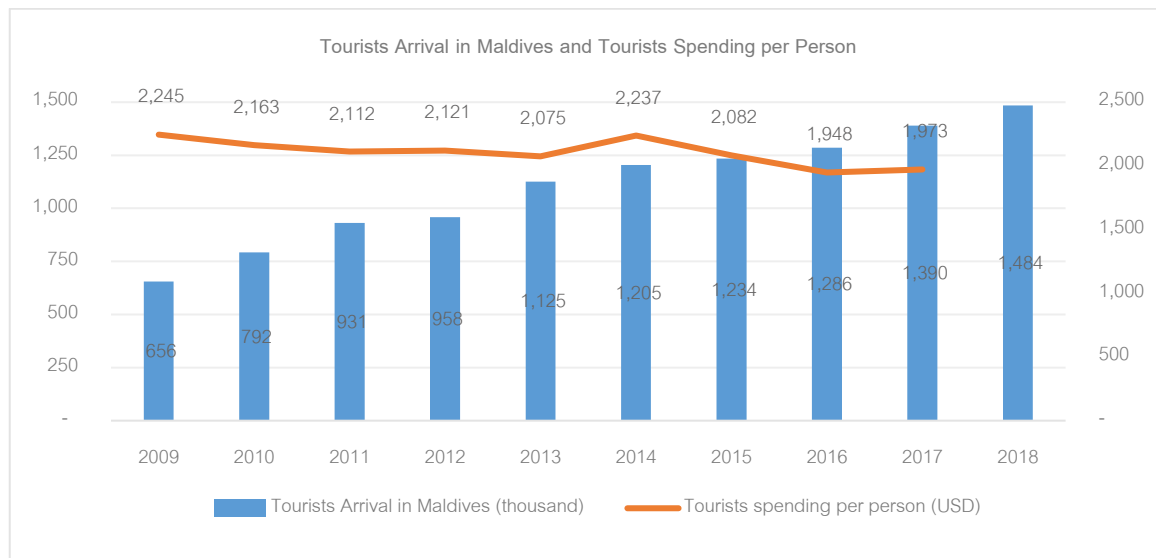
Occupancy rate in Phuket of 2018 accounted for 71.40% with an increase of 2.91% from 2017. This is because an average on occupancy rate in 2018 is 75.71%, increasing from 2017 amounted by 0.51%, with forecasted rooms in Phuket for 2018 equal to 84,427 rooms.

Occupancy Rate for hotels in Chiangmai in 2018 was 76.02%, increasing from 2.10% in 2017. The number of rooms in Phuket in 2018 was 35,994 rooms.

Occupancy Rate for hotels in Cha-am in 2018 was 70.14%, increased from 2.43% in 2017. The number of rooms in Phuket in 2018 was 11,097 rooms. In summary, there is no significant change in Occupancy Rate of three places as mentioned.

Hotel business has expanded at a high level consistent with the number and revenue from foreign tourists which has been supported by the adjustment of economic conditions in the country that is the source of foreign tourists and the expansion of tourism in the country. From the graph above, there are number of foreign tourists visiting Thailand has increased steadily since 2009 - 2016, exempt year 2014 that caused political unrest consistent with the average expenditure per head per day has increased continuously as well. However, hotel business entrepreneurs agree that even though tourism is good, the competition in the hotel business is becoming more severe in all regions. Resulting in price competition, it causes a decrease in income and profit to business and customers can choose to use other services. Therefore, making the reservation time in advance shortens to less than 1 month which affects to management increasingly. Many businesses have adjusted their strategies by focusing more on seminar groups (MICE), because they can make better income and manage more easily. (Source: Bank of Thailand)

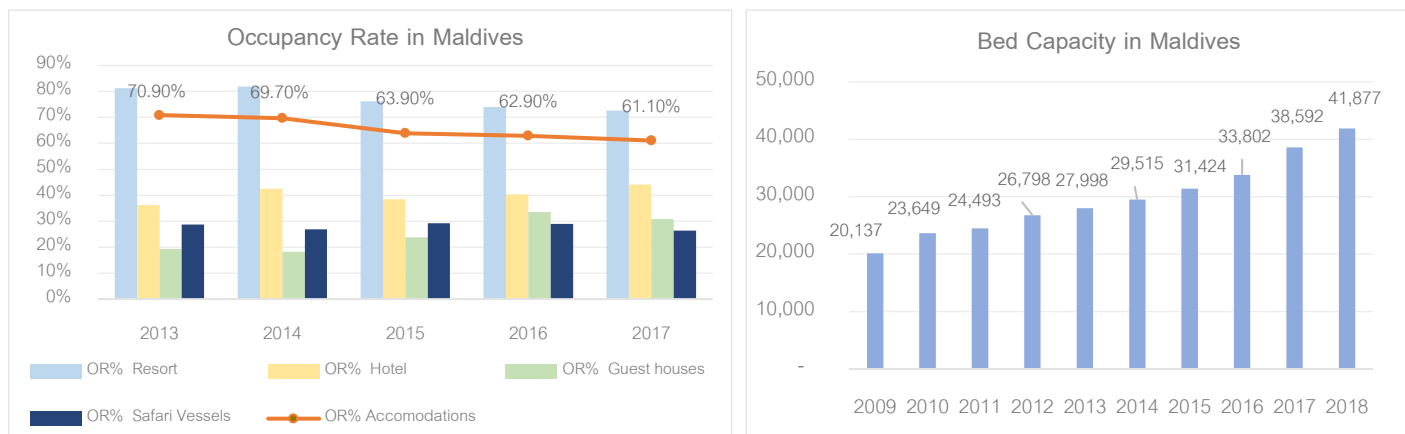
In addition, Kasikorn Research Center expects that in 2018 the market value of hotel business should be at THB 600,000 - 615,000 million, expanding by THB 4.5 - 7.1 million from 2017, which is value at THB 574,000 million.



Source: Ministry of Tourism of Maldives

According to a report from the United Nations World Tourism Organization ("UNWTO") in 2017, the number of tourists traveling around the world is approximately 1.3 billion people, growing from 2016 by approximately 6.8% consistent with an increasing average of the number of tourists coming to Maldives during 2013 - 2017 of about 7.8% per annum. In addition, in 2017 Maldives still has more tourists entering into country which is 8.0% higher than an average of the world (Source: Ministry of Tourism of Maldives).

The Ministry of Tourism of Maldives aims to increase the number of foreign tourists traveling to the country by more than 1 million due to the renovation and development of new airports to accommodate more seating capacity in aircraft. In September 2018, the airline started a large aircraft landing in Maldives, which can transport more than 500 passengers per trip. The Ministry of Tourism of Maldives predicts that the number of foreign tourists traveling to the country will increase continuously since 2019 onwards (Source: Ministry of Tourism of Maldives and <https://www.hoteliermaldives.com/tourist-arrivals-September-2018> as of 21 January 2019)



Source: Ministry of Tourism of Maldives

The hotel business in Maldives has expanded in line with global tourism figures. With an average growth during 2013 - 2017 at 7.8% per annum and in 2017, the growth rate was 8.0% per annum supported by government stimulus. According to report of the Ministry of Tourism of Maldives, the government has a project to develop airports in the country to accommodate more tourists. In September 2018, after the completion of the domestic airport renovation, there was a response from the private aviation sector with a large aircraft landing in the Maldives. Resulting in higher number of tourists per flight. The Ministry of Tourism of Maldives predicts that 2019 onwards the number of foreign tourists traveling to the country will continuously increase.

In this regards, an average occupancy rate of Maldives in all accommodations during 2013 - 2017 is 65.70%, which consists an average occupancy rate in hotels type of 40.36%, Guest houses at 25.14% and Safari vessels at 28.04%. The resorts type has the highest occupancy rate in all accommodation types at 77.22%.

Appendix 2: Information of Dusit Thani Public Company Limited

1. Background and General Information

Dusit Thani Public Company Limited ("The Company" or "DTC") is one of the leading Thai hotel operators with unique Thai-style services at the international standard level has upon over 68 years experience in the hotel and hospitality field. The Company started its business since 1949 with the first hotel, "the Princess". Later, in 1970, the Company opened a five-star hotel in Bangkok called "Dusit Thani" and opened more hotels as well as managed hotels under trademark of "Dusit Thani", "Dusit Princess", "Dusit D2", "Dusit Devarana", "Asai" and "Elite Heavens". At the end of 2017, Dusit International manage 27 hotels in 8 countries, which are 9 hotels that the company has invested and is a hotel under the management of 18 companies, totalling more than 7,000 rooms (including 3 hotels in DREIT)

In addition to the hospitality business, the founders also focus on education to develop qualified personnel to support the expansion of hotels in the group and the hospitality industry in line with the tourism industry's expansion. At present, the company has upon over 24 years experience in education business in which established in 1993. Later in 1996, the company established "Dusit Thani College" which currently offers undergraduate and postgraduate courses. Furthermore, there is a joint venture in the Le Cordon Bleu Dusit Culinary School Bangkok and research and development of teaching courses under the Dusit Thani Excellence Center (DTEC). Nowadays, there is mixed use project with Central Pattana Public Company Limited, which will consist of hotels, residential, building office, retail space and focus on providing green space to the project.

The company was listed on the Stock Exchange of Thailand in 1975 and in 1993 the company was transformed from a limited company to a public company with using the name of Dusit Thani Public Company Limited ("DTC"). At present, the major shareholder namely the determination of Thanpuying Chanut and related persons have changed par value on 16 May 2016 from THB 10 per share to THB 1, resulting in an increase in the number of paid-up share capital from 85 million shares to 850 million shares.

Significant developments of the Company over the past 3 years are as follows:

Year	Details
2016	<ul style="list-style-type: none"> - The Company registered 4 new subsidiary companies which are Vimarn Suriya Co., Ltd., and Suanlum Property Co., Ltd (both have established date on 23 August 2016), Phraram 4 Development Co., Ltd. (established date on 5 October, 2016), and Saladang Property Management Co., Ltd. (established date on 26 December, 2016) in order to prepare its business expansion in the near future. - A 50% of Joint Venture company between Dusit Thani Public Company Limited and Bird Hospitality Services Private Limited ("Bird Group"), India country, to operate a hotel management business in India with a registered capital of 28.6 Million Indian Rupees and signed a sales and marketing alliance agreement with Bird Group and considered to establish a regional sales office in Mumbai, India for continuing to expand the Dusit brand in this region
2017	<ul style="list-style-type: none"> - Dusit Thani Public Company Limited together with Central Pattana Public Company Limited currently invests in a ratio of 65:35, investing in the mixed use project which consists of hotels, residential, shopping center and office buildings for rent with a project value of not exceeding THB 36,700 million on the corner of Silom Road and Rama IV Road - Dusit Thani Public Company Limited and Color Company Limited established a joint venture company in Japan, namely Dusit Colors Company Limited, to seek opportunities for growth and business expansion under the Dusit in Japan - Dusit Thani Hotel Education Co., Ltd. restructured from a vocational course of hotel in vocational education level to the Dusit Thani Excellence Center, which is a research and development center for teaching and learning courses, various cooking recipes and vocational course of Dusit Thani College. - Dusit Thani Freehold and Leasehold Property Fund ("DTCPPF") converted to Dusit Thani Freehold and Leasehold Real Estate Investment Trust ("DREIT") then registered and started trading on the Stock Exchange on 15 December 2017. - Disposal of Dusit Princess Korat Hotel which consists of land, hotel buildings and other assets to Imperial Nakhon Ratchasima Company Limited and Sub Imperial Korat Company Limited. The disposal of such assets is a part of the asset restructuring of Dusit Thani Group.
2018	<ul style="list-style-type: none"> - On 30 August 2018, LVM Holdings Pte. Ltd. entered into a share purchasing agreement with a third party. to purchase all shares of Niseko Gourmet Co., Ltd. registered in Japan and operating in property management and marketing. The total investment value is JPY 45.00 M. - On 18 September 2018, the Group acquired the business of LVM Holdings Pte. Ltd. which LVM Holdings Pte. Ltd. is not a related company in Singapore. Dusit Overseas Co., Ltd. purchased 100% of shares voting rights of LVM Holdings Pte. Ltd in price of THB 464 M. In addition, LVM Holdings Pte. Ltd. is the highest ranking company in the Elite Havens group, holding direct and indirect shares in all 7 companies and 1 regional office by Elite Havens Group operating in marketing business, booking service and operation management of the fully integrated hi-end villas under the Elite Havens brand. Currently, there are villas in the network in Indonesia, Maldives and Sri Lanka. - On 18 December 2018, the Board of Directors of the Company approved a resolution the establishment of a new subsidiary company named Dusit Hospitality Services Company Limited to support various service projects with a registered capital of THB 1,000,000, consisting of 10,000 ordinary shares at a par value of 100 baht per share. The Company holds 99.97% of the total shares in such company registered on 8 January 2019.

Source: DTC Annual report in 2016 and 2017 and audited financial statement as of 31 December 2018

2. Type of Business

Recently, DTC operates a hotel business and other services related to the hotel business as follows

2.1. Hotel Business

The company operates hotel business under 5 trademarks, namely

- Dusit Thani
- Dusit D2
- Asai
- Dusit Devarana
- Dusit Princess
- Elite Havens

In each hotel trademark has a different identity to meet the different needs and diversity of customers in each group. The operation of the hotel business is divided into 2 types as follows:

Hotel business owned by DTC

Under DTC

- Dusit Thani Pattaya Hotel

Under DTPP

- Dusit Princess Chiang Mai
- Dusit Princess Srinakarin Hotel

Under Philippine Hoteliers, Inc.

- Dusit Thani Manila

Under DMS

- Dusit Thani Maldives

Under DREIT

- Dusit Thani Laguna Phuket
- Dusit D2 Chiang Mai Hotel
- Dusit Thani Hua Hin Hotel

Hotel management business

The hotels and resorts are as follows.

- Dusit Thani
- Dusit Devarana
- Dusit D2
- Dusit Princess
- Other affiliated hotels and resorts including, Pathumwan Princess Hotel, MBK Shopping Center, Bangkok Thailand and Royal Princess Larn Luang Hotel, Bangkok, Thailand

(Source: 56-1 of the Company in 2017 and Tris Rating No. 21/2562, 27 February 2019)

2.2. Education business

The Education Business Unit with the objectives of developing, consistent growing and preparing for a quality of human resource, is for expanding of Dusit Thani Group, hotel industry and worldwide service business. Therefore, Dusit Thani Public Company Limited has established an education department with the objective to focus on expanding education and training businesses in various provinces in Thailand and abroad in Dusit Thani Hotel located. In order to produce quality workers for hotels, especially in the Dusit group. Currently, the education business of the group has been accepted and continuously grown. Educational business consists of;

- Dusit Thani College

At present, Dusit Thani College Certified by the Office of the Higher Education Commission, Ministry of Education To offer undergraduate and postgraduate courses with 2 branches, namely, Dusit Thani College (Bangkok) and Dusit Thani College (Pattaya City Center).

- Le Cordon Bleu Dusit Culinary School (Le Cordon Bleu Dusit Company Limited)

Le Cordon Bleu Dusit Co., Ltd (LCBD) is a joint venture between Dusit Thani Public Company Limited and Le Cordon Bleu International B.V. LCBD with courses and teaching that have been approved by the Ministry of Education to be offered the certificate level and diploma levels in many courses such as savory cooking and French pastry courses, Thai Kitchen Academic Program, Bread making courses, Wine knowledge course And many short courses.

- Dusit Thani Excellence Centre (DTEC)

Dusit Thani Excellence Centre (DTEC) has practice rooms, demonstration rooms and modish kitchens and full of teaching materials from Dusit Excellence Company Limited used for in public academic services in short courses and training for general corporate crew. As well as use as a research in various projects of the college that will make continue products and courses in the future.

- Philippine Hoteliers International Center for Hospitality Education, Inc.

Philippine Hoteliers International Center for Hospitality Education, Inc. operates in the education business, registered in the Republic of the Philippines with Dusit Hospitality Management College, offering undergraduate of Hospitality Management Courses and short courses such as Culinary Arts and Hotel Operations

2.3. Mixed-Use Project

Mixed-Use Project is a joint venture between Dusit Thani Public Company Limited through its subsidiaries and associated companies, and Central Pattana Public Company Limited. This project is consisting of the new Dusit Thani Bangkok Hotel, residential buildings, shopping centers and office buildings with a total investment value of not more than 36,700 million baht. This project will be located on land leased from the Crown Property Bureau, size 23 rai 2 ngan 2.72 square wah at the corner of Silom and Rama 4 road on the same lease area leased by the company.

2.4. Other business

Dusit Thani Properties REIT Company Limited

Dusit Thani Properties REIT Company Limited operates the business as trust management. At present, the company is the REIT Manager of Dusit Thani Freehold and Leasehold Real Estate Investment Trust (DREIT). The main income of the company comes from the fees for managing Trust and fees from the acquisition, disposition of assets of Trust. Currently, DREIT has invested in the hotel projects as follows

- Dusit Thani Laguna Phuket
- Dusit D2 Chiang Mai Hotel
- Dusit Thani Hua Hin Hotel
(Leasehold rights)

Health Services (Spa)

A spa business is under the operation of Dusit Thani Public Company Limited, operating a health spa business operating in Thailand in 4 locations and overseas in 7 locations under the Devarana Spa brand

Office Rental Business

DTC operates commercial building as an office for rent. The building is located on an area leased from the Crown Property Bureau next to the building of the Dusit Thani Bangkok Hotel is an 11-storey office building. Tenants are companies both from Thai and foreigner with a total area of 13,245.54 square meters and 336 square meters

3. Revenue Structure

During 2016-2018, the main income of the company is revenue from the hotel business accounted for 81.82% to 88.26% of total revenue, followed by education business Accounted for 7.63% to 8.74% of the total revenue which is operated by the Company and its subsidiaries as shown in the table of revenue structure as follows:

Product / Service	Company	%	2016		2017		2018	
			Revenue	%	Revenue	%	Revenue	%
<u>1. Revenue from Hotel Business</u>								
1.1 Revenue from Owned Hotel Business								
	1. Dusit Thani PCL.	100.0	1,493,960	27.54%	1,491,422	26.78%	1,404,630	25.24%
	2. Philippine Hoteliers, Inc.	88.0	780,004	14.38%	691,553	12.42%	691,172	12.42%
	3. Dusit Thai Properties PCL.	86.8	471,092	8.68%	432,966	7.77%	358,964	6.45%
	4. Dusit Management Co., Ltd.	100.0	1,104,386	20.36%	1,005,172	18.05%	1,030,351	18.52%
	5. DMS Property Investment Pvt. Ltd.	56.4	738,209	13.61%	761,170	13.67%	840,068	15.10%
Total Revenue from Owned Hotel Business			4,587,653	84.56%	4,382,283	78.68%	4,325,185	77.72%
1.2 Revenue from Hotel Management Business								
	1. Dusit Thani PCL.	100.0	66,528	1.23%	71,258	1.28%	82,585	1.48%
	2. Dusit Thai Properties PCL.	86.8	2,742	0.05%	2,636	0.05%	3,469	0.06%
	3. Dusit Overseas Company Limited	100.0	100,616	1.85%	79,052	1.42%	64,560	1.16%
	4. Dusit USA Management Inc.	100.0	48,888	0.90%	66,443	1.19%	85,590	1.54%
	5. Dusit Worldwide Co., Ltd.	100.0	11,191	0.21%	5,414	0.10%	6,830	0.12%
	6. Share of loss from investments by the equity method		(29,604)	(0.55%)	(16,970)	(0.30%)	(15,226)	(0.27%)
Total Revenue from Hotel Management Business			200,360	3.69%	207,833	3.73%	227,808	4.09%
Total Revenue from Hotel Business			4,788,013	88.26%	4,590,116	82.41%	4,552,993	81.82%
<u>2. Education business</u>								
	1. Dusit Thani PCL	100.0	22,019	0.41%	16,153	0.29%	10,431	0.19%
	2. Dusit Thani College	86.8	412,472	7.60%	408,409	7.33%	406,740	7.31%
	3. Dusit Excellence Co., Ltd.	100.0	8,882	0.16%	3,630	0.07%	0	0.00%
	4. Share of profits from investments by the equity method		31,049	0.57%	13,457	0.24%	7,485	0.13%
Total Revenue from Education business			474,422	8.74%	441,649	7.93%	424,656	7.63%

Product / Service	Company	% Shareholding	2016		2017		2018	
			Revenue	%	Revenue	%	Revenue	%
3. Other income								
3.1 Rental and services	1. Dusit Thani PCL.	100.0	77,553	1.43%	74,027	1.33%	34,338	0.62%
3.2 Dividend income			15,764	0.29%	15,489	0.28%	16,953	0.30%
3.3 Share of profits from investments by the equity method			20,634	0.38%	23,234	0.42%	54,009	0.97%
3.4 Others			48,746	0.90%	425,151	7.63%	481,818	8.66%
Total Other income			162,697	3.00%	537,901	9.66%	587,118	10.55%
Total Revenues			5,425,132	100.00%	5,569,666	100.00%	5,564,767	100.00%

Source: 56-1 year 2018 of DTC

4. List of Shareholders

As at 31 December 2018, DTC has a registered and paid-up capital of THB 850 M with ordinary shares of 850,000,000 shares with par value at THB 1 per share. The list of shareholders and shareholding proportion as at 28 December 2018 as follows:

No.	Shareholders	Share	% of total share
1.	Than Phu Ying Chanut Piyaoui Group and related person ^{/1}	424,475,680	49.94%
2.	Central Pattana Public Company Limited ^{/2}	191,938,320	22.58%
3.	Mr. Chatri Sophonpanich	42,389,600	4.99%
4.	Mr. Wichit Chinwongvorakul	33,240,000	3.91%
5.	Thai Life Insurance Public Company Limited	21,882,430	2.57%
6.	Thai NVDR Company Limited	20,487,730	2.41%
7.	Mrs. Jarunee Chinsawongworakun	20,441,000	2.40%
8.	Mr. Sahanan Chantrakul	8,510,000	1.00%
9.	Dusit Thani Properties Company Limited	4,715,000	0.55%
10.	Office of the Treasury	4,383,200	0.52%
11.	Other minority shareholders	77,537,040	9.12%
	Total	850,000,000	100.00%

Source: Information from the company on the closing date of the shareholders register book on 28 December 2018

Remark: ^{/1} Than Phu Ying Chanut Piyaoui Group and related person consisting of Chanut and Son Co., Ltd., Mr.

Chanin Donavanik Group, Mrs. Sinee Thienprasiddhi Group and Mrs. Sunong Salirattawiphak

^{/2} As of December 28, 2018, included shareholding through Thailand Securities Depository Co., Ltd.

On 5 February 2018, Ananda Development Public Company Limited purchased shares of DTC from

Central Company Development Public Company Limited ("CPN") is 42,500,000 shares, equivalent to 5% of the total voting rights

5. List of the Board of Directors

The list of board of directors as at 31 December 2018 consisting of 12 directors as follows;

No.	Name - Surname	Position
1	Mr. Arsa Sarasin	Independent Director / Chairman of Board of Directors
2	Professor Hiran Radeesri	Independent Director / Chairman of the Audit Committee / Chief Remuneration Committee / Chairman of the Governance and Nomination Committee
3	Mrs. Pranee Phasipol	Independent Director / Audit Committee / Remuneration Committee / Governance and Nomination Committee
4	Mr. Teerapol Chotichanapibal	Independent Director / Audit Committee
5	Special Professor Dr. Kittipong Kittayarak	Independent Director
6	Emeritus Professor Khunying Suchada Kiranandana	Independent Director
7	Mr. Pakhawat Kovithvathanaphong	Independent Director
8	Mr. Somprasong Boonyachai	Independent Director
9	Mrs. Varang Chaiyawan	Director / Remuneration Committee / Governance and Nomination Committee
10	Mr. Chanin Donavanik	Vice Chairman of Board of Directors / Chairman of Managing Director
11	Mrs. Sinee Thienprasiddhi	Director / Managing Director
12	Mrs. Suphatee Suthumpun	Director / Managing Director / Group Chief Executive Officer

Source: Draft Information Memorandum on Acquisition of Asset of DTC in relation to the Transaction Related to DTMD (Account 2)

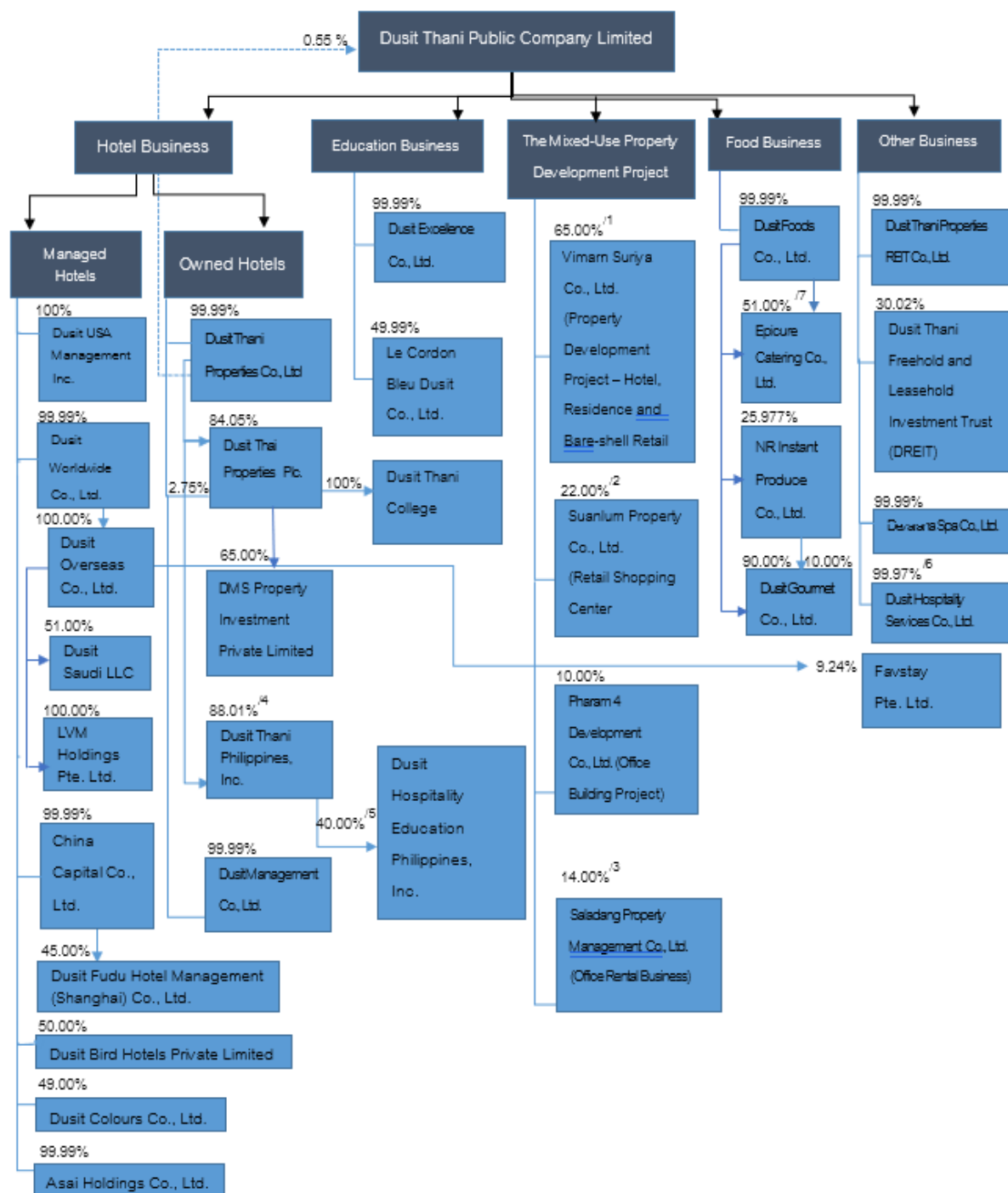
6. List of the Management

The list of the management as at 31 December 2018 as follows;

No.	Name - Surname	Position
1	Mrs. Suphatee Suthumpun	Group Chief Executive Officer
2	Mr. Narongchai Wongthanawimok	Group Chief Accounting and Financial Officer
3	Miss La-ead Kovavisaruch	Chief Investment Officer
4	Mrs. Chitanong Poomipark	Chief Legal Officer
5	Mr Lim Boon Kwee	Chief Operation Officer
6	Dr. Niramom Chindanuwat	Chief Human Resource Officer
7	Mr. Siradej Tonawik	Acting Managing Director: Education Department and Vice President of Business Development and Investment

Source: Draft Information Memorandum on Acquisition of Asset of DTC in relation to the Transaction Related to DTMD (Account 2)

7. Organization Structure as of 31 December 2018



Remarks: ¹ Dusit Thani Public Company Limited (DTC) will gradually sell its shares to Central Pattana Public Company Limited (CPN) and the final shareholding proportion between DTC and CPN will be 60:40.

² DTC transferred 15% of its shares to CPN on 28 December 2018 resulting in 22% stakes in Suanlum Property Co., Ltd. However, the final shareholding proportion between DTC and CPN will be 15 : 85.

³ DTC will gradually sell its shares to CPN and the final shareholding proportion will be 100 percent wholly owned by CPN.

Source: Draft Information Memorandum on Acquisition of Asset of DTC in relation to the Transaction Related to DTMD (Account 2)

8. Financial Position of Dusit Thani Public Company Limited

The financial statement consists of the statement of financial position, the Income statement and the cash flow statement as of 31 December 2016, 31 December 2017 and 31 December 2018 which has been audited by a certified public accountant.

Financial Position as of 31 December 2016, 31 December 2017 and 31 December 2018

(THB M)	31 December 2016	% of Total Assets	31 December 2017	% of Total Assets	31 December 2018	% of Total Assets
Asset						
Current assets						
Cash and cash equivalents	870.33	9.64%	1,020.87	10.23%	1,112.33	9.61%
Short-term investments	357.73	3.96%	447.65	4.49%	457.20	3.95%
Trade and other receivables	462.59	5.12%	536.32	5.37%	848.72	7.33%
Inventories	77.04	0.85%	71.47	0.72%	77.01	0.67%
Current portion of prepaid rental of land and buildings	90.78	1.00%	144.45	1.45%	79.01	0.68%
Other current assets	54.48	0.60%	56.15	0.56%	42.68	0.37%
Total current assets	1,912.94	21.18%	2,276.90	22.82%	2,616.95	22.61%
Non-current assets						
Restricted bank deposits	2.20	0.02%	2.22	0.02%	2.58	0.02%
Available-for-sale investments	364.96	4.04%	475.81	4.77%	473.32	4.09%
Other long-term investments	-	0.00%	33.80	0.34%	33.80	0.29%
Investment in associates	1,370.32	15.17%	1,275.97	12.79%	1,980.20	17.11%
Investment in subsidiaries	-	0.00%	-	0.00%	-	0.00%
Investment in joint Ventures	54.03	0.60%	44.32	0.44%	63.08	0.55%
Long-term loans to related parties	75.42	0.83%	102.18	1.02%	194.75	1.68%
Investment properties	232.88	2.58%	177.27	1.78%	173.11	1.50%
Property, plant and equipment	4,689.59	51.92%	4,322.44	43.32%	4,300.20	37.16%
Prepaid rental of land and buildings	75.46	0.84%	846.70	8.49%	821.23	7.10%
Other intangible assets	60.36	0.67%	62.81	0.63%	287.64	2.49%
Goodwill	-	0.00%	-	0.00%	305.30	2.64%
Deferred tax assets	150.74	1.67%	133.65	1.34%	86.07	0.74%
Deposit for hotel management right	25.27	0.28%	100.11	1.00%	100.11	0.87%
Withholding tax deducted	-	0.00%	105.10	1.05%	40.98	0.35%
Other non-current assets	18.80	0.21%	19.04	0.19%	93.72	0.81%
Total non-current assets	7,120.03	78.82%	7,701.41	77.18%	8,956.09	77.39%
Total assets	9,032.98	100.00%	9,978.32	100.00%	11,573.05	100.00%
Liabilities and shareholders' equity						
Current liabilities						

(THB M)	31 December 2016	% of Total Assets	31 December 2017	% of Total Assets	31 December 2018	% of Total Assets
Short-term loans from financial institutions	461.63	5.11%	543.70	5.45%	167.00	1.44%
Short-term loans from related party	5.01	0.06%	4.58	0.05%	4.54	0.04%
Trade and other payables	972.58	10.77%	882.10	8.84%	1,247.79	10.78%
Current portion of payable for acquisition of business	-	0.00%	-	0.00%	66.99	0.58%
Current portion of long-term loans	157.25	1.74%	213.14	2.14%	241.37	2.09%
Current portion of finance lease liabilities	1.24	0.01%	1.33	0.01%	0.54	0.00%
Current portion of deferred rental revenue	25.43	0.28%	25.43	0.25%	25.43	0.22%
Employee benefit obligations	-	0.00%	-	0.00%	88.48	0.76%
Income tax payable	8.43	0.09%	57.59	0.58%	28.39	0.25%
Other current liabilities	62.77	0.69%	75.49	0.76%	64.11	0.55%
Total current liabilities	1,694.34	18.76%	1,803.36	18.07%	1,934.65	16.72%
Non-Current liabilities						
Payable for acquisition of business	-	0.00%	-	0.00%	60.32	0.52%
Long-term loans	1,052.57	11.65%	919.40	9.21%	600.92	5.19%
Debenture	-	0.00%	-	0.00%	997.22	8.62%
Finance lease liabilities	1.87	0.02%	0.54	0.01%	-	0.00%
Deferred rental revenue	584.41	6.47%	558.98	5.60%	533.54	4.61%
Deferred tax liabilities	42.76	0.47%	28.19	0.28%	70.50	0.61%
Employee benefit obligations	221.30	2.45%	199.79	2.00%	171.43	1.48%
Deposit for right to lease building	-	0.00%	492.38	4.93%	984.76	8.51%
Liabilities from investment in joint venture	62.25	0.69%	77.70	0.78%	87.90	0.76%
Other non-current liabilities	19.38	0.21%	17.26	0.17%	53.67	0.46%
Total non-current liabilities	1,984.54	21.97%	2,294.24	22.99%	3,560.27	30.76%
Total liabilities	3,678.89	40.73%	4,097.60	41.07%	5,494.91	47.48%
Equity						
Authorized share capital	850.00	9.41%	850.00	8.52%	850.00	7.34%
Issued and paid-up share capital	850.00	9.41%	850.00	8.52%	850.00	7.34%
Treasury shares	(15.74)	(0.17%)	(15.74)	(0.16%)	(15.74)	(0.14%)
Additional paid in capital						
Premium on ordinary shares	1,643.00	18.19%	1,643.00	16.47%	1,643.00	14.20%
Surplus on treasury shares	18.37	0.20%	18.37	0.18%	18.37	0.16%
Retained earnings						
Appropriated						
Legal reserve	85.00	0.94%	85.00	0.85%	85.00	0.73%
Dusit Thani College funds	414.95	4.59%	462.30	4.63%	440.26	3.80%
Treasury share reserve	15.74	0.17%	15.74	0.16%	15.74	0.14%
Unappropriated	1,342.00	14.86%	1,490.48	14.94%	1,666.58	14.40%

(THB M)	31 December 2016	% of Total Assets	31 December 2017	% of Total Assets	31 December 2018	% of Total Assets
Other components of equity	235.67	2.61%	274.40	2.75%	267.58	2.31%
Equity attributable to owners of the parent	4,588.98	50.80%	4,823.54	48.34%	4,970.78	42.95%
Non-controlling interests	765.11	8.47%	1,057.18	10.59%	1,107.35	9.57%
Total equity	5,354.09	59.27%	5,880.72	58.93%	6,078.13	52.52%
Total liabilities and equity	9,032.98	100.00%	9,978.31	100.00%	11,573.05	100.00%

Statement of Income for the period of 1 January 2016 - 31 December 2016, 1 January 2017 - 31 December 2017 and 1 January 2018 - 31 December 2018

(THB M)	2016	% of Total Revenue	2017	% of Total Revenue	2018	% of Total Revenue
Revenue from sales and services	4,974.35	100.00%	4,722.93	100.00%	4,632.68	100.00%
Cost of sales and services						
Cost of sales and services	(2,915.21)	(58.60%)	(2,801.25)	(59.31%)	(2,745.84)	(59.27%)
Cost of services - depreciation and amortization	(661.69)	(13.30%)	(592.05)	(12.54%)	(462.48)	(9.98%)
Total cost of sales and services	(3,576.90)	(71.91%)	(3,393.30)	(71.85%)	(3,208.31)	(69.25%)
Gross profit	1,397.45	28.09%	1,329.63	28.15%	1,424.37	30.75%
Other income						
Manage and service income	147.62	2.97%	176.72	3.74%	222.44	4.80%
Interest income	12.70	0.26%	15.95	0.34%	18.72	0.40%
Dividend income	15.76	0.32%	15.49	0.33%	16.95	0.37%
Realized income from deferred rental revenue	25.43	0.51%	25.43	0.54%	25.43	0.55%
Gain on available-for-sale investment	-	0.00%	-	0.00%	37.50	0.81%
Gain on sales of other long-term investments and investments in associates	-	0.00%	-	0.00%	328.53	7.09%
Gain on sales of land and equipment	0.93	0.02%	323.05	6.84%	-	0.00%
Share of net profit from investment s by the equity method	22.08	0.44%	19.72	0.42%	65.56	1.42%
Other income	226.25	4.55%	270.37	5.72%	216.95	4.68%
Total Income	450.78	9.06%	846.74	17.93%	932.09	20.12%
Profit before expenses	1,848.23	37.16%	2,176.37	46.08%	2,356.45	50.87%
Expenses						
Selling expenses	404.60	8.13%	387.98	8.21%	363.29	7.84%
Administrative expenses	1,186.38	23.85%	1,281.39	27.13%	1,450.89	31.32%
Depreciation and amortization	43.06	0.87%	36.93	0.78%	36.77	0.79%
Loss on sales of equipment-net	-	0.00%	-	0.00%	4.79	0.10%
Total expenses	1,634.04	32.85%	1,706.30	36.13%	1,855.75	40.06%
Profit before finance costs and income tax	214.19	4.31%	470.07	9.95%	500.71	10.81%
Finance Costs	72.83	1.46%	58.80	1.24%	64.76	1.40%
Profit before income tax	141.36	2.84%	411.27	8.71%	435.94	9.41%
Income tax income (expense)	11.55	0.23%	(78.90)	(1.67%)	(85.69)	(1.85%)
Profit for the year	152.91	3.07%	332.37	7.04%	350.26	7.56%

Statement of Cash Flow for the period of 1 January 2016 - 31 December 2016, 1 January 2017 - 31 December 2017 and 1 January 2018 - 31 December 2018

(THB M)	2016	2017	2018
Cash flows from operating activities			
Cash generated from operating activities	1,055.30	717.33	838.62
Proceeds from refund of prepaid income tax	11.06	12.25	80.48
Income tax paid	(45.93)	(137.09)	(129.58)
Net cash from operating activities	1,020.43	592.49	789.52
Net cash used in investing activities	(344.52)	(673.08)	(840.50)
Net cash provided by (used in) financing activities	(510.39)	249.78	153.23
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates	165.52	169.19	102.24
Effect of exchange rate changes on cash and cash equivalents	(9.41)	(18.66)	(10.78)
Net increase (decrease) in cash and cash equivalents	156.11	150.53	91.46
Cash and cash equivalents as at 1 January	714.23	870.33	1,020.87
Cash and cash equivalents as at 31 December	870.33	1,020.87	1,112.33

Analysis of Financial Position

Assets

As of 31 December 2018, DTC had total assets of THB 11,573.05 M, increased of THB 1,594.73 M or 15.98% from 2017, due to an increase of current assets by THB 340.06 M or 14.93% from the increase of Trade and other receivables in the amount of THB 312.41 M. And the increase of non-current assets are THB 1,254.68 M from raising the investments in associate company, Dusit Foods Company Limited (a subsidiary of DTC), Invested in NR Instance Produce Company Limited in the amount of THB 680.78 M, Trade and goodwill arising from Dusit Overseas Co., Ltd. purchased the business of LVM Holdings Pte. Ltd. (100%) which the amount of goodwill is THB 271 M.

Liabilities

As of 31 December 2018, DTC had total liabilities of THB 5,494.91 M, increased of THB 1,397.31 M or 34.10% from 2017. the results are from the increase of current liabilities of THB 365.69 M by Employee benefit obligations raising of THB 88.48 M, Trade and other payables raising of THB 365.69 M and Current portion of payable for acquisition of business raising of THB 66.99 M. And non-current liabilities are increased by THB 1,236 M due to new-issued debentures of THB 1,000 M in September 2018 (interest rate of 3.5% per year) used for business operation and expansion of DTC business and / or partial repayment of DTC's debt which Wiman Suriya Company Limited (a subsidiary of DTC) received the Deposit Received from Suan Lum commuter Properties Ltd. (a joint venture) according to the contractual rights management in rental shopping centers buildings, amounting of THB 492.38 M.

Shareholders' Equity

As of 31 December 2018, DTC shareholders' equity amounted to THB 6,078.13 M, consisting of Equity attributable to owners of the parent of THB 4,970.78 M and Non-controlling interests of THB 1,107.35 M. DTC shareholders' equity increased THB 197.42 M or 3.36% from year 2017 due to the raising of retain earning and Non-controlling interests

Overview of Operating Results

As of 31 December 2018, the total revenue was THB 5,565 M closed to the previous year but decreased from year 2017 by THB 4.90 M or 0.90%. The total revenue consisted of Revenue from sales and services amounted to THB 4,632.68 M and Other Income amounted to THB 932.09 M which the total revenue could be categorized by business type as follows;

- Revenues from Hotel business invested by DTC were THB 4,364 M, decreased by 0.60%. Domestic hotel revenue was decrease 0.50% and oversea hotel revenue was increased 5.3%
- Revenues from Hotel management business were THB 277.00 M, increased by 27.70%, mainly due to the improved performance of Elite Haven, Dusit Thani Lake View Cairo, Dusit D2 Khao Yai Hotel and Dusit D2 Nairobi Hotel.
- Share of loss from investment in hotel business in 2018 were THB 15.00 M, decreased of loss by THB 2.00 M from the previous year due to the performance of Dusit Fudu Hotel Management in China
- Revenues from Education business including share of profit from investments were THB 425.00 M, decreased by 3.8% from the previous year as a result of the decrease in revenue from Dusit Thani College.
- Revenues from Other businesses were THB 514.00 M, decreased by 4.50% from the previous year. This year, there was a profit from the sale of long-term investments of THB169.00 M, gain from the selling of LRH investment was THB 38.00 M, gain from short term investment of THB 160.00 M and increase in profit sharing from DREIT and food business

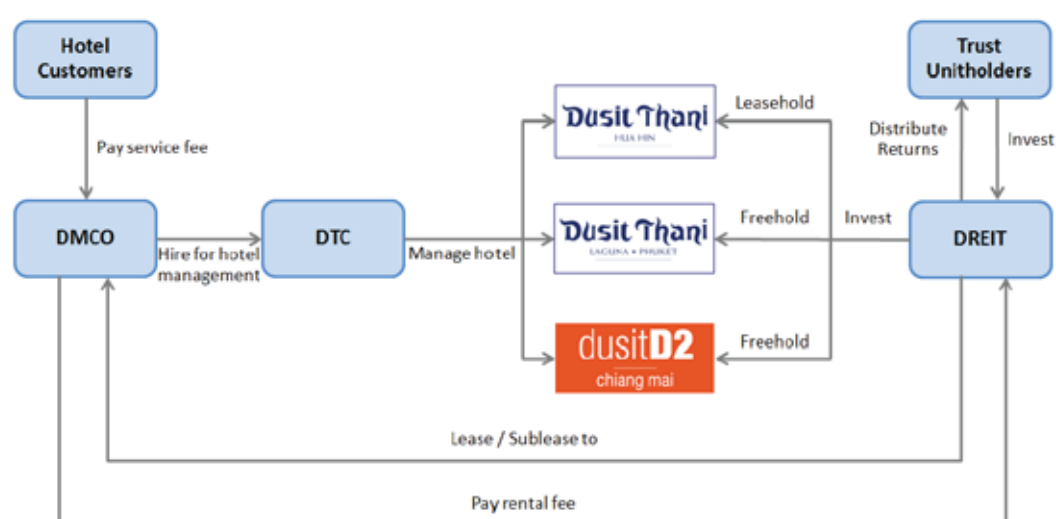
Although DTC's revenue from sales and services slightly decreased from the 2017, amounting of THB 90.25 M, but the cost of sales and services decreased by THB 184.99 M, resulting in DTC's gross profit increased by THB 94.74 M or 7.13%. Therefore, after combining other income of THB 932.09 M and less the selling and management expenses of THB 1,855.75 M, DTC will have a net profit of THB 350.26 M, increased by THB 17.89 M or 5.38% from 2017. However, EBITDA was THB 1,000.00 M, decrease 9.00% from previous year, mainly because the previous year, DTC realize a profit from selling Dusit Princess Hotel Korat and fees for the land lease rights transferring. Although this year DTC had a profit from selling of short-term investment.

Appendix 3: Summary Information of Dusit Thani Freehold and Leasehold Real Estate Investment Trust

1. History and general information

Dusit Thani Freehold and Leasehold Real Estate Investment Trust ("DREIT") has been converted from Dusit Thani Freehold and Leasehold Property Fund ("DTCPF") on 8 December 2017 and registered the unit. Investment in the Stock Exchange of Thailand on 29 November 2017. The properties that DREIT has been transferred from DTCPF, consists of the Dusit Thani Laguna Phuket Project, Dusit Thani Hua Hin Hotel Project and the Dusit D2 Chiang Mai Hotel Project. all 3 hotel projects are located in a prime location of Thailand which are the popular tourist destinations in many both of Thai and foreigner tourists.

Recently, Dusit Thani Properties RETT Company Limited is a REIT manager aimed to manage real estate investment trust in particular. Of which Dusit Thani Public Company Limited is a major shareholder with 99.99% of the total issued shares as the following structure



2. Nature of business

DREIT aims to invest in core assets by purchasing, and/ or leasing, and/ or subleasing, and / or receiving transfer of leasehold rights and / or sublease rights of the main assets or indirectly investment in the core assets. DREIT will utilize the main assets to provide benefits in term of rental income or other incomes as well as improving the potential and / or selling the assets in order to generate income and profit return to DREIT for the benefit of the unitholders continuously in the long term which the assets invested by DREIT have the details as follows:

2.1. Dusit Thani Laguna Phuket Project

Dusit Thani Laguna Phuket is a large 5-star hotel located in Phuket province. There are 226 rooms for rent, consisting of a 3-storey hotel building with a total area of 16,605 square meters and 15 other buildings. The hotel buildings have been completed and operated since 1987. DREIT has invested the Dusit Hotel Thani Laguna Phuket as a freehold right.

2.2. Dusit Thani Hua Hin Hotel Project

Dusit Thani Hua Hin is a large 5-star hotel in Cha-am District, Phetchaburi Province. There are 296 rooms for rent, consisting of a 7-storey hotel building with a total area of 29,601 square meters and 9 other buildings. The hotel buildings have completed and operated since 1990. DREIT has invested Dusit Thani Hua Hin project as a leasehold right

2.3. Dusit D2 Chiang Mai Hotel Project

Dusit D2 Chiang Mai (formerly Chiang Inn Hotel) is a large 5-star hotel located in the center of Chiang Mai. There are 130 rooms for rent, consisting of an 11-storey hotel building, a total of 11,697 square meters of living space, and 4 other buildings. The hotel was reopened at the end of 2005 under the trademark of "Dusit D2". In this regard, DREIT has invested Dusit D2 Chiang Mai Hotel project as a freehold right.

3. Major Unitholders

As of 20 February 2019, DREIT has a registered capital and paid-up capital from the unitholders of THB 3,656.05 M, investment units are 409,400,000 units, with a value of 8.9302 baht per unit. The list of unitholders and proportion as follows

	Unitholder	Unit	% of total unit
1	Dusit Thani Public Company Limited	122,920,000	30.02
2	Social Security Office	104,049,100	25.42
3	Muang Thai Insurance Public Company Limited	21,000,000	5.13
4	Dhipaya Life Assurance Public Company Limited	8,700,000	2.13
5	Krungthai-AXA Life Insurance Public Company Limited -NPAR_SH	6,332,300	1.55
6	Krungthai-AXA Life Insurance Public Company Limited -10EC	5,617,200	1.37
7	Krungthai-AXA Life Insurance Public Company Limited -OTH_PAR	4,445,700	1.09
8	One Property Plus Fund Open Fund	3,176,600	0.78
9	Advance Life Insurance Public Company Limited	2,535,000	0.62
10	Mr. Natthakit Chirathipabhat	2,100,000	0.51
11	Minority shareholders	128,524,100	31.38
	Total	409,400,000	100.00

Source: Information from SET as of the latest book closing date

4. List of board of directors

The Board of Directors of Dusit Thani Properties REIT Company Limited (REIT Manager) as at 14 March 2019 consists of 6 members as follows:

No.	Name - Surname	Position
1	Mr. Chanin Donavanik	Chairman of Board of Directors
2	Ms. Nattharin Talthong	Director / Independent Director
3	Mr. Samthor Mudhasakul	managing director
4	Mrs. Suphajee Suthumpun	Director
5	Miss Pattaneeporn Thienprasiddhi	Director
6	Mr. Virapan Pulges	Director / Independent Director

Source: Certification of Dusit Thani Properties REIT Company Limited as of 14 March 2019

5. Management structure as of 31 December 2018



Source: 56-1 year 2018

6. Financial Position of Dusit Thani Freehold and Leasehold Real Estate Investment Trust

The financial statement consists of the statement of financial position, the Income statement and the cash flow statement as of 29 November 2017 (Establishment date) - 31 December 2017 audited by a certified public accountant and 31 December 2018 which has been audited by a certified public accountant.

Financial Position as of 31 December 2017 and 31 December 2018

(THB M)	31 Dec 2017	% of total assets	31 Dec 2018	% of total assets
Asset				
Investments at fair value (at cost of THB 4,344 M. as of 31 Dec 2018 and THB 4,172 M. as of 31 Dec 2017)	4,172.77	96.05%	4,340.00	99.04%
Cash at banks	164.76	3.79%	35.49	0.81%
Prepaid expenses	1.14	0.03%	1.48	0.03%
Other assets	5.62	0.13%	5.11	0.12%
Total assets	4,344.29	100.00%	4,382.07	100.00%
Liabilities				
Other accounts payable	81.31	1.87%	51.55	1.18%
Accrued expenses	1.18	0.03%	3.09	0.07%
Withholding tax payable	0.35	0.01%	0.13	0.00%
Long-term loan	588.89	13.56%	599.10	13.67%
Total liabilities	671.72	15.46%	653.87	14.92%
Net assets	3,672.57	84.54%	3,728.20	85.08%
Net assets				
Capital received from the unitholders	3,656.05	84.16%	3,656.05	83.43%
Retained earnings	16.52	0.38%	72.15	1.65%
Net assets	3,672.57	84.54%	3,728.20	85.08%

Statement of Income for the period of 29 November 2017 - 31 December 2017 (Establishment date) and 1 January 2018 - 31 December 2018

(THB M)	29 Nov 2017 - 31 Dec 2017	% of Total revenues	31-Dec-18	% of Total revenues
Investment income				
Rental income	19.01	98.76%	226.34	99.61%
Interest income	0.02	0.09%	0.86	0.38%
Other income	0.22	1.15%	0.04	0.02%
Total Income	19.25	100.00%	227.23	100.00%
Expenses				
Management fee	0.44	2.27%	6.71	2.95%
Trustee fee	0.44	2.29%	5.95	2.62%
Registrar fee	0.13	0.67%	2.03	0.89%
Professional fee	0.13	0.69%	1.66	0.73%
Other expenses	0.18	0.94%	3.74	1.64%
Finance cost	1.41	7.34%	21.54	9.48%
Total expenses	2.74	14.21%	41.62	18.32%
Net investment income	16.52	85.79%	185.61	81.68%

Statement of Cash Flow for the period of 29 November 2017 (Establishment date) - 31 December 2017, and 1 January 2018 - 31 December 2018

(THB M)	29 Nov 2017 – 31 Dec 2017	31 Dec 2018
Cash flows from operating activities		
Increase in net assets from operations	16.52	180.21
Adjustments	(439.23)	(173.65)
Net cash used in operating activities	(422.71)	6.56
Cash flows from financing activities		
Interest paid	(1.41)	(21.46)
Loan principal paid	588.89	16.13
Repayment of long-term loan	-	(5.93)
Distributions to unitholders	-	(124.58)
Net cash used in financing activities	587.48	(135.84)
Net increase (decrease) in cash at banks	164.76	(129.28)
Cash at banks at the beginning of the period	-	164.76
Cash at banks at the end of the period	164.76	35.49

Analysis of Financial Position

Assets

Since DREIT was established on 29 November 2017 by transferring assets, liabilities and commitments from Dusit Thani Freehold and Leasehold Property Fund and has not yet invested in any additional assets. As of December 31, 2018, DREIT had total assets of THB 4,382.07 M, slightly increased from the year 2017, amounting to THB 37.78 M or 0.87%.

Liabilities

As of 31 December 2018, DREIT had total liabilities of THB 653.87 M, decrease of THB 17.86 M or 2.66% from year 2017, mainly due to the decrease of other accounts payable. Most of liabilities, approximately 90% of total liabilities, are long-term loans from Thanachart Bank Public Company Limited for purchase and / or transfer of assets from DTCPPF, payment for the transaction expenses and expenses for renovation of Dusit Thani Laguna Phuket.

Shareholders' Equity

As of 31 December 2018, DREIT had net assets of THB 3,728.20 M, increase from 31 December 2017 of THB 55.63 M or 1.51% due to an increase in retained earnings.

Overview of Operating Results

As of 31 December 2018, DREIT has net investment income of THB 227.23 M. Most of income of DREIT are rental income received from Dusit Management Company Limited ("DMCO") as agreed in the lease agreement which DMCO is a tenant of Dusit D2 Chiang Mai, Dusit Thani Laguna Phuket and a sublease of Dusit Thani Hua Hin.

In this regards, the rental income is approximately 99 percent of the total revenue and the total cost of DREIT is 98.76% and 99.61% of the total revenue in 2017 and 2018 respectively. As well DREIT still has finance costs 9.48% of total revenue from long-term loans which DREIT borrowed from Thanachart Bank Public Company Limited.

Appendix 4: Summary Information of DMS Property Investment Private Limited

1. History and general information

DMS Property Investment Private Limited is the owner of Dusit Thani Maldives Hotel which is managed by Dusit Worldwide Co., Ltd., established in the Republic of Maldives. The location of Dusit Thani Maldives Hotel is at Mudhdhoo Island, Republic of Maldives. There are a total of 95 villas as follows;

No.	Type of Villa	Approximate area per villa (Sq. M.)	Number of villa (Units)	Approximate total area of the villas (Sq. M.)
1	Beach Villa	122	9	1,098
2	Beach Villa with Pool	122	10	1,220
3	Beach Deluxe Villa with Pool	122	17	2,074
4	Water Villa with Pool	150	30	4,500
5	Ocean Villa with Pool	180	20	3,600
6	Two Bedroom Family Beach Villa	400	5	2,000
7	Two-Bedroom Ocean Pavilion	370	2	740
8	Two-Bedroom Beach Residence	560	1	560
9	Three-Bedroom Beach Residence	690	1	690
Total			95	16,482

Source: Information Memorandum on Acquisition and Disposal of Assets of the Company dated 26 February 2019

* Currently, 1 water villa with pool is used for the management of DTMD, therefore, the total villas for the customers are 94 villas

In addition, food and beverage services, other facilities (such as swimming pool, sports center (Guest Gym), health center “Devarana Spa”, staff shop, jewelry shop, local products and souvenirs shop, domestic airline service between Male and Dharvandhoo airports (domestic airports) and Seaplane service between Male and hotel) are also provided.

2. Revenue Structure

During the year 2016-2018, room revenue accounted for approximately at 58.67% - 63.41% of total revenue. There are still have revenues in many other types which has varied proportion in each year as shown in the table as follows;

Revenue	As of Dec 31, 2016		As of Dec 31, 2017		As of Dec 31, 2018	
	(USD M)	%	(USD M)	%	(USD M)	%
Room Revenue	13.29	63.41%	13.69	60.80%	15.25	58.67%
Food and Beverage	5.73	27.35%	6.66	29.58%	7.88	30.31%
Minor Operating Department Revenue	1.40	6.70%	1.51	6.72%	1.62	6.23%
Rental and Other Revenue	0.53	2.53%	0.65	2.89%	1.24	4.79%
Total	20.96	100.00%	22.52	100.00%	25.99	100.00%

3. Major Shareholders

As at 31 December 2018, DMS has a registered and paid-up capital of USD 38,500,000 with ordinary shares of 38,500,000 shares with par value at USD 1 per share. The list of shareholders and shareholding proportion are as follows:

No.	Shareholder	Share	% of share
1	Dusit Thai Properties Public Company Limited	25,025,000	65.00%
2	MBK Public Company Limited	13,475,000	35.00%
	Total	38,500,000	100.00

Source: Information from DMS as of 31 December 2018

4. List of board of directors

The list of board of directors as at 31 December 2018 consisting of 7 directors as following:

No.	Name - Surname	Position
1	Mr. Suphadej Poonpipat	Chairman of Board of Directors
2	Mr. Chanin Donavanik	Director
3	Mr. Suvait Theeravachirakul	Director
4	Mrs. Sinee Thienprasiddhi	Director
5	Mrs. Suphajeer Suthumpun	Director
6	Miss Pattaneeporn Thienprasiddhi	Director
7	Mr. Mohammad Shahdy Anwar	Director

Source: Information from DMS as of 31 December 2018

5. Financial Position of DMS Property Investment Private Limited

The financial statement consists of the statement of financial position, the Income statement and the cash flow statement as of 31 December 2016 and 31 December 2017 which has been audited by a certified public accountant and management account as of 31 December 2018

Financial Position as of 31 December 2016, 31 December 2017 and 31 December 2018

(USD M)	As at Dec 31, 2016	% of Total Assets	As at Dec 31, 2017	% of Total Assets	As at Dec 31, 2018	% of Total Assets
Asset						
Current Assets						
Inventories	0.41	0.70%	0.49	0.85%	0.80	1.42%
Trade and Other Receivables	1.94	3.26%	2.03	3.54%	2.50	4.45%
Cash and Cash Equivalents	1.67	2.81%	1.91	3.33%	2.27	4.04%
Total Current Assets	4.02	6.76%	4.43	7.72%	5.56	9.91%
Non - current assets						
Property, Plant and Equipment	53.45	89.93%	51.34	89.51%	49.10	87.51%
Intangible Assets	0.00	0.01%	0.01	0.02%	0.02	0.04%
Deferred Tax Assets	0.49	0.83%	0.15	0.26%	1.40	2.49%
Prepaid Lease Rent	1.47	2.47%	1.43	2.50%	0.03	0.05%
Total Non-current assets	55.42	93.24%	52.93	92.28%	50.55	90.09%
Total assets	59.43	100.00%	57.36	100.00%	56.12	100.00%
Liabilities and equity						
Liabilities						
Current Liabilities						
Loans and Borrowings	4.80	8.08%	5.00	8.72%	5.20	9.27%
Loans from Related Parties	0.35	0.59%	0.35	0.61%	0.35	0.62%
Amounts Due to Related Parties	0.18	0.30%	0.22	0.38%	0.25	0.45%
Trade and Other Payables	3.62	6.08%	4.43	7.73%	5.34	9.51%
Total current liabilities	8.94	15.05%	10.00	17.43%	11.14	19.85%
Non - Current Liabilities						
Loans and Borrowings	14.55	24.48%	9.05	15.78%	2.65	4.72%
Total Non - current liabilities	14.55	24.48%	9.05	15.78%	2.65	4.72%
Total liabilities	23.49	39.53%	19.05	33.21%	13.79	24.57%
Equity						
Share Capital	38.50	64.78%	38.50	67.12%	38.50	68.61%
Accumulated Losses	(2.56)	(4.31%)	(0.19)	(0.33%)	3.83	6.82%
Total Equity	35.94	60.47%	38.31	66.79%	42.33	75.43%
Total liabilities and equity	59.43	100.00%	57.36	100.00%	56.12	100.00%

Statement of Income for the period of 1 January 2016 - 31 December 2016, 1 January 2017 - 31 December 2017 and 1 January 2018 - 31 December 2018

(USD M)	2016	% of Total revenues	2017	% of Total revenues	2018	% of Total revenues
Revenue	20.65	100.00%	22.12	100.00%	25.67	100.00%
Cost of Sales	(13.98)	(67.70%)	(14.13)	(63.87%)	(15.38)	(59.91%)
Gross Profit	6.67	32.30%	7.99	36.13%	10.29	40.09%
Other Income	0.31	1.51%	0.40	1.80%	0.32	1.25%
Administrative Expenses	(3.02)	(14.61%)	(2.95)	(13.34%)	(3.52)	(13.73%)
Selling and Distributions Costs	(1.41)	(6.82%)	(1.89)	(8.55%)	(1.79)	(6.97%)
Results from Operating Activities	2.56	12.38%	3.55	16.06%	5.30	20.65%
Finance Income	0.00	0.00%	0.00	0.00%	0.00	0.00%
Finance Cost	(1.13)	(5.49%)	(0.74)	(3.36%)	(0.59)	(2.31%)
Net Finance Cost	(1.13)	(5.49%)	(0.74)	(3.36%)	(0.59)	(2.31%)
Profit before tax expense	1.42	6.88%	2.81	12.70%	4.71	18.34%
Tax Expense	(0.16)	(0.77%)	(0.44)	(1.98%)	(0.69)	(2.69%)
Profit for the Year	1.26	6.11%	2.37	10.72%	4.02	15.65%

Statement of Cash Flow for the period of 1 January 2016 - 31 December 2016, 1 January 2017 - 31 December 2017 and 1 January 2018 - 31 December 2018

(USD M)	2016	2017	2018
Cash flows from operating activities	7.36	7.00	8.52
Cash flows from investing activities	(1.05)	(1.46)	(1.36)
Cash flows from financing activities	(6.45)	(5.30)	(6.79)
Net decrease in cash and cash equivalents	(0.14)	0.24	0.36
Cash and cash equivalents as at 1 January	1.81	1.67	1.91
Cash and cash equivalents as at 31 December	1.67	1.91	2.27

Analysis of Financial Position

Assets

As of 31 December 2018, DMS had total assets of USD 56.12 M decreased from 2017 USD 1.24 M or 2.16%, mainly due to an decrease in Property, Plant and Equipment which an accumulated depreciation is increased.

Liabilities

As of 31 December 2018, DMS had total liabilities of USD 13.79 M decreased USD 5.26 M or 27.61% from 2017, mainly due to loan repayment to BAY

Shareholders' Equity

As of 31 December 2018, DMS had total shareholders' equity of USD 42.33 M increased from 2017 USD 4.02 M or 10.48%, mainly due to increasing in retain earning.

Overview of Operating Results

As of 31 December 2018, DMS had revenue USD 25.67 M, which the main revenue of DMS consisted of room revenue, food & beverage, transportation revenue by sea plain, spa revenue etc. increased USD 3.55 M or 16.03%. In this regard, the cost of sales accounted for approximately 59.91% of revenue. Administrative expenses increased by USD 0.57 M or 19.43% which this expenses accounted for 13.73% of total revenue.

Appendix 5: Summary Information of Dusit Management Company Limited

1. History and general information

Dusit Management Company Limited ("DMCO") is a limited company registered in Thailand on 15 December 2010. On 19 March 2019, a registered and paid up capital equals to THB 9,000,000, divided into 900,000 ordinary shares at par value of THB 10 per share. The main objectives for establishment DMCO are: 1) to operate the Dusit Thani Laguna Phuket, Dusit D2 Chiang Mai Hotel and Dusit Thani Hua Hin Hotel to accommodate asset management in DREIT and 2) to lease and sublease of all 3 properties in DREIT in which DMCO hired DTC to manage such 3 hotels.

2. Historical Performance of 3 Hotels

The historical performance during 2012 – 2018 in Dusit Thani Laguna Phuket Hotel, Dusit D2 Chiang Mai Hotel and Dusit Thani Hua Hin Hotel as shown in the following table:

- Dusit Thani Laguna Phuket Hotel

List	2012	2013	2014	2015	2016	2017	2018
Occupancy Rate (%)	78.01%	75.08%	78.89%	67.54%	73.15%	63.17%	68.96%
Average Daily Rate (THB/night)	5,490	6,215	6,037	5,869	4,414	4,985	4,874
Revpar (THB/night)	4,283	4,667	4,763	3,964	3,228	3,149	3,361

- Dusit D2 Chiang Mai Hotel

List	2012	2013	2014	2015	2016	2017	2018
Occupancy Rate (%)	63.79%	71.73%	73.58%	84.12%	81.54%	78.58%	80.77%
Average Daily Rate (THB/night)	2,562	2,742	2,717	2,803	2,908	2,832	2,617
Revpar (THB/night)	1,634	1,967	1,999	2,358	2,371	2,225	2,114

- Dusit Thani Hua Hin Hotel

List	2012	2013	2014	2015	2016	2017	2018
Occupancy Rate (%)	66.90%	68.24%	62.68%	67.63%	65.42%	64.47%	68.29%
Average Daily Rate (THB/night)	2,953	3,463	3,734	3,690	3,570	3,155	3,015
Revpar (THB/night)	1,976	2,363	2,341	2,495	2,335	2,034	2,042

3. Major Shareholders

As at 19 March 2019, DMCO has a registered and paid-up capital of THB 9,000,000 with ordinary shares of 900,000 shares with par value at THB 10 per share. The list of shareholders and shareholding proportion in DMCO as of 19 March 2019 are as follows:

No.	Shareholder	Share	% of share
1	Dusit Thani Public Company Limited	899,996	99.99
2	Dusit Thani Freehold and Leasehold Real Estate Investment Trust (DREIT)	1	0.00
3	Mr. Chanin Donavanik	1	0.00
4	Mrs. Pattaneeporn Thienprasiddhi	1	0.00
5	Mrs. Sinee Thienprasiddhi	1	0.00
	Total	900,000	100.00

Source: Bor Or Jor .4 of DTC as of 19 March 2019

4. List of board of directors

The list of board of directors as at 19 March 2019 consisting of 4 directors as following:

No.	Name - Surname	Position
1	Mr. Chanin Donavanik	Chairman of Board of Directors
2	Mrs. Sinee Thienprasiddhi	Director
3	Mrs. Pattaneeporn Thienprasiddhi	Director
4	Mrs. Suphajee Suthumpun	Director

Source: Business Certification of DTC on 19 March 2019

5. Financial Position of Dusit Management Company Limited

The financial statement consists of the statement of financial position, the Income statement and the cash flow statement as of 31 December 2016 and 31 December 2017 which has been audited by a certified public accountant and management account as of 31 December 2018

Financial Position as of 31 December 2016, 31 December 2017 and 31 December 2018

(THB M)	31 December 2016	% of Total Assets	31 December 2017	% of Total Assets	31 December 2018	% of Total Assets
Assets						
Current assets						
Cash and cash equivalent	113.89	42.8%	96.62	37.9%	149.49	52.3%
Account receivable and other receivable	110.18	41.4%	117.81	46.2%	94.66	33.1%
Inventories	18.60	7.0%	17.22	6.8%	17.56	6.1%
Other current assets	3.84	1.4%	6.19	2.4%	5.46	1.9%
Total current assets	246.52	92.7%	237.83	93.3%	267.17	93.4%
Non-current assets						
Equipment	18.30	6.9%	16.25	6.4%	18.55	6.5%
Intangible assets	1.19	0.4%	0.58	0.2%	0.08	0.0%
Other non-current assets	-	0.0%	0.18	0.1%	0.13	0.0%
Total non-current assets	19.49	7.3%	17.02	6.7%	18.76	6.6%
Total assets	266.01	100.0%	254.85	100.0%	285.93	100.0%
Liabilities and equity						
Current liabilities						
Trade and other payables	124.19	46.7%	132.64	52.0%	130.95	45.8%
Guest deposits	74.27	27.9%	67.72	26.6%	100.29	35.1%
Current portion of finance lease liabilities	1.24	0.5%	1.33		0.54	0.2%
Other current liabilities	8.97	3.4%	7.65	3.0%	6.50	2.3%
Total current liabilities	208.66	78.4%	209.33	82.1%	238.28	83.3%
Non-current liabilities						
Finance lease liabilities	1.87	0.7%	0.54	0.2%	-	0.0%
Employee benefit obligations	48.46	18.2%	46.72	18.3%	48.34	16.9%
Total non-current liabilities	50.33	18.9%	47.26	18.5%	48.34	16.9%
Total liabilities	258.99	97.4%	256.60	100.7%	286.61	100.2%
Equity						
Share capital						
Authorized share capital	4.00	0.02	4.00	1.6%	4.00	1.4%
Issued and paid-up share capital	4.00	1.5%	4.00	1.6%	4.00	1.4%
Retained earnings (deficit)						
Appropriated						
Legal reserve	0.40	0.15%	0.40	0.15%	0.40	0.14%
Deficit	2.61	0.98%	(6.15)	-2.30%	(5.09)	-1.78%
Equity, net	7.01	2.6%	(1.75)	-0.7%	(0.69)	-0.2%
Total liabilities and equity	266.01	100.0%	254.85	100.0%	285.93	100.0%

Statement of Income for the period of 1 January 2016 - 31 December 2016, 1 January 2017 - 31 December 2017 and 1 January 2018 - 31 December 2018

(THB M)	2016	% of Total Revenue	2017	% of Total Revenue	2018	% of Total Revenue
Revenue from sales and services	1,089.05	100.00%	994.20	100.00%	1,031.50	100.00%
Cost of sales and services	(818.03)	(75.11%)	(749.67)	(75.40%)	(786.38)	(76.24%)
Gross profit	271.02	24.89%	244.52	24.60%	245.11	23.76%
Other income						
Interest income	0.57	0.05%	0.53	0.05%	0.47	0.05%
Other income	15.47	1.42%	18.93	1.90%	15.97	1.55%
Total Income	16.04	1.5%	19.45	2.0%	16.45	1.6%
Profit before expenses	287.06	26.36%	263.98	26.55%	261.56	25.36%
Expenses						
Selling expenses	(76.63)	(7.04%)	(72.52)	(7.29%)	(70.03)	(6.79%)
Administrative expenses	(206.43)	(18.95%)	(197.64)	(19.88%)	(190.37)	(18.46%)
Total expenses	(283.05)	-26.0%	(270.16)	-27.2%	(260.41)	-25.2%
Profit (loss) before financial costs	4.01	0.4%	(6.18)	-0.6%	1.16	0.1%
Finance costs	(0.27)	(0.02%)	(0.18)	(0.02%)	(0.09)	(0.01%)
Profit (loss) before income tax expense	3.74	0.3%	(6.36)	-0.6%	1.06	0.1%
Income tax expenses	(0.86)	(0.08%)	-	0.00%	-	0.00%
Profit (loss) for the year	2.88	0.26%	(6.36)	-0.64%	1.06	0.10%

Statement of Cash Flow for the period of 1 January 2016 - 31 December 2016, 1 January 2017 - 31 December 2017 and 1 January 2018 - 31 December 2018

(THB M)	2016	2017	2018
Cash flows from operating activities	(11.78)	(8.39)	29.56
Cash flows from investing activities	(4.80)	(5.07)	(5.12)
Cash flows from financing activities	(1.42)	(3.82)	(3.73)
Net decrease in cash and cash equivalents	(18.00)	(17.28)	20.71
Cash and cash equivalents as at 1 January	131.89	113.89	96.62
Cash and cash equivalents as at 31 December	113.89	96.62	117.33

Analysis of Financial Position

Assets

As of 31 December 2018, DMCO had total assets of THB 285.9 M, an increase of THB 31.08 M or 12.20% from 2017, mainly due to an increase in cash and cash equivalents and equipment.

Liabilities

As of 31 December 2018, DMCO had total liabilities of THB 286.61 M, an increase of THB 30.02 M or 11.70% from 2017, mainly due to an increase in Guest deposits and Employee benefit obligations. However, DMCO has a relatively high total liabilities which were more than the total assets of THB 0.69 M as of 31 December 2018.

Shareholders' Equity

As of 31 December 2018, DMCO had a negative equity of THB 0.69 M, a slight increase of THB 1.06 M from 2017. The main reason was due to losses in 2017, resulting in DMCO still maintaining accumulated losses of THB 5.09 M in 2018.

Overview of Operating Results

As of 31 December 2018, DMCO had revenue from sales and services of THB 1,031.50 M, an increase of THB 37.30 M or 3.75% from the year 2017. Such revenue was generated from the Dusit Thani Laguna Phuket, Dusit D2 Chiang Mai Hotel and Dusit Thani Hua Hin Hotel, in which DMCO entered into a lease agreement for assets from DREIT and entered into a sub-lease agreement for Dusit Thani Hua Hin Hotel. In this regard, DMCO has a final fixed rent and variable rent that must be paid to DREIT in each year. In 2018, DMCO had a net profit of THB 1.06 M with cost of sales and services and administrative expenses, totalling 94.69% of total revenue from sales and services

Appendix 6: Financial Projection of the Transaction on Sublease and Lease of assets in relation to the operation of

DTMD

	(USD M)											
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
	1	2	3	4	5	6	7	8	9	10	11	
Free Cash Flow of asset	6.31	6.21	6.13	6.39	6.69	6.93	7.21	7.50	7.84	8.10	8.42	
Adjustments												
Add: Capital Expenditures	2.17	2.17	2.17	2.19	2.22	2.24	2.26	2.29	2.31	2.34	2.36	
Add: Land rental for Maldives	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Add: Insurance premium responsible by DREIT	0.14	0.15	0.15	0.16	0.16	0.16	0.17	0.17	0.17	0.18	0.18	
Total net free cash flow of asset after adjustment	9.62	9.52	9.45	9.74	10.07	10.33	10.64	10.95	11.33	11.62	11.97	
Rental fee paid by DMS3 to DMS2												
Initial fixed rent	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.04	7.26	7.44	7.65	
Variable rent	2.36	2.27	2.21	2.46	2.76	2.99	3.27	3.52	3.63	3.72	3.82	
Total rent	9.36	9.27	9.21	9.46	9.76	9.99	10.27	10.56	10.90	11.16	11.47	
Net free Cash Flow	0.26	0.25	0.25	0.27	0.31	0.33	0.36	0.40	0.43	0.46	0.50	
	12	13	14	15	16	17	18	19	20	21		
Free Cash Flow of asset	8.75	9.13	9.43	9.78	10.15	10.58	10.92	11.32	11.73	12.22		
Adjustments												
Add: Capital Expenditures	2.39	2.42	2.45	2.48	2.51	2.54	2.57	2.60	2.64	2.67		
Add: Land rental for Maldives	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00		
Add: Insurance premium responsible by DREIT	0.19	0.19	0.20	0.20	0.21	0.21	0.22	0.22	0.23	0.23		
Total net free cash flow of asset after adjustment	12.32	12.74	13.07	13.46	13.86	14.33	14.70	15.14	15.59	16.12		
Rental fee paid by DMS3 to DMS2												
Initial fixed rent	7.86	8.11	8.31	8.54	8.78	9.07	9.29	9.55	9.82	10.14		
Variable rent	3.93	4.06	4.15	4.27	4.39	4.53	4.64	4.78	4.91	5.07		
Total rent	11.79	12.17	12.46	12.82	13.18	13.60	13.93	14.33	14.73	15.21		
Net free Cash Flow	0.53	0.57	0.61	0.65	0.69	0.73	0.77	0.81	0.86	0.91		

Appendix 7: Financial Projection of DREIT in Dusit Thani Maldives Hotel Project

(THB M)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
	1	2	3	4	5	6	7	8	9	10
Revenue										
Lease Revenue	299.41	296.64	294.65	302.80	312.37	319.84	328.73	337.89	348.65	357.04
Interest Income	0.14	0.18	0.21	0.24	0.28	0.32	0.35	0.40	0.44	0.56
Total Revenue	299.55	296.82	294.86	303.05	312.66	320.15	329.09	338.29	349.09	357.61
Expense										
Management Fee	4.19	4.72	4.86	5.01	5.17	5.33	5.49	5.65	5.81	5.98
Trustee Fee	2.79	3.15	3.24	3.34	3.45	3.55	3.66	3.77	3.88	3.99
TSD Registrar Fee	0.32	0.32	0.32	0.32	0.32	0.32	0.32	0.32	0.32	0.32
Listing Fee	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Auditor Fee	0.49	0.50	0.52	0.53	0.54	0.56	0.57	0.58	0.60	0.61
Appraisal Fee	0.36	0.37	0.37	0.38	0.38	0.39	0.39	0.40	0.41	0.41
Consultant Fee	0.03	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
Land Rental for Maldives	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00
Corporate Tax	14.45	13.76	13.14	13.58	14.15	14.50	14.98	15.47	16.12	16.51
Insurance Premium (Property Insurance)	4.62	4.73	4.85	4.97	5.09	5.22	5.34	5.48	5.61	5.75
Front End Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Service Fee	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Other Expenses	0.72	0.73	0.75	0.77	0.79	0.81	0.83	0.85	0.87	0.89
Financial Cost	30.53	29.29	27.44	25.59	25.37	22.73	20.10	17.46	15.78	12.97
Special Business Tax (SBT)	3.42	3.36	3.30	3.24	3.18	3.11	3.04	2.98	2.91	2.90
Total Expenses	94.36	93.41	91.26	90.20	90.91	88.98	87.19	85.43	84.78	82.81
Net Income from Investments	205.20	203.41	203.60	212.85	221.75	231.17	241.89	252.86	264.31	274.79

(THB M)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
	1	2	3	4	5	6	7	8	9	10
Statement of Cashflow										
Net Income from Investments	205.20	203.41	203.60	212.85	221.75	231.17	241.89	252.86	264.31	274.79
Financial Cost	30.53	29.29	27.44	25.59	25.37	22.73	20.10	17.46	15.78	12.97
Interest Income	(0.14)	(0.18)	(0.21)	(0.24)	(0.28)	(0.32)	(0.35)	(0.40)	(0.44)	(0.56)
Net Operating Profit	235.58	232.53	230.83	238.19	246.83	253.59	261.64	269.93	279.65	287.20
Maintenance CAPEX (FF&E)	(9.24)	(24.55)	(24.65)	(25.34)	(26.13)	(26.79)	(27.55)	(28.33)	(29.20)	(29.95)
Renovation CAPEX	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)
Property Investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Paid	(30.53)	(29.29)	(27.44)	(25.59)	(25.37)	(22.73)	(20.10)	(17.46)	(15.78)	(12.97)
Interest Income	0.14	0.18	0.21	0.24	0.28	0.32	0.35	0.40	0.44	0.56
LT Loan - Repayment	(8.45)	(33.79)	(50.69)	(50.69)	(50.69)	(67.58)	(67.58)	(67.58)	(67.58)	(67.58)
LT Loan - Borrowing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Raising Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distributions	(128.44)	(90.24)	(75.12)	(82.81)	(90.12)	(82.80)	(91.76)	(100.94)	(110.45)	(99.96)
Net Cashflow	14.27	10.03	8.35	9.20	10.01	9.20	10.20	11.22	12.27	32.51
Beginning CF	23.40	37.67	47.70	56.04	65.25	75.26	84.46	94.65	105.87	118.14
Ending CF	37.67	47.70	56.04	65.25	75.26	84.46	94.65	105.87	118.14	150.65

(USD M)	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
	11	12	13	14	15	16	17	18	19	20
Revenue										
Lease Revenue	367.04	377.34	389.41	398.86	410.09	421.67	435.23	445.85	458.48	471.48
Interest Income	0.62	0.61	0.70	0.80	0.89	0.99	1.09	1.20	1.31	1.42
Total Revenue	367.66	377.95	390.12	399.65	410.99	422.66	436.32	447.05	459.79	472.91
Expense										
Management Fee	6.18	6.35	6.49	6.67	6.85	7.03	7.20	7.37	7.53	7.69
Trustee Fee	4.12	4.23	4.33	4.45	4.57	4.69	4.80	4.91	5.02	5.12
TSD Registrar Fee	0.32	0.32	0.32	0.32	0.32	0.32	0.32	0.32	0.32	0.32
Listing Fee	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Auditor Fee	0.63	0.64	0.66	0.67	0.69	0.71	0.73	0.74	0.76	0.78
Appraisal Fee	0.42	0.42	0.43	0.44	0.44	0.45	0.46	0.46	0.47	0.48
Consultant Fee	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.05	0.05
Land Rental for Maldives	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00
Corporate Tax	17.05	17.61	18.34	18.79	19.41	21.08	23.05	24.56	26.37	28.22
Insurance Premium (Property Insurance)	5.89	6.04	6.18	6.34	6.49	6.65	6.81	6.98	7.15	7.33
Front End Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Service Fee	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
Other Expenses	0.92	0.94	0.96	0.99	1.01	1.04	1.06	1.09	1.12	1.14
Financial Cost	10.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Special Business Tax (SBT)	2.98	3.07	3.16	3.24	3.31	3.21	3.11	3.00	2.90	2.79
Total Expenses	81.15	72.10	73.36	74.38	75.57	77.65	80.02	81.92	84.13	86.37
Net Income from Investments	286.51	305.85	316.76	325.27	335.41	345.01	356.31	365.12	375.66	386.54

(THB M)	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
	11	12	13	14	15	16	17	18	19	20
Statement of Cashflow										
Net Income from Investments	286.51	305.85	316.76	325.27	335.41	345.01	356.31	365.12	375.66	386.54
Financial Cost	10.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Income	(0.62)	(0.61)	(0.70)	(0.80)	(0.89)	(0.99)	(1.09)	(1.20)	(1.31)	(1.42)
Net Operating Profit	296.06	305.24	316.06	324.48	334.52	344.01	355.21	363.92	374.35	385.12
Maintenance CAPEX (FF&E)	(30.79)	(31.66)	(32.64)	(33.47)	(34.41)	(35.38)	(36.48)	(37.41)	(38.46)	(39.55)
Renovation CAPEX	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)
Property Investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Paid	(10.17)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Income	0.62	0.61	0.70	0.80	0.89	0.99	1.09	1.20	1.31	1.42
LT Loan - Repayment	(67.58)	(244.99)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LT Loan - Borrowing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Raising Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distributions	(129.00)	14.04	(215.39)	(222.31)	(230.58)	(238.34)	(247.53)	(254.63)	(263.16)	(271.98)
Net Cashflow	14.33	(1.56)	23.93	24.70	25.62	26.48	27.50	28.29	29.24	30.22
Beginning CF	150.65	164.98	163.42	187.36	212.06	237.68	264.16	291.66	319.95	349.19
Ending CF	164.98	163.42	187.36	212.06	237.68	264.16	291.66	319.95	349.19	379.41

(THB M)	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
	21	22	23	24	25	26	27	28	29	30
Revenue										
Lease Revenue	486.72	498.66	512.85	527.46	544.57	557.99	573.94	590.35	609.56	624.66
Interest Income	1.54	1.66	1.79	1.92	2.05	2.18	2.32	2.46	2.61	2.76
Total Revenue	488.26	500.32	514.63	529.38	546.61	560.17	576.26	592.82	612.17	627.42
Expense										
Management Fee	7.83	7.96	8.08	8.18	8.27	8.32	8.35	8.35	8.31	8.23
Trustee Fee	5.22	5.31	5.39	5.46	5.51	5.55	5.57	5.57	5.54	5.49
TSD Registrar Fee	0.32	0.32	0.32	0.32	0.32	0.32	0.32	0.32	0.32	0.32
Listing Fee	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Auditor Fee	0.80	0.82	0.84	0.86	0.88	0.90	0.93	0.95	0.97	1.00
Appraisal Fee	0.48	0.49	0.50	0.50	0.51	0.52	0.53	0.53	0.54	0.55
Consultant Fee	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05
Land Rental for Maldives	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00
Corporate Tax	30.40	32.08	34.09	36.16	42.07	54.46	56.55	58.71	61.27	63.21
Insurance Premium (Property Insurance)	7.51	7.70	7.88	8.08	8.28	8.48	8.69	8.90	9.12	9.35
Front End Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Service Fee	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.05	0.05	0.05
Other Expenses	1.17	1.20	1.23	1.26	1.29	1.33	1.36	1.39	1.43	1.46
Financial Cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Special Business Tax (SBT)	2.69	2.58	2.47	2.35	2.24	2.17	2.17	2.17	2.17	2.17
Total Expenses	88.92	90.95	93.29	95.67	101.86	114.54	116.96	119.39	122.18	124.27
Net Income from Investments	399.34	409.37	421.34	433.71	444.75	445.63	459.29	473.42	490.00	503.15

(THB M)	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049
	21	22	23	24	25	26	27	28	29	30
Statement of Cashflow										
Net Income from Investments	399.34	409.37	421.34	433.71	444.75	445.63	459.29	473.42	490.00	503.15
Financial Cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Income	(1.54)	(1.66)	(1.79)	(1.92)	(2.05)	(2.18)	(2.32)	(2.46)	(2.61)	(2.76)
Net Operating Profit	397.80	407.71	419.56	431.79	442.70	443.45	456.97	470.96	487.39	500.38
Maintenance CAPEX (FF&E)	(40.77)	(41.81)	(42.99)	(44.20)	(45.57)	(46.73)	(48.04)	(49.40)	(50.93)	(52.23)
Renovation CAPEX	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)
Property Investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Income	1.54	1.66	1.79	1.92	2.05	2.18	2.32	2.46	2.61	2.76
LT Loan - Repayment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LT Loan - Borrowing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Raising Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distributions	(282.39)	(290.49)	(300.20)	(310.24)	(318.95)	(318.69)	(329.80)	(341.30)	(354.84)	(365.51)
Net Cashflow	31.38	32.28	33.36	34.47	35.44	35.41	36.64	37.92	39.43	40.61
Beginning CF	379.41	410.79	443.07	476.42	510.89	546.33	581.74	618.39	656.31	695.73
Ending CF	410.79	443.07	476.42	510.89	546.33	581.74	618.39	656.31	695.73	736.35

(THB M)	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060
	31	32	33	34	35	36	37	38	39	40	41
Revenue											
Lease Revenue	642.57	661.02	682.58	699.55	719.68	740.40	764.61	783.68	806.29	568.19	0.00
Interest Income	2.92	3.08	3.25	3.43	3.61	3.79	3.99	4.19	4.40	4.54	4.54
Total Revenue	645.49	664.10	685.83	702.98	723.28	744.19	768.60	787.87	810.69	572.73	4.54
Expense											
Management Fee	8.11	7.93	7.68	7.37	6.98	6.49	5.90	5.20	4.36	3.37	2.18
Trustee Fee	5.40	5.28	5.12	4.91	4.65	4.33	3.94	3.46	2.91	2.25	1.45
TSD Registrar Fee	0.32	0.32	0.32	0.32	0.32	0.32	0.32	0.32	0.32	0.32	0.32
Listing Fee	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Auditor Fee	1.02	1.04	1.07	1.10	1.12	1.15	1.18	1.21	1.24	0.87	0.00
Appraisal Fee	0.56	0.56	0.57	0.58	0.59	0.60	0.61	0.61	0.62	0.43	0.00
Consultant Fee	0.05	0.05	0.05	0.06	0.06	0.06	0.06	0.06	0.06	0.04	0.00
Land Rental for Maldives	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	0.00
Corporate Tax	65.56	67.99	70.87	73.06	75.72	78.45	81.70	84.18	87.17	51.61	0.00
Insurance Premium (Property Insurance)	9.58	9.81	10.05	10.30	10.55	10.81	11.08	11.35	11.63	8.16	0.00
Front End Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Service Fee	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05
Other Expenses	1.50	1.54	1.58	1.62	1.66	1.70	1.74	1.78	1.83	1.28	0.00
Financial Cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Special Business Tax (SBT)	2.17	2.17	2.17	2.17	2.17	2.17	2.17	2.17	2.17	2.17	0.00
Total Expenses	126.72	129.15	131.95	133.93	136.27	138.53	141.15	142.80	144.76	102.96	4.41
Net Income from Investments	518.77	534.95	553.89	569.04	587.02	605.66	627.45	645.07	665.93	469.77	0.13

(THB M)	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060
	31	32	33	34	35	36	37	38	39	40	41
Statement of Cashflow											
Net Income from Investments	518.77	534.95	553.89	569.04	587.02	605.66	627.45	645.07	665.93	469.77	0.13
Financial Cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Income	(2.92)	(3.08)	(3.25)	(3.43)	(3.61)	(3.79)	(3.99)	(4.19)	(4.40)	(4.54)	(4.54)
Net Operating Profit	515.85	531.86	550.63	565.62	583.41	601.86	623.46	640.89	661.53	465.23	(4.41)
Maintenance CAPEX (FF&E)	(53.70)	(55.21)	(56.92)	(58.37)	(60.02)	(61.71)	(63.62)	(65.24)	(67.08)	(68.97)	0.00
Renovation CAPEX	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(44.80)	(30.68)	0.00
Property Investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Income	2.92	3.08	3.25	3.43	3.61	3.79	3.99	4.19	4.40	4.54	4.54
LT Loan - Repayment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LT Loan - Borrowing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Raising Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distributions	(378.25)	(391.44)	(406.95)	(419.28)	(433.98)	(449.23)	(467.12)	(481.53)	(498.64)	(333.10)	(0.12)
Net Cashflow	42.03	43.49	45.22	46.59	48.22	49.91	51.90	53.50	55.40	37.01	0.01
Beginning CF	736.35	778.37	821.87	867.08	913.67	961.89	1,011.81	1,063.71	1,117.21	1,172.62	1,209.63
Ending CF	778.37	821.87	867.08	913.67	961.89	1,011.81	1,063.71	1,117.21	1,172.62	1,209.63	1,209.64

Appendix 8: Financial Projection of Dusit Thani Maldives Hotel Project

(USD M)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Revenue														
Rooms	15.56	15.58	15.63	16.07	16.57	17.00	17.48	17.97	18.53	19.00	19.54	20.10	20.72	21.25
Food & Beverage	7.44	7.45	7.47	7.69	7.93	8.13	8.36	8.59	8.86	9.09	9.35	9.61	9.91	10.16
Minor Other Department (MOD)	1.67	1.67	1.68	1.73	1.78	1.83	1.88	1.93	1.99	2.04	2.10	2.16	2.23	2.28
Rentals & Other Income	0.85	0.87	0.89	0.91	0.94	0.96	0.98	1.01	1.03	1.06	1.08	1.11	1.14	1.16
Total revenue	25.53	25.57	25.68	26.40	27.22	27.91	28.70	29.51	30.42	31.19	32.07	32.98	34.00	34.86
Cost of Sales														
Rooms	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food & Beverage	1.83	1.83	1.84	1.89	1.95	2.00	2.06	2.11	2.18	2.24	2.30	2.36	2.44	2.50
Minor Other Department (MOD)	0.15	0.15	0.15	0.15	0.16	0.16	0.16	0.17	0.17	0.18	0.18	0.19	0.20	0.20
Total cost of sales	1.98	1.98	1.99	2.04	2.11	2.16	2.22	2.28	2.35	2.41	2.48	2.55	2.63	2.70
Payroll cost														
Room	1.18	1.21	1.24	1.27	1.30	1.34	1.37	1.41	1.44	1.48	1.51	1.55	1.59	1.63
Food & Beverage	1.72	1.76	1.81	1.85	1.90	1.94	1.99	2.04	2.09	2.15	2.20	2.25	2.31	2.37
Minor Other Department (MOD)	0.45	0.46	0.47	0.48	0.49	0.51	0.52	0.53	0.54	0.56	0.57	0.59	0.60	0.62
Total payroll cost	3.35	3.43	3.52	3.60	3.69	3.79	3.88	3.98	4.08	4.18	4.28	4.39	4.50	4.61
Other direct expenses														
Room	1.88	1.88	1.89	1.94	2.00	2.06	2.11	2.17	2.24	2.30	2.36	2.43	2.51	2.57
Food & Beverage	0.47	0.47	0.47	0.49	0.50	0.51	0.53	0.54	0.56	0.58	0.59	0.61	0.63	0.64
Other incomes	0.10	0.10	0.10	0.11	0.11	0.11	0.12	0.12	0.12	0.13	0.13	0.13	0.14	0.14

(USD M)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Total other direct expenses	2.46	2.46	2.47	2.54	2.62	2.68	2.76	2.84	2.93	3.00	3.09	3.17	3.27	3.36
Gross operating profit	17.75	17.70	17.71	18.22	18.80	19.28	19.83	20.41	21.06	21.60	22.22	22.86	23.59	24.19
Payroll expenses														
General Admin. Expense	1.07	1.10	1.12	1.15	1.18	1.21	1.24	1.27	1.30	1.34	1.37	1.40	1.44	1.47
Sales & Marketing	0.33	0.33	0.34	0.35	0.36	0.37	0.38	0.39	0.40	0.41	0.42	0.43	0.44	0.45
POMEC	0.60	0.62	0.64	0.65	0.67	0.68	0.70	0.72	0.74	0.76	0.77	0.79	0.81	0.83
Total payroll expenses	2.00	2.05	2.10	2.15	2.21	2.26	2.32	2.38	2.44	2.50	2.56	2.62	2.69	2.76
Other expenses														
General Admin. Expense	0.90	0.90	0.90	0.93	0.96	0.98	1.01	1.04	1.07	1.10	1.13	1.16	1.20	1.23
Sales & Marketing	1.55	1.55	1.56	1.60	1.65	1.70	1.74	1.79	1.85	1.90	1.95	2.00	2.07	2.12
POMEC	2.39	2.40	2.41	2.47	2.55	2.61	2.69	2.76	2.85	2.92	3.00	3.09	3.18	3.27
Total other expenses	4.84	4.85	4.87	5.01	5.16	5.29	5.44	5.60	5.77	5.92	6.08	6.25	6.45	6.61
Management Fee														
Base Management Fee	0.51	0.51	0.51	0.53	0.54	0.56	0.57	0.59	0.61	0.62	0.64	0.66	0.68	0.70
License Fee	0.26	0.26	0.26	0.26	0.27	0.28	0.29	0.30	0.30	0.31	0.32	0.33	0.34	0.35
Incentive Fee	0.51	0.50	0.50	0.51	0.53	0.54	0.56	0.58	0.60	0.61	0.63	0.65	0.67	0.69
Total management Fee	1.27	1.27	1.27	1.31	1.35	1.38	1.42	1.46	1.51	1.55	1.59	1.64	1.69	1.73
Others Expense														
Insurance Premium	0.16	0.16	0.17	0.17	0.17	0.18	0.18	0.19	0.19	0.20	0.20	0.21	0.21	0.22
Land rental for Maldives	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total others Expense	1.16	1.16	1.17	1.17	1.17	1.18	1.18	1.19	1.19	1.20	1.20	1.21	1.21	1.22
EBITDA	8.47	8.37	8.30	8.58	8.91	9.16	9.47	9.78	10.15	10.44	10.78	11.14	11.55	11.87

(USD M)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
FF&E and CAPEX	2.17	2.17	2.17	2.19	2.22	2.24	2.26	2.29	2.31	2.34	2.36	2.39	2.42	2.45
Reserve														
FCF of asset	6.31	6.21	6.13	6.39	6.69	6.93	7.21	7.50	7.84	8.10	8.42	8.75	9.13	9.43

(USD M)		2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
		15	16	17	18	19	20	21	22	23	24	25	26	27	28
Revenue															
Rooms		21.85	22.47	23.17	23.76	24.44	25.13	25.91	26.57	27.32	28.10	28.97	29.71	30.55	31.42
Food & Beverage		10.45	10.75	11.08	11.36	11.69	12.02	12.39	12.71	13.07	13.44	13.86	14.21	14.61	15.03
Minor Other Department (MOD)		2.35	2.42	2.49	2.55	2.63	2.70	2.79	2.86	2.94	3.02	3.11	3.19	3.28	3.38
Rentals & Other Income		1.19	1.22	1.25	1.28	1.32	1.35	1.38	1.41	1.45	1.49	1.52	1.56	1.60	1.64
Total revenue		35.85	36.86	38.00	38.96	40.06	41.19	42.47	43.55	44.78	46.04	47.46	48.67	50.05	51.46
Cost of Sales															
Rooms		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food & Beverage		2.57	2.64	2.73	2.80	2.87	2.96	3.05	3.13	3.21	3.31	3.41	3.50	3.59	3.70
Minor Other Department (MOD)		0.21	0.21	0.22	0.22	0.23	0.24	0.24	0.25	0.26	0.26	0.27	0.28	0.29	0.30
Total cost of sales		2.78	2.86	2.94	3.02	3.10	3.19	3.29	3.38	3.47	3.57	3.68	3.77	3.88	3.99
Payroll cost															
Room		1.67	1.71	1.75	1.80	1.84	1.89	1.94	1.99	2.04	2.09	2.14	2.19	2.25	2.30
Food & Beverage		2.43	2.49	2.55	2.61	2.68	2.75	2.82	2.89	2.96	3.03	3.11	3.19	3.27	3.35
Minor Other Department (MOD)		0.63	0.65	0.66	0.68	0.70	0.71	0.73	0.75	0.77	0.79	0.81	0.83	0.85	0.87

(USD M)	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
	15	16	17	18	19	20	21	22	23	24	25	26	27	28
Total payroll cost	4.73	4.85	4.97	5.09	5.22	5.35	5.49	5.62	5.76	5.91	6.05	6.21	6.36	6.52
Other direct expenses														
Room	2.64	2.72	2.80	2.87	2.96	3.04	3.13	3.21	3.31	3.40	3.50	3.59	3.70	3.80
Food & Beverage	0.66	0.68	0.70	0.72	0.74	0.76	0.78	0.80	0.83	0.85	0.88	0.90	0.92	0.95
Other incomes	0.15	0.15	0.15	0.16	0.16	0.17	0.17	0.18	0.18	0.19	0.19	0.20	0.20	0.21
Total other direct expenses	3.45	3.55	3.66	3.75	3.86	3.97	4.09	4.20	4.31	4.44	4.57	4.69	4.82	4.96
Gross operating profit	24.89	25.61	26.42	27.10	27.88	28.68	29.60	30.36	31.23	32.13	33.15	34.00	34.98	35.99
Payroll expenses														
General Admin. Expense	1.51	1.55	1.59	1.63	1.67	1.71	1.75	1.80	1.84	1.89	1.93	1.98	2.03	2.08
Sales & Marketing	0.46	0.47	0.48	0.50	0.51	0.52	0.53	0.55	0.56	0.57	0.59	0.60	0.62	0.63
POMECE	0.85	0.88	0.90	0.92	0.94	0.97	0.99	1.02	1.04	1.07	1.09	1.12	1.15	1.18
Total payroll expenses	2.83	2.90	2.97	3.04	3.12	3.20	3.28	3.36	3.44	3.53	3.62	3.71	3.80	3.89
Other expenses														
General Admin. Expense	1.26	1.30	1.34	1.37	1.41	1.45	1.50	1.53	1.58	1.62	1.67	1.71	1.76	1.81
Sales & Marketing	2.18	2.24	2.31	2.37	2.43	2.50	2.58	2.65	2.72	2.80	2.88	2.96	3.04	3.13
POMECE	3.36	3.45	3.56	3.65	3.75	3.86	3.98	4.08	4.19	4.31	4.45	4.56	4.69	4.82
Total other expenses	6.80	6.99	7.21	7.39	7.60	7.81	8.05	8.26	8.49	8.73	9.00	9.23	9.49	9.76
Management Fee														
Base Management Fee	0.72	0.74	0.76	0.78	0.80	0.82	0.85	0.87	0.90	0.92	0.95	0.97	1.00	1.03
License Fee	0.36	0.37	0.38	0.39	0.40	0.41	0.42	0.44	0.45	0.46	0.47	0.49	0.50	0.51
Incentive Fee	0.71	0.73	0.76	0.77	0.80	0.82	0.85	0.87	0.90	0.92	0.96	0.98	1.01	1.04
Total management Fee	1.78	1.84	1.90	1.94	2.00	2.06	2.12	2.18	2.24	2.31	2.38	2.44	2.51	2.58
Others Expense														

(USD M)	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
	15	16	17	18	19	20	21	22	23	24	25	26	27	28
Insurance Premium	0.22	0.23	0.23	0.24	0.24	0.25	0.26	0.26	0.27	0.27	0.28	0.29	0.30	0.30
Land rental for Maldives	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total others Expense	1.22	1.23	1.23	1.24	1.24	1.25	1.26	1.26	1.27	1.27	1.28	1.29	1.30	1.30
EBITDA	12.26	12.66	13.12	13.49	13.92	14.37	14.89	15.30	15.79	16.29	16.87	17.33	17.88	18.45
FF&E and CAPEX Reserve	2.48	2.51	2.54	2.57	2.60	2.64	2.67	2.71	2.74	2.78	2.82	2.86	2.90	2.94
FCF of asset	9.78	10.15	10.58	10.92	11.32	11.73	12.22	12.59	13.04	13.51	14.05	14.47	14.98	15.50

(USD M)	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059
	29	30	31	32	33	34	35	36	37	38	39	40
Revenue												
Rooms	32.40	33.22	34.16	35.13	36.23	37.15	38.20	39.28	40.51	41.54	42.72	30.09
Food & Beverage	15.49	15.89	16.34	16.80	17.32	17.77	18.27	18.79	19.37	19.87	20.43	14.39
Minor Other Department (MOD)	3.48	3.57	3.67	3.78	3.89	3.99	4.11	4.22	4.35	4.47	4.59	3.23
Rentals & Other Income	1.68	1.72	1.76	1.80	1.85	1.89	1.94	1.99	2.04	2.09	2.14	1.50
Total revenue	53.05	54.40	55.94	57.51	59.29	60.80	62.52	64.28	66.27	67.96	69.88	49.21
Cost of Sales												
Rooms	-	-	-	-	-	-	-	-	-	-	-	-
Food & Beverage	3.81	3.91	4.02	4.13	4.26	4.37	4.49	4.62	4.77	4.89	5.02	3.54
Minor Other Department (MOD)	0.31	0.31	0.32	0.33	0.34	0.35	0.36	0.37	0.38	0.39	0.40	0.28
Total cost of sales	4.12	4.22	4.34	4.46	4.60	4.72	4.85	4.99	5.15	5.28	5.43	3.82

(USD M)	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059
	29	30	31	32	33	34	35	36	37	38	39	40
Payroll cost												
Room	2.36	2.42	2.48	2.54	2.61	2.67	2.74	2.81	2.88	2.95	3.02	2.12
Food & Beverage	3.43	3.52	3.60	3.69	3.79	3.88	3.98	4.08	4.18	4.28	4.39	3.08
Minor Other Department (MOD)	0.89	0.91	0.94	0.96	0.98	1.01	1.03	1.06	1.09	1.11	1.14	0.80
Total payroll cost	6.68	6.85	7.02	7.20	7.38	7.56	7.75	7.94	8.14	8.35	8.55	6.01
Other direct expenses												
Room	3.92	4.02	4.13	4.25	4.38	4.49	4.62	4.75	4.90	5.03	5.17	3.64
Food & Beverage	0.98	1.01	1.03	1.06	1.10	1.12	1.16	1.19	1.23	1.26	1.29	0.91
Other incomes	0.22	0.22	0.23	0.23	0.24	0.25	0.25	0.26	0.27	0.28	0.28	0.20
Total other direct expenses	5.12	5.25	5.39	5.55	5.72	5.87	6.03	6.20	6.40	6.56	6.74	4.75
Gross operating profit	37.14	38.08	39.18	40.31	41.59	42.66	43.88	45.14	46.59	47.78	49.15	34.63
Payroll expenses												
General Admin. Expense	2.13	2.19	2.24	2.30	2.36	2.42	2.48	2.54	2.60	2.67	2.73	1.92
Sales & Marketing	0.65	0.67	0.68	0.70	0.72	0.74	0.75	0.77	0.79	0.81	0.83	0.58
POMECE	1.21	1.24	1.27	1.30	1.33	1.37	1.40	1.44	1.47	1.51	1.55	1.09
Total payroll expenses	3.99	4.09	4.19	4.30	4.41	4.52	4.63	4.75	4.86	4.99	5.11	3.59
Other expenses												
General Admin. Expense	1.87	1.92	1.97	2.02	2.09	2.14	2.20	2.26	2.33	2.39	2.46	1.73
Sales & Marketing	3.22	3.31	3.40	3.49	3.60	3.69	3.80	3.91	4.03	4.13	4.25	2.99
POMECE	4.97	5.10	5.24	5.39	5.55	5.70	5.86	6.02	6.21	6.37	6.55	4.61
Total other expenses	10.06	10.32	10.61	10.91	11.25	11.53	11.86	12.19	12.57	12.89	13.25	9.33
Management Fee												
Base Management Fee	1.06	1.09	1.12	1.15	1.19	1.22	1.25	1.29	1.33	1.36	1.40	0.98

(USD M)	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059
	29	30	31	32	33	34	35	36	37	38	39	40
License Fee	0.53	0.54	0.56	0.58	0.59	0.61	0.63	0.64	0.66	0.68	0.70	0.49
Incentive Fee	1.07	1.10	1.13	1.17	1.21	1.24	1.28	1.31	1.36	1.39	1.43	1.01
Total management Fee	2.67	2.73	2.81	2.89	2.99	3.06	3.15	3.24	3.35	3.43	3.53	2.49
Others Expense												
Insurance Premium	0.31	0.32	0.33	0.33	0.34	0.35	0.36	0.37	0.38	0.39	0.40	0.28
Land rental for Maldives	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.68
Others	-	-	-	-	-	-	-	-	-	-	-	-
Total others Expense	1.31	1.32	1.33	1.33	1.34	1.35	1.36	1.37	1.38	1.39	1.40	0.96
EBITDA	19.11	19.62	20.24	20.87	21.61	22.19	22.89	23.60	24.43	25.08	25.86	18.26
FF&E and CAPEX Reserve	2.99	3.03	3.08	3.13	3.18	3.22	3.28	3.33	3.39	3.44	3.50	2.44
FCF of asset	16.11	16.59	17.16	17.75	18.43	18.97	19.61	20.27	21.04	21.65	22.36	15.83

Appendix 9: Summary of Related Agreements and Draft Agreements

1. Summary of the Head Lease Agreement with Government of the Republic of Maldives

Summary of the Amended and Re-Stated Agreement for the Lease of the Island of Mudhdhoo in Baa Atoll for the Development of a 200-Bed Resort between the Government of the Republic of Maldives (represented by the Ministry of Tourism, Arts and Culture) and Coastline Hotels and Resorts Private Limited dated 21 March 2011 (As amended) (the "Head Lease Agreement")

Parties	The Government of the Republic of Maldives represented by the Ministry of Tourism, Arts and Culture (the "MOT") (the "Lessor" or the "Government")
	Coastline Hotels and Resorts Private Limited (the "Lessee")
Leased Property	The Island of Mudhdhoo in Baa Atoll in the Republic of Maldives demarcated in the site plan of this Head Lease Agreement (the "Island")
Purpose of the Lease	Development, operation and management of the 200-bed Resort on the Island. In this Head Lease Agreement, the "Resort" means all the buildings, installations, structures, facilities, machinery, equipment, tools, furniture, fixture and fittings, cutlery and crockery and linen forming part of or are directly associated with the operation and management of the Resort and inventoried pursuant to the Provision on Inventory under this Head Lease Agreement.
Commencement Date	8 September 2009
Lease Period	50 years from 8 September 2009 expiring on 7 September 2059
Lease Rent	<p>The Lessee shall pay to the Government the Lease Rent as follows:</p> <ol style="list-style-type: none"> (1) The Lease Rent during the first 10 years computed from the date on which the MOT gives the permission of the commencement of the operation of the Resort for business (the "Commission Date") or 30 months from the Commencement Date, whichever happens earlier, as provided in the Lease Rent Schedule under this Head Lease Agreement, which is USD 7,500 per bed per annum. (2) The Lease Rent payable to the Government prior to enactment of Second Amendment to the Law No. 2/99 (Maldives Tourism Law), and more specifically the Lease Rent payable prior to 1st day of January 2011 shall be calculated in accordance with rent schedule under this Head Lease Agreement, which is USD 7,500 per bed per annum. (3) The Lease Rent payable from the date of 1st day of January 2011 shall be calculated in accordance with, and in the manner stipulated in Section 7 of the Maldives Tourism Act (Law No. 2/99) and the relevant regulations* made thereunder. (4) The Lease Rent shall be paid in quarterly instalments in advance before the commencement of the quarter for which such payment is due. (5) If the Lease Rent or any instalment or part of it is in arrears, the Lessee shall pay liquidated damages. The damages will be determined at the rate of 0.5% of the amount outstanding in arrears, calculated on a daily basis, for each day of delay. The damages shall be paid in addition to the full payment of all amounts of the Lease Rent in arrears.

	<p>Remark: * According to the relevant law, the land rent is calculated based on the area of the Island at USD 8 per square meter and where the land area is less than 200,000 square meters, a land rent cap of USD 1,000,000 applies. Pursuant to the statements issued by the Maldives Inland Revenue Authority on 27 December 2016, the size of the Island has been determined as 186,640.00 square meter; therefore, the Lease Rent shall be USD 1,000,000 per year.</p>
Inventory, Redevelopment and Improvement	<ul style="list-style-type: none"> • Within 30 days of commencement of the operation of the Resort, the Lessee shall furnish the Government with an inventory of all buildings, installations, structures, facilities, machinery, equipment, tools, furniture, fixtures and fittings directly associated with the operation of the Resort (the "Inventory") which shall be checked and signed by both the Government and the Lessee and be annexed to this Head Lease Agreement. The Inventory shall be adjusted to reflect any additions and/or omissions from the Inventory during the currency of this Head Lease Agreement and all variations to the Inventory shall be checked and signed for by both the Government and the Lessee. • In the event the Lessee decided to redevelop or improve the Resort, after the commencement of the operation of the Resort, such improvements or development shall be carried out with prior approval of the Government and in conformity with the plans approved in writing by the relevant Government authorities. Redevelopment and improvements shall be inventoried, and the Inventory found in this Head Lease Agreement shall be amended as relevant, as provided in this Head Lease Agreement. • The Lessee undertakes not to demolish, remove or alter any buildings, installations or structures described in the Inventory found in this Head Lease Agreement without the prior written approval of the Government. • Whenever any new buildings or installations are constructed or installed after the commencement of the operation of the Resort, the Lessee shall (1) notify the Government of the commencement of the work; (2) allow agents of the Government to inspect the work when in progress; (3) comply with any written instructions from the Government to require conformity with the approved plans; and (4) notify the Government of the date of completion and commissioning of the buildings or installations.
Undertakings of the Lessee	<p>The Lessee shall during the currency of this Head Lease Agreement:</p> <ul style="list-style-type: none"> • duly settle with the appropriate agencies, Government or private, all charges, rates and taxes levied in respect of the Island and the Resort; • maintain the Island and the Resort, in good order, repair and condition, reasonable wear and tear excepted; • keep the Island and the Resort in a clean and sanitary state, free from noxious weeds and pests, and conform to all the laws, regulations and requirements affecting environment, health, sanitation and safety during the currency of this Head Lease Agreement; • endeavour to conserve and improve the environmental condition of the Island and the Resort and maintain the natural beauty of the Island and the Resort; • provide reasonable terms and condition of employment to all its staff connected to the Resort, in accordance with relevant Maldives Law. The accommodation, benefits and amenities provided to staff shall not be at a standard lower than those provided for in the Development Concept

	<p>(submitted by the Lessee and approved by the Government) and the Maldives Law or regulations and standards decided by the Competent Authorities;</p> <ul style="list-style-type: none"> not demolish, remove or alter any building, installation or structure specified in the Inventory without the approval of the Government.
Insurance	<ul style="list-style-type: none"> The Lessee shall, during the currency of this Head Lease Agreement, insure and keep insured the Resort to their full reinstatement value including architect's and surveyor's fees, one year's Lease Rent, the cost of demolition and site clearance, with an insurer, chosen by the Lessee and acceptable to the Government, against loss or damage by fire, storm, flood and other risks as may be notified by the Government. The Lessee shall, upon request of the Government, produce the insurance policy and receipt of premiums paid in connection therewith. All sums received in respect of such insurance shall be for the account of the Lessee. The Lessee shall punctually pay all premiums and make any other payments necessary to maintain the Insurance Policy mentioned in this Head Lease Agreement and shall not do anything which might invalidate the insurance. All sums received from insurance shall be laid out and expended in rebuilding or repairing or otherwise reinstating the Resort or payment of the Lease Rent as the case may be.
Regular Inspection	<ul style="list-style-type: none"> After giving an advance notice of 24 hours to the Lessee, the Lessor may cause their representatives to enter upon the Island, and the Resort, at all reasonable hours in order to view and examines the physical state and condition of the Island and the Resort and the items listed in the Inventory. Where the Lessee is informed in writing of any requirement for repair or replacement subsequent to such an inspection, the Lessee shall within a reasonable period, cause such repair or replacement to be effectively made. The Lessee shall permit the Lessor and their agents at any time to enter and inspect the Resort, call for information, have free access to the office of the Resort without having to give the advance notice mentioned in the Provision above, for the purpose of inspecting the books of accounts and records and take copies thereof and make extracts therefrom for any other relevant purpose. The Lessee shall also furnish the Government any information or data whenever required to do so, whether requested in writing or otherwise.
Grant of Rights, Interest or Possession	<ul style="list-style-type: none"> During the currency of this Head Lease Agreement, the Lessee may grant any right, interest or possession of the Island and the Resort to any party including the period prior to the Commission Date, by way of sale, assignment or any other similar device subject to the prior written approval and any other reasonable terms and conditions that may be stipulated by the Lessor. The approval of the Lessor shall always be subjected to the rights and interests of the Lessor not being adversely affected. The Lessee may, during the currency of this Head Lease Agreement, sublease the Resort or grant management of the Resort to any party, including the period prior to the Commission Date, subject to the prior written approval and any other reasonable terms or conditions that may be stipulated by Lessor. The approval of the Lessor shall always be subjected to the rights and interests of the Lessor not being adversely affected. The Lessee shall have the right to enter into agreements, including the period prior to the Commission Date, that are usually entered into in the ordinary course of business to enhance the

	business prospects of the Resort when it becomes commissioned, provided always that the duration of such agreements shall not exceed the currency of this Head Lease Agreement. That right includes conclusion of sale of rights to proposed beds, allotment of proposed rooms, or water-based facilities, if any.
Mortgages	<ul style="list-style-type: none"> • The Lessee shall have the right even before the Commission date and within the currency of this Head Lease Agreement to mortgage, hypothecate or otherwise encumber the interests in the Island, and the Resort. • The Lessee shall in the exercise of options provided in the Provision above be subjected to written approval of the Lessor and any conditions that may be stipulated by the Lessor. The approval of the Lessor shall always be subjected to the rights and interests of the Government not being adversely affected and the Lessee's undertaking to release the Island, and the Resort from every encumbrance prior to the expiry or earlier termination of this Head Lease Agreement.
Indemnity	The Lessee shall indemnify the Government from any liability for any claims whatsoever, arising from the construction, development and operation of the Resort and any activities associated therewith.
Termination by the Lessor	<ul style="list-style-type: none"> • Without prejudice to any rights which the Government may have under this Head Lease Agreement or in law, the Government may terminate this Head Lease Agreement, in any of the following circumstances: <ol style="list-style-type: none"> (1) The Lessee fails to pay the Lease Rent specified in this Head Lease Agreement when it has fallen due or fails to pay liquidated damages imposed in consequence of default in paying the Lease Rent specified in this Head Lease Agreement; or (2) The Lessee fails to comply with the Provisions on the Development Concept, Environmental Impact Assessment and Work Plan for the Resort Development and on the Detailed Drawings for the Resort Development under this Head Lease Agreement; or (3) The Lessee fails to comply with the notices referred to in the Provisions on the Breach of Non-Financial Nature under this Head Lease Agreement; or (4) The Lessee becomes bankrupt or is wound up whether voluntarily or compulsorily otherwise than for purposes of amalgamation or reconstruction. • Termination in any of the circumstances provided in the Provision above requires serving a written notice of termination specifying the reason for such termination. Where the notice is served, this Head Lease Agreement will stand terminated on the expiry of the 7th day of that notice. • Once this Head Lease Agreement is terminated, the Government may enter upon and take possession of the Island and the Resort. • Where this Head Lease Agreement is terminated, the Lessee may remove, sell or otherwise dispose of all such tools, machinery, equipment, goods and materials not forming part of the Inventory found in this Head Lease Agreement. If the Lessee has not removed any of such items within a reasonable time then the Government may remove and sell those items. • In the event of such termination, the Government shall make its best effort to cause any subsequent investor who takes the Resort, on lease to accept an assignment of all contracts made by the Lessee in relation to the management and operation of Resort or any facilities thereof.
Termination by the Lessee	<ul style="list-style-type: none"> • Without prejudice to any other rights which the Lessee may have under this Head Lease Agreement or in law, if the Government refuses or persistently neglects to perform and observe

	<p>any term or condition of this Head Lease Agreement, the Lessee may serve a written notice to the Government asking for its compliance. If the Government fails to comply with the notice and rectify the default and fails to offer any valid reason within 60 days from the date of that notice, then the Lessee may serve a written notice of termination of this Head Lease Agreement specifying the reason for termination. Where the notice is served, this Head Lease Agreement will stand terminated on the expiry of the 60th day of that notice.</p> <ul style="list-style-type: none"> • The Lessee may terminate without cause upon giving written notice of termination to the Government. Where the notice is served, this Head Lease Agreement will stand terminated on the expiry of the 180th day of that notice. Even where the notice is served, this Head Lease Agreement will not be considered to have been terminated on the date appointed for the expiry of the notice if any of the following circumstances exist on that day: <ol style="list-style-type: none"> (1) If there is any obligation to be fulfilled or liability to be settled by the Lessee under this Head Lease Agreement or in law; or (2) If the Resort is in want of good operational condition and repair; or (3) If the Island and the Resort are subject to any form of encumbrance. • Once this Head Lease Agreement is terminated, the Provisions on the Handover of Resort under this Head Lease Agreement shall come into operation as if they were reproduced here in their entirety.
Breach of Non-Financial Nature	<ul style="list-style-type: none"> • Except where the Lessee has defaulted in respect of the Provisions on the Lease Rent under this Head Lease Agreement, where there is any non-performance, non-observance, infringement or violation by the Lessee of any other term or condition of this Head Lease Agreement, the Government shall not terminate this Head Lease Agreement in the first instance but impose upon the Lessee a penalty of an amount not exceeding USD 25,000 as liquidated damages and give up to 30 days' notice in writing to the Lessee to remedy the default. • If the Lessee fails to remedy the default in accordance with the aforementioned notice, the Government shall impose upon the Lessee a further penalty of an amount not exceeding USD 100,000 as liquidated damages and if the Lessee fails to comply with the notice given for a further period of 15 days, the Government may invoke its right of terminating this Head Lease Agreement under the Provisions on the Termination by the Lessor under this Head Lease Agreement.
Impossibility of Performance	<ul style="list-style-type: none"> • Where the Island, and the Resort, or any essential part thereof suffers total destruction due to war, civil war or civil commotion or storm, tempest, flood, inevitable accident or other irresistible force or event beyond the Lessee's control, the term of this Head Lease Agreement shall be deemed temporarily suspended from the date of destruction until the date of resuming operation of the Resort and the operation of the Resort shall remain fully suspended during that period. • Where the Island, and the Resort, or any essential part thereof suffers partial destruction due to the provision above, the operation of the Resort shall be suspended in part. • Occurrence of an event as mentioned above or the Lessee not having insured to cover for 1 year Lease Rent as specified under this Head Lease Agreement shall not release the Lessee of its obligation to pay the Lease Rent as specified under this Head Lease Agreement. However, the Government may grant extensions to the due dates for the payment of the Lease Rent. It shall be

	<p>the responsibility of the Lessee to have properly insured for such risk as specified in this Head Lease Agreement.</p> <ul style="list-style-type: none"> Where damage specified under the Provisions above occurs to the Island and the Resort, the Lessee shall give written notice of such damage to the Government as soon as practicable.
Emergency and Public Purposes	<ul style="list-style-type: none"> In a situation of emergency, the Government may suspend this Head Lease Agreement and take over the Island and the Resort. The period of such suspension shall be excluded from the computation of the term of this Head Lease Agreement. The existence, continuance and cessation of the emergency shall be determined solely by the Government and any instructions issued by the Government in this regard shall be adhered to by the Lessee. Where the Island and the Resort are required for (1) the defense of the Maldives or (2) a public purpose, the Government shall be entitled to terminate this Head Lease Agreement and take possession of the Island the Resort without any prior notice for the event under (1) and after giving 2 years written notice for the event under (2). Termination of this Head Lease Agreement by such events shall result in the just compensation, specified under this Head Lease Agreement, being paid by the Government to the Lessee for the investment made on the Island and the Resort. Where the just compensation is paid by the Government under this Head Lease Agreement, it may deduct such sums of money due to it from the Lessee in respect of the Island and the Resort under this Head Lease Agreement.
Handover of Resort	<ul style="list-style-type: none"> The Lessee undertakes to yield up possession of the Island and the Resort to the Government in good and operational condition and repair and at the standard at which it was operating upon the expiry or earlier termination of this Head Lease Agreement. Where the Resort is handed back to the Government on the expiry of the term of this Head Lease Agreement, or where this Head Lease Agreement is brought to an end other than at the request of the Lessee or on breach of this Head Lease Agreement by the Lessee, compensation, as specified under this Head Lease Agreement, in relation to the Resort shall be paid to the Lessee within 2 years from the date of handing the Resort back to the Government.
Settlement of Disputes	<ul style="list-style-type: none"> Any disputes arising from or in relation to or connected with this Head Lease Agreement shall first be attempted to be resolved amicably through discussions between the parties. Where such a dispute remains unresolved even after a reasonable period has lapsed, it shall be referred to the relevant Courts of Law or Authorities of the Maldives. This Head Lease Agreement does not exclude the parties from referring a matter in dispute to arbitration in accordance with any Arbitration Act or rules that may be enacted in the Maldives on the subject matter.
Governing Law	<ul style="list-style-type: none"> This Head Lease Agreement shall be subject to, construed in accordance with and governed by Maldives Law. The relevant Courts of Law or Authorities of the Maldives shall have the exclusive jurisdiction to entertain, hear and decide-disputes arising from or in relation to or connected with this Head Lease Agreement.

Summary of the Deed of Assignment of the Island of Mudhdhoo in Baa Atoll between Coastline Hotels and Resorts Private Limited and DMS Property Investment Private Limited dated 6 September 2011

Assignor	Coastline Hotels and Resorts Private Limited
Assignee	DMS Property Investment Private Limited
Material Terms	<ul style="list-style-type: none"> • The Assignor had on 13 July 2011 transferred and assigned the lease of the island of Mudhdhoo in Baa Atoll (the "Island"), the Assignor holds from the Ministry of Tourism, Arts and Culture ("Government"), to Dusit Thai Properties Public Company Limited by virtue of the Resort Sale and Purchase Agreement. • Dusit Thai Properties Public Company Limited has subsequently assigned all of its rights and obligations under the Resort Sale and Purchase Agreement to the Assignee pursuant to an assignment letter dated 7 August 2011. • The Assignor, by this Deed of Assignment, assign, transfer and set over to the Assignee, all and whatsoever rights, interests, powers, functions, privileges held by the Assignor in and to the Amended and Re-Stated Agreement for the Lease of the Island of Mudhdhoo in Baa Atoll for the Development of a 200-Bed Resort between the Government and Coastline Hotels and Resorts Private Limited dated 21 March 2011 (the "Lease Agreement") and all obligations and duties imposed on the Assignor under the terms and conditions contained in the Lease Agreement. The Assignee accepts the assignment of transfer and setting over of all interests, powers, duties and obligations conferred and imposed now and in the future on the Assignor under the Lease Agreement and agrees to perform all the remaining and executory obligations of the Assignor in place of the original Lessee under the Lease Agreement. • The Assignor covenants that: <ol style="list-style-type: none"> (1) At the time of this assignment, the demised Island and/or all the parts thereof are free from all encumbrances, claims or charges of whatsoever nature. (2) There are no payment outstanding to the local or other Government Authorities by way of rate and taxes and other charges whatsoever. (3) There are no outstanding rents and/or fines payable to the Government up to date under the Lease Agreement or in connection with the Island and the Assignor hold harmless and indemnifies the Assignee against all liabilities, penalties and legal actions instituted or effected against the Assignee in that regard. • The Assignee agrees to assume all responsibilities, liabilities, claims and charges and/or taxes, if any, from the date of this Deed of Assignment whatsoever, on or under the Assignee arising in connection with the demised Island and/or under the Lease Agreement.

2. Summary of the draft agreement related to assets acquisition

Summary of the Draft Share Sale and Purchase Agreement

The Seller	DTPP and MBK
The Purchaser	Krungthai Asset Management Public Company Limited as the trustee acting on behalf of DREIT
Purchased Shares	Shares in DMS2, representing 65 percent of the total shares held by the Company, and representing 35 percent of the total shares held by MBK.
Purchase Price	Not exceeding THB 3,120,000 (or equivalent to USD 97,500) for the shares purchased from the Company and not exceeding THB 1,680,000 (or equivalent to USD 52,500) for the shares purchased from MBK (the exchange rate is THB 32.00 per USD 1, which is the exchange rate jointly agreed by DTPP, MBK, Dusit Thani Properties REIT Company Limited (as the REIT Manager of DREIT) and DREIT).
Material Conditions Precedent	<p>The material conditions precedent according to the Share Sale and Purchase Agreement shall include the following:</p> <ol style="list-style-type: none"> 1. Conditions on the issuance and offering of capital increase trust units of DREIT The Office of the Securities and Exchange Commission has granted an approval for DREIT to increase its capital and to offer its trust units to the public and trust units have been issued and offered to the public, and the money received from such issuance and offering has been deposited to the account of DREIT. 2. Conditions pursuant to the loan agreement DREIT has entered into an agreement for a minimum credit facility for a REIT as of the Share Sale and Purchase Date and the conditions precedent under the loan agreement have been complied with in all respects or certain items or every item thereof have been waived. 3. Other Conditions <ol style="list-style-type: none"> 3.1 DMS2 has completely obtained the leasehold right over the land and assets in the Dusit Thani Maldives hotel project from DMS in accordance with the Resort Sale and Purchase Agreement, including DMS2 has obtained consent and necessary approval for the entering into the transaction under the laws of the Republic of Maldives. 3.2 DMS3 has entered into the Land Sublease Agreement and the Property Lease Agreement and the Sale and Purchase of Agreement of the current assets used in the operation of the hotel with DMS2 and such agreements remain effective without any amendments thereto. In addition, DMS2 and DMS3 shall obtain consent and necessary approvals for entering into the transaction under the laws of the Republic of Maldives and DMS3 has paid for the purchase of movable assets used in Dusit Thani Maldives Hotel Project under the movable assets purchase and sale agreement with DMS2 3.3 The Purchaser has obtained consent and necessary approvals for entering into the share sale and purchase transaction under the laws of the Republic of Maldives. 3.4 The Seller, DMS2 and DMS3 have duly obtained approval from a shareholders' meeting and/or the Board of Directors in accordance with the relevant law in order to enter into negotiations, entering, amendments, and the compliance with this agreement and other relevant documents. In addition, there shall be no objection from any person including its

	<p>interested persons, shareholders and/or debtors with regard to the sale of shares, the performance under 3.1 and/or 3.2 and there shall be no restriction under the laws on the sale and purchase of the shares and the performance under 3.1 and/or 3.2 and the compliance with the agreement and/or other relevant documents.</p> <p>3.5 There shall be no incidents which has or will have an adverse material effect on the properties of the Dusit Thani Maldives hotel project, the business of DMS2 or the compliance with this agreement.</p> <p>3.6 Other conditions as will be further determined by the parties.</p>
Transfer of the purchased shares	<p>The Seller shall transfer the purchased shares to the Purchaser when there is the occurrence of the events specified under the Share Sale and Purchase Agreement which shall include:</p> <ul style="list-style-type: none"> • When all of the conditions precedent specified in the Share Sale and Purchase Agreement are fully satisfied within the specified period (except that the Purchaser agrees to waive such right in writing). • On the date of the share sale and purchase, the Seller agrees to transfer the ownership of the shares (including any shareholders' rights vested therein) to the Purchaser free from any liens, pledges, claims, or any encumbrances provided that the ownership in the shares shall immediately be transferred to the Purchaser on the date of the share sale and purchase and the Seller shall deliver the documents as agreed between the parties in the Share Sale and Purchase Agreement. • Subject to the terms and conditions of the Share Sale and Purchase Agreement, the Purchaser agrees to pay the share price in accordance with the terms of this agreement to the Seller on the date of the share sale and purchase. • On the same date after the ownership of the shares has been legally an completely transferred to the Purchaser or within any other period as agreed by the parties, provide that the Purchaser has obtained the necessary licenses for acceptance of the transfer of shares as specified under this Agreement under the laws of the Republic of Maldives, the Purchaser shall provide the loans to DMS2 and shall procure that DMS2 uses such loans as the consideration for the acceptance of the transfer of the leasehold right over the land and the ownership of the assets of the Dusit Thani Maldives hotel project from DMS and shall repay the outstanding shareholders loan which DMS2 owes to the Seller on the same date as the date of receipt of payment of the shares.
Termination and indemnification	<ul style="list-style-type: none"> • In the event of default occurred from the fault of the Seller, the Purchaser is entitled to terminate this Agreement by serving notice to the Seller in writing or file a lawsuit demanding the Seller to perform this agreement and/or claim damages from the Seller. • The Seller is entitled to terminate this agreement by serving notice to the Purchaser in writing or file a lawsuit demanding the Purchaser to comply • with this agreement and/or claim damages from the Purchaser in the event of default occurred from the fault of the Seller. • This agreement shall immediately be terminated provided that each party has no right to claim damages, expenses or monies or other benefits from the other party, except the parties has agreed otherwise, in case where the parties mutually agree to voluntary terminate this agreement.

	<ul style="list-style-type: none"> When the conditions precedent under this Agreement have not been fulfilled within the specified period and the shares cannot be transferred within the specified period without the fault of the Purchaser, the Purchaser is entitled to terminate this Agreement and the Seller shall be responsible for the damages and/or expenses incurred for the Purchaser.
Governing law	The laws of the Republic of Maldives

Summary of the Draft Resort Sale and Purchase Agreement

Seller	DMS Property Investment Private Limited
Buyer	Dusit Maldives Investment Private Limited ("DMS2")
Assets to be Purchased	<p>Dusit Thani Maldives hotel, located on Mudhdhoo Island in Baa Atoll, the Republic of Maldives (the "Hotel Project") which consist of the following:</p> <ul style="list-style-type: none"> Leasehold right in the land which the Hotel Project is situated, under the following agreements: <ul style="list-style-type: none"> Amended he Development of a 200-Bed Resort between the Government of the Republic of Maldives (represented by the Ministry of Tourism, Arts and Culture) and Coastline Hotels and Resorts Private Limited dated 21 March 2011 (As amended); and Deed of Assignment of the Island of Mudhdhoo in Baa Atoll between Coastline Hotels and Resorts Private Limited and DMS Property Investment Private Limited dated 6 September 2011 (collectively referred to as the "Head Lease Agreement") All buildings, constructions including but not limited to 95 luxurious villas built on the land pursuant to the Head Lease Agreement which is where the Hotel Project is situated. This shall include the pool, various systems, fixed assets, facilities and component parts of such buildings as well as any other immovable properties owned the Seller and used in the operation of the Hotel Project. All assets including the furniture, tools and equipment necessary and suitable for the operation of the Hotel Project such as beds, closets, storages, sanitary, electronic appliances that are recorded in the accounting book as of the date to be specified by the Parties. All claims and liabilities that are recorded in the accounting book as of the date to be specified by the Parties as well as current assets and current liabilities used in the operation of the Hotel Project. Agreements with third parties, letters of permission, licenses which are necessary and suitable for the operation of the Hotel Project. Staffs who are the employees of the Seller in the operation of the Hotel Project.
Purchase Price	<p>Approximate USD 72 Million excluding tax, registration fees, as well as other relevant fees and expenses. In this regard, on the Transfer Date (which will be defined below), if it appears that DMS2 has any current assets, current liabilities and liabilities, the Parties agree to add or deduct the amount of such current assets, current liabilities and liabilities from the purchase price as aforementioned except otherwise agreed by the Parties.</p> <p>Remark: such value may change depending on the obligation value to be transferred under the rights and obligations of DMS on the Transaction date</p>
Conditions Precedent	1. <u>Conditions for the Issuance and Offering of Capital Increased Trust Units of DREIT</u>

- 1.1 The Office of the Security and Exchange Commission has granted the approval for Dusit Thani Freehold and Leasehold Real Estate Investment Trust ("DREIT") to increase its capital and offer the trust units to the public.
- 1.2 There has been an issuance and offering of trust units to the public and the fund raised from such issuance and offering has been deposited into DREIT's bank account.
- 1.3 The Parties to the Trust Deed of DREIT has entered into an amendment of such agreement and other transaction agreements related to DREIT.
2. Conditions of the Loan Agreements
 - 2.1 DREIT has entered into loan agreement(s) with minimum credit facility for DREIT on the date of the sale and purchase of the Assets to be Purchased.
 - 2.2 All actions in accordance with the conditions precedent in the loan agreement has been performed or there has been a waiver to some or all of such conditions under the loan agreement.
3. Other Conditions
 - 3.1 Dusit Maldives Management Private Limited ("DMS3") has duly entered into the agreement for sublease of land and lease of assets and the agreement for sale and purchase of hotel operating assets used in the operation of the Hotel Project with DMS2 and such agreements are still enforceable without any amendments and DMS3 and DMS2 have received the consent and approval necessary for such transaction in accordance with the laws of the Republic of Maldives.
 - 3.2 Dusit Thai Properties Public Company Limited ("DTPP") and MBK Hotels and Resort Company Limited ("MBK") has duly entered into the share sale and purchase agreement of all shares in the Buyer with DREIT and such agreement is still enforceable without any amendments and DTPP, MBK and DREIT have received the consent and approval necessary for such transaction in accordance with the laws of the Republic of Maldives.
 - 3.3 The Parties have received the consent and approval necessary for the transaction of sale and purchase of the business as specified in this agreement under the laws of the Republic of Maldives.
 - 3.4 The Parties, DTPP, MBK and DMS3 validly received the approval from the shareholders' meeting and/or the board of directors' meeting in accordance to the relevant laws, in order to negotiate, enter into, amend and perform in accordance with this agreement and related documents as well as there is no objection from any persons which includes the interested parties of each party, the shareholders and/or creditors related to the sale and purchase of business, the performance under 3.1 and/or 3.2, who has the right under the law that will cause the Parties, DTPP, MBK and DMS3 to not be able to perform in accordance with this agreement and any other relevant documents and there exists no restriction under the law for the sale and purchase of the business, the performance under 3.2 and/or 3.2 and the performance under this agreement and/or any other relevant documents.
 - 3.5 The representations given under this agreement are true and complete in all material aspects.

	<p>3.6 The articles of association of Dusit Management Company Limited has been amended in order to accommodate the incorporation of DMS3, the contents of which are specified by DREIT and such amended articles of association has been registered with the relevant authority in accordance with the law.</p> <p>3.7 No material adverse effect has occurred to the Assets to be Purchased or to the compliance with this agreement.</p> <p>3.8 The Assets to be Purchased do not have any damages and/or defects which are material and will cause the Assets to be Purchased to be useless to the operation of Hotel Project.</p> <p>3.9 The Seller has obtained the consent from any persons for the transfer and the Buyer or persons determined by the Buyer has received the transfer of rights and duties by entering into novation agreements in relation to the agreements made with third parties which are necessary and suitable for the operation of the Hotel Project for the Buyer.</p> <p>3.10 The relevant government authority has approved the transfer of licenses or any documents which are necessary for the operation of the Hotel Project to the Buyer or any persons determined by the Buyer.</p> <p>3.11 Other conditions to be further specified by the Parties.</p>
The Transfer of the Assets to be Purchased	<ul style="list-style-type: none"> • When the conditions precedent as specified in this agreement has been fulfilled in all material aspects (except where the Buyer agrees to grant a waiver in writing), both Parties agree to deliver the possession of the Assets to be Purchased, proceed to register the transfer of the Assets to be Purchased with the relevant authority (if necessary), and proceed any acts as prescribed under the laws of the Republic of Maldives within 60 days from the closing date of the offering of trust units of DREIT for the capital increase (the "Transfer Date"). • On the Transfer Date, the Seller agrees to transfer the leasehold and/or ownership in the Assets to be Purchased to the Buyer without any right of retention, mortgages, claims or other encumbrances where the ownership and other benefits in the Assets to be Purchased shall be transferred to the Buyer immediately. • Subject to the terms and conditions of this agreement, the Buyer agrees to pay the purchase price of the Assets to be Purchased pursuant to the conditions of this agreement to the Seller within the period to be agreed upon by the Parties after the Transfer Date by way of direct transfer to the bank account of the Seller (to be notified by the Seller in advance at least 10 business days prior to the Transfer Date) or by cheques or by other details and methods to be agreed upon in advance by the Parties prior to the Transfer Date.
Material Terms	<ul style="list-style-type: none"> • The Buyer agrees to be responsible for the existing obligations and liabilities in relation or in connection with the Assets to be Purchased or those which has occurred until the day before the Transfer Date including but limited to taxes in relation to the usage of the Assets to be Purchased and other liabilities in connection to the Assets to be Purchased occurred from the compliance with the relevant laws and regulations. • Subject to the laws of the Republic of Maldives, the Parties must cooperate to contact, notify, and obtain the approvals from the authorities related to the compliance with this agreement including signing other relevant documents.

	<ul style="list-style-type: none"> The Seller shall use its best effort to provide to each and every employee with notice of the transfer of the business of the hotel to the Buyer or the persons determined by the Buyer under this agreement and agrees to be responsible for the payment of severance pay and compensation for the termination of employment as specified by the law in case the employees did not give consent in order to be transferred and become the employees of the Buyer.
Representations and Warranties	<p>Under this agreement, the Buyer shall be provided with representations and warranties with respect to all Assets to be Purchased including but not limited to representations and warranties as follows:</p> <ul style="list-style-type: none"> The Seller has the ownership, possession rights and/or leasehold rights in the Assets to be Purchased and that the Assets to be Purchased is free from any encumbrances, servitudes, mortgages, eviction, claims from third parties, defects or any other obligations other than the registration of security with the bank (if any). The Seller owns the licenses, certificates, letters of permission and has obtained the approvals from the relevant government authority and supervisory authority which are necessary for being the owner, letting or conducting any acts in relation to the Assets to be Purchased and the Seller has not been served with a notice regarding any acts for the revocation or changes or non-compliance with such licenses, certificates, letters of permission and the approval, in which case if the verdicts or decisions were not made in the favor of the Seller, it will cause significant negative impacts and the Seller has duly comply with and will duly comply with the conditions as prescribed in the licenses, certificates, letters of permission and such approval. The Assets to be Purchased (1) are in accordance to material laws, rules and regulations enforced to the assets of Hotel Projects in the Republic of Maldives (including but not limited to the laws and regulations regarding to the city planning, building control, health, safety and the entrance and exit of the assets) ("Laws Related to the Assets") and (2) is not under the judicial process (for both cases where the copy of indictment is received and not yet received), expropriation, the change of city planning or any other similar process which will affect the operation of business in the leased land and the assets of the Hotel Project, the size, the usage, the construction and development as well as the entrance and exit except in case where it does not cause significant negative impacts.
Taxes and Expenses	<p>The Seller agrees to be responsible for the expenses arising in connection with the compliance with the terms and conditions of this agreement and/or other relevant agreements such as the preparation of the agreements, legal fees, and expenses in connection to the due diligence. In this regard, each Party will be responsible for the taxes arising for its own account that are levied by the authority or enforced in relation to the entering into this agreement.</p>
Event of Default	<p>Either of the following cases constitutes the event of default which will grant the right to either Party to terminate this agreement and/or the right to claim for damages from the other Party:</p> <p>(1) <u>Event of Default by the fault of the Seller</u></p> <p>The Seller violates or fails to comply with the significant terms as prescribed in this agreement or breach the material representations given under this agreement and is not able to remedy and perform in accordance with this agreement within 60 days from the date where a notice is served</p>

	<p>or when the event of default is known or within any period that may be agreed upon by the Parties except for the case of force majeure.</p> <p>In case where the transfer of the Assets to be Purchased cannot be executed due to the fault of the Seller, it shall be deemed as an event of default under this agreement immediately, except for the case of force majeure or except for the case where the Buyer fails to comply with the terms or conditions as prescribed in this agreement.</p> <p>(2) <u>Event of Default by the fault of the Buyer</u></p> <p>The Buyer violates or fails to comply with the significant terms as prescribed in this agreement or breach the material representations given under this agreement and is not able to remedy and perform in accordance with this agreement within 60 days from the date where a notice is served or when the event of default is known or within any period that may be agreed upon by the Parties except for the case of force majeure.</p> <p>In case where the transfer of the Assets to be Purchased cannot be executed due to the fault of the Buyer, it shall be deemed as an event of default under this agreement immediately, except for the case of force majeure or except for the case where the Seller fails to comply with the terms or conditions as prescribed in this agreement.</p>
Termination and Claim for Compensation	<ul style="list-style-type: none"> • The Buyer is entitled to terminate this agreement by a written notice given to the Seller or proceed a legal action for the compliance of this agreement and/or claim for damages from the Seller where there is an event of default by the fault of the Seller. • The Seller is entitled to terminate this agreement by a written notice given to the Buyer or proceed a legal action for the compliance of this agreement and/or claim for damages from the Buyer where there is an event of default by the fault of the Buyer. • This agreement shall be terminated immediately in the following cases, whereby each Party shall not have the right to claim for damages, expenses or money or other benefits from the other Party except otherwise agreed by the Parties: <ul style="list-style-type: none"> (1) In case where the Assets to be Purchased could not be transferred within the prescribed period due to force majeure or other reasons which was not caused by the fault of either Parties and the Parties agree to terminate this agreement; (2) In case where the Parties mutually and voluntarily agree to terminate this agreement.

Summary of the Draft Deed of Assignment of the Island of Mudhdhoo in Baa Atoll between DMS Property Investment Private Limited and Dusit Maldives Investment Company Limited dated [•]

Assignor	DMS Property Investment Private Limited
Assignee	Dusit Maldives Investment Company Limited ("DMS2")
Material Terms	<ul style="list-style-type: none"> • The Assignor had on [•] transferred and assigned the lease of the island of Mudhdhoo in Baa Atoll (the "Island"), the Assignor holds from the Ministry of Tourism, Arts and Culture ("Government"), to assignee by virtue of the Resort Sale and Purchase Agreement. • The Assignor, by this Deed of Assignment, transfer rights, interests, powers, functions, privileges held by the Assignor in and to (1) the Amended and Re-Stated Agreement for the Lease of the

	<p>Island of Mudhdhoo in Baa Atoll for the Development of a 200-Bed Resort between the Government and Coastline Hotels and Resorts Private Limited dated 21 March 2011 and as amended (2) Summary of the Deed of Assignment of the Island of Mudhdhoo in Baa Atoll between Coastline Hotels and Resorts Private Limited and DMS Property Investment Private Limited dated 6 September 2011 ("the Head Lease Agreement") and all obligations and duties imposed on the Assignor under the terms and conditions contained in the Lease Agreement. The Assignee accepts the assignment of transfer and setting over of all interests, powers, duties and obligations conferred and imposed now and in the future on the Assignor under the Lease Agreement and agrees to perform all the remaining and executory obligations of the Assignor in place of the original Lessee under the Lease Agreement.</p> <ul style="list-style-type: none"> • The Assignor covenants that: <ol style="list-style-type: none"> (1) At the time of this assignment, the demised Island and/or all the parts thereof are free from all encumbrances, claims or charges of whatsoever nature. (2) There are no payment outstanding to the local or other Government Authorities by way of rate and taxes and other charges whatsoever. (3) There are no outstanding rents and/or fines payable to the Government up to date under the Lease Agreement or in connection with the Island and the Assignor hold harmless and indemnifies the Assignee against all liabilities, penalties and legal actions instituted or effected against the Assignee in that regard. • The Assignee agrees to assume all responsibilities, liabilities, claims and charges and/or taxes, if any, from the date of this Deed of Assignment whatsoever, on or under the Assignee arising in connection with the demised Island and/or under the Lease Agreement.
--	---

Summary of the Draft Agreement for Sale and Purchase of Hotel Operating Assets

Seller	Dusit Maldives Investment Private Limited
Buyer	Dusit Maldives Management Private Limited
Assets to be Purchased	<ul style="list-style-type: none"> • Current assets which are necessary and suitable for the operation of the Dusit Thani Maldives hotel project located on Mudhdhoo Island, in Baa Atoll, the Republic of Maldives (the "Hotel Project"), the details of which are as specified in the agreement. • All claims and liabilities that are recorded in the accounting book as of the date to be specified by the Parties. • Agreements with third parties, letter of permission, licenses which are necessary and suitable for the operation of the Hotel Project. • Staffs who are the employees of the Seller in the operation of the Hotel Project.
Purchase Price	<p>Equivalent to the difference between the value of the current assets and current liabilities as referred to in the Resort Sale and Purchase Agreement, excluding tax, registration fees, as well as other relevant fees and expenses</p> <p>Remark: the purchase price of the current assets and current liabilities will be specified on the Transaction date. Primarily, the Company has estimated at USD 0.32 M (or approximately THB 10.43</p>

	M). Such value may change depending on the current assets and current liabilities on the Transaction date
Conditions Precedent	<ol style="list-style-type: none"> 1. The Buyer has duly entered into the agreement of sublease of land and lease of assets used in the operation of the Hotel Project with the Seller (the "Sublease Agreement") and such Sublease Agreement is still enforceable without any amendments and the Parties have received the consent and approval necessary for such transaction in accordance with the laws of the Republic of Maldives. 2. The Parties have received the consent and approval necessary for the transaction of sale and purchase of the Assets to be Purchased as specified in this agreement under the laws of the Republic of Maldives 3. The Parties validly received the approval from the shareholders' meeting and/or the board of directors' meeting in accordance to the relevant law, in order to negotiate, enter into, amend and to perform in accordance with this agreement and related documents. 4. The representations given under this agreement are true and complete in all material aspects. 5. No material adverse effect has occurred to the Assets to be Purchased or to the compliance with this agreement. 6. The Seller has obtained the consent from any persons for the transfer and the Buyer has received the transfer of rights and duties by entering into Novation Agreements in relation to the agreements made with third parties which are necessary and suitable for the operation of the Hotel Project for the Buyer. 7. The relevant government authority has approved the transfer of licenses or any documents which are necessary for the operation of the Hotel Project to the Buyer. 8. Other conditions to be further specified by the Parties.
The Transfer of Assets to be Purchased	<ul style="list-style-type: none"> ● When the conditions precedent as specified in this agreement has been fulfilled in all material aspects (except agreed otherwise), both Parties agree to deliver the possession of the Assets to be Purchased, proceed to register the transfer of the Assets to be Purchased with the relevant authority (if necessary), and proceed any acts as prescribed under the laws of the Republic of Maldives within the date of the receipt of consent and approvals which are necessary for the sublease of the land and the lease of the assets in accordance with the Sublease Agreement under the laws of the Republic of Maldives or within other period as may be agreed upon by the Parties (the "Transfer Date"). ● On the Transfer Date, the Seller agrees to transfer the Assets to be Purchased to the Buyer without any right of retention, mortgages, claims or other encumbrances where the ownership and other benefits in the Assets to be Purchased shall be transferred to the Buyer immediately. ● Unless the agreement specifically specifies otherwise, the transfer and the delivery of the Assets to be Purchased under this agreement shall be made on an "AS IS, WHERE IS" basis as at the Transfer Date and only to the extent that they are transferred to the Seller in accordance with the Resort Sale and Purchase Agreement without recourse against the Seller. ● Subject to the terms and condition of this agreement, the Buyer agrees to pay the purchase price of the Assets to be Purchased in accordance with the conditions of this agreement to the Seller within the Transfer Date by way of direct transfer to the bank account of the Seller (to be notified

	by the Seller in advance at least 10 business days prior to the Transfer Date) or by cheques or by other details and methods to be agreed upon in advance by the Parties prior to the Transfer Date.
Material Terms	<ul style="list-style-type: none"> Subject to the laws of the Republic of Maldives, the Parties must cooperate to contact, notify, and obtain the approvals from the authorities related to the compliance with this agreement including signing other relevant documents. The Seller shall use its best effort to provide to each and every employee with notice of the transfer of the business of the Hotel Project to the Buyer under this agreement.
Tax and Expenses	The Seller agrees to bear the expenses arising in connection with the compliance with the terms and conditions of this agreement and/or other relevant agreements such as the preparation of the agreements, legal fees, and expenses in connection to the due diligence. In this regard, each Party will bear the taxes arising for its own account that are levied by the authority or enforced in relation to the entering into this agreement.
Event of Default	<p>Either of the following cases constitutes the event of default which will grant the right to either Party to terminate this agreement and/or the right to claim for damages from the other Party:</p> <p>1. <u>Event of Default by the fault of the Seller</u></p> <p>The Seller violates or fails to comply with the significant terms as prescribed in this agreement or breach the material representations given under this agreement and is not able to remedy and perform in accordance with this agreement within 60 days from the date where a notice is served or when the event of default is known or within any period that may be agreed upon by the Parties except for the case of force Majeure.</p> <p>In case where the transfer of the Assets to be Purchased cannot be executed due to the fault of the Seller, it shall be deemed as an event of default under this agreement immediately, except for the case of force Majeure or except for the case where the Buyer fails to comply with the terms or conditions as prescribed in this agreement.</p> <p>2. <u>Event of Default by the fault of the Buyer</u></p> <p>The Buyer violates or fails to comply with the significant terms as prescribed in this agreement or breach the material presentations given under this agreement and is not able to remedy and perform in accordance with this agreement within 60 days from the date where a notice is served or when the event of default is known or within any period that may be agreed upon by the Parties except for the case of force majeure.</p> <p>In case where the transfer of the Assets to be Purchased cannot be executed due to the fault of the Buyer, it shall be deemed as an event of default under this agreement immediately, except for the case of force majeure or except for the case where the Seller fails to comply with the terms or conditions as prescribed in this agreement.</p>
Termination and Claim of Compensation	<ul style="list-style-type: none"> The Buyer is entitled to terminate this agreement by a written notice given to the Seller or proceed a legal action for the compliance of this agreement and/or claim for damages from the Seller where there is an event of default by the fault of the Seller.

	<ul style="list-style-type: none"> • The Seller is entitled to terminate this agreement by a written notice given to the Buyer or proceed a legal action for the compliance of this agreement and/or claim for damages from the Buyer where there is an event of default by the fault of the Buyer. • This agreement shall be terminated immediately in the following cases, whereby each Party shall not have the right to claim for damages, expenses or money or other benefits from the other Party except otherwise agreed by the Parties: <ol style="list-style-type: none"> (1) In case where the Assets to be Purchased could not be transferred within the prescribed period due to force majeure or other reasons which was not caused by the fault of either Parties and the Parties agree to terminate this agreement; (2) In case where the Parties mutually and voluntarily agree to terminate this agreement.
--	---

Summary of the Draft of Undertaking Agreement (for the Additional Investment Assets No. 1)

Parties	Krungthai Asset Management Public Company Limited as the trustee acting on behalf of Dusit Thani Freehold and Leasehold Real Estate Investment Trust ("DREIT")
	Dusit Thani Public Company Limited ("Dusit Thani") as the shareholder of Dusit Management Company Limited ("Dusit Management") in the proportion of 99.99 percent, whereby Dusit Management and/or the subsidiary of Dusit Management are/is the sub-lessee and lessee of DREIT's assets for the Dusit Thani Maldives hotel project which is located in Mudhdhoo Island, in Baa Atoll, the Republic of Maldives. (the "Hotel Project")
Shareholding and maintaining its shareholding in Dusit Management	During the term that Dusit Management and/or the subsidiary of Dusit Management are/is the sub-lessee and lessee of the Hotel Project, Dusit Thani agrees to maintain its shareholding in Dusit Management in the proportion of not less than 99.99 percent of all shares in Dusit Management by holding by itself or through the subsidiary of Dusit Thani and will proceed in order for Dusit Management to maintain its shareholding in the subsidiary of Dusit Management, who is the sub-lessee and lessee of the Hotel Project, in the proportion of not less than 99.99 percent of all shares in the subsidiary as aforementioned. Dusit Thani shall not sell, dispose, transfer or create any obligations in such shares, in whole or in part, or proceed with any other actions which will cause the shares of Dusit Management and/or cause the power of management of Dusit Management to be given to other persons as well as to proceed in order to prevent Dusit Management to proceed with the actions as aforementioned to the shares of the subsidiary of Dusit Management, who is the sub-lessee and lessee of the Hotel Project, without obtaining prior written consent from DREIT. In this regard, Dusit Thani shall notify DREIT in form of a written notice to DREIT prior to such proceedings.
Maintaining the proportion of shareholders in Dusit Management	During the period where Dusit Management and/or the subsidiary of Dusit Management are/is the sub-lessee and lessee of the Hotel Project, Dusit Thani shall proceed in order for Dusit Management to maintain the proportion of shareholders as appeared in the quarterly financial statements which are prepared by the sub-lessee and lessee of the Hotel Project and/or reviewed and/or audited by the auditors in the amount of not less than Baht 4,000,000.
Maintaining the Debt to Equity Ratio	During the period where Dusit Management and/or the subsidiary of Dusit Management are/is the sub-lessee and lessee of the Hotel Project, Dusit Thani shall proceed in order for Dusit Management and/or the subsidiary of Dusit Management to not incur any debts and/or obligations unless it is the

	<p>incurrence of debt for the operation of the Hotel Project whereby the sub-lessee and lessee agrees to maintain the debt to equity ratio at 2.5 to 1, calculated only with the debt from the loans from financial institution and will consider such ratio by referring to the financial statements of Dusit Management.</p>
<p>The Future Investment and Right of First Refusal in the Investment of Other Assets</p>	<ul style="list-style-type: none"> Unless the parties agreed otherwise, during 15 years from the date that DREIT invests in the Hotel Project, Dusit Thani and any person that Dusit Thani has direct or indirect control over shall not operate in hotel business (as defined in the Hotel Act B.E. 2547 (and as amended)) whether by holding the ownership of or holding the possessory right in and/or by providing management services to the hotel business located within 10 kilometers from the location of the Hotel Project (as the case may be) in the manner which directly compete with the Hotel Project (as the case may be) whereby the brand using for such hotel business is similar to the brand of the Hotel Project unless prior written consent from DREIT is obtained. During 5 years from the date that DREIT invests in the Hotel Project, in case where Dusit Thani desires to sell or let the hotels or resorts of Dusit Thani or the affiliate companies which are located in Thailand to any other Real Estate Investment Trusts, Dusit Thani agrees to grant DREIT the right of first refusal to invest in such assets before other Real Estate Investment Trusts, whereby Dusit Thani shall notify DREIT of the offer and DREIT shall notify its acceptance or declination within 120 days. <p>In the event that DREIT has declined the investment or did not notify its intention to invest in such assets within the specified period of time regardless of whatever reasons, Dusit Thani will be able to sell, dispose, transfer or let such assets to other Real Estate Investment Trusts. However, the material in terms and conditions offered to other Real Estate Investment Trusts shall be different from or better than the offer that Dusit Thani has offered to DREIT.</p> <p>If DREIT has notified its intention to invest in such assets, the Parties shall cooperate to proceed in order to further obtain an approval from the Office of the Securities and Exchange Commission and/or trust unitholders and/or the relevant authorities.</p>
<p>The Proceedings relating to the Licenses and Any Acts to Operate the Hotel Project in case where Dusit Management and/or the Subsidiary of Dusit Management are/is the Sub-lessee and Lessee of the Hotel Project</p>	<p>(1) Dusit Thani agrees to proceed follows :</p> <ol style="list-style-type: none"> Rendering assistance and any proceedings in order for Dusit Management and/or the subsidiary of Dusit Management to obtain licenses relating to the operation in the Hotel Project and to take any actions to maintain such licenses to be effective during the term that Dusit Management and/or the subsidiary of Dusit Management are/is the sub-lessee and lessee of the Hotel Project so that Dusit Management and/or the subsidiary of Dusit Management will be able to operate the Hotel Project legally and fully; and Proceed with any actions in order for Dusit Management and/or the subsidiary of Dusit Management to comply with laws and regulations of government agencies as well as to strictly comply with the obligations as prescribed in the agreement for sub-lease and lease of the Hotel Project agreement, hotel management agreement of the Hotel Project and any other agreements relating to operation of the Hotel Project. <p>(2) Where the agreement for the sub-lease and lease of the Hotel Project is terminated regardless of whatever reasons, Dusit Thani agrees to proceed with any actions in order for Dusit Management and/or the subsidiary of Dusit Management to deliver, act, cooperate, as well as to proceed any acts as per the request of DREIT for such purposes so that DREIT will be able to continue to</p>

	<p>operate the Hotel Project and also including the proceedings as per the request of DREIT as follows:</p> <ul style="list-style-type: none"> (a) Proceed to transfer the hotel operating license and any other licenses relating to the Hotel Project to DREIT or persons determined by DREIT and/or the new lessee; and/or (b) Submit a request to cancel and/or return the hotel operating license issued to Dusit Management and/or the subsidiary of Dusit Management to relevant authorities in case of necessity, so that DREIT or the persons determined by DREIT will be able to submit an application for the request of the hotel operating license and any other licenses relating to the operation of Hotel Project; and/or (c) Use its best effort to assist DREIT or persons determined by DREIT to obtain the hotel operating license and any other licenses relating to the operation of the Hotel Project in the name of DREIT or persons assigned by DREIT; and/or (d) Proceed in order for DREIT or persons determined by DREIT to be the contracting party of the hotel management agreement of the Hotel Project and/or agreements in connection with the hotel management agreement of the Hotel Project agreement; and/or (e) Proceed to transfer the rights and duties under various agreements relating to the management of the Hotel Project that Dusit Management and/or the subsidiary of Dusit Management have with customers or commercial partners of the Hotel Project including to the rental deposit and advance rental fee or any money obtained from such customers or commercial partners to DREIT and or the person determined by DREIT and also arrange for the customers or commercial partners to voluntarily give consent to such transfer of rights and duties as aforementioned or proceed to assist DREIT in the entering into related agreements newly drafted with the customers or commercial partners of the hotel in case where customers of the hotel do not agree to transfer rights and duties as aforementioned; and/or (f) Proceed to terminate all the related employment agreement of the employees of the Hotel Project unless DREIT has given a written consent not to proceed such act. In this regard, Dusit Thani will be the person responsible for and/or agrees to proceed in order for Dusit Management and/or the subsidiary of Dusit Management to be responsible for the expenses relating to the termination of the employees of the Hotel Project as aforementioned (if any). In addition, in case where Dusit Management and/or the subsidiary of Dusit Management do/does not comply with (f), Dusit Thani agrees to be responsible for and jointly compensate the damages with and on the behalf of Dusit Management and/or the subsidiary of Dusit Management to DREIT for any damages that DREIT has suffered including but not limited to the expenses relating to the termination of employees of the Hotel Project as aforementioned.
Assignment	<ul style="list-style-type: none"> ● During the term of this agreement, Dusit Thani shall not transfer its right and/or duties under this agreement to any other person without obtaining a prior written consent from DREIT. ● During the term of this agreement, DREIT shall not transfer its right and/or duties under this agreement to any other person without obtaining a prior written consent from Dusit Thani, except for the cases as follows:

	<p>(1) In the case where DREIT shall comply with laws, orders, or regulations of the Office of the Securities and Exchange Commission or relevant government agencies;</p> <p>(2) In the case where Dusit Thani, Dusit Management and/or the subsidiary of Dusit Management violate or fail to comply with the agreement as prescribed under the agreement relating to the investment in the Hotel Project.</p>
Undertaking to provide the Financial Support	<p>During the period that Dusit Management and/or the subsidiary of Dusit Management are/is the sub-lessee and lessee of the Hotel Project under the agreement for sub-lease and lease of the Hotel Project, Dusit Thani agrees to provide financial support as well as to reserve money in order to support expenses incurred in the event where Dusit Management and/or the subsidiary of Dusit Management lack of financial liquidity or there are insufficient funds for the expenses incurred in the operation of the Hotel Project in order for Dusit Management and/or the subsidiary of Dusit Management to be able to operate the Hotel Project in accordance with the purposes and the highest benefits as Dusit Management and/or the subsidiary of Dusit Management has agreed with DREIT. In this regard, Dusit Thani agrees that any amount of loan or financial support contributed to Dusit Management and/or the subsidiary of Dusit Management will be deemed as subordinated debt, in which Dusit Thani shall be entitled to the repayment only if Dusit Management and/or the subsidiary of Dusit Management has paid all debts to DREIT and/or other creditors and during the term of the agreement for the sub-lease and lease of the assets of the Hotel Project, Dusit Thani agrees not to demand Dusit Management and/or the subsidiary of Dusit Management to repay such debts either in whole or in part unless a written consent from DREIT is obtained or unless Dusit Management and/or the subsidiary of Dusit Management have/has sufficient cash flow to continuously use in the operation of the Hotel Project so that Dusit Management and/or the subsidiary of Dusit Management are/is able to use such money to smoothly operate the Hotel Project</p>

3. Summary of the draft agreement regarding the Procurement of Benefits

Summary of the Draft Agreement for Sublease of Land and Lease of Assets (Dusit Thani Maldives Hotel (the "Hotel"))

Sublessor and Lessor	DMS2
Sublessee and Lessee	DMS3
Subleased/Leased Property	The details of the Subleased Property are set out in 1.5.2
Sublease/Lease Term	21 years commencing on the date on which the Lessor notifies the Lessee
Right to renew the lease term of the Leased property of the Lessee	<p>If, at least three years prior to the expiry of the lease term under this Agreement, the Lessor is desirous to lease out of the Leased Property, whether in whole or in part, to any other person, the Lessor shall first procure that the Lessee is given the right of first refusal to be considered for renewal of the lease term of the Leased Property and that the Lessor shall notify the Lessee of its intention in writing.</p> <p>When the Lessee receives the notice from the Lessor, the Lessee shall inform the Lessor of its intention to renew the lease term of the Leased Property <u>or</u> not to renew the lease term of the Leased Property in writing within 120 days from receipt of the notice by the Lessee, provided that:</p> <p>(a) if the Lessee denies the renewal of the lease term of the Leased Property or does not inform the Lessor of its intention to renew the lease term of the Leased Property in writing within 120 days from receipt of the notice, the Lessor may lease out the Leased Property to other persons.</p> <p>(b) if the Lessee is desirous to renew the lease term of the Leased Property, the Lessee shall inform the Lessor of its intention to renew the lease term of the Leased Property in writing within 120 days from receipt of the notice. The notice of such intention shall indicate the details of the proposal to renew the lease term of the Leased Property, including the rental fee or any consideration, and rental fee payment condition (the "Lessee's Acceptance Notice"). Accordingly, the Lessor shall consider the terms and condition of the lease of the Leased Property proposed by the Lessee in the Lessee's Acceptance Notice and the Lessor shall be able to compare the terms and conditions proposed by the Lessee with the terms and conditions for the lease of the Leased Property proposed to the Lessor by other persons at the time. In the case that the terms and conditions for the lease of the Leased Property proposed by the Lessee are not less favorable than those proposed by other persons, the Lessor shall not be entitled to deny the Lessee's right to renew the lease of the Leased Property.</p> <p>The parties acknowledge and agree that the renewal of the lease term of the Leased Property shall be subject to the approval of the unitholders' meeting of DREIT and/or relevant authorities.</p>
Rental Fee	<p>The rental fee rate and the calculation method shall be as set out in 3.1.1 Transaction on the sublease and lease of assets in relation to the operation of DTMD of this IFA report and the fixed rental fee shall be reviewed every three years.</p> <p>In the case that the variable rental fees stipulated in this Agreement calculated by the Hotel Manager or the Lessee are different, the rental fees from the audited or reviewed financial statements shall applied.</p>
Important duties of the Sublessee	<p>The duties of the Lessee shall be as set out in this Agreement, which include the following:</p> <ol style="list-style-type: none"> 1. The Lessee shall use the Leased Property in accordance with the purpose of the lease as specified in this Agreement and shall not operate any business in the Leased Property which is in violation of the law.

	<ol style="list-style-type: none"> 2. The Lessee shall not terminate or amend the hotel management agreement for the management of the hotel (the "Management Agreement"), whether in whole or in part, without the Lessor's prior written consent, provided that the Lessee shall notify the Lessor immediately in the case of an occurrence of any event which renders or may render that the Lessee is unable to undertake the management of the Hotel in compliance with the terms and conditions under the Management Agreement which results in the breach of the Management Agreement by the Lessee and the Management Agreement is terminated. 3. In the case that the lease of the Leased Property is renewed under the conditions of this Agreement, the Lessee shall obtain the necessary approval and/or consent and/or permission from the Ministry of Tourism, Arts and Culture of the Republic of Maldives and/or any other relevant government agencies. 4. The Lessee shall take any action in order to obtain any licenses or any documents in relation to and necessary for the Hotel business operation from the related government agencies and to comply with the material terms and conditions therein and to maintain the licenses which are important to the Hotel business operation during the entire lease term of this Agreement, including to assist with the communication, notification, and request for approval in relation to the compliance with this Agreement. 5. In any case where this Agreement terminates (except for the case where this Agreement terminates due to an Event of Default by the Lessor), the Lessee shall proceed to terminate all related employment agreements of the Hotel's personnel, unless the Lessor consents the Lessee in writing otherwise. The Lessee shall be liable for the expenses which relates to the termination of employment agreements of such Hotel's personnel (if any) and agrees that such expenses shall not be included into the calculation of the lease rent under this Agreement.
Conditions of the Leased Properties	<p>The Lessor shall deliver the Leased Properties to the Lessee in the condition as at the date of this Agreement and as per any other terms of this Agreement. With respect to the expenses incurred from the Leased Properties, the Lessor shall provide:</p> <ol style="list-style-type: none"> (a) annual statement for capital expenditure budget on change or adding of the Leased Furniture and Equipment (including other vehicles in relation to the Hotel business operation), as well as on renovation and maintenance of the Leased Furniture and Equipment, in the amount not exceeding 3 percent of the total revenue per annum. (b) budget reserves for the expenses on major renovation and maintenance of the Leased Properties, in the amount not exceeding 5 percent of the total revenue per annum. In any year, if the expenses on major renovation and maintenance of the Leased Properties are less than the budget reserves for the expenses on major renovation and maintenance of the Leased Properties (Renovation Budget) provided by the Lessor in such year in the amount as specified in the previous paragraph (the "Remaining Amount"), the parties agree to accumulate the Remaining Amount into the budget reserves for the expenses on major renovation and maintenance of the Leased Properties (Renovation Budget) provided by the Lessor for the following years until the Remaining Amount has been used up. <p>In this regard, the Lessee may consider the use of such budget reserves for the expenses on major renovation and maintenance of the Leased Properties (Renovation Budget) at its discretion, provided</p>

	<p>that the Lessee shall notify the Lessor of its plan to use the budget reserves for the expenses on major renovation and maintenance of the Leased Properties (Renovation Budget) with a prior written notice of not less than 90 days to allow the Lessor the time to procure source of fund.</p> <p>If the Lessor is unable to procure the source of fund for the budget reserves for the expenses on major renovation and maintenance of the Leased Properties (Renovation Budget) in the amount of which the Lessee has notified the Lessor pursuant to the previous paragraph and provided that the Lessor has used its best effort in proceeding so, it shall not be deemed as an Event of Default by the Lessor. However, if the Lessor is unable to procure the source of fund for the expenses on major renovation and maintenance of the Leased Properties in the amount of which the Lessee has notified the Lessor pursuant to the previous paragraph <u>for the period of 3 consecutive years</u> and the Lessor has used its best effort in proceeding so and the Lessee is not in breach of any provision under this Agreement, the parties agree to jointly negotiate in good faith to adjust the new rate for the lease rent. If the parties fail to agree on the new lease rent rate, this Agreement shall be deemed to be immediately terminated without constituting an Event of Default by either party.</p> <p>In considering the payment of benefits to the trust unitholders of DREIT, DREIT shall take into account of the expenses of the Lessor as specified above and use its effort to reserve the fund as a part of the expenses liable by the Lessor as specified herein. Nonetheless, in considering the payment of benefits to the trust unitholders of DREIT, DREIT shall comply with the related laws at the first instance.</p> <p>For the purpose of interpretation, the properties including the furniture and equipment occur from the expenses in (a) and (b) above shall belong to the Lessor and be deemed as the Leased Properties under this Agreement.</p>
Termination and Claim for Damages	<ol style="list-style-type: none"> (1) The Lessor has the right to terminate this Agreement by serving a notice to the Lessee in writing and/or file a lawsuit demanding the Lessee to perform the terms under this Agreement and/or claim damages from the Lessee if the Lessee commits any event of default specified under the Agreement. (2) The Lessee has the right to terminate this Agreement by serving a notice to the Lessor in writing and/or file a lawsuit demanding the Lessor to perform this Agreement and/or claim damages from the Lessor if the Lessor commits any event of default specified under the Agreement. (3) This Agreement shall be terminated immediately upon any of the following events: <ol style="list-style-type: none"> (a) Upon the expiry of the lease term of the Leased Property and the Lessor does not agree to renew this Agreement in accordance with the terms and conditions with respect to the right to renew the lease term specified in this Agreement; (b) The parties mutually agree to terminate this Agreement; (c) In the case that the Lessor does not have the right to use the Leased Property due to the termination of the Master Lease Agreement; or (d) In the case that the shareholders of the Lessor do not transfer their shares to DREIT or the shareholders of the Lessor exercise the right to buy back the shares from DREIT as specified in the Share Sale and Purchase Agreement.

