

No. L018/2018

March 26, 2018

**Subject: Amendment to the Opinion of the Independent Financial Advisor on the Tender Offer**

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

**Enclosure: Amendment to the Opinion of the Independent Financial Advisor on the Tender Offer**

Laguna Resorts & Hotels Public Company Limited (the "**Company**") would like to inform you that, today March 26, 2018, the Company has received the Amendment to the Opinion of the Independent Financial Advisor on the Tender Offer from Silom Advisory Company Limited, an Independent Financial Advisor.

The Company hereby submits the Amendment to the Opinion of the Independent Financial Advisor on the Tender Offer to the Stock Exchange of Thailand details of which are shown in the enclosure.

Please be informed accordingly.

Yours faithfully,

(Mr. Kuan Chiet)

Vice President – Finance & Administration



Silom Advisory 17/2018

26 March 2018

Subject Amendments on Opinion of the Independent Financial Advisor on the Tender Offer  
Laguna Resorts & Hotels Public Company Limited

To Secretary General, The Office of The Securities and Exchange Commission (the “**SEC**”)  
President, The Stock Exchange of Thailand (the “**SET**”)  
Board of Directors and Shareholders of Laguna Resorts & Hotels Public Company Limited

Re Opinion of the Independent Financial Advisor on the Tender Offer of Laguna Resorts & Hotels Public  
Company Limited dated 8 March 2018 and the amendment dated on 21 March 2018

Silom Advisory Company Limited (the “**IFA**”), as the independent financial advisor to provide the opinions on the tender offer of Laguna Resorts & Hotels Public Company Limited, would like to submit the amendments on Opinion of the Independent Financial Advisor on the Tender Offer of Laguna Resorts & Hotels Public Company Limited as per the comments from the SEC and the SET in which the details are as appeared in disclosures.

Yours sincerely,

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

**Amendments on Opinion of the Independent Financial Advisor on the Tender Offer  
of Laguna Resorts & Hotels Public Company Limited**

“Additional wordings are appeared in red texts and removed wordings are in strikethrough texts”

1. Amendment on Page Practice and Information Used in the Preparation of IFA Report

**Original**

4. Appraisal Report, in which the IFA has reviewed the appraisal reports and found the appraisal reports are for the internal use purpose, not the public use purpose.

**Amendment**

4. Appraisal Report, in which the IFA has reviewed the appraisal reports **appraised on 14 October 2016 and 19 February 2018 by Simon Lim & Partners Co., Ltd.** and found the appraisal reports are for the internal use purpose, not the public use purpose.

2. Amendment on Section 1 Page 3

**Original**

Approaches	Fair value of the Company's issued ordinary shares	
	Million Baht	Baht per share
Market Price Approach	4,479.78 – 4,879.70	26.88 – 29.28
Discounted Cash Flow Approach	5,105.29 – 5,890.82	30.63 – 35.34
Book Value Approach	12,401.89	74.40
Adjusted Book Value Approach	12,892.15	77.35
Market Comparable Approach		
- Price to Earnings Ratio	3,401.56 – 10,785.18	20.41 – 64.70
- Price to Book Value Ratio	26,656.83 – 31,352.11	159.93 – 188.09

As per managements interview and the disclosed information in the Tender Offer Book, the Offeror has no plans to change its business objective, and no plan to dispose its operating assets or close down business to liquidate all the assets. Thus, the Shareholders will receive the return from the existing business e.g. Hotel business, Property development business, Office rental business and others related business. Moreover; the Company has no plan to dispose operating assets in order to recognize its book value or market value. Considering the market price of the Company's ordinary shares traded in the SET, the market price is between 26.88 Baht per share to 29.28 Baht per share which is significantly under the Book value and Adjusted Book value. It indicates that under the on-going business of the Company, the shareholders might not consider the book value of the assets or the fair value of the assets but consider the expected return from the existing business of the Company.

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

Comparing Tender Offer Price of 40.00 Baht per share and fair value of the Company's issued ordinary shares of between 26.88 Baht per share and 35.34 Baht per share, the Tender Offer Price is higher than fair value of the Company's issued ordinary shares so that **the Tender Offer Price of 40.00 Baht per share is appropriate.**

#### Amendment

Approaches	Fair value of the Company's issued ordinary shares	
	Million Baht	Baht per share
Market Price Approach	4,479.78 – 4,879.70	26.88 – 29.28
Discounted Cash Flow Approach*	5,105.29 – 5,890.82	30.63 – 35.34
Book Value Approach	12,401.89	74.40
Adjusted Book Value Approach	12,892.15	77.35
Market Comparable Approach		
- Price to Earnings Ratio	3,401.56 – 10,785.18	20.41 – 64.70
- Price to Book Value Ratio	26,656.83 – 31,352.11	159.93 – 188.09

\* Fair value of the Company's issued ordinary shares by Discounted Cash Flow Approach as of 31 December 2017 excluded investment in associates is 4,053.07 Million Baht or 24.32 Baht per share.

As per managements interview and the disclosed information in the Tender Offer Book, the Offeror has no plans to change its business objective, and no plan to dispose its operating assets or close down business to liquidate all the assets. Thus, the Shareholders will receive the return from the existing business e.g. Hotel business, Property development business, Office rental business and others related business. Moreover; the Company has no plan to dispose operating assets in order to recognize its book value or market value. Considering the market price of the Company's ordinary shares traded in the SET, the market price is between 26.88 Baht per share to 29.28 Baht per share which is significantly under the Book value and Adjusted Book value. It indicates that under the on-going business of the Company, the shareholders might not consider the book value of the assets or the fair value of the assets but consider the expected return from the existing business of the Company.

The IFA views that the appropriate fair value of the Company's issued ordinary shares is the maximum from Market Price Approach and Discounted Cash Flow Approach as (1) Market Price Approach reflects the share price that investors can sell (2) Discounted Cash Flow Approach reflects values that the investors will obtain in case of continuous possession instead of disposal **since the management plan after the Tender Offer of the Company and the existing management have no plan to dispose any assets to recognize the book**

value, but to operate the existing business (Going Concern Basis) to generate return to the shareholders as the Company does in the present.

Comparing Tender Offer Price of 40.00 Baht per share and fair value of the Company's issued ordinary shares of between 26.88 Baht per share and 35.34 Baht per share, the Tender Offer Price is higher than fair value of the Company's issued ordinary shares so that **the Tender Offer Price of 40.00 Baht per share is appropriate.**

3. Amendment on Section 3 Page 1 No. 3.1 Book Value Approach

**Original**

As per managements interview and the disclosed information in the Tender Offer Book, the Offeror has no plans to change its business objective, and no plan to dispose its operating assets or close down business to liquidate all the assets. The fair value of the Company's issued ordinary shares using Book Value Approach only indicates the value of the Company at the certain point of time, the Company and shareholders will recognize the book value only if the Company dispose or liquidate the assets. In addition, the Book Value Approach ignores the future operation result of the Company which reflects the return to the shareholders if they continue holding the shares. Thus, the Book Value approach might not reflect the management plan of the Offeror which will maintain the business plan and the Company' profitability in the future. As such, the IFA opines that the Book Value Approach may be inappropriate in order to appraise the fair value of the Company's issued ordinary shares.

**Amendment**

As per managements interview and the disclosed information in the Tender Offer Book, the Offeror has no plans to change its business objective, and no plan to dispose its operating assets or close down business to liquidate all the assets. The fair value of the Company's issued ordinary shares using Book Value Approach only indicates the value of the Company at the certain point of time, the Company and shareholders will recognize the book value only if the Company dispose or liquidate the assets. In addition, the Book Value Approach ignores the future operation result of the Company which reflects the return to the shareholders if they continue holding the shares. Thus, the Book Value approach might not reflect the management plan of the Offeror to maintain the existing business **where the Company may maintain its profitability and return to the shareholders** in the future. As such, the IFA opines that the Book Value Approach may be inappropriate in order to appraise the fair value of the Company's issued ordinary shares **since the Company doesn't have plan to dispose any assets to recognize its book value but to operate the existing business to generate return to the shareholders as the Company does in the present.**

4. Amendment on Section 3 Page 2 No. 3.2 Adjusted Book Value Approach

**Original**

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

	<b>Book Value (Million Baht)</b>	<b>Adjusted Value (Million Baht)</b>	<b>Increase / (Decrease) (Million Baht)</b>	<b>Adjusted Book Value Approach</b>
Investment in Thai Wah Public Company Limited	807.28	1,033.66	226.38	Adjusted the value of the investment in Thai Wah Public Company Limited to be market value referring the market price as of 23 February 2018 which is the date prior to the date the Company received a letter regarding the intention for an Acquisition of Shares in the Company by Means of Voluntary Tender Offer.
Investment in Banyan Tree China Pte. Ltd.	121.12	385.00	263.88	Adjusted the equity value of Banyan Tree China Pte. Ltd. by proportion of the Company shares in the Banyan Tree China Pte. Ltd. equal to 385.00 Million Baht referring to the auditor's Note of the Company's financial statement.
<b>Total</b>	<b>928.40</b>	<b>1,418.66</b>	<b>490.26</b>	

The details of value adjustment are as following:

<b>Details</b>	<b>As of 31 December 2017</b>	<b>Unit</b>
<b>Book Value of Shareholders' Equity</b>	<b>12,401.89</b>	<b>Million Baht</b>
Adjustment per Appraisal Value	490.26	Million Baht
<b>Fair Value of Shareholders' Equity</b>	<b>12,892.15</b>	<b>Million Baht</b>
<u>Divided</u> Share Outstanding	166,682,701	Shares
<b>Fair Value of Issued Ordinary Share</b>	<b>77.35</b>	<b>Baht per share</b>

The fair value of the Company's issued ordinary shares using Adjusted Book Value Approach as of 31 December 2017 is 12,892.15 Million Baht or equal to 77.35 Baht per share.

The IFA has reviewed the appraisal reports and found the reports made up for the internal use purpose, not for the public purpose. Thus, the IFA didn't refer the appraisal reports to adjust the Company Book Value. Nevertheless, the Company had already adjusted the assets value in the Company's financial statement by referring the appraisal reports made up in October 2016 which has no significant difference comparing to the latest appraisal reports appraised in February 2018. The appraiser was the same company and listed in the List of Valuer approved by the Office of the SEC

As per managements interview and the disclosed information in the Tender Offer Book, the Offeror has no plans to change its business objective, and no plan to dispose its operating assets or close down business to liquidate all the assets. The fair value of the Company's issued ordinary shares using Adjusted Book Value Approach reflects the Book Value after adjusting assets, liabilities and others important items to be the fair value at the certain point of time, the Company and shareholders will recognize the value only if the Company dispose or liquidate the assets. In addition, the Book Value Approach ignores the future operation result of the Company which reflects the return to the shareholders if they continue holding the shares and the Company might also have the additional expenses in order to dispose the Company assets and might not be able to dispose it right away which the Adjusted Book Value Approach doesn't take into account.

Thus, the Adjusted Book Value approach might not reflect the management plan of the Offeror which will maintain the business plan and the Company's profitability in the future. As such, the IFA opines that the Adjusted Book Value Approach may be inappropriate in order to appraise the fair value of the Company's issued ordinary shares.

#### Amendment

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

	Book Value (Million Baht)	Adjusted Value (Million Baht)	Increase / (Decrease) (Million Baht)	Adjusted Book Value Approach
Investment in Thai Wah Public Company Limited	807.28	1,033.66	226.38	Adjusted the value of the investment in Thai Wah Public Company Limited to be market value referring the market price as of 23 February 2018 which is the date prior to the date the Company received a letter regarding the intention for an Acquisition of Shares in the Company by Means of Voluntary Tender Offer.
Investment in Banyan Tree China Pte. Ltd.	121.12	385.00	263.88	Adjusted the equity value of Banyan Tree China Pte. Ltd. <b>which is now booked by the book value</b> adjusted by proportion of the Company shares in the Banyan Tree China Pte. Ltd. equal to 385.00 Million Baht referring to the auditor's Note of the Company's financial statement <b>and the management account of the Banyan Tree China Pte. Ltd. as of 31 December 2017</b>
<b>Total</b>	<b>928.40</b>	<b>1,418.66</b>	<b>490.26</b>	

The details of value adjustment are as following:

Details	As of 31 December 2017	Unit
<b>Book Value of Shareholders' Equity</b>	<b>12,401.89</b>	<b>Million Baht</b>
Adjustment per Appraisal Value	490.26	Million Baht
<b>Fair Value of Shareholders' Equity</b>	<b>12,892.15</b>	<b>Million Baht</b>
<u>Divided</u> Share Outstanding	166,682,701	Shares
<b>Fair Value of Issued Ordinary Share</b>	<b>77.35</b>	<b>Baht per share</b>

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

The fair value of the Company's issued ordinary shares using Adjusted Book Value Approach as of 31 December 2017 is 12,892.15 Million Baht or equal to 77.35 Baht per share.

The IFA has reviewed the appraisal reports and found the reports made up for the internal use purpose, not for the public purpose. Thus, the IFA didn't refer the appraisal reports to adjust the Company Book Value. Nevertheless, the Company had already adjusted the assets value in the Company's financial statement by referring the appraisal reports made up in October 2016 which has no significant difference comparing to the latest appraisal reports appraised in February 2018. **The appraiser was Simon Lim & Partners Co.,Ltd. for the appraisal reports of both periods**, which is the appraiser who listed in the List of Valuer approved by the Office of the SEC.

As per managements interview and the disclosed information in the Tender Offer Book, the Offeror has no plans to change its business objective, and no plan to dispose its operating assets or close down business to liquidate all the assets. The fair value of the Company's issued ordinary shares using Adjusted Book Value Approach reflects the Book Value after adjusting assets, liabilities and others important items to be the fare value at the certain point of time, the Company and shareholders will recognize the value only if the Company dispose or liquidate the assets. In addition, the Book Value Approach ignores the future operation result of the Company which reflects the return to the shareholders if they continue holding the shares and the Company might also have the additional expenses in order to dispose the Company assets and might not be able to dispose it right away which the Adjusted Book Value Approach doesn't take into account.

Thus, the Adjusted Book Value approach might not reflect the management plan of the Offeror which will maintain the business plan and the Company' profitability in the future. As such, the IFA opines that the Adjusted Book Value Approach may be inappropriate in order to appraise the fair value of the Company's issued ordinary shares.



## 5. Amendment on Section 3 Page 9 No. 3.5 Discounted Cash Flow Approach

### **Original**

#### 3.5 Discounted Cash Flow Approach

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

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

The IFA classify revenues and costs according to type of business as disclose in the Company's financial statement with details as follows:

1. Hotel business and related business e.g. revenues from serviced rooms, revenues from foods and beverages, revenue from golf course, revenues from sale of product, and revenues from Laguna Service etc. There are 6 hotels consist of (1) Banyan Tree Bangkok hotel, (2) Banyan Tree Phuket hotel, (3) Angsana Laguna Phuket hotel, (4) Angsana Villa Resort Phuket hotel, (5) Cassia Phuket hotel, and (6) Angsana Ocean View hotel.
2. Revenues from property development business which occur from selling of room and holiday club memberships etc.
3. Revenues from office rental business which occur from rental of Thaiwa Building Bangkok and shop in Phuket etc.

### **Amendment**

#### 3.5 Discounted Cash Flow Approach

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

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

The IFA classify revenues and costs according to type of business as disclose in the Company's financial statement with details as follows:

1. Hotel business and related business e.g. revenues from serviced rooms, revenues from foods and beverages, revenue from golf course, revenues from sale of product, and revenues from Laguna Service etc. There are 6 hotels consist of (1) Banyan Tree Bangkok hotel, (2) Banyan Tree Phuket hotel, (3) Angsana Laguna Phuket hotel, (4) Angsana Villa Resort Phuket hotel, (5) Cassia Phuket hotel, and (6) Angsana Ocean View hotel.
2. Revenues from property development business which occur from selling of room and holiday club memberships etc. **Property Sales offers a range of residential and vacation properties such as apartments, townhomes, semi-detached and detached villas including hotel residences that are situated within a resort or hotel property. Investors in some Laguna properties have the option to receive a return on their investment by joining a hotel management scheme and renting their properties to guests.**
3. Revenues from office rental business which occur from rental of Thaiwa Building Bangkok and shop in Phuket etc.

#### 6. Amendment on Section 3 Page 14 Revenue Assumption of Cassia Phuket hotel revenue

##### **Original**

##### **Cassia Phuket hotel**

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

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
<b>Revenues from serviced rooms</b>	<b>Million Baht</b>	<b>10.27</b>	<b>86.91</b>	<b>103.93</b>	<b>132.78</b>	<b>163.23</b>	<b>226.60</b>	<b>232.56</b>	<b>239.33</b>
-- Number of serviced rooms	Rooms	27	206	207	257	307	413	413	413
-- Occupancy rate	%	38.70%	53.41%	67.45%	67.45%	67.45%	67.45%	67.45%	67.45%
-- Average room rate per night	Baht/room/night	2,692	2,158	2,039	2,099	2,160	2,222	2,287	2,354
-- Growth of average room rate per night	%	<i>n.a.</i>	<i>(19.83%)</i>	<i>(5.51%)</i>	<i>2.91%</i>	<i>2.91%</i>	<i>2.91%</i>	<i>2.91%</i>	<i>2.91%</i>
<b>Revenues from foods and beverages</b>	<b>Million Baht</b>	<b>2.21</b>	<b>15.63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
-- Percentage of revenues from serviced rooms	%	21.51%	17.98%	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
<b>Other revenues</b>	<b>Million Baht</b>	<b>0.25</b>	<b>3.30</b>	<b>1.90</b>	<b>2.43</b>	<b>2.99</b>	<b>4.15</b>	<b>4.26</b>	<b>4.39</b>
<i>-- Percentage of revenues from serviced rooms and revenues from foods and beverages</i>	<i>%</i>	<i>1.99%</i>	<i>3.21%</i>	<i>1.83%</i>	<i>1.83%</i>	<i>1.83%</i>	<i>1.83%</i>	<i>1.83%</i>	<i>1.83%</i>
<b>Total revenues of Cassia Phuket hotel</b>	<b>Million Baht</b>	<b>12.72</b>	<b>105.84</b>	<b>105.83</b>	<b>135.22</b>	<b>166.22</b>	<b>230.76</b>	<b>236.82</b>	<b>243.71</b>

### Revenues from serviced rooms

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

Number of serviced rooms – Based on interview with the Company's management, the Company has a plan to lease the rooms sold to customers back, so that the IFA estimates number of rooms assumption based on the Company's management as most of the customers are likely willing to rent the rooms back as per their demands of returns from rental income. The IFA opine that the plan is possible as the majority of buyers have tendency to lease the rooms to the Company in order to yield benefit from those rooms in which the leaseback plan is refer from management projection.

From the information received from the Company's management, Cassia Phuket hotel can be divided in to 3 phases as follows:

	No. of Room	No. of Room Sold*	No. of Room under hotel services	Construction Complete	Commencement of Hotel operation
Phase 1	229	183	207	2014	2015
Phase 2	105	45	100	2017**	2018
Phase 3	87	11	106	2019	2020

\* Excluding reservation without signed agreement

\*\* Completion of construction for Floor 1 to 3 in 2560

## **Amendment**

### Cassia Phuket hotel

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

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
<b>Revenues from serviced rooms</b>	<b>Million Baht</b>	<b>10.27</b>	<b>86.91</b>	<b>103.93</b>	<b>132.78</b>	<b>163.23</b>	<b>226.60</b>	<b>232.56</b>	<b>239.33</b>
-- Number of serviced rooms	Rooms	27	206	207	257	307	413	413	413
-- Occupancy rate	%	38.70%	53.41%	67.45%	67.45%	67.45%	67.45%	67.45%	67.45%
-- Average room rate per night	Baht/room/night	2,692	2,158	2,039	2,099	2,160	2,222	2,287	2,354
-- Growth of average room rate per night	%	<i>n.a.</i>	<i>(19.83%)</i>	<i>(5.51%)</i>	<i>2.91%</i>	<i>2.91%</i>	<i>2.91%</i>	<i>2.91%</i>	<i>2.91%</i>
<b>Revenues from foods and beverages</b>	<b>Million Baht</b>	<b>2.21</b>	<b>15.63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
-- Percentage of revenues from serviced	%	<i>21.51%</i>	<i>17.98%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
rooms									
<b>Other revenues</b>	<b>Million Baht</b>	<b>0.25</b>	<b>3.30</b>	<b>1.90</b>	<b>2.43</b>	<b>2.99</b>	<b>4.15</b>	<b>4.26</b>	<b>4.39</b>
– Percentage of revenues from serviced rooms and revenues from foods and beverages	%	1.99%	3.21%	1.83%	1.83%	1.83%	1.83%	1.83%	1.83%
<b>Total revenues of Cassia Phuket hotel</b>	<b>Million Baht</b>	<b>12.72</b>	<b>105.84</b>	<b>105.83</b>	<b>135.22</b>	<b>166.22</b>	<b>230.76</b>	<b>236.82</b>	<b>243.71</b>

#### Revenues from serviced rooms

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

Number of serviced rooms – Based on interview with the Company's management, the Company has a plan to lease the rooms sold to customers back, so that the IFA estimates number of rooms assumption based on the Company's management as most of the customers are likely willing to rent the rooms back as per their demands of returns from rental income. **As of now there are only 8.08% of rooms that are not in the lease back program due to the owner's intention to stay, however the owners are able to rent the rooms later.** The IFA opine that the plan is possible as the majority of buyers have tendency to lease the rooms to the Company in order to yield benefit from those rooms in which the leaseback plan referred from management projection **expecting to be able to lease back all the rooms of Cassia project.**

From the information received from the Company's management, Cassia Phuket hotel can be divided in to 3 phases as follows:

	No. of Room	No. of Room Sold*	No. of Room under hotel services	Construction Complete	Commencement of Hotel operation
Phase 1	229	183	207	2014	2015
Phase 2	105	45	100	2017**	2018
Phase 3	87	11	106	2019	2020

\* Excluding reservation without signed agreement

\*\* Completion of construction for Floor 1 to 3 in 2560

#### 7. Amendment on Section 3 Page 16 Assumption on Other revenues from hotel business

##### **Original**

##### **Other revenues from hotel business**

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
<b>Other revenues from hotel business</b>	<b>Million Baht</b>	<b>509.09</b>	<b>552.42</b>	<b>531.91</b>	<b>601.64</b>	<b>631.51</b>	<b>733.73</b>	<b>760.44</b>	<b>791.32</b>
– Percentage of Revenues from hotel business	%	19.58%	18.85%	17.02%	18.48%	18.48%	18.48%	18.48%	18.48%

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

From the information received from the Company's management, the other revenues have components as follows:

		2558A	2559A	2560A
Revenues from sale of product	Million Baht	161.82	179.01	141.61
Revenue from golf course	Million Baht	68.30	81.67	92.26
Revenues from Laguna Service	Million Baht	278.98	291.74	298.04

### Amendment

#### Other revenues from hotel business

		2015A	2016A	2017A	2018F	2019F	2020F	2021F	2022F
Other revenues from hotel business	Million Baht	509.09	552.42	531.91	601.64	631.51	733.73	760.44	791.32
- Percentage of Revenues from hotel business	%	19.58%	18.85%	17.02%	18.48%	18.48%	18.48%	18.48%	18.48%

The IFA estimates other revenues from hotel business which consists of the following businesses:

1. Revenues from sale of product by the Gallery Shop located in the hotels selling home decoration products
2. Revenues from golf course by serving the golf course, caddy service and golf cart
3. Revenues from Laguna Service which serve others hotel and residences project the laundry and water retreatment circulate in the project

The IFA estimates other revenues from hotel business based on proportion of other revenues from hotel business comparing to operating revenues from hotel business (excluding other revenues) since those revenue directly vary by number of hotel's guests, thus the IFA estimates the other revenues from hotel business based on the hotels revenue

The IFA set at 18.48 percent based on the averaged proportion in 2015, 2016, and 2017.

From the information received from the Company's management, the other revenues have components as follows:

		2558A	2559A	2560A
Revenues from sale of product	Million Baht	161.82	179.01	141.61
Revenues from golf course	Million Baht	68.30	81.67	92.26

		2558A	2559A	2560A
Revenues from Laguna Service	Million Baht	278.98	291.74	298.04

## 8. Amendment on Section 3 Page 17 Assumption on the Revenues from property development business

**Original**

## 3.5.1.2 Revenues from property development business

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

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

The IFA doesn't projection each type of revenues (e.g. revenues from selling of room and revenues from holiday club memberships etc.) as the revenues is selling in principal, however, the type of selling may be different that is ownership transfer and leasehold rights which is depended on agreement between the Company and client. The IFA use growth rate at 6.09 percent as the selling of hotel room has similar characteristic to selling of condominium. The IFA use the growth rate instead of the management projection plan as the revenues recognition of real estate sales which will recognize lump sum when the property is transferred so that if the IFA use the management projection, it may be affect the cash flow in last year of projection and affect fair value of the Company's issued ordinary shares. The value will depend on the last year of projection whether the Company has cash flow from property sale or not. In this regard, the IFA has considered sum of revenues in projection (2018 – 2022) and management projection, and found that it is not significant different.

**Amendment 3.5.1.2** Revenues from property development business

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

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

The IFA doesn't projection each type of revenues (e.g. revenues from selling of room and revenues from holiday club memberships etc.) as the revenues is selling in principal, however, the type of selling may be different that is ownership transfer and leasehold rights which is depended on agreement between the Company and client. The IFA use growth rate at 6.09 percent as the selling of hotel room has similar characteristic to selling of condominium. The IFA use the growth rate instead of the management projection plan as the revenues recognition of real estate sales which will recognize lump sum when the property is transferred so that if the IFA use the management projection, it may be affect the cash flow in last year of projection and affect fair value of the Company's issued ordinary shares. The value will depend on the last year of projection whether the Company has cash flow from property sale or not. In this regard, the IFA has considered sum of revenues in projection (2018 – 2022) **by management projection around 5,200 Million Baht** which is not significant different from IFA projection which is around **5,540.64 Million Baht**.

#### 9. Amendment on Section 3 Page 25 Assumption on Rental Expense

##### Original

##### Rental Expense

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

The IFA estimates Rental expense based on proportion of rental expense comparing to revenues from serviced rooms as the Company lease back rooms sold out to rent out in hotel business, which is set at 14.71 percent based on the proportion in 2015, 2016, and 2017. From the information received from the Company's management, all hotels have sales and leaseback scheme.

##### Amendment

##### Rental Expense

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

The IFA estimates Rental expense based on proportion of rental expense comparing to revenues from serviced rooms as the Company lease back rooms sold out to rent out in hotel business, which is set at 14.71 percent based on the proportion in 2015, 2016, and 2017. From the information received from the Company's management, all hotels have sales and leaseback scheme. **Most of the rental expense occurred by the project in Phuket, the rental in Bangkok in projects are just a few from the sold rooms in the past in which now the Company has no plan to sell and lease back any further rooms in Bangkok.**

## 10. Amendment on Section 3 Page 32 No 3.5 Discounted Cash Flow Approach

**Original****Fair Value of the Company's Issued Ordinary Shares**

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

	<b>Unit: Million Baht</b>
<b>Net present value of free cash flows</b>	<b>6,196.97</b>
<u>Add</u> Cash and cash equivalent as of 31 December 2017	1,009.98
<u>Add</u> Deposit savings and other investments as of 31 December 2017	621.59
<u>Add</u> Investment in associates as of 31 December 2017*	1,418.66
<u>Deduct</u> Total interest bearing debts as of 31 December 2017	(3,734.46)
<u>Deduct</u> Provision in lawsuit as of 31 December 2017	(41.02)
<b>Fair value of equity</b>	<b>5,471.73</b>
<u>Divide</u> Total outstanding shares	166,682,701
<b>Fair value of equity per share</b>	<b>32.83</b>

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

Based on Discounted Cash Flow Approach, fair value of the Company's issued ordinary shares as of 31 December 2017 is 5,471.73 Million Baht or 32.83 Baht per share.

In case, excluded the adjusted of value of investment in associated, fair value of the Company's issued ordinary shares as of 31 December 2017 is 4,981.47 Million Baht or 29.89 Baht per share.

**Amendment****Fair Value of the Company's Issued Ordinary Shares**

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

	<b>Unit: Million Baht</b>
<b>Net present value of free cash flows</b>	<b>6,196.97</b>
<u>Add</u> Cash and cash equivalent as of 31 December 2017	1,009.98
<u>Add</u> Deposit savings and other investments as of 31 December 2017	621.59
<u>Add</u> Investment in associates as of 31 December 2017*	1,418.66
<u>Deduct</u> Total interest bearing debts as of 31 December 2017	(3,734.46)
<u>Deduct</u> Provision in lawsuit as of 31 December 2017	(41.02)
<b>Fair value of equity</b>	<b>5,471.73</b>
<u>Divide</u> Total outstanding shares	166,682,701
<b>Fair value of equity per share</b>	<b>32.83</b>



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

Based on Discounted Cash Flow Approach, fair value of the Company's issued ordinary shares as of 31 December 2017 is 5,471.73 Million Baht or 32.83 Baht per share.

In case, excluded the adjusted of value of investment in associated, fair value of the Company's issued ordinary shares as of 31 December 2017 is 4,981.47 Million Baht or 29.89 Baht per share.

In case, excluded the value of investment in associated, fair value of the Company's issued ordinary shares as of 31 December 2017 is 4,053.07 Million Baht or 24.32 Baht per share.

11. Amendment on Section 3 Page 37 No 3.7 Summary of Appraisal and Appropriateness of Tender Offer Price

**Original**

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

Approaches	Fair value of the Company's issued ordinary shares	
	Million Baht	Baht per share
Market Price Approach	4,479.78 – 4,879.70	26.88 – 29.28
Discounted Cash Flow Approach	5,105.29 – 5,890.82	30.63 – 35.34
Book Value Approach	12,401.89	74.40
Adjusted Book Value Approach	12,892.15	77.35
Market Comparable Approach		
- Price to Earnings Ratio	3,401.56 – 10,785.18	20.41 – 64.70
- Price to Book Value Ratio	26,656.83 – 31,352.11	159.93 – 188.09

**Amendment**

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

Approaches	Fair value of the Company's issued ordinary shares	
	Million Baht	Baht per share
Market Price Approach	4,479.78 – 4,879.70	26.88 – 29.28
Discounted Cash Flow Approach*	5,105.29 – 5,890.82	30.63 – 35.34
Book Value Approach	12,401.89	74.40
Adjusted Book Value Approach	12,892.15	77.35
Market Comparable Approach		
- Price to Earnings Ratio	3,401.56 – 10,785.18	20.41 – 64.70

Approaches	Fair value of the Company's issued ordinary shares	
	Million Baht	Baht per share
- Price to Book Value Ratio	26,656.83 – 31,352.11	159.93 – 188.09

\* Fair value of the Company's issued ordinary shares by Discounted Cash Flow Approach as of 31 December 2017 excluded investment in associates is 4,053.07 Million Baht or 24.32 Baht per share.

## 12. Amendment on Section 4 Page 1 No 3.7 Reasons for acceptance and/or reject on the tender offer

### Original

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

Conclusion of fair value is demonstrated in table below:

Approaches	Fair value of the Company's issued ordinary shares	
	Million Baht	Baht per share
Market Price Approach	4,479.78 – 4,879.70	26.88 – 29.28
Discounted Cash Flow Approach	5,105.29 – 5,890.82	30.63 – 35.34
Book Value Approach	12,401.89	74.40
Adjusted Book Value Approach	12,892.15	77.35
Market Comparable Approach		
- Price to Earnings Ratio	3,401.56 – 10,785.18	20.41 – 64.70
- Price to Book Value Ratio	26,656.83 – 31,352.11	159.93 – 188.09

### Amendment

The IFA considers Form 247-4, dated 2 March 2018 **and the amendment dated on 21 March 2018**, and other information and views that **the shareholders should accept the tender offer** as the Tender Offer Price is appropriate where the IFA conduct the valuation of the fair value of the Company's issued ordinary shares as of 31 December 2017 with 5 approaches; 1) Market Price Approach 2) Discounted Cash Flow Approach 3) Book Value Approach 4) Adjusted Book Value Approach and 5). Market Comparable Approach. Conclusion of fair value is demonstrated in table below:

Approaches	Fair value of the Company's issued ordinary shares	
	Million Baht	Baht per share

Market Price Approach	4,479.78 – 4,879.70	26.88 – 29.28
Discounted Cash Flow Approach*	5,105.29 – 5,890.82	30.63 – 35.34
Book Value Approach	12,401.89	74.40
Adjusted Book Value Approach	12,892.15	77.35
Market Comparable Approach		
- Price to Earnings Ratio	3,401.56 – 10,785.18	20.41 – 64.70
- Price to Book Value Ratio	26,656.83 – 31,352.11	159.93 – 188.09

\* Fair value of the Company's issued ordinary shares by Discounted Cash Flow Approach as of 31 December 2017 excluded investment in associates is 4,053.07 Million Baht or 24.32 Baht per share.