
2018 KEY FINANCIAL HIGHLIGHTS

- **Total revenue swelled by 56.6% YoY to THB 6,976mn**, preeminently due to full year consolidation of the hotel business in Europe and from acquired assets under the Entire Business Transfer of Unicorn Enterprises Limited (EBT of UE)
- **EBITDA and EBITDA margin was THB 977mn and 14.0%, respectively, surging by 578.0% or THB 833mn**, largely as a result of the aforementioned reasons above and lower loss on impairment of assets
- **Reported net loss of THB 629mn**, mainly from a lower loss on impairment of assets of THB 355mn (THB 781mn in the previous year)
- **Total assets as of 31 December 2018 stood at THB 53,964mn, growing considerably by 34.7% or THB 13,902mn from 31 December 2017**, mostly from the EBT of UE, which was funded by a capital increase via issuance of preferred shares in the first quarter
- **Net debt to equity ratio as of 31 December 2018 stood at 0.55x**, an improvement from 0.93x in 31 December 2017. Current ratio as of the same date and period stood at 2.67x, a considerable improvement from 1.69x, both mainly as a result of the aforementioned capital increase

SIGNIFICANT EVENTS

4 January 2018: EGM for capital increase and EBT of UE. U City's shareholders at the Extraordinary General Meeting (EGM) approved a number of simultaneous transactions which includes (i) the entire business transfer of Unicorn Enterprise Company Limited (EBT of UE), a wholly-owned subsidiary of BTS Group Public Company Limited (BTS) to U City, (ii) the issuance of preferred shares and warrants of U City via private placement and a rights offering and (iii) the disposal of certain non-core assets

22 January 2018: Private Placement as part of capital increase. The Company completed the private placement of 26,384mn preferred shares to Bangkok Bank Public Company Limited (BBL) at an offering price of THB 0.034, raising proceeds totaling THB 897mn

28 February 2018: Acquisition of a formerly managed hotel. VHE Bratislava Real Estate s.r.o., a wholly owned subsidiary of Vienna House, entered into a Real Estate Purchase Agreement with Hotel AVION s.r.o. (a non-related party) for the acquisition of the 176-key hotel Vienna House Easy Chopin Bratislava, which was formerly only managed by Vienna House for EUR 8.9mn (THB 347mn). On 1 March 2018, all economic benefits, risks, obligations, and rights attached to the hotel were transferred to the purchaser, while the legal ownership of the hotel was successfully transferred on 19 April 2018

16 March 2018: Completion of capital increase and EBT of UE. The Company completed (i) the private placement of 63,882.4mn preferred shares at an offering price of THB 0.034 or totaling THB 2,172.0mn to UE, as a partial component of the consideration for EBT of UE as well as issuing and offering up to 31,941mn U-W3 warrants to UE at no cost, (ii) a rights offering to existing shareholders, of which 283,791mn preferred shares were subscribed, raising proceeds totaling THB 8,798mn, (iii) issuing and offering to BBL 13,192mn in U-W3 warrants at no cost and (iv) issuing and offering 141,896mn U-W4 warrants at no cost to existing shareholders who subscribed to the rights offering and (v) EBT of UE

27 March 2018: Disposal of non-core assets. The Company completed the disposal of land plots located on Charansanitwong Road for THB 510mn. The land plots were part of a certain number of assets to be disposed, which received shareholders' approval at the EGM held on 4 January 2018

30 March 2018: Disposal of non-core assets. The Company completed the disposal of units of a commercial building and accompanying land at Tambon Pa Rai, Amphoe Aranyaprathet, Sa Kaeo (Park Aran Boulevard) for THB 155mn. The units and land were part of a certain number of assets to be disposed, which received shareholders' approval at the EGM held on 4 January 2018

27 April 2018: Exploring further expansion opportunities. Vienna International Hotelmanagement AG (VI) signed a non-binding letter of intent (LOI) with Nakheel PJSC, the largest property developer in Dubai, to jointly develop a new resort on Deira island, Dubai under Vienna House's brand. The expected total value of the project is up to THB 5,000mn. Should the project proceed to a stage where a binding agreement is to be signed, the Company will request approval from the Board of Directors or at a Shareholders' Meeting (as the case may be)

30 April 2018: AGM held. The Company held the Annual General Meeting of Shareholders wherein all resolutions proposed were approved

10 May 2018: Creating a foundation for Vienna House Expansion in Thailand. Vienna International Hotelmanagement AG (Vienna House) acquired shares in Vienna House (Thailand) Company Limited, a JV company between Vienna House and Absolute Hotel Services Co., Ltd (AHS) with a 30:70 stake, respectively to facilitate the expansion of Vienna House management services in Thailand

30 May 2018: Creating a foundation for Vienna House Expansion in Asia. Vienna House subscribed to shares in Vienna House Asia Limited, a JV company between Vienna House and Absolute Hotel Services Hong Kong Limited with a 30:70 stake, respectively to facilitate the expansion of Vienna House management services in Asia (excluding Thailand)

1 June 2018: Four additional Projects for Sansiri JV. The Company acquired 50% of the total ordinary shares in 4 subsidiaries of Sansiri Public Company Limited (Sansiri) at a total price of THB 75.5mn. As a result, (i) Siripat One Company Limited, (ii) Siripat Two Company Limited, (iii) Siripat Three Company Limited and (iv) Bangkok Sky Sukhumvit 34 Company Limited are now joint venture companies between the Company and Sansiri for the purpose of real estate development

27 June 2018: Spinning off Eastin Grand Sathorn to a new company. The Company established a new wholly-owned subsidiary, EGS Assets Company Limited to hold the land and building of Eastin Grand Sathorn Hotel, which was formerly held by BTS Assets Company Limited (BTS Assets). BTS Assets continues to hold landplots at Mochit

6 July 2018: Opening of a new Vienna House Hotel. The 205-key Vienna House Easy Leipzig (VHE Leipzig) hotel under Vienna House was fully launched

4 September 2018: Vienna House partners with major hotel developer. Vienna House has acquired a 50% stake in UBM+VH Hotels GmbH (UBM JV) for EUR 2.65mn or equivalent to THB 101.6mn for the purpose of carrying out hotel management services

13 September 2018: Vienna House establishes a new subsidiary and signs a new operating lease contract. REVO München Hotelbetriebs GmbH, with a registered capital of EUR 25,000 or equivalent to THB 0.96mn has been established by Vienna House for the purpose of investment in the assets business. Vienna House has also signed a new 20-year operating lease contract for a 607-key hotel under the newly launched R.evo brand located in Munich, Germany

22 September 2018: Sansiri JV launches 'THE BASE Saphanmai' project for presales. The second project launched this year under the Sansiri JV, with a total project value of THB 2.7bn, 820 units and an average selling price per unit of THB 3.3mn

12 October 2018: Extraordinary Shareholders' Meeting approves capital restructuring. The Extraordinary Shareholders' Meeting (EGM) approves a series of transactions, namely (i) a reverse stock split of ordinary and preferred shares at a ratio of 100:1, (ii) a minor capital increase through a private placement, for the purpose of facilitating the reverse stock split via a rounding of fractional shares and (iii) a capital reduction for the purpose of reducing the deficit in the separate financial statements of the Company.

5 November 2018: U City's ordinary and preferred shares start trading at new par value. The reverse stock split which came into effect on 31 October 2018, adjusted the par value of both share types to THB 100 per share from THB 1 per share and the rights of U-W1 and U-W4 tradeable warrants to an exercise price of THB 6 per warrant and a conversion ratio of 1 warrant for 0.01 ordinary share (from THB 0.06 and 1 warrant for 1 ordinary share previously)

17 November 2018: Sansiri JV launches 'THE LINE Phahonyothin Park' project for presales. The third project launched this year under the Sansiri JV, with a total project value of THB 4.9bn, 880 units and an average selling price per unit of THB 5.6mn

1 December 2018: Opening of 'Eastin Thana City Golf Resort'. The 194-key Eastin Thana City Golf Resort Bangkok, a hotel located within the Thana City Country Club, was fully launched as the first Eastin resort in Thailand

18 December 2018: Establishment of a new subsidiary as part of hospitality business restructuring. The Company established a new, wholly-owned subsidiary, U Global Hospitality Company Limited, with a registered capital of THB 300mn. The subsidiary will facilitate the planned restructuring of the holding structure of U City's hospitality business

26 December 2018: Par value and capital reduction. The Company registered the capital reduction of its registered and paid-up capital with the Department of Business Development, Ministry of Commerce. The par value of both the Company's ordinary and preferred shares have been reduced to THB 3.20 from THB 100.

18 January 2019. Signing of first VH-AHS JV managed hotel, 'Vienna House Vung Tau'. Vienna House Asia Limited, 30:70 JV Company between Vienna House and Absolute Hotel Services Hong Kong, signed new hotel management service agreement for 775-key Vienna House Vung Tau Hotel in Vietnam.

2018 PERFORMANCE

2018 P&L SNAPSHOT AND ANALYSIS

(THB mn)	2018	2017	YoY	4Q 2018	3Q 2018	% QoQ
Operating revenues	6,396.2	4,029.7	58.7%	1,718.4	1,699.5	1.1%
Other revenues	580.0	424.3	36.7%	250.9	83.0	202.3%
Total Revenue	6,976.2	4,454.0	56.6%	1,969.3	1,782.5	10.5%
Operating expenses	2,431.1	1,466.3	65.8%	679.9	621.4	9.4%
Selling and administrative expenses	3,213.5	2,062.2	55.8%	969.9	825.1	17.5%
Loss on impairment of assets	355.0	781.5	(54.6)%	0.0	355.0	(100.0)%
EBITDA	976.5	144.0	578.0%	319.5	(19.0)	N.A.
Share of profit/loss from JVs/associates (equity income)	31.1	(1.1)	N.A.	37.9	9.4	303.4%
Finance cost	909.8	556.3	63.6%	111.0	132.5	(16.2)%
Reported Net Profit/Loss	(628.9)	(983.2)	(36.0)%	93.1	(387.5)	N.A.
GOP margin (%)	62.0%	63.6%		60.4%	63.4%	
EBITDA margin (%)	14.0%	3.2%		16.2%	(1.1)%	
Operating EBITDA margin (%)*	19.1%	20.8%		16.2%	18.9%	
Reported Net profit margin (%)	(9.0)%	(22.1)%		4.7%	(21.7)%	

* Excludes impairment charges

U City reported total consolidated revenue of THB 6,976mn in 2018. This represented an increase of 56.6% YoY or THB 2,522mn from THB 4,454mn in 2017. Please note, that the Company has restated its financial statements for the same period of the previous year after the fair value measurement of the identifiable assets acquired and the liabilities assumed at the acquisition date, and the measurement of goodwill of the hotel business in Europe was completed in the second quarter of 2018. The revenue growth was chiefly attributed to (i) higher operating revenue from the hotel business in Europe, which contributed operating revenue of THB 4,600mn, an increase of 67.4%YoY or THB 1,852mn; (ii) consolidation of income generating assets and management income from the EBT of UE since 16 March 2018, whose revenue contribution for the year amounted to THB 437mn and (iii) an increase of 36.7% YoY or THB 156mn of other revenue to THB 580mn.

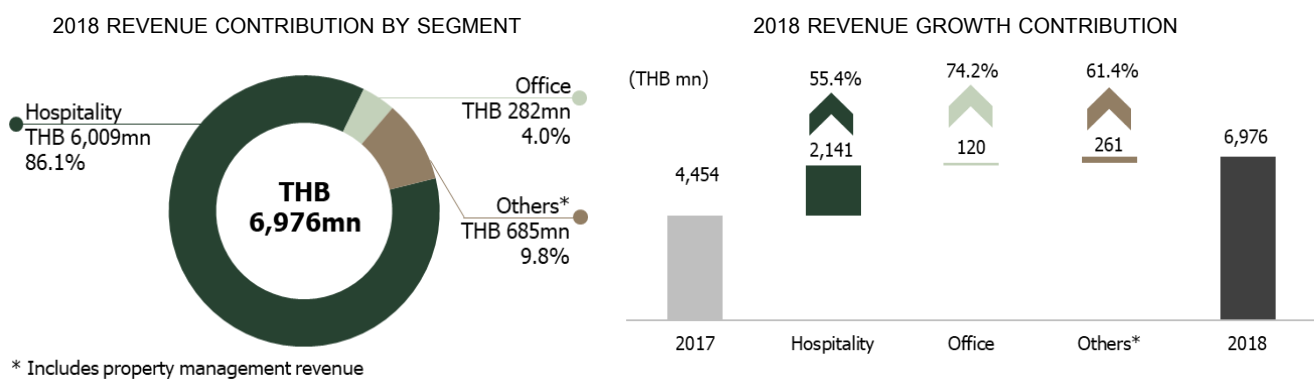
Total consolidated expenses amounted to THB 6,683mn in 2018, an increase of 40.3% YoY or THB 1,921mn. During the year the Company recorded a loss on impairment of assets of THB 355mn, from a revaluation of an equity investment. The YoY increase in total consolidated expenses was largely as a result of (i) the full year consolidation of the hotel business in Europe (compared to 7 months in 2017), (ii) consolidation of expenses from the EBT of UE and (iii) expenses related to the restructuring of the holding structure of the Company, being partially offset by (iv) lower loss on impairment of assets, which decreased by THB 426mn.

Reported share of profit from associates/JVs was THB 31mn, compared to a loss of THB 1.1mn last year. The increase in share of profit from associates/JVs was primarily from (i) a THB 27mn share of profit from Vienna House, derived largely from the UBM JV that was acquired on 4 September 2018 to lease and manage two hotels in Munich, Germany, (ii) a share of profit of THB 11mn from Absolute Hotel Services (AHS), (iii)

a share of profit from an associate company, MHG, which manages serviced apartments adjoining Anantara Chiang Mai Hotel, being partially offset by a share of loss from Sansiri and Keystone JVs that are bearing costs associated with sales, marketing and/or project development.

Finance costs were THB 910mn, an increase of 63.6% YoY or THB 354mn. The increase was mainly from (i) full year recognition of finance expenses related to the hotel business in Europe and (ii) recognition of finance costs associated with liabilities assumed from the EBT of UE. The net loss of the Company during the year narrowed to THB 629mn, or by THB 354mn from a net loss of THB 983mn. The net profit margin of the Company in 2018 was therefore (9.0)%, versus (22.1)% in 2017.

SEGMENTAL PERFORMANCE



In 2018, the hospitality segment contributed the lion's share of total revenue at 86.1%, followed by others (including management income) at 9.8% and the office segment at 4.0%. Total revenue derived overseas stood at 71% with the remaining balance being Thailand-sourced at 29%.

Within the **hospitality segment**, revenue grew by THB 2,141mn or 55.4% YoY to THB 6,009mn, chiefly from (i) higher operating revenues and full year consolidation of the hotel business in Europe, which grew 67.4% YoY or THB 1,852mn to THB 4,600mn, (ii) the consolidation of 4 additional hotels from the EBT of UE (U Sathorn, U Chiang Mai, U Inchantree Kanchanaburi and since December 2018, Eastin Thana City Golf Resort), which contributed THB 222mn and (iii) the improving overall operating performance of all 3 of our hotels in Thailand, Eastin Grand Sathorn, Anantara Chiang Mai and Avani Khon Kaen hotels, which grew by 5.9% YoY or THB 67mn to THB 1,187mn. Within the **office segment**, revenue grew by THB 120mn or 74.2% YoY to THB 282mn, largely as a result of (i) the contribution of TST Tower of THB 96mn and (ii) rental income growth of 9.9% YoY or THB 16mn from 33 Gracechurch Street office building, being partially offset by lower revenue of THB 2mn from Underwood Street office building (THB 6mn in the previous year) as the building was under renovation for the majority of the year. **Other income** grew 61.4% YoY or THB 261mn to THB 685mn, mainly from (i) higher interest income of THB 239mn, (ii) management income of THB 105mn for property management and administration services rendered, (iii) higher other (sundry) income of THB 71mn being primarily offset by (iv) lower gain on sale of assets and subsidiaries of THB 204mn.

HOSPITALITY SEGMENT

HOTEL PORTFOLIO & PERFORMANCE SNAPSHOT

	No. of Keys			ADR (THB/night)			Occupancy			RevPAR (THB/night)		
	2018	2017	+/-	2018	2017	+/-	2018	2017	+/-	2018	2017	+/-
Owned	3,961	3,550	411	2,788	2,878	(90)	66.3%	72.9%	(6.6)	1,850	2,098	(248)
Operating Leased	1,295	963	332	3,430	3,594	(164)	74.1%	80.0%	(5.9)	2,542	2,744	(202)
Managed*	4,619	2,509	2,110	3,420	3,039	381	74.2%	72.7%	1.5	2,536	2,209	327
Total Operational	9,875	7,022	2,853	3,001	3,096	(95)	68.8%	75.3%	(6.5)	2,065	2,331	(266)
Hotels in Pipeline	17,122	1,253	15,869									
Grand Total	26,997	8,275	18,722									

* Includes JV hotels with UBM, excludes ADR, Occupancy and RevPAR of AHS managed hotels

By end 2018, total number of operational keys stood at 9,875, an increase of 2,853 keys YoY. The increase in operational owned keys by 411 keys to 3,961 keys was largely as a result of the EBT of UE, in which the Company added 2 hotels, Eastin Thana City Golf Resort (which was under construction at the time of the aforesaid transaction and has been open since December 2018) and U Inchantree Kanchanaburi. The number of operational operating leased keys increased by 332 keys due to the EBT of UE (U Sathorn and U Chiang Mai hotels) and the opening of the VHE Leipzig hotel. The number of managed keys increased by 2,110 keys as a result of EBT of UE, which included the acquisition of 50% of AHS. The number of keys in our future pipeline stands at 17,122, an increase of 15,869 keys YoY, largely as a result of the AHS' contribution and new operating leases signed under Vienna House. All-in-all, total number of keys under U City stood at 26,997 keys.

Overall ADR, Occupancy rate and RevPAR of our hotels stood at THB 3,001, 68.8% and THB 2,065, respectively. Overall RevPAR decreased by THB 266 YoY, from THB 2,331, chiefly as a result of full year consolidation of the hotel business in Europe (1Q 2017 low season wasn't consolidated last year), renovation impact of key hotels located in Czech Republic and Poland and softer MICE business in Poland.

LATEST ADDITION TO U CITY – EASTIN THANA CITY OPEN FOR BUSINESS DURING THE QUARTER

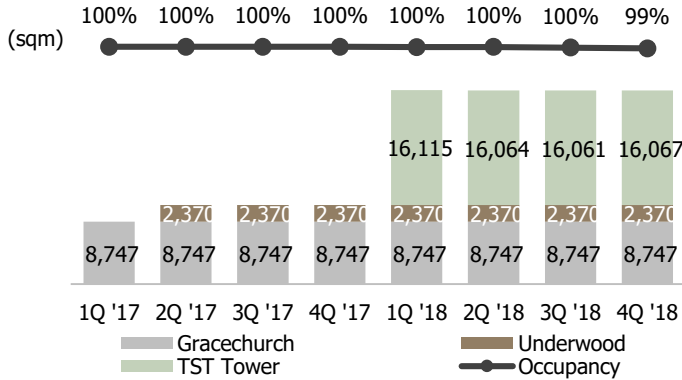


HOTELS UNDER RENOVATION DURING THE PERIOD

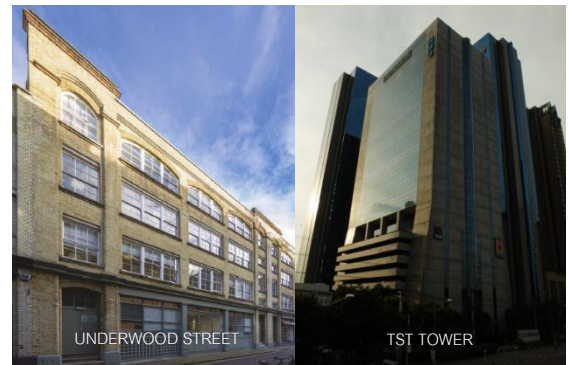


OFFICE SEGMENT

BLENDED OFFICE PERFORMANCE METRICS
NET FLOOR AREA (NFA) & OCCUPANCY RATE



99% BLENDED OCCUPANCY
UNDERWOOD STREET RENOVATION COMPLETED



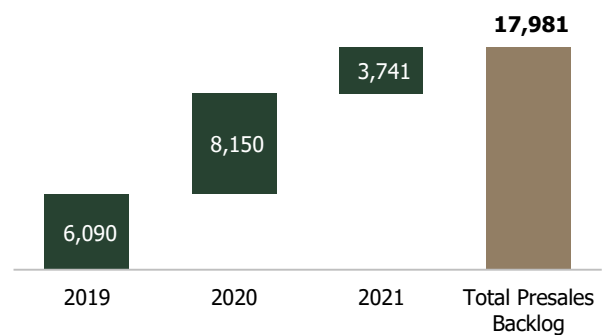
Renovation of Underwood Street office building was completed in early February 2019 and we're currently in negotiations with potential new tenants for Underwood Street. As such, Underwood Street was still excluded from the occupancy rate calculation during this period (but shall be included from 1Q 2019 onwards). As of 4Q 2018, U City's office building portfolio was 99% occupied on a blended basis, down slightly from the previous year on tenant turnover at TST Tower.

RESIDENTIAL SEGMENT

JV WITH SANSIRI PROJECTS EXPECTED TO TRANSFER IN 2019

PROJECT	PRESALES BACKLOG (THB mn)
The LINE Ratchathewi	40
The LINE Asoke-Ratchada	781
The BASE Garden Rama 9	561
The LINE Wongsawang	42
The MONUMENT Thonglor	1,191
The LINE Sukhumvit 101	2,158
The LINE Phahon-Pradipat	589
THE BASE Phetchkasem 29	196
KHUN BY YOO Thonglor	532
Total	6,090

JV WITH SANSIRI TOTAL PRESALES BACKLOG (THB mn)

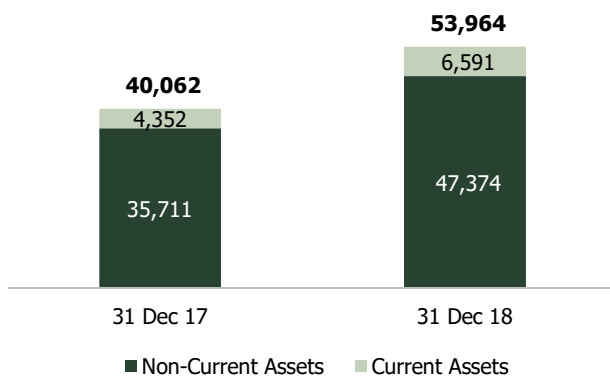


As of 31 December 2018, the Company has total cumulative, non-equity stake-adjusted, presales backlog of THB 17,981mn to be transferred by 2021.

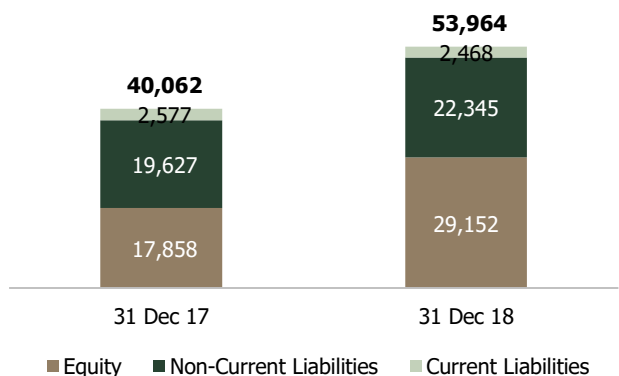
During the year, the Sansiri JV transferred units of the ready-to-move-in The Line Wongsawang, The Line Ratchathewi, The Line Asoke-Ratchada and Base Garden Rama 9 projects and launched presales of The Line Wongsawang, The Base Saphanmai and The Line Phahonyothin Park projects for a total of 2,988 condominium units and a total project value of approximately THB 12.7bn.

FINANCIAL POSITION

(THB mn)



(THB mn)



Total assets as of 31 December 2018 stood at THB 53,964mn, an increase of 34.7% or THB 13,902mn from 31 December 2017. The increase was primarily attributed to the following below:

Mainly due to the EBT of UE:

- (i) an increase in long-term loans to related parties and interest receivables of THB 5,050mn
- (ii) an increase in investments to joint-ventures of THB 3,047mn (Sansiri JVs, AHS and Keystone JVs acquired)
- (iii) an increase in land and project awaiting development of THB 1,921mn (largely from land plots acquired)
- (iv) an increase in investment properties of THB 1,165mn (chiefly from buildings acquired)
- (v) an increase in property, plant and equipment of THB 835mn
- (vi) an increase in leasehold rights of THB 361mn (leasehold hotels acquired)

Mostly due to the capital increase in the first quarter:

- (vii) an increase in cash and cash equivalents of THB 1,414mn
- (viii) an increase in current investments of THB 1,379mn (treasury operations)

Predominantly for other reasons:

- (ix) an increase in trade and other receivables of THB 170mn, chiefly from a Thai hotel and the EBT of UE, being partially offset by:
- (x) a decrease in current and non-current portion of receivables from sales of investments in subsidiaries totaling THB 996mn from the settlement of receivables of last year's disposal of subsidiaries owning land plots at Bangkrachao;
- (xi) a decrease in real estate projects under development of THB 620mn.

Total liabilities as of 31 December 2018 was THB 24,813mn, increasing by 11.7% or THB 2,609mn from 31 December 2017. This was largely due to (i) long-term loans from related parties and interest payables of THB 5,027mn, or the outstanding debt assumed from the EBT of UE, (ii) an increase in trade and other payables of THB 171mn, being partially offset by, predominantly (iii) a decrease in current and non-current portion of long-term loans from financial institutions of THB 1,902mn, (iv) a decrease in current and non-current portion of liabilities under finance lease agreements of THB 619mn and (v) a decrease in bank overdrafts and short-term loans from financial institutions of THB 216mn.

Total equity as at 31 December 2018 amounted to THB 29,152mn, growing by 63.2% or THB 11,293mn. We draw attention to the fact that in the 4th quarter of the year, the Company undertook a series of shareholder-approved transactions that include, a minor capital increase for the elimination of fractional shares, a reverse stock split and a capital reduction. These transactions concluded on 26 December 2018 with the capital reduction to reduce the Company's deficit and eliminate the share discount, prompting a final adjustment to the par value of the Company's ordinary and preferred shares to THB 3.20 per share. As a result of the aforesaid transactions, a year-on-year comparison of the changes of specific components of equity attributable to owners of the Company are less meaningful. That being said, key drivers of total equity growth were (i) issued and fully paid-up capital, net of share discount, deficit and other components of shareholders' equity increasing by THB 11,292mn and non-controlling interests of the subsidiaries growing by THB 1mn.

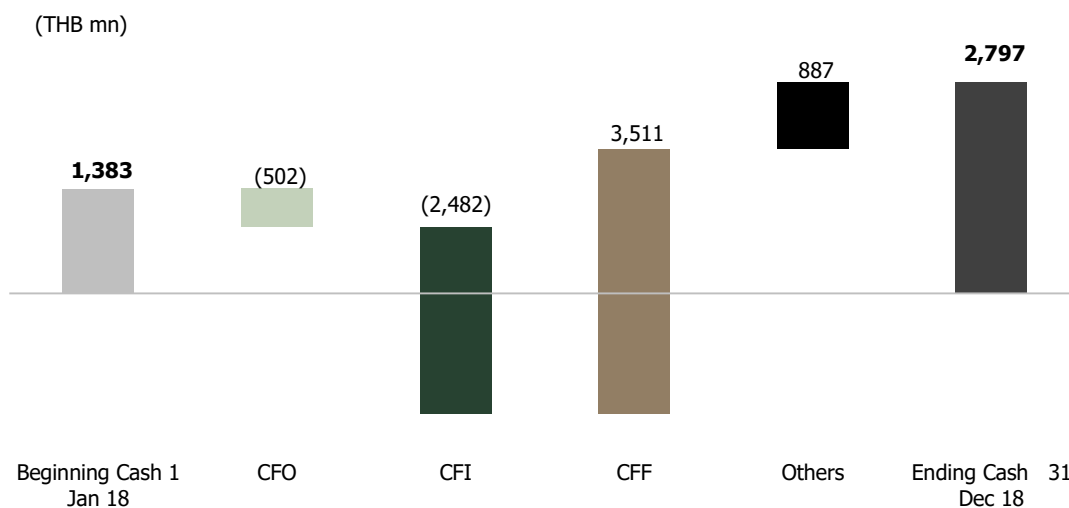
CAPITAL STRUCTURE

As of 31 December 2018, U City's total interest-bearing debt was THB 20,344mn, an increase of 12.5% or THB 2,257mn from the balance as of 31 December 2017. This was mainly due to the assumption of outstanding debt from EBT of UE. Net interest-bearing debt to equity ratio stood at 0.55 times, an improvement from 0.93 times at the end of last year, chiefly due an increase in shareholder equity from the capital increase in the first quarter more than offsetting the abovementioned.

For the 12 months ended 31 December 2018, capital expenditure for U City was THB 1,480mn, an increase of 190.2% or THB 970mn, primarily from an increase in cash paid for property, plant and equipment. Capital expenditure excludes investments or long-term loans to related parties, which is classified as an investment.

CASH FLOW

TWELVE-MONTHS CASH FLOW SNAPSHOT



For the 12 months ended 31 December 2018, **cash and cash equivalents** stood at THB 2,797mn, an increase of 102.2% or THB 1,414mn. Cash used in operating activities was THB 502mn. This was derived from loss before tax of THB 586mn, being partially offset by (i) non-cash reconciling items of THB 1,269mn and (ii) changes in net working capital of THB (90)mn. After deducting cash paid for interest expenses of THB 922mn and cash paid for income tax of THB 173mn, **net cash used in operating activities** was THB 502mn.

Net cash used in investing activities was THB 2,482mn. The key components were (i) increase in current investments of THB 1,322mn, (ii) cash paid for purchases of property, plant and equipment of THB 1,113mn, (iii) increase in long-term loans to related parties of THB 773mn, (iv) cash paid for purchases of investment properties of THB 344mn and (v) cash paid for purchases of investments in joint ventures of THB 120mn, being partially offset by (vi) cash received from sales of assets of THB 665mn, (vii) dividend received of THB 283mn and (viii) cash received from interest of THB 263mn.

Net cash from financing activities was THB 3,511mn. The key components were (i) cash received from issuance of preference shares of THB 9,695mn, (ii) cash received from long-term loans from financial institutions of THB 1,061mn and (iii) cash received from receivable of sales of investments in subsidiaries of THB 1,058mn, being partially offset by (iv) repayment of long-term loans from related party of THB 5,050mn and (v) repayment of long-term loans from financial institutions of THB 2,643mn and (vi) repayment of liabilities under finance lease agreements of THB 533mn.

BUSINESS PLAN AND OUTLOOK

We target for 2019, THB 7,200 - 7,500mn in total revenue, EBITDA margin of at least 20% and total capex and investments amounting to THB 1.9 - 2.2bn.

The majority of revenues will continue to be from our hospitality business, which is expected to generate THB 6,200 - 6,500mn. We expect Vienna House to benefit from (1) the uplift of renovating 5 hotels, (2) the opening of 2 hotels Vienna House Mokotow Warsaw and Vienna House Easy Kronberg, (3) improving operating performance of all other Vienna House hotels and (4) restructuring of the holding structure of Vienna House that is expected to yield significant long-term cost savings. We expect nearly 2,528 in managed hotels to become operational under AHS in 2019. This is anticipated to considerably grow the aforementioned management platform. Moreover, a milestone has been achieved with the signing of the first hotel management agreement under the Vienna House Asia Limited JV between Vienna House and AHS Hong Kong for the Vienna House Vung Tau hotel in Vietnam. The Vienna House-AHS JVs are expected to be the vehicle through which we can explore and benefit from synergies of importing Vienna House's brand DNA to Asia.

In our office business, we're guiding revenues of THB 300-350mn for 2019. The bulk of this revenue growth will come from (1) the full-year revenue contribution of TST Tower and (2) Underwood Street office building, which has completed major renovations and is now ready to contribute recurring income for the benefit of the Company. In addition, we've completed the restructuring of the holding structure of 33 Gracechurch Street, thereby improving the cost efficiency of administrating the asset.

For our residential business we expect to launch 4 projects totaling THB 7.6bn under the Sansiri JV. These projects will continue to be located in close proximity to mass transit and target niche segments with excellent design concepts derived from the extensive experience of our partner, Sansiri.

Construction of the 'The Unicorn' mixed-use building that is adjacent to Phayathai BTS and Airport Rail Link stations continues apace and was 8% completed by end December. We maintain our expectation that the building is to be completed by 3Q 2021. Construction of the international school is also proceeding according to plan, which was 25% complete by end December. We expect to finish construction of the international school by 1Q 2020.

We remain actively engaged in our asset divestment programme, which remains in process. The remaining assets to be divested total THB 2.3bn and include 2 plots of land in Chonburi and Korat, Avani Khon Kaen hotel; a service apartment in Chiang Mai and Park Ramindra condominium. Tangible progress has been made on the disposal of Anantara Chiang Mai hotel with the signing of a sales agreement on 12 February 2019.

Finally, we'll continuously inspire, incentivise and invest in our staff through continuous training and cultivating a collaborative environment. Fostering good community relations is an important principal to us and we'll continue to extend our hands to the local community to grow together as partners. In 2019 we'll continue to extract additional value from our assets and from the foundations laid since the previous year.

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(Miss. Piyapom Phanachet)

Executive Director and Chief Executive Officer