

(Translation)

No. LT.F 033/2020

7 August 2020

Subject Management Discussion & Analysis (MD&A) of Operating Results for the Company and its subsidiaries for the 3rd quarter ended 30th June, 2020

To The President
The Stock Exchange of Thailand

Fraser's Property (Thailand) Public Co., Ltd. ("the Company") would like to report the financial results of the Company and its subsidiaries for the 3rd quarter ended 30 June 2020 to the SET.

During financial year 2019, the Company acquired shares of Golden Land Property Development Public Co., Ltd. ("GOLD") which was under the common control of an ultimate controlling shareholder. As a result, the Group's consolidated financial statements, including comparative information, were prepared in a manner similar to a pooling of interest method. Please refer to note 4 of the Interim Financial Statements for further details.

The Company's significant change in performance for the 3rd quarter ended 30 June 2020 was as follows:

The Company recognized the revenue for the 3rd quarter 2020 at Baht 4,882.54 million, a decrease of Baht 148.58 million, or 3.0% from the same period of last year. And net profit was recognized at Baht 398.70 million, a decrease of Baht 398.59 million or 50.0% from the same period of last year. The Company's significant changes in revenue are as follows:

- i. An increase in revenue from sales of real estate by Baht 440.63 million or 12.8%. With Covid-19 situation, most of home developers were started to slash their selling price and combine with sales promotion with commercial bank. So, home buyers believe it is a right time to buy a new home with better function than their existing one for future work-from-home trend.
- ii. A decrease in revenue from hotel business by Baht -95.83 million or -74.2% resulting from COVID-19 effect that started to lower tourist inbound since late January 2020.
- iii. A decrease in gain on sales of investment properties by Baht -506.27 million when comparing with the same prior period. This year we plan to sell investment properties in the 4th quarter.
- iv. the Group's other incomes increased from reversal property tax expense for the previous year in amounting of Baht 84.7 million

The Company had total expenses of Baht 4,421.54 million, an increase of Baht 510.28 million or 13.1% from the same period of last year mainly due to:

- i. An increase in cost of sales of real estate by Baht 536.51 million or 23.9% which higher than increasing in revenue from sales of real estate. Due to sales discount and promotion cost.
- ii. An increase in administrative expenses by Baht 65.84 million or 10.6% resulting from loss from exchange rate in amounting of Baht 106 million. However, the Group got benefit from reducing land tax rate about 90%, approximately Baht 26.76 million, in 3rd quarter.

Nevertheless, net profit attributable to the owners of the Company for the 3rd quarter 2020 was Baht 384.54 million, an increase of Baht 110.28 million or 40.2% from the same period of last year due to the consolidation of GOLD's performance.

For the period 9-months ended 30th June, 2020 The Company net profit was recognized at Baht 1,557.54 million, a decrease of Baht -1,152.83 million or -42.5% from the same period of last year. The Company's significant changes in revenue are as follows:

- i. A decrease in gain on sales of investment properties net unrealised gain by Baht -905.51 million. This year we plan to sell investment properties in the 4th quarter.
- ii. A decrease in share of profit from associates and JV by Baht -165.91 million. Because One of our JV just opened their new mix use commercial center at early of this period. Therefore high expenses occurred.
- iii. An increase of finance costs by Baht -278.32 million. Due to cost of debt for new investment in GOLD.

Nevertheless, net profit attributable to the owners of the Company for the period 9-months ended 30th June, 2020 was Baht 1,505.62 million, an increase of Baht 476.54 million or 46.3% from the same period of last year due to the consolidation of GOLD's performance.

Financial Position as at 30 June 2020

The Company's total assets was Baht 96,749.64 million, which increased by Baht 4,363.19 million or 4.7% from 30 September 2019 mainly due to the increase in real estate projects under development by Baht 3,230.20 million and investment in associates and joint venture in amounting of Baht 1,495.19 million.

The Company's total liabilities was Baht 68,399.82 million, which increased by Baht 3,883.82 million or 6.0% from 30 September 2019 mainly due to issuance of new debentures and drawdown of bank loans for business expansion.

Yours faithfully,

(Mr.Sopon Racharaksa)
President and Acting Chief
Executive officer