

**Information Memorandum on the Connected Transaction of U City Public Company Limited
and the Assets Disposition Transaction of the Company and its subsidiary
to Thanulux Public Company Limited Pursuant to Schedule 2 of the Notification of
The Board of Governors of the Stock Exchange of Thailand**

Pursuant to the Board of Directors' Meeting of U City Public Company Limited (the "**Company**") No. 6/2022, which was held on Friday, 30 September 2022, which resolved to approve the disposal of ordinary shares in the joint venture companies and subsidiary by the Company and its subsidiary to Thanulux Public Company Limited ("**TNL**"), with the particulars as follows:

(A) The assets disposition by the Company

- (1) Disposition of 250,000 ordinary shares in Ratchada Alliance Co., Ltd., with a par value of THB 100 per share, representing 50 percent of all shares of the company, at the total consideration of THB 24,100,000;
- (2) Disposition of 3,840,000 ordinary shares in Phraram 9 Alliance Co., Ltd., with a par value of THB 100 per share, representing 50 percent of all shares of the company, at the total consideration of THB 6,750,000;
- (3) Disposition of 1,500,000 ordinary shares in Khu Khot Station Alliance Co., Ltd., with a par value of THB 100 per share, representing 50 percent of all shares of the company, at the total consideration of THB 113,666,000;
- (4) Disposition of 1,500,000 ordinary shares in Majestic Park Co., Ltd. with a par value of THB 100 per share, representing 50 percent of all shares of the company, at the total consideration of THB 156,272,000;
- (5) Disposition of 250,000 ordinary shares in Suksawat Alliance Co., Ltd., with a par value of THB 100 per share, representing 50 percent of all shares of the company, at the total consideration of THB 27,000,000; and
- (6) Disposition of 1,000,000 ordinary shares in Future Domain Co., Ltd., with a par value of THB 100 per share, representing 50 percent of all shares of the company, at the total consideration of THB 148,634,200; and

(B) The assets disposition by the Company's subsidiary

Disposition of 50,000 ordinary shares in Ratburana Alliance Co., Ltd., with a par value of THB 100 per share, representing 50 percent of all shares of the company, at the total consideration of THB 55,502,590,

(the transactions in (A) and (B) shall be collectively referred to as the "**Transactions**").

The total value of the Transactions equals THB 531,924,790.

Since TNL will have the same major shareholder with the Company, i.e., BTS Group Holdings Public Company Limited ("**BTS**"), given that as at 30 September 2022, BTS holds ordinary and preferred shares, either directly or indirectly, in the Company representing 45.94 percent of the total paid-up shares of the Company, and BTS will hold shares of TNL representing 58.91 percent of the total paid-up shares of TNL (after the capital increase offering to BTS by way of issuance and offering of newly issued ordinary shares to specific person (Private Placement), which is expected to take place before the completion of the Transactions and the tender offer for all securities of TNL after subscription for the said newly issued ordinary shares); thus resulting in TNL a legal entity with the common major shareholder with the Company and a connected person

of the Company under the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) (as amended) (the “**Notifications on Connected Transactions**”). Therefore, the entry into the Transactions is considered a connected transaction under the Notification on Connected Transaction, of which after the calculation based on the reviewed consolidated financial statement of the Company for the second quarter ended 30 June 2022, the transaction size is equal to 12.09 percent, which exceeds 3 percent of the Company’s net tangible assets (NTA).

Therefore, the Company is obliged to comply with the requirements under the Notifications on Connected Transactions, as follows:

- 1) To disclose the information memorandum on the Transactions to the Stock Exchange of Thailand (the “**SET**”) under the Notifications on Connected Transactions;
- 2) To hold a shareholders’ meeting to consider approving the Transactions, provided that the shareholders shall have resolved to approve such transactions with the votes of not less than three-fourths of all votes of the shareholders present at the meeting and entitled to vote, excluding the votes of the interested shareholders from the calculation base;
- 3) To appoint an independent financial advisor (IFA) to provide its opinion on the Transactions, including submitting such opinion to the Office of the Securities and Exchange Commission, the SET and the shareholders of the Company. In this regard, the Company has appointed a financial advisor approved by the Office of the Securities and Exchange Commission, namely Silom Advisory Co., Ltd., to act as the independent financial advisor to provide its opinion on the Transactions this time.

In addition, the Transactions are also considered the disposition of assets by the Company under the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transaction Deemed as Acquisition or Disposal of Assets (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposal of Assets B.E. 2547 (2004) (as amended) (the “**Notifications on Acquisition or Disposal of Assets**”), with the highest value of the Transactions equals to 6.17 percent, based on the total value of consideration basis (reference from the latest reviewed consolidated financial statements of the Company for the period ended 30 June 2022). In addition, the Company has other assets disposition transactions over the past 6 months equals 14.62 percent, and after combined with the size of these Transactions, the total size of the transactions is equal to 20.79 percent. Therefore, the Transactions shall be regarded as class 2 transaction under the Notifications on Acquisition or Disposal of Assets, i.e., transactions with a size exceeding 15 percent but not exceeding 50 percent. The Company, therefore, is required to disclose the information memorandum on the Transactions to the SET and send a circulation letter to the shareholders, which contains at least information as required by the Notifications on Acquisition or Disposal of Assets within 21 days from the date of disclosure of such information to the SET.

The Company hereby proposes the extraordinary meeting of shareholders of the Company no.1/2022 to consider and approve the entry into the Transactions. In addition, the Company hereby informs the additional information as prescribed in the Schedule 2 of the Notifications on Acquisition or Disposal of Assets and in the invitation letter to shareholders’ meeting as prescribed under the Notifications on Connected Transactions, with necessary information for shareholders’ decision as follows:

1. Information Memorandum Pursuant to Schedule 1 of the Notifications on Acquisition or Disposal of Assets and Notifications on Connected Transactions

Details are as set forth in Information Memorandum on the Connected Transaction of U City Public Company Limited and the Assets Disposition Transaction of the Company and its subsidiary to Thanulux Public Company Limited (Enclosure 1).

2. Responsibility of the Board of Directors on the Information in the Documents Sent to the Shareholders

The Board of Directors will be responsible for the information provided in this Information Memorandum and other documents sent to the shareholders of the Company (the “**Documents**”). In this regard, the Board of Directors of the Company has carefully reviewed the information in the Documents and hereby certify that the Documents is accurate, complete and contains no false information; no material facts which are necessary or must be included in the Information Memorandum have been omitted; and the Information Memorandum does not contain any misleading information which may cause misunderstanding in the essence of the Information Memorandum.

3. The Company’s Information and Business

3.1 Nature of Business Operations

The Company engages in the property development business both domestic and international, life insurance business, and investment in other financial service businesses, of which can be divided in 4 categories as follows:

- (1) Property business for sale, lease, service, and hotels (both domestic and international), which comprising of hotel business, hotel management, office rental (both domestic and international), commercial space rental, management and operation of golf courses and sport club, asset management, mixed-used development and hotel, and real estates for sale businesses;
- (2) Life insurance business;
- (3) Investment in other financial services businesses, e.g., Jaymart and Singer; and
- (4) Other property business, e.g. international school.

3.2 List of the Board of Directors, Executives, and Top 10 Shareholders as of the Book Closing Date

(1) List of the Board of Directors as of 30 September 2022

Name	Position
1. Mr. Keeree Kanjanapas	Chairman
2. Me. Rungson Sriworasat	Independent Director, Chairman of the Audit Committee, Nomination, Remuneration Committee
3. Mr. Chaiwat Atsawintarangkun	Independent Director, Audit Committee, Chairman of the Nomination, Remuneration Committee

Name	Position
4. Mr. Plakorn Wanglee	Independent Director, Audit Committee, Nomination and Remuneration Committee
5. Mr. Surajit Gongvatana	Director
6. Mr. Kavin Kanjanapas	Director
7. Mr. Kong Chi Keung	Director
8. Ms. Soraya Satiangoset	Director

(2) List of the Executives as of 30 September 2022

Name	Position
1. Mr. Surajit Gongvatana	Chairman of Executive Committee
2. Ms. Soraya Satiangoset	Executive Committee, Chief Executive Officer(Acting), Chief Financial Officer
3. Mr. Veerapong Rodjanawarodom	Executive Committee, Chief Operating Officer
4. Ms. Nuttapun Giramethakul	Senior Vice President of Accounting, Senior Vice President of Financing (Acting)

(3) List of the Top 10 Shareholders as of 30 September 2022 (The Latest Record Date of the Company)

List of Top 10 Preferred Shareholders

No.	Shareholders	No. of Shares	Shareholding Percentage
1	BTS Group Holdings Public Company Limited	12,651,085,529	48.277
2	CGS-CIMB Securities (Hong Kong) Limited	5,000,000,000	19.080
3	Bangkok Bank Public Company Limited	3,053,841,912	11.653
4	PHILLIP SECURITIES (Hong Kong) Limited	813,617,906	3.105
5	Bualuang Long-Term Equity Fund	514,478,100	1.963
6	Thai NVDR Company Limited	485,341,456	1.852
7	Saha Pathana Inter-Holding Public Company Limited	373,000,000	1.423

No.	Shareholders	No. of Shares	Shareholding Percentage
8	Mr. Vonnarat Tangkaravakoon	273,120,000	0.905
9	Bualuang Flexible RMF	162,923,100	0.622
10	Bualuang Equity RMF	118,405,000	0.452

List of Top 10 Ordinary Shareholders

No.	Shareholders	No. of Shares	Shareholding Percentage
1	BTS Group Holdings Public Company Limited	1,964,916,952	35.002
2	Thai NVDR Company Limited	369,395,257	6.580
3	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	100,289,624	1.787
4	Mr. Chatchai Kittivorasakul	65,000,000	1.158
5	Mr. Chaiyan Chakornkul	59,264,896	1.056
6	EAST FOURTEEN LIMITED –DFA EMERG MARKET CORE EQ PORT	42,111,064	0.750
7	Mr. Nam Cholsaipan	40,676,239	0.725
8	Mr. Netthiraj Pongnaruesorn	38,000,000	0.677
9	Mr. Jiradej Chongwattanasilpkul	30,160,000	0.537
10	Saha Pathana Inter-Holding Public Company Limited	28,000,000	0.499

3.3 Related Party Transactions in year 2021 and 2022 until the Latest Quarter ended 30 June 2022

The related party transactions between the Company and its subsidiaries with person / entity which may have conflicts of interests for the fiscal period ended 30 June 2022 are detailed as follows:

(1) U City Public Company Limited

Description of the relation: The Company has related party transactions with the subsidiaries of BTS, the major shareholder of the Company, as follows:

Item	Description of Transaction	Transaction Type	Transaction Value (THB)			Rationale of the transaction
			Outstanding 31 Dec 21	Transactions until 30 Jun 22	Outstanding 30 Jun 22	
1	Providing a management service with Mo Chit Land Company Limited, a subsidiary of the major shareholder of the Company.	Management service provider	1,251,900.00	4,965,000.00	2,423,550.00	This service is according to terms and conditions of the agreement which is beneficial to the business operation of the Company.
2	Entering into a service agreement of hardware & software maintenance with Yongsu Company Limited, a subsidiary of the major shareholder of the Company.	Hardware & Software Maintenance Service	0.00	2,560,074.09	447,474.00	This service is according to terms and conditions of the agreement which is beneficial to the business operation of the Company.

(2) Unison One Company Limited (Subsidiary of the Company)

Description of the relation: Unison One Company Limited has related party transactions with BTS, the major shareholder of the Company and the subsidiaries of BTS, as follows:

Item	Description of Transaction	Transaction Type	Transaction Value (THB)			Rationale of the transaction
			Outstanding 31 Dec 21	Transactions until 30 Jun 22	Outstanding 30 Jun 22	
1	Entering into a rental and service providing agreement of TST office renting (Floors 5 th & 6 th Zone C, 11 th & 12 th Zone B1, 14 th and 15 th) with BTS which is the major	Real estate rental transactions for a period not longer than 3 years	211,985.15	11,997,450.98	272,766.71	This rental, including property and equipment in such rental space, and the providing of services and facilities is

Item	Description of Transaction	Transaction Type	Transaction Value (THB)			Rationale of the transaction
			Outstanding 31 Dec 21	Transactions until 30 Jun 22	Outstanding 30 Jun 22	
	shareholder of the Company.					the rental for normal business operation of the lessee which is a general commercial condition.
2	Entering into a rental and service providing agreement of TST office renting (Floors 6 th Zone A, Floors 19 th Zone B2 and Floors 24 th Zone B2) with Bangkok Smartcard System Company Limited, the subsidiary of the major shareholder of the Company.	Real estate rental transactions for a period not longer than 3 years	117,408.96	5,437,486.00	133,735.02	This rental, including property and equipment in such rental space, and the providing of services and facilities is the rental for normal business operation of the lessee which is a general commercial condition.
3	Entering into a rental and service providing agreement of TST office renting (Floors 4 th Zone A, Floors 9 th , 10 th , 11 th Zone A and Floors 12 th Zone A1) with VGI Public Company Limited, the subsidiary of the major shareholder of the Company.	Real estate rental transactions for a period not longer than 3 years	1,887,340.81	9,059,777.70	313,289.41	This rental, including property and equipment in such rental space, and the providing of services and facilities is the rental for normal business operation of the lessee which is a general

Item	Description of Transaction	Transaction Type	Transaction Value (THB)			Rationale of the transaction
			Outstanding 31 Dec 21	Transactions until 30 Jun 22	Outstanding 30 Jun 22	
						commercial condition.
4	Entering into a rental and service providing agreement of TST office renting (Floors 11 th Zone B) with HHT Construction Company Limited, the subsidiary of the major shareholder of the Company.	Real estate rental transactions for a period not longer than 3 years	19,380.95	1,122,846.40	22,970.59	This rental, including property and equipment in such rental space, and the providing of services and facilities is the rental for normal business operation of the lessee which is a general commercial condition.

(3) Tanayong Property Management Company Limited (Subsidiary of the Company)

Description of the relation: Tanayong Property Management Company Limited has related party transactions with BTS, the major shareholder of the Company, as follows:

Item	Description of Transaction	Transaction Type	Transaction Value (THB)			Rationale of the transaction
			Outstanding 31 Dec 21	Transactions until 30 Jun 22	Outstanding 30 Jun 22	
1	Entering into a service providing agreement (sale agent, rental agent including property management for the Royal Place 1, the Royal Place 2 and the Grand) with BTS	Services providing transaction	11,796,750.00	9,264,000.00	6,199,580.00	This service providing transactions are according to terms and conditions of the agreement that is the normal business transactions

Item	Description of Transaction	Transaction Type	Transaction Value (THB)			Rationale of the transaction
			Outstanding 31 Dec 21	Transactions until 30 Jun 22	Outstanding 30 Jun 22	
						of the company.

(4) BTS Land Company Limited (Subsidiary of the Company)

Description of the relation: BTS Land Company Limited has related party transactions with BTS, the major shareholder of the Company, as follows:

Item	Description of Transaction	Transaction Type	Transaction Value (THB)			Rationale of the transaction
			Outstanding 31 Dec 21	Transactions until 30 Jun 22	Outstanding 30 Jun 22	
1	Receiving services on facility and common area of BTS	Facility and common fee	268,423.08	668,792.42	197,403.38	This transaction is according to a general commercial condition.

(5) EGS Assets Company Limited (Subsidiary of the Company)

Description of the relation: EGS Assets Company Limited has related party transactions with BTS, the major shareholder of the Company, as follows:

Item	Description of Transaction	Transaction Type	Transaction Value (THB)			Rationale of the transaction
			Outstanding 31 Dec 21	Transactions until 30 Jun 22	Outstanding 30 Jun 22	
1	Service providing of hotel room & other services of Eastin Grand Hotel Sathorn to BTS	Services providing transaction	4,230,100.92	21,660,825.98	3,394,139.06	This transaction is according to a general commercial condition.

(6) Mak 8 Company Limited (Subsidiary of the Company)

Description of the relation: Mak 8 Company Limited has related party transactions with BTS, the major shareholder of the Company, as follows:

Item	Description of Transaction	Transaction Type	Transaction Value (THB)			Rationale of the transaction
			Outstanding 31 Dec 21	Transactions until 30 Jun 22	Outstanding 30 Jun 22	
1	Receiving services on facility and common area of BTS	Facility and common fee	566,402.98	578,492.26	527,396.45	This transaction is according to a general commercial condition.

(7) Nine Square Property Company Limited (Subsidiary of the Company)

Description of the relation: Nine Square Property Company Limited has related party transactions with BTS, the major shareholder of the Company, as follows:

Item	Description of Transaction	Transaction Type	Transaction Value (THB)			Rationale of the transaction
			Outstanding 31 Dec 21	Transactions until 30 Jun 22	Outstanding 30 Jun 22	
1	Receiving services on facility and common area of BTS	Facility and common fee	330,924.71	1,298,277.26	359,656.36	This transaction is according to a general commercial condition.

(8) Kamkoong Property Company Limited (Subsidiary of the Company)

Description of the relation: Kamkoong Property Company Limited has related party transactions with the subsidiary of BTS, the major shareholder of the Company, as follows:

Item	Description of Transaction	Transaction Type	Transaction Value (THB)			Rationale of the transaction
			Outstanding 31 Dec 21	Transactions until 30 Jun 22	Outstanding 30 Jun 22	
1	Entering into a lump-sum construction agreement of the Unicorn Project with HHT	Lump-sum construction services transaction	41,391,397.83	0.00	18,434,629.12	This lump-sum construction transaction is according to terms and conditions

Item	Description of Transaction	Transaction Type	Transaction Value (THB)			Rationale of the transaction
			Outstanding 31 Dec 21	Transactions until 30 Jun 22	Outstanding 30 Jun 22	
	Construction Company Limited, the subsidiary the major shareholder of the company.					of the agreement with a general commercial condition.

(9) Muangthong Assets Company Limited (Subsidiary of the Company)

Description of the relation: Muangthong Assets Company Limited has related party transactions with BTS, the major shareholder of the Company, as follows:

Item	Description of Transaction	Transaction Type	Transaction Value (THB)			Rationale of The transaction
			Outstanding 31 Dec 21	Transactions until 30 Jun 22	Outstanding 30 Jun 22	
1	Providing service of hotel room in U Sathorn Bangkok Hotel with BTS	Services providing transaction	0.00	11,808,091.25	1,389,518.43	This transaction is according to a general commercial condition.

(10) Thana City Golf & Sports Club Company Limited (Subsidiary of the Company)

Description of the relation: Thana City Golf & Sports Club Company Limited has related party transactions with BTS, the major shareholder of the Company, as follows:

Item	Description of Transaction	Transaction Type	Transaction Value (THB)			Rationale of the transaction
			Outstanding 31 Dec 21	Transactions until 30 Jun 22	Outstanding 30 Jun 22	
1	Service providing of property management regarding Thana City Golf & Country Club with BTS	Property management service provider	11,859,880.00	28,722,000	0.00	This service providing transaction is according to terms and conditions of the agreement that is the normal business

Item	Description of Transaction	Transaction Type	Transaction Value (THB)			Rationale of the transaction
			Outstanding 31 Dec 21	Transactions until 30 Jun 22	Outstanding 30 Jun 22	
						transactions of the company.

(11) Rabbit Life Insurance Company Limited (Subsidiary of the Company)

Description of the relation: Rabbit Life Insurance Company Limited has related party transactions with BTS, the major shareholder of the Company, as follows:

Item	Description of Transaction	Transaction Type	Transaction Value (THB)			Rationale of the transaction
			Outstanding 31 Dec 21	Transactions until 30 Jun 22	Outstanding 30 Jun 22	
1	Investing in the debentures of BTS	Debentures Investment	39,365,414.89	227,777,087.82	264,902,264.27	This investment is according to the normal business operation of the company.
2	Investing in the debentures of Bangkok Mass Transit System Public Company Limited, the subsidiary of the major shareholder of the Company	Debentures Investment	40,189,363.75	1,254,398.24	38,934,965.51	This investment is according to the normal business operation of the company.

3.4 Summary of Financial Statements During the Past 3 Years and the Latest Quarter ended 30 June 2022 Together with the Explanation and Analysis of Financial Status and Operating Result of Last Year and This Year until the Latest Quarter, Including Risks Factors Which May Affect Profits of the Listed Company

3.4.1 Summary of Financial Statements During the Past 3 Years and the Latest Quarter ended 30 June 2022

Statement of Financial Position

(Unit: THB mn)

	30 Jun 22	31 Dec 21	31 Dec 20	31 Dec 19 (restated)
Assets				
Current assets				
Cash and cash equivalents	1,655.7	2,739.7	3,520.6	2,767.0
Current investments	-	-	-	102.1
Investments in short-term financial assets	1,123.1	1,381.2	306.5	-
Trade and other receivables	160.0	387.8	461.6	760.7
Premium receivables	25.7	13.0	-	-
Reinsurance receivables	3.1	1.9	-	-
Receivable from sales of investments in subsidiaries	-	-	102.0	1,077.7
Current portion of loans and interest receivables	217.1	212.9	-	-
Inventories	17.6	14.3	45.1	61.3
Real estate projects under development	2,666.7	2,730.3	4,859.2	991.7
Other current assets	567.6	403.1	467.2	421.3
	6,436.6	7,884.2	9,762.2	6,181.9
Assets held for sale	12,656.3	13,720.1	7,294.5	1,639.1
Total current assets	19,092.8	21,604.3	17,056.7	7,821.0
Non-current assets				
Restricted bank deposits	566.5	138.0	180.7	263.6
Loans and interest receivables - net of current portion	960.1	1,041.0	-	-
Long-term loans to related parties and interest receivables	3,059.8	2,822.7	2,348.5	6,524.4
Receivable from sales of investments in subsidiaries - net of current portion	-	-	-	1,812.6
Investments in associates	7,151.9	7,155.1	53.7	60.7
Investments in joint ventures	1,505.0	1,293.5	1,485.0	2,690.1
Other long-term investments	-	-	-	81.0
Investments in long-term financial assets	12,091.1	12,019.1	145.9	-
Land and project awaiting development	3,922.9	5,078.1	5,096.1	3,969.8
Investment properties	13,826.5	13,351.8	10,623.9	7,023.6
Property, plant and equipment	7,568.9	7,388.8	15,962.9	16,832.5
Right-of-use assets	2,765.5	2,881.0	6,842.7	-
Leasehold rights	-	-	-	2,145.6
Intangible assets	298.1	280.0	563.3	1,316.1
Deposits	50.0	50.0	50.0	50.0
Estimated amount by which the purchase cost exceeds interest in net asset value	-	1,069.7	-	-
Goodwill	1,991.0	787.3	2,273.4	2,861.0
Deferred tax assets	86.0	77.6	160.1	64.2
Other non-current assets	31.0	30.3	1.7	15.0
Total non-current assets	55,874.4	55,464.2	45,787.8	45,710.2

	(Unit: THB mn)			
	30 Jun 22	31 Dec 21	31 Dec 20	31 Dec 19 (restated)
Total assets	74,967.3	77,068.5	62,844.5	53,531.2
Liabilities and shareholders' equity				
Current liabilities				
Bank overdrafts from financial institution	-	-	65.9	33.7
Trade and other payables	388.6	347.5	985.5	1,231.9
Amount due to reinsurers	2.8	2.0	-	-
Current portions of the long-term liabilities				
Long-term loan from related parties and interest payables	-	-	72.0	-
Insurance contract liabilities	903.5	747.3	-	-
Investment contract liabilities	287.4	232.0	-	-
Long-term loans from financial institutions	1,226.1	494.0	2,400.8	1,144.4
Liabilities under finance lease agreements	-	-	-	74.0
Lease liabilities	1,400.9	1,560.7	750.3	-
Deposits and advances received	310.2	104.7	251.3	258.9
Income tax payable	23.0	37.9	25.0	68.8
Other current liabilities	40.0	45.9	50.7	95.7
	4,582.5	3,572.0	4,601.4	2,907.4
Liabilities directly associated with assets held for sale	7,930.8	9,583.4	7,496.9	1,410.2
Total current liabilities	12,513.3	13,155.4	12,098.3	4,317.5
Non-current liabilities				
Long-term liabilities - net of current portions				
Long-term loan from related parties and interest payables	-	-	5,115.6	5,025.4
Insurance contract liabilities	3,204.2	3,284.5	-	-
Investment contract liabilities	1,385.5	1,219.8	-	-
Liabilities under debt restructuring agreements	-	-	1,152.5	-
Long-term loans from financial institutions	13,802.6	15,231.8	12,212.1	9,685.0
Liabilities under finance lease agreements	-	-	-	1,632.8
Lease liabilities	855.2	876.7	6,016.9	-
Provision for transaction under equity method of investments in joint ventures	569.1	466.0	218.0	83.2
Provision for long-term employee benefits	115.6	110.3	98.6	125.9
Deferred tax liabilities	1,134.9	1,199.0	1,704.9	1,901.0
Other non-current liabilities	296.7	297.2	210.0	217.7
Total non-current liabilities	21,363.8	22,685.2	26,728.7	18,670.9
Total liabilities	33,877.1	35,840.7	38,827.0	22,988.5
Shareholders' equity				

	30 Jun 22	31 Dec 21	31 Dec 20	(Unit: THB mn) 31 Dec 19 (restated)
Share capital				
Registered				
32,738,882,612 preference shares of Baht 3.20 each (2020: 3,740,575,162 preference shares of THB 3.20 each)	104,764.4	104,764.4	11,969.8	11,969.8
8,889,968,663 ordinary shares of THB 3.20 each (2020: 10,290,722,067 ordinary shares of Baht 3.20 each)	28,447.9	28,447.9	32,930.3	32,930.3
	133,212.3	133,212.3	44,900.2	44,900.2
Issued and fully paid-up				
26,205,452,290 preference shares of Baht 3.20 each (2020: 3,740,575,162 preference shares of THB 3.20 each)	83,857.4	83,857.4	11,969.8	11,969.8
5,613,717,564 ordinary shares of THB 3.20 each	17,963.9	17,963.9	17,963.9	17,963.9
Share discount on preferred share	(56,162.2)	(56,162.2)	-	-
Share premium on ordinary shares	0.0	0.0	0.0	0.0
Retained earnings				
Appropriated - statutory reserve	125.0	125.0	125.0	-
Unappropriated (deficit)	(5,254.7)	(5,723.5)	(5,797.6)	1,314.7
Other components of shareholders' equity	92.2	701.4	(358.0)	(823.3)
Equity attributable to owners of the Company	40,621.7	40,762.0	23,903.1	30,425.1
Non-controlling interests of the subsidiaries	468.5	465.8	114.3	117.6
Total shareholders' equity	41,090.2	41,227.8	24,017.4	30,542.7
Total liabilities and shareholders' equity	74,967.3	77,068.5	62,844.5	53,531.2

(A) Statement of Comprehensive Income

	30 Jun 22	31 Dec 21	31 Dec 20	(Unit: THB mn) 31 Dec 19 (restated)
Profit or loss:				
Revenues				
Revenue from hotel operation	1,580.6	1,905.4	3,051.3	7,611.7
Management income	121.5	182.9	233.9	192.4
Rental income	232.0	433.7	289.7	324.1

	30 Jun 22	31 Dec 21	31 Dec 20	(Unit: THB mn) 31 Dec 19 (restated)
Revenue from sale of real estate	91.5	51.3	-	-
Insurance income	536.0	170.8	-	-
Interest income	199.7	190.1	491.0	357.8
Dividend income	147.2	1.2	0.7	0.5
Other income				
Gain on sales of assets	0.2	21.1	8.3	25.1
Gain on sales of investments in subsidiaries and joint ventures	259.4	404.1	822.2	1,559.0
Gain on exchange	-	208.6	-	51.9
Revenue from termination of contracts	-	-	199.8	-
Fair value gains on investments	-	2,342.5	-	-
Others	606.7	660.2	554.2	370.9
Total revenues	3,774.6	6,571.9	5,651.2	10,493.4
Expenses				
Cost of hotel operation	680.5	839.1	1,511.2	3,081.8
Cost of services	77.2	134.7	178.8	217.7
Cost of real estate	66.6	38.8	-	-
Insurance expenses	217.9	163.7	-	-
Selling and servicing expenses	104.5	152.0	306.0	528.6
Administrative expenses	894.7	1,689.4	1,835.5	3,362.0
Depreciation and amortisation	274.1	913.8	1,697.6	730.9
Loss on exchange rate	151.8	-	418.1	-
Losses on measurement of investment at fair value	110.6	-	-	-
Loss on impairment of investments in associate	-	52.0	-	-
Loss on impairment and expected credit loss of assets	-	1,028.3	4,117.7	-
Loss on disposal and write-off of assets	-	268.5	172.5	-
Total expenses	2,578.0	5,280.1	10,237.2	7,921.0
Profit (loss) from operating activities	1,196.6	1,291.8	(4,586.0)	2,572.4
Share of loss from investments in associates	105.2	(1.3)	(4.8)	(3.4)
Share of loss from investments in joint ventures	(157.6)	(350.4)	(1,134.4)	295.4
Finance cost	(506.5)	(670.1)	(1,306.9)	(871.1)
Profit (loss) before income tax	637.7	270.1	(7,032.1)	1,993.3
Income tax	(126.4)	(178.4)	418.1	(126.3)
Profit (loss) for the year	511.3	91.7	(6,614.0)	1,866.9
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Exchange differences on translation of financial statements in foreign currency	(75.2)	165.6	387.4	(401.6)

	30 Jun 22	31 Dec 21	31 Dec 20	(Unit: THB mn) 31 Dec 19 (restated)
Loss on changes in value of available-for-sale investments, net of income tax	-	-	-	(82.5)
Other comprehensive income to be reclassified to profit or loss in subsequent periods	(75.2)	165.6	387.4	(484.0)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Gain (loss) on changes in value of equity investments designated at fair value through other comprehensive income, net of income tax	(565.2)	891.8	(1.7)	-
Actuarial gain (loss), net of income tax	-	(14.1)	33.6	(1.0)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods, net of income tax	(565.2)	877.7	31.9	(1.0)
Other comprehensive income for the year	(640.4)	1,043.3	419.3	(485.1)
Total comprehensive income for the year	(129.0)	1,135.0	(6,194.7)	1,381.9
Profit attributable to				
Equity holders of the Company	435.7	88.2	(6,610.8)	1,867.4
Non-controlling interests of the subsidiaries	75.6	3.5	(3.3)	(0.4)
	511.3	91.7	(6,614.0)	1,866.9
Total comprehensive income attributable to				
Equity holders of the Company	(169.1)	1,133.5	(6,191.4)	1,382.3
Non-controlling interests of the subsidiaries	40.0	1.5	(3.3)	(0.4)
	(129.0)	1,135.0	(6,194.7)	1,381.9
Earnings per share				
Basic earnings per share				
Profit (Loss) attributable to equity holders of the Company	(0.4317)	(3.6525)	(1.3242)	0.1860

(B) Cash Flow Statement

(Unit: THB mn)

	30 Jun 22	31 Dec 21	31 Dec 20	31 Dec 19 (restated)
Cash flows from operating activities				
Profit (loss) before tax	637.7	270.1	(7,032.1)	1,993.3
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities				
Share of loss from investments in associates	(105.2)	1.3	4.8	3.4
Share of loss (Profit) from investments in joint ventures	157.6	350.4	1,134.4	(295.4)
Depreciation and amortisation	274.1	913.8	1,697.6	730.9
Unrealised loss (gain) on exchange	128.9	(241.5)	639.4	10.6
Allowance for expected credit loss of account receivables (reversal)	(0.3)	(47.5)	2.4	(6.1)
Loss on impairment of investments in associate	-	52.0	-	-
Loss on impairment and expected credit loss of assets	6.8	1,028.3	4,117.7	-
Loss (Gain) on sales of assets	(3.6)	(21.1)	(8.3)	(0.3)
Loss (Gain) in value of investments in financial assets	102.6	(2,342.5)	(3.8)	(28.7)
Losses (Gain) on sales of investments in short-term financial assets	8.0	-	-	-
Loss on disposal and write-off of assets	-	268.5	172.5	7.1
Gain on sales of investments in subsidiaries and joint ventures	(259.4)	(404.1)	(822.2)	(1,559.0)
Gain on change in status of investment from a subsidiary to a joint venture	(18.6)	-	-	-
Gains on adjustment of selling prices of subsidiaries in accordance with contract conditions	(27.8)	-	-	-
Gains on refinancing	(24.3)	-	-	-
Provision for long-term employee benefits	7.9	12.4	18.5	24.5
Allowance for long-term provision	-	-	-	0.5
Dividend income	(147.2)	(1.2)	(0.7)	(0.5)
Interest income	(199.7)	(190.1)	(491.0)	(357.8)
Finance cost	506.5	670.1	1,306.9	843.3
Profit from operating activities before changes in operating assets and liabilities	1,043.9	318.8	736.0	1,365.8
Decrease (increase) in operating assets				
Trade and other receivables	(54.8)	(315.7)	313.1	443.4
Premium receivables	(12.7)	(3.4)	-	-
Reinsurance receivables	(1.2)	(0.1)	-	-
Inventories	(5.9)	1.0	24.1	(2.3)

	30 Jun 22	31 Dec 21	31 Dec 20	(Unit: THB mn) 31 Dec 19 (restated)
Real estate projects under development	63.6	(193.0)	(4.2)	-
Loans to customers	156.1	1.1	-	-
Other current assets	(134.0)	51.3	(24.3)	(79.3)
Other non-current assets	(9.0)	(47.6)	13.9	1.6
Increase (decrease) in operating liabilities				
Trade and other payables	448.2	512.0	(270.6)	(486.5)
Amount due to reinsurers	0.8	(0.4)	-	-
Insurance contract liabilities	(323.8)	(41.4)	-	-
Investment contract liabilities	104.7	143.1	-	-
Deposits and advances received	205.4	(59.8)	(17.9)	(23.4)
Other current liabilities	(5.8)	0.9	(75.5)	(16.7)
Provision for long-term employee benefits	(2.6)	(4.4)	(14.3)	(5.5)
Other non-current liabilities	29.5	118.1	39.8	10.7
Cash from operating activities	1,502.5	480.5	720.2	1,207.9
Cash received from interest income	104.0	54.4	-	-
Cash paid for interest expenses	(836.6)	(797.0)	(1,008.6)	(873.1)
Cash paid for income tax	(43.2)	(52.6)	(48.1)	(130.9)
Net cash from (used in) operating activities	726.7	(314.7)	(336.6)	203.9
Cash flows from investing activities				
Decrease (Increase) in current investments	-	(384.8)	(199.7)	1,483.0
Decrease (Increase) in restricted bank deposits	(428.5)	17.0	86.0	(72.7)
Decrease (increase) in long-term loans to related parties	1,365.1	(267.9)	1,208.5	(571.5)
Cash paid for the receipt of transfer of right to claim loans in joint ventures from unrelated party	(999.2)	-	(1,734.6)	-
Cash received from transfer of loans in subsidiary and joint ventures to unrelated parties	585.9	207.3	1,075.5	-
Cash received from interest	61.8	128.5	383.8	289.1
Cash paid for purchases and capital increase of investments in subsidiaries	-	(1,500.0)	(2.0)	(835.4)
Cash received from sales of investments in subsidiaries and associate				
and receivable from sales of investments in subsidiaries	-	631.5	3,037.4	1,300.0
Cash paid for compensation to purchaser of investments in subsidiaries	-	(199.1)	-	-
Cash received from liquidation of subsidiaries	-	1.3	-	-
Deposits received from sales of investment in subsidiary	240.2	29.0	-	66.0
Cash paid for purchases of investments in associate	-	(7,155.1)	-	-

	30 Jun 22	31 Dec 21	31 Dec 20	(Unit: THB mn) 31 Dec 19 (restated) 180.0
Cash received from decrease of capital of subsidiary and return of capital of joint ventures	-	30.0	1,290.5	
Cash paid for capital increase of investments in joint ventures	(54.3)	(146.6)	(500.0)	(0.5)
Cash paid for additional capital of joint ventures	(202.5)		-	-
Cash received from sales of investments in long-term financial assets	-	24.5	69.1	-
Cash paid for purchases of investments in long-term financial assets	(2,136.6)	(4,707.3)	(139.0)	(4.5)
Cash received from sales of investment in financial assets	1,525.3		-	-
Deposits received from disposal of land and project awaiting development	-	11.6	-	-
Cash paid for purchases of land and project awaiting development	(0.5)	(0.1)	-	(50.0)
Cash received from sales of land and project awaiting development	-	18.0	-	-
Cash paid for purchases of investment properties	(777.9)	(2,260.0)	(1,923.4)	(1,331.5)
Cash received from sales of investment properties	93.6	10.0	-	-
Cash paid for purchases of property, plant and equipment	(112.6)	(240.3)	(529.7)	(382.8)
Cash received from sales of property, plant and equipment	8.5	27.2	79.9	24.2
Cash paid for purchases of intangible assets	(8.0)	(6.4)	(11.1)	(19.4)
Cash received from sales of intangible assets	-	1.2	-	-
Dividend received	258.4	1.2	165.7	413.9
Cash paid for purchases of subordinated debenture	-	(100.0)	-	-
Net cash flows from (used in) investing activities	(581.2)	(15,829.3)	2,356.9	487.9
Cash flows from financing activities				
Increase (decrease) in bank overdrafts	-	(67.5)	28.0	0.5
Repayment of long-term loans from related parties	-	(5,024.0)	-	-
Repayment of liabilities under debt restructuring agreements	-	-	(32.0)	(29.0)
Cash received from long-term loans from financial institutions	626.5	12,462.0	980.0	1,043.6
Repayment of long-term loans from financial institutions	(1,408.7)	(7,068.7)	(1,746.5)	(1,734.8)
Repayment of liabilities under lease agreements	(301.3)	(190.2)	(671.1)	(87.3)
Cash received from issuance of ordinary shares and preferred shares	-	15,932.0	-	0.0

	(Unit: THB mn)			
	30 Jun 22	31 Dec 21	31 Dec 20	31 Dec 19 (restated)
Net cash flows from (used in) financing activities	(1,083.5)	16,043.6	(1,441.6)	(807.1)
Increase (decrease) in translation adjustment	153.2	(55.2)	199.2	313.8
Net increase (decrease) in cash and cash equivalents	(784.9)	(155.6)	777.9	198.6
Cash and cash equivalents - beginning of the period	2,739.7	3,633.4	2,767.0	2,796.8
Cash and cash equivalents of subsidiaries at acquisition date	-	54.5	13.7	50.4
Cash and cash equivalents of subsidiaries at selling date	(32.5)	(166.8)	-	(203.9)
Cash and cash equivalents of subsidiaries which classified as assets held for sale - end of the period	(892.6)	(626.0)	(112.8)	(74.8)
Cash and cash equivalents of subsidiary which ceases to classify as assets held for sale - beginning of the period	626.0	-	74.8	-
Cash and cash equivalents - end of the period	1,655.7	2,739.7	3,520.6	2,767.0

(C) Financial Ratios

Liquidity Ratios		2019	2020	2021	Jan – Jun 2022
Current Ratio	Times	1.81	1.41	1.64	1.53
Quick Ratio	Times	0.84	0.35	0.34	0.24
CFO/Average current liabilities	Times	0.06	(0.04)	(0.02)	0.06
Account Receivable Turnover	Times	15.14	9.84	18.91	n.a.
Average Collection Period	Days	24.11	37.09	19.30	n.a.
Inventory Turnover	Times	n.a.	n.a.	n.a.	n.a.
Average Sale (Inventory) Period	Days	n.a.	n.a.	n.a.	n.a.
Account Payable Turnover	Times	9.98	3.53	2.90	n.a.
Average Payment Period	Days	36.59	103.29	125.69	n.a.
Cash Cycle	Days	(12.48)	(66.20)	(106.38)	n.a.

Profitability Ratios		2019	2020	2021	Jan – Jun 2022
Gross Profit Margin	%	59.41%	52.73%	57.14%	59.31%
Operating Profit Margin	%	2.55%	(54.66%)	(43.27%)	9.60%
Other revenue	%	22.54%	36.74%	58.25%	32.14%
EBITDA Margin (%)	%	31.48%	(51.11%)	33.56%	38.96%
EBIT Margin (%)	%	27.30%	(101.31%)	14.31%	30.31%
Net Profit Margin	%	17.79%	(117.04%)	1.40%	13.55%
Return On Equity	%	6.28%	(24.34%)	0.27%	1.07%

Asset Management Ratios		2019	2020	2021	Jan – Jun 2022
Return On Asset	%	5.33%	(9.84%)	1.34%	1.51%
Return On Fixed Asset	%	8.90%	(16.04%)	3.47%	3.25%
Total Asset Turnover	Times	0.20	0.10	0.09	0.05

Leverage Ratios		2019	2020	2021	Jan – Jun 2022
D/E Ratio	Times	0.76	1.62	0.88	0.83
Interest Coverage Ratio	Times	3.29	(4.38)	1.40	2.26
Dividend Payout Ratio	Times	0.00	0.00	0.00	0.00

3.4.2 The Explanation and Analysis of Financial Status and Operating Result of Year 2019 2020 2021 ended 31 December and the Fiscal Period ended 30 June 2022

(1) The Explanation and Analysis of Financial Status and Operating Result of Year 2019 ended 31 December 2019

2019 Business Overview

- Total revenue increased by 53.4% YoY to THB 10,145mn, predominantly due to the increase in revenue from hotel operations as a result of the hotel portfolio expansion and revenue from the sales of Mo Chit Land.
- EBITDA reached THB 3,195mn (up 272.7% YoY) largely as a result of the increase in total revenue and the EBITDA margin rose to 31.5% (2018; 13.0%)
- Reported net profit of THB 1,867mn (up 394.9% YoY), from aforementioned higher EBITDA as well as increased share of profit from joint ventures and lower finance costs.
- Total assets as of 31 December 2019 stood at THB 53,531mn, decreasing by 0.8% or THB 429mn from 31 December 2018. Assets increased primarily from the acquisition of the acorna hotel portfolio and Noble Ploenchit office building, however this was offset by the sale of Mo Chit Land, and largely from the appreciation of the THB that affected the value of the Company's overseas assets.
- Net debt to equity ratio as of 31 December 2019 stood at 0.48x, an improvement from 0.55x in 31 December 2018

Overview for 2019 Operating results and Analysis

(THB mn)	2019	2018 ¹	% YoY	4Q 2019	3Q 2019	% QoQ
Operating revenues	7,780.5	6,032.9	29.0%	2,205.3	2,201.7	0.2%
Other revenues	2,364.7	579.6	308.0%	1,903.8	229.2	730.6%
Total Revenue	10,145.2	6,612.5	53.4%	4,109.1	2,430.9	69.0%
Operating expenses	(3,192.5)	(2,323.7)	37.4%	(937.8)	(873.9)	7.3%
Selling and administrative expenses ²	(3,757.3)	(2,910.9)	29.1%	(1,054.8)	(1,028.4)	2.6%
EBITDA	3,195.4	857.4	272.7%	2,116.5	438.8	382.3%

Finance cost	(793.3)	(834.9)	(5.0%)	(194.2)	(204.6)	(5.1%)
Share of profit/loss from JVs/associates (equity income)	292.0	27.0	982%	99.4	(69.00)	244.1%
Reported Net Profit/Loss	1,866.9	(633.1)	394.9%	1,752.2	(40.2)	4,458.7%
GOP margin (%)	59.0%	61.5%		57.5%	60.3%	
EBITDA margin (%)	31.5%	13.0%		51.5%	18.1%	
Operating EBITDA margin (%)²	20.4%	22.8%		19.7%	24.0%	
Reported Net profit margin (%)	18.4%	(9.6%)		42.6%	(1.7%)	

¹ Restated according to Purchase Price Allocation report of Vienna House, UBM JV and EBT of UE

² Exclude FX gain/(loss), impairments and Gain from MCL divestment

U City reported **total consolidated revenue** of THB 10,145mn in 2019. This represented an increase of THB 3,533mn (or 53.4% YoY) from the previous year. The revenue growth was attributed chiefly to (i) revenue from hotel operations that increased by THB 1,618mn (or 29%) YoY to THB 7,264mn, (ii) other revenue that increased by THB 1,785mn (or 308%) YoY, primarily from the THB 1,559mn gain from sales of Mo Chit Land.

Total consolidated expenses, which comprised of operating expense, selling and administrative expense, and depreciation, increased by THB 1,275mn (19.9% YoY) to THB 7,676mn. The increase in total consolidated expenses was contributed largely by the hotel expansion which resulted in (i) operating expenses that increased THB 869mn (or 37%) YoY, (ii) selling and administrative expense that increased THB 846mn (or 29.1%) YoY and (iii) depreciation increased THB 81mn (or 12.5%) YoY.

The company reported no impairment loss in 2019.

Reported **share of profit from associates/JVs** was THB 292mn, compared THB 27mn reported last year. The increase in share of profit from associates/JVs was contributed by (i) THB 306mn share of profit from Sansiri JV, (ii) THB 17mn share of profit from UBM JV, and (iii) THB 11mn share of profit from Absolute Hotel Services (AHS), and offset by THB 42mn loss in other associates/JVs.

Finance costs were THB 793mn, decrease 5.0% YoY or an amount of THB 41.6mn, as a result of loan repayment and prepayment, and partially offset by the additional loan for arcona Hotel acquisition.

Net profit was THB 1,867mn and net profit margin was 18.4% compared to (9.6%) in 2018.

Financial Position

Total Assets as of 31 December 2019 was THB 53,531mn, decreasing THB 429mn or 1% from 31 December 2018. The decrease was impacted by currency translation of the company's oversea assets due to the THB appreciation. Current assets increased THB 1,230mn to THB 7,821mn at the end of 2019, while non-current assets decreased THB 1,659mn to THB 45,710mn; the change in the current and non-current assets was contributed mostly by the reclassification of Boonbaram's long term assets to asset available for sales amounted THB 1,639mn.

Total Liabilities as of 31 December 2019 was THB 22,988mn, decreasing 7% or an amount of THB 1,824mn from THB 24,812mn at the end of 2018. Non-Current Liabilities was THB

18,671mn decreasing THB 3,674mn from THB 22,345mn at the end of the previous year. However, Current Liabilities increased significantly by 75% or an amount of THB 1,850mn from THB 2,468mn at the end of 2018 to THB 4,318mn on 31 December 2019 as a result of the THB 1,410mn loan related to the asset reclassified as available for sales of Boonbaram. The decrease of total liabilities was chiefly from the repayment of long-term loan, and the appreciation of the THB that affected the company's foreign liabilities.

Total Equity stood at THB 30,542mn on 31 December 2019, increased THB 1,395mn (4.8%) from THB 29,147mn at the end of 2018. The increased was predominantly from the impact of currency translation due to THB appreciation.

Capital Structure

As of 31 December 2019, U City's total Interest-Bearing Debt was THB 17,595mn, decreasing THB 2,749mn from THB 20,344mn in 2018. The decrease resulted from the Company's debt repayment, debt in foreign currencies that decrease as a result of the THB appreciation, and debt of asset reclassified to held for sales. Currently net interest-bearing debt to equity ratio was 0.48x compared to that of last year at 0.55x.

In 2019 the Company spent THB 1,784mn on capital expenditure and investment, primarily in investment properties, property, plant & equipment purchased, land, and project awaiting development.

Cash Flow

As of December 2019, cash and cash equivalents was THB 2,767mn, decreasing 1% from THB 2,797mn at the beginning of the period. In 2019, Cash generated from operating activities was THB 1,208mn. This was derived from profit before tax of THB 1,968mn, being offset by non-cash reconciling items of THB 602mn and changes in net working capital of THB 158mn. After deducting cash paid for interest expenses of THB (873)mn and cash paid for corporate income tax of THB (131)mn, **net cash from operating activities** was THB 204mn.

Net Cash received from investing activities was THB 488mn. The key drivers were: (i) the sales of current investments THB 1,483mn (ii) cash received from sales of investments in subsidiaries THB 1,300mn, and (iii) cash paid for purchase of investment properties THB (1,331)mn.

Net Cash used in financing activities was THB (807)mn. The key components were cash received from long-term loans from financial institutions of THB 1,044mn, which was partially offset by repayment of loans from financial institutions THB (1,735)mn.

(2) The Explanation and Analysis of Financial Status and Operating Result of Year 2020 ended 31 December 2020

2020 Business Overview

- Total revenue decreased by 46.1% YoY to THB 5,651mn, predominantly due to the decrease in revenue from hotel operations resulting from the impact of Coronavirus Disease 2019 (COVID-19), lower revenue from the office segment, and other revenues. These were partly offset by an increase in management income

- EBITDA turned to negative and stood at THB (2,888)mn, decreasing THB 6,192mn YoY, largely from the aforementioned shortfall of revenue and write-off and impairments of assets from the decrease in value of the Company's assets affected by COVID-19 situation, partially relieved by lower operating costs and selling and administrative expenses as a result of the Company's response plan to COVID-19. The EBITDA margin fell to (51.1)% (2019; 31.5%)
- Reported net loss of THB 6,614mn, from the EBITDA shortfall as well as a higher share of loss from joint ventures and higher depreciation and finance costs due to the adoption of the new financial reporting standard related to Leases (TFRS16)
- Total assets as of 31 Dec 2020 stood at THB 62,844mn, increasing by 17.4% or THB 9,313mn from 31 December 2019. Assets increased primarily from the impact of the adoption of new financial reporting standards, the acquisition of new subsidiaries and commercial unit buildings, and the depreciation of the Thai Baht that affected the value of the Company's overseas assets, partially offset by assets write-off and impairments
- Net interest-bearing debt to equity ratio at the end of 2020 stood at 1.00x, an increase from 0.48x on 31 December 2019

Overview for 2020 Operating results and Analysis

(THB mn)	2020	2019 ²	% YoY	4Q 2020	3Q 2020	% QoQ
Operating revenues	3,574.9	8,128.2	(56.0%)	668.7	1,054.2	(36.6%)
Other revenues	2,076.3	2,365.2	(12.2%)	1,294.2	123.4	948.8%
Total Revenue	5,651.2	10,493.4	(46.1%)	1,963.0	1,177.6	66.7%
Operating expenses	(1,689.9)	(3,299.6)	(48.8%)	(344.7)	(412.8)	(16.5%)
Selling and administrative expenses ¹	(2,141.4)	(3,890.6)	(45.0%)	(485.6)	(510.1)	(5%)
Assets write-off and Impairments	(4,290.2)	-	n.a.	(4,144.8)	(0.1)	n.a.
EBITDA	(2,888.4)	3,303.2	n.a.	(3,019.9)	191.3	n.a.
Finance costs	(1,306.9)	(871.1)	50.0%	(433.6)	(301.4)	43.9%
Share of profit/(loss) from JVs/associates (equity income)	(1,139.2)	292.0	n.a.	(237.2)	(233.2)	(1.8%)
Reported Net Profit/(Loss)	(6,614.0)	1,866.9	n.a.	(3,844.0)	(750.3)	(412.4%)
GOP margin (%)	52.7%	59.4%		48.4%	60.8%	
EBITDA margin (%)	(51.1%)	31.5%		(153.8%)	16.2%	
Operating EBITDA margin (%) ¹	46.9%	20.8%		169.4%	24.2%	
Reported Net profit margin (%)	(117.0%)	17.8%		(195.8%)	(63.7%)	

¹ Exclude FX gain/(loss) and impairments

² Restated according to the reclassification of "Assets held for sale"

U City reported **total consolidated revenue** of THB 5,651mn in 2020. This represented a decrease of THB 4,842mn (or 46.1% YoY) from THB 10,493mn in the previous year. The decline in total revenue was chiefly attributed to (i) revenue from hotel operations that decreased by THB 4,560mn (or 59.9%) YoY to THB 3,051mn due to the aforementioned impacts of COVID-19, (ii) other revenues that decreased by THB 289mn (or 12.2%) YoY, and (iii) office revenue that decreased by THB 34mn (or 10.6%) YoY. The decrease was partly offset by (iv) increasing management income by THB 41mn (or 21.6%) YoY to THB 234mn.

Total consolidated expenses increased by THB 2,316mn (or 29.2%) YoY to THB 10,237mn. The increase was contributed largely by (i) depreciation which was significantly increased by THB 967mn (or 132.3%) YoY, driven mainly by the adoption of TFRS16, (ii) loss from exchange rate of THB 418mn, mainly unrealized loss from loan revaluation, partially offset by realized gain from multiple times of loan repayments, and (iii) loss from assets write-off and impairments totaling THB 4,290mn from the decrease in value of the Company's assets affected by COVID-19 situation. The increase was partly offset by the implementation of cost-saving measures as part of a response plan to COVID-19 situation which reduced the operating costs and selling and administrative expenses totaling THB 3,359mn (or 46.7%) YoY.

The reported **share of loss from associates/JVs** was THB 1,139mn, compared with the share of profit THB 292mn reported last year, comprised of (i) THB 901mn share of loss from Sansiri JV and Noble JV, (ii) THB 119mn share of loss from UBM JV, and (iii) THB 119mn share of loss in other associates/JVs.

Finance costs were THB 1,307mn, increasing by THB 436mn, or 50.0% YoY. The increase stemmed from TFRS16 implementation (THB 456mn), partially offset by a net loan repayment which benefited the Company in reducing the interest costs.

Net loss was THB 6,614.0mn and net profit margin was 117.0% compared to 17.8% in 2019.

Financial Position

Total Assets as of 31 December 2020 was THB 62,844mn, increasing THB 9,313mn, or 17.4% from 31 December 2019. The increase was attributed chiefly to (i) the impact from the adoption of new financial reporting standards, (ii) increase in land and project awaiting for development from the acquisition of a new subsidiary, Prime Area 12 Company Limited ("PA12") (formerly known as "BTS Sansiri Holding Fifteen Limited"), (iii) increase in investment properties from the acquisition of various commercial unit buildings in Bangkok to increase recurring revenue, (iv) increase in real estate projects under development from the acquisition of new subsidiaries, namely Prime Area 9 Company Limited ("PA9") and Prime Area 38 Company Limited ("PA38") (formerly known as "BTS Sansiri Holding Twenty One Limited" and "BTS Sansiri Holding Thirteen Limited", respectively), and (v) the depreciation of the Thai Baht that affected the Company's foreign asset value. The increase was partially offset by (vi) assets write-off and impairments totaling THB 4,290mn from the decrease in value of the Company's assets affected by COVID-19 situation.

Total Liabilities as of 31 December 2020 was THB 38,827mn, increasing 68.9% or an amount of THB 15,839mn from THB 22,988mn at the end of 2019. The increase was attributed chiefly to (i) the impact from the adoption of new financial reporting standards, (ii) increase in long-term loan from financial institutions from the acquisition of PA12, PA9, and PA38, loan drawn down for the ongoing construction of the Unicorn project, and emergency loans from European banks, and (iii) the depreciation of the Thai Baht that affected the Company's foreign liabilities.

Total Equity stood at THB 24,017mn at the end of 2020, decreasing THB 6,525mn, or 21.4%, from THB 30,542mn at the end of 2019. The decrease was predominantly from the net loss in 2020 and the impact from the adoption of new financial reporting standards.

Capital Structure

As of 31 December 2020, U City's total interest-bearing debt was THB 27,786mn, increasing THB 10,191mn from THB 17,595mn in 2019. The increase resulted from the recognition of lease liabilities from the adoption of TFRS16, the aforementioned long-term loan from a financial institution, and debt in foreign currencies that increase as a result of the Thai Baht depreciation, which was partially offset by debt repayment. Currently, the net interest-bearing debt to equity ratio was 1.00x compared to that of last year at 0.48x.

In 2020, the Company spent THB 3,746mn on capital expenditures and investments, primarily in the purchases of investment properties, property, plant & equipment, long-term financial assets, and acquisition (net of disposal) of ordinary shares in PA12, PA9, and PA38 from Sansiri JV.

Cash Flow

As of 31 December 2020, cash and cash equivalents was THB 3,521mn, increasing from THB 2,767mn at the beginning of the year. For 2020, **cash used in operating activities** was THB 337mn. This was derived from loss before tax of THB (7,032)mn, being compensated by non-cash reconciling items of THB 7,768mn and changes in net working capital of THB (16)mn. After deducting cash paid for interest expenses of THB (1,009)mn and cash paid for corporate income tax of THB (48)mn, net cash used in operating activities was THB (337)mn.

Net cash from investing activities was THB 2,357mn. The key activities were: (i) cash received from sales of investment in subsidiaries and associate THB 3,037mn, (ii) the decrease in long-term loans to related parties THB 1,209mn, (iii) cash paid for investment properties THB (1,923)mn, (iv) purchase of long-term financial assets THB (139)mn, (v) purchases of property, plant & equipment THB (530)mn, (vi) net cash from acquisition and disposal of ordinary shares in joint ventures and associated companies THB (131)mn, , and (vii) cash received from interest and dividend THB 550mn

Net cash used in financing activities was THB (1,442)mn. The key components were the net repayment of loans from financial institution THB (766)mn and liabilities under lease agreements THB (671)mn.

(3) The Explanation and Analysis of Financial Status and Operating Result of Year 2021 ended 31 December 2021

2021 Business Overview

- Total revenue recorded was THB 6,572mn, increasing by 16.3% YoY predominantly due to an unrealized gain from the recognition of the investment in JMART and the rebound of the hotel and office rental businesses, partly offset by a decrease in revenue following the disposal of overseas hotels.
- EBITDA stood at THB 2,206mn, compared to THB (2,888) mn. in 2020. EBITDA margin was 33.6%, rising from (51.1%) in 2020. The increase in EBITDA and

EBITDA Margin was mainly driven by narrower loss on impairment, the increase in revenue and supported by lower operating costs, selling and servicing expenses, and administrative expenses.

- Reported net profit of THB 92mn, improving substantially from a net loss of THB 6,614mn in 2020. The reduced loss was driven predominantly by the improving EBITDA, reduction in depreciation and financial costs resulting from the investment restructuring by the disposal of the European asset portfolio, capital increase, partial loan repayment, and a lower share of loss from joint ventures.
- Total assets as of 31 December 2021 stood at THB 77,068mn, increasing by 22.6% or THB 14,224mn from 31 December 2020. The increase was chiefly supported by the investment in A LIFE, JMART and SINGER.
- The Net Interest-Bearing Debt to equity ratio in 2021 stood at 0.37x, a decrease from 1.00x on 31 December 2020.

Overview for 2021 Operating results and Analysis

(THB mn)	2021	2020	% YoY	4Q 2021	3Q 2021	% QoQ
Operating revenues	2,744.0	3,574.9	(23.2%)	1,141.1	824.8	38.3%
Other revenues	3,827.9	2,076.3	84.4%	2,592.6	368.7	603.2%
Total Revenue	6,571.9	5,651.2	16.3%	3,733.7	1,193.5	212.8%
Operating expenses	(1,176.2)	(1,689.9)	(30.4)%	(551.0)	(305.9)	80.1%
Selling and administrative expenses ¹	(1,841.3)	(2,141.4)	(14.0)%	(617.5)	(432.1)	42.7%
Asset's write-off and Impairments	(1,348.8)	(4,290.2)	(68.6)%	(1,303.4)	(45.3)	2,816.6%
EBITDA	2,205.6	(2,888.4)	n.a.	1,261.8	410.2	207.6%
Finance costs	(670.1)	(1,306.9)	(48.7)%	(125.2)	(112.3)	11.5%
Share of profit/(loss) from JVs/associates (equity income)	(351.6)	(1,139.2)	69.1%	(27.6)	(122.5)	77.5%
Reported Net Profit/(Loss)	91.7	(6,614.0)	n.a.	903.1	(363.6)	n.a.
GOP margin (%)	57.1%	52.7%		51.7%	62.9%	
EBITDA margin (%)	33.6%	(51.1)%		33.8%	34.4%	
Operating EBITDA margin (%)¹	21.8%	46.9%		33.1%	22.0%	
Reported Net profit margin (%)	1.4%	(117.0)%		24.2%	(30.5)%	

¹ Exclude FX gain/(loss), impairments, profit from disposal of investment in subsidiary and difference on initial recognition of the investment.

The Company reported **total consolidated revenue** of THB 6,572mn in 2021, representing an increase of THB 921mn (or 16.3%) YoY from THB 5,651mn in the previous year. The increase in total revenue was chiefly attributed to (i) higher other revenues of THB 1,752mn (or 84.4%) YoY to THB 3,828mn (ii) **increased** rental revenue of THB 144mn (or 49.7%) to THB 434mn, and (iii) the addition of revenue from the life insurance business of THB 171mn from the consolidation of the financial statements of A LIFE since October 2021. However, the increase was partially offset with the reduction of hotel revenue following the disposal of the European hotel portfolio.

Total consolidated expenses were THB 5,280mn in 2021, decreasing by THB 4,957mn (or 48.4%) compared with last year. The decrease was contributed mainly by (i) narrower loss on impairment of THB 2,941mn (or 69%) YoY, (ii) decreased depreciation of THB 784mn (or 46.2%) YoY, mainly driven by the disposal of the European assets portfolio, (iii) lower cost of hotel operation of THB 672mn (or 44.5%) YoY and (iv) lower loss from the exchange rate of THB 418mn. The decrease was partially offset by the initial recognition of insurance

cost of THB 164mn from the consolidation of the financial statements of A LIFE since October 2021.

The reported **share of loss from associates/JVs** was THB 352mn, compared with the share of loss THB 1,139mn in 2020. The improvement was mainly from the recovery of the condominium sector.

Finance costs were THB 670mn, decreasing by THB 637mn, or 48.7% YoY. The decrease stemmed from the capital increase and loan repayments, a part of the capital restructuring plan, which significantly benefited the Company by significantly reducing operating costs.

Net profit was THB 92mn and the net margin was 1.4%, improving compared to 2020 which had a net loss (restated) of THB 6,614mn.

Financial Position

Total Assets as of 31 December 2021 were THB 77,068mn, increasing THB 14,224mn, or 22.6% from 31 December 2020. The increase was chiefly due to an increase in (i) investments in long-term financial assets, (ii) investments in associates, following the investment in SINGER, and (iii) assets held for sales. The increase was partially offset by a decrease in (iv) property, plant and equipment, and (v) right-of-use assets of hotels under the operating lease agreement in Europe.

Total Liabilities as of 31 December 2021 was THB 35,841mn, decreasing 7.7% or THB 2,986mn from THB 38,827mn at the end of 2020. The decrease was attributed chiefly to (i) a net decrease in liabilities directly associated with assets held for sale due to the disposal of European hotel assets and liabilities relating to Underwood Street building, and (ii) a decrease in long-term loans from financial institutions from the early loan repayments.

Total Equity stood at THB 41,228mn at the end of 2021, increasing THB 17,210mn, or 71.7%, from THB 24,017mn at the end of 2020. The increase was predominantly from the capital increase; sales of newly issued preferred shares.

Capital Structure

As of 31 December 2021, The Company's total interest-bearing debt was THB 18,163 mn, decreasing THB 9,623 mn from THB 27,786 mn at the end of 2020. The decrease resulted from the net repayment of long-term loans from financial institutions. The net interest-bearing debt to equity ratio was 0.37x, significantly decreasing from last year at 1.00x.

In 2021, the Company spent THB 16,109 mn on capital expenditures and investments, primarily for purchases of investments in associate company, long-term financial assets, investment properties as well as an investment in subsidiaries of the Company.

Cash Flow

As of 31 December 2021, cash and cash equivalents were THB 2,740mn, decreasing from THB 3,633mn at the beginning of the year.

Cash from operating activities was THB 481mn. This was derived from profit before tax THB 270mn, being compensated by non-cash reconciling items THB 49mn and changes in net working capital THB 162mn. After deducting cash paid for interest expenses THB 743mn and cash paid for income tax THB 53mn, **net cash used in operating activities** was THB 315mn.

Net cash used in investing activities was THB 15,829mn. The key activities were: (i) cash paid for purchases of investments in associate company of THB 7,155mn from an investment in SINGER, (ii) cash paid for purchases of investments in long-term financial assets of THB 4,707mn from an investment in JMART, (iii) cash paid for investment properties THB 2,260mn, mainly from an investment in The Unicorn project and (iv) cash paid for purchases of investment in subsidiaries of THB 1,500mn from an investment in A LIFE.

Net cash from financing activities was THB 16,044mn. The key components were: (i) cash proceeds from the capital increase in preferred shares for a total of THB 15,932mn. The increase was partially offset by (ii) the repayment of loans from financial institutions of THB 7,069mn and (iii) the repayment of loans from related parties of THB 5,024mn.

(4) The Explanation and Analysis of Financial Status and Operating Result for the Fiscal Period ended 30 June 2022

Business Overview for Quarter 2/2022

- **Total revenue recorded was THB 2,360 mn, a significant increase of 120.6% YoY** mainly due to the rebound of the hotel business and the recognition of life insurance revenue.
- **EBITDA stood at THB 1,061 mn, rising by 112.6% YoY.** The increase in EBITDA was mainly driven by the increase in operating revenue, dividend income, and other revenues.
- **Reported net profit of THB 563mn and net profit margin of 23.9%, improving substantially from a net loss of THB (102) mn and net profit margin of (9.5%) in 2Q 2021.** The higher profit was driven predominantly by improved EBITDA, reduced depreciation, and a recognition of higher share of profit from associates under the financial services business. This is a result of the business transformation by disposal of some assets, raising capital, and investing in financial services businesses.
- **The Net Interest-Bearing Debt to equity ratio in 2Q 2022 stood at 0.35x, a decrease from 0.37x on 31 December 2021.**

Overview for Operating results and Analysis for the Quarter 2/2022

(THB mn)	2Q 2022	2Q 2021	% YoY	1Q 2022 (restated)²	% QoQ
Operating revenues	1,570.8	427.3	267.6%	990.7	58.6%
Other revenues	789.4	642.6	22.8%	423.7	86.3%
Total Revenue	2,360.2	1,069.9	120.6%	1,414.4	66.9%
Operating expenses	(591.7)	(170.2)	247.6%	(450.5)	31.3%
Selling and administrative expenses ¹	(543.7)	(400.2)	35.9%	(455.6)	19.3%
Loss on measurement of investment at fair value	(98.6)	0.0	n.a.	(12.0)	n.a.
Asset's write-off and Impairments	0.0	(0.6)	n.a.	0.0	n.a.
EBITDA	1,060.8	498.9	112.6%	409.9	158.8%
Finance costs	(236.5)	(201.8)	17.2%	(269.9)	(12.4%)
Share of profit/(loss) from JVs/associates (equity income)	(64.7)	(113.7)	43.0%	12.3	n.a.
Reported Net Profit/(Loss)	563.2	(102.0)	n.a.	(51.9)	n.a.
GOP margin (%)	62.3%	60.2%		54.5%	
EBITDA margin (%)	44.9%	46.6%		29.0%	
Operating EBITDA margin (%)¹	57.7%	21.4%		25.8%	
Reported Net profit margin (%)	23.9%	(9.5%)		(3.7%)	

¹ Exclude FX gain/(loss), impairments, profit from disposal of investment in subsidiary and difference on initial recognition of the investment.

² Revised due to changes in accounting policies and fair value measurements.

The Company reported **total consolidated revenue** of THB 2,360mn in 2Q 2022, representing an increase of THB 1,290mn or 120.6% YoY from THB 1,070mn in the previous year. The increase in total revenue was chiefly attributed to (i) higher hotel revenue of THB 746mn or 269.6% YoY to THB 1,023mn due to the easing of COVID-19 control measures across Thailand and Europe and the recovery of the hotel business and tourism sector, (ii) higher recognition of life insurance revenue of THB 307mn from the consolidation of financial statements of Rabbit Life since October 2021, (iii) higher other revenues of THB 147mn or 22.8% YoY to THB 789mn, and (iv) the recognition of revenue from the sale of real estate of THB 50mn mainly from the sale of condominium units in the Park Ramindra project.

Total consolidated expenses were THB 1,436mn in 2Q 2022, increasing by THB 603mn or 72.4% compared with last year. The increase was contributed mainly by (i) higher cost of hotel operations of THB 282mn or 215.2% YoY, (ii) the increase in selling, service and administrative expenses of THB 144mn from the previous year, (iii) the recognition of life insurance cost of THB 102mn from the aforesaid consolidation of financial statements of Rabbit Life, and (iv) loss from the exchange rate of THB 65mn (the majority was unrealized loss). However, the increase was partially offset with (v) decreased depreciation of THB 125mn or 47.8% YoY, largely owing to the classification of assets in Europe as assets held for sale.

The reported **share of loss from associates/JVs** was THB (65) mn, compared with the share of loss of THB (114) mn in 2Q 2021. The share of loss in this quarter was comprised of (i) THB (68) mn share of loss from Sansiri JV and Noble JV and (ii) THB (55) mn share of loss from investment in other associates/JVs, partly offset by (iii) THB 58mn share of profit from SINGER.

Finance costs were THB 237mn, increasing by THB 35mn, or 17.2% YoY. The increase stemmed from interest expenses mainly from loans from financial institutions for additional investment in financial services business.

In 2Q 2022, the Company recorded a **net profit** of THB 563mn, and the net profit margin was 23.9%, improving substantially compared to 2Q 2021, which had a net loss of THB (102) mn.

Financial Position

Total Assets as of 30 June 2022 were THB 74,967mn, decreasing THB 2,609mn, or 3.4% from 31 December 2021. The decrease was chiefly due to a decline in (i) cash and cash equivalents mainly from repayments of loans from financial institutions and other investments, and (ii) assets held for sale largely from the disposal of Anantara Chiang Mai Resort and Spa in January 2022. However, the decrease was partially offset by an increase in (iii) investment properties and (iv) restricted bank deposits.

Total Liabilities as of 30 June 2022 were THB 33,877mn, decreasing 6.8% or THB 2,480mn from THB 36,357mn at the end of 2021. The decrease was attributed chiefly to (i) a decrease in liabilities directly associated with assets held for sale mainly due to the disposal of aforesaid Anantara Chiang Mai Resort and Spa and (ii) a net decrease in long-term loans from financial institutions, partly offset by (iii) an increase in deposits and advances received, largely owing to rent received in advance from the Unicorn project.

Total Equity stood at THB 41,090mn at the end of 2Q 2022, decreasing by THB 129mn, or 0.3%, from THB 41,219mn at the end of 2021. The decrease was predominantly from a decrease in other components of shareholders' equity.

Capital Structure

As of 30 June 2022, the Company's total interest-bearing debt was THB 17,285mn, net decreasing by THB 878mn from THB 18,163mn at the end of 2021. The net decrease resulted from the partial repayment of the aforesaid loans from financial institutions. The net interest-bearing debt to equity ratio was 0.35x, a decrease from 0.37x at the end of 2021.

In 2Q 2022, the Company spent THB 2,399mn on capital expenditures and investments (six months period of 2022 equal to THB 4,291mn), primarily for purchases in long-term financial assets, investment properties, property, plant and equipment, as well as other investments.

Cash Flow

As of 30 June 2022, cash and cash equivalents were THB 1,656mn, decreasing THB 1,084mn from THB 2,740mn at the beginning of the year.

Cash from operating activities before income tax and net interest expenses was THB 1,503mn. This was derived from a profit before tax of THB 638mn, being supplemented by non-cash reconciling items of THB 406mn and changes in net working capital of THB 459mn. After deducting net cash paid for interest expenses of THB 733mn and cash paid for income tax of THB 43mn, **net cash from operating activities** was THB 727mn.

Net cash used in investing activities was THB 581mn. The key activities were: (i) cash paid for investment properties of THB 778mn, largely due to an investment in The Unicorn project, (ii) net cash paid for purchasing of financial assets of THB 611mn mainly from investment in corporate debentures, (iii) cash paid for the investment in joint ventures and additional capital of joint ventures of THB 257mn, (iv) cash paid for investments in property, plant and equipment of THB 113mn, partly offset with (v) a decrease in long-term loans to related parties of THB 1,365mn.

Net cash used in financing activities was THB 1,084mn. The key components were: (i) the net repayment of long-term loans from financial institutions of THB 782mn and (ii) cash paid for repayment of liabilities under lease agreements of THB 301mn.

3.4.3 Financial Estimation for the Current Year (if any), Identifying Commercial, Economic, and Industrial Assumptions which Have Been Reviewed by the Auditor and the Opinion of the Independent Financial Advisor that such Estimation were Prepared with Carefulness

-None-

4. Connected Persons and/or Shareholders Having Conflict of Interest and Have No Voting Right

The Company has one shareholder who having conflict of interests to the Transactions, i.e., BTS, by which as at 31 August 2022, BTS holds ordinary and preferred shares, either directly or indirectly, in the Company representing 45.94 percent of the total paid-up shares of the Company, and it will hold shares of TNL representing 58.91 percent of the total paid-up shares of TNL (after the capital increase offering to BTS by way of issuance and offering of newly issued ordinary shares to specific person (Private Placement), which is expected to take place before the completion of the Transactions and the tender offer for all securities of TNL after subscription for the said newly issued ordinary shares); thus resulting in TNL a legal entity with the common major shareholder with the Company and a connected person of the Company.

Therefore, BTS shall have no voting right in respect of the approval of the Transactions this time.

5. Pending Material Litigation Cases or Claims

-None-

6. Interests or Connected Transactions between the Company and Directors, Management and Shareholders Directly or Indirectly Holding Shares At Least 10 Percent

Details are as appeared in item no. 3.3 above (*Related Party Transactions in year 2021 and 2022 until the Latest Quarter ended 30 June 2022*).

7. Opinion of the Board of Directors on the Entering into the Connected Transactions

The Board of Directors opined that the entry into the Transactions is reasonable and is justifiable for the utmost benefit of the Company and its shareholders as the value of the disposed assets and the conditions for the disposition of the assets are suitable and reasonable as if the Company has entered into the Transactions with third-party person whereby the basis of determination of the price is compared with the assessed values of all 7 joint venture companies and subsidiary. In addition, the entry into the Transactions will be beneficial to the Company and its shareholders because it is considered as an integral part of the change of Company's direction on the long-term business operation, of which it will mainly focus on the financial service business and the entry into the Transactions will enable the Company to have more liquidity which will reduce the expenses and financial costs and to have additional source of funds for investment in the potential project in financial service business sector, which is the core business of the Company in the long run.

8. Opinion of the Audit Committee and/or any Director Which is Different from the Board of Directors' Opinion

-None-

9. Proxy Form

Details of Proxy Form and Information of Audit Committee nominated to be the proxy by the Company are detailed in Proxy Form (Enclosure 7) and Definition of the Company's Independent Director and Profiles of Independent Directors for Appointment as Proxy (Enclosure 6) as enclosed with the Invitation to the Extraordinary General Meeting of Shareholders No. 1/2022.