

- TRANSLATION -

The English Translation of the Independent Financial Advisor's Opinion has been prepared solely for the convenience of foreign shareholders of We Retail Public Company Limited and should not be relied upon as the definitive and official document. The Thai language version of the Independent Financial Advisor's Opinion is the definitive and official document and shall prevail in all aspects in the event of any inconsistency with this English Translation.

No. 001/2012

January 13, 2012

Subject: The Opinion of Independent Financial Advisor on the Tender Offer for Securities of We Retail Public Company Limited

To: Directors and Shareholders of We Retail Public Company Limited

Pursuant to the acquisition of 363,818,182 newly issued shares of We Retail Public Company Limited (the "Company" or "WR") (formerly Daidomon Group Public Company Limited) by Property Perfect Public Company Limited ("PF" or the "Offeror") in exchange of all 5,000,000 shares, with a par value of Baht 100 per share, of Centre Point Shopping Mall ("Centre Point"), the transaction was completed on December 16, 2011 and was valued at Baht 400,200,000. Consequently, PF now owns 88.06 percent of total paid-up shares and voting rights of WR, which has reached the trigger point for a mandatory tender offer, and thus is required to make a tender offer for the remaining shares it currently does not own.

On December 28, 2011, WR received a copy of the Tender Offer Form (Form 247-4) from the Offeror. As a consequence, WR was required to prepare an opinion on the tender offer (Form 250-2) and appointed an independent financial advisor to advise the Board of Directors and shareholders. The report was to be delivered to the shareholders within 15 days upon the receipt of the copy of the Tender Offer Form, in accordance with the Notification of Capital Market Supervisory Board Thor Jor 40/2552, Re: Preparing a recommendation statement with respect to the offer.

Capital Advantage Company Limited (the "IFA" or "CapAd"), an approved financial advisor by the Securities and Exchange Commission ("SEC"), has been appointed by the Company as the independent financial advisor to provide an opinion to its shareholders regarding the tender offer. In preparation of this report, the IFA has studied the information on the Tender Offer Form (Form 247-4) dated December 28, 2011, Information Memorandum on the Asset Acquisition of We Retail Public Company Limited in relation to the Transaction of We Retail Public Company Limited Acquiring the Shares of Centre Point Shopping Mall Company Limited ("Info Memo"), the interview with the management and relevant parties, the information and documents given by the Company, such as the financial statements and business plan, and other publicly disclosed information, such as the annual registration statement (56-1 Report), other statistics data provided on the Company, the Stock Exchange of Thailand ("SET") and the SEC's websites. The IFA does not warrant the accuracy and completeness of all information provided by the Company. The IFA has based its opinion on the assumptions that the aforementioned information is full, complete, and correct. The rendering opinion rests on the consideration of the currently perceivable information. Any significant changes in the economic conditions as well as other external factors that may affect the Company in the future might have an impact on the range of appropriate equity value as well as our rendering opinion.

In rendering this opinion for the shareholders, we have considered the appropriateness of the tender offer price and other relevant factors to accept or reject the tender offer which are summarized as follows.

Executive Summary

Pursuant to the Company's acquisition of Centre Point's shares, held by PF, in exchange for its newly issued shares on December 16, 2011, PF is required to make a tender offer for the remaining shares of the Company it currently does not own. The Offeror intends to conduct a shopping mall, office building, and commercial property development business under Centre Point in separation to residential property development under its own operation, and eventually has Centre Point listed on the Stock Exchange of Thailand ("SET"). By having the Company acquired Centre Point's shares in exchange of its newly issued shares, the Offeror could indirectly list Centre Point on SET (Backdoor Listing). For the Company, this transaction gives it a clear and potential core business

and opportunity to maintain its SET listing status and resume trading after being suspended since 2006.

CapAd, as the independent financial advisor to provide an opinion to WR's shareholders regarding the tender offer, has considered the tender offer price of Baht 1.14 per share by performing various theoretical valuation methods. The IFA concluded that the offering price is appropriate as it is higher than the appropriate value of Baht 1.00 per share, determined by the Adjusted Book Value Approach. Furthermore, the fact that suspension of the Company's shares from trading on SET for more than 7 years and are expected to remain so for at least another 3 – 4 years; operational risks from not having experience in commercial property development business; financial risks from securing sources of funds, increasing debt and interest obligations, and impacts from future equity increase; no detail of future project plans, makes it quite difficult to assess the Company's future success and returns; low possibility to receive dividend payment in the next few years; and a lack of balance of control since more than 75% of WR's shares held by the Offeror. Therefore, this tender offer provides an opportunity for WR's shareholders who do not have a confidence in the Company's current business structure and its future business plans and projects to sell their shares in this tender offer. Thus, CapAd recommends that WR's shareholders should accept this tender offer.

Shareholders may consider information, rationales, and opinions on various issues stated herein the IFA report in consideration to accept or reject the tender offer. However, shareholders should use their own judgments with their discretion over their decisions regarding this tender offer.

Background of the Tender Offer

Pursuant to the acquisition of 363,818,182 newly issued shares of We Retail Public Company Limited (the "Company" or "WR") (formerly Daidomon Group Public Company Limited) by Property Perfect Public Company Limited ("PF" or the "Offeror") in exchange of all 5,000,000 shares, with a par value of Baht 100 per share, of Centre Point Shopping Mall ("Centre Point"), the transaction was completed on December 16, 2011 and was valued at Baht 400,200,000. Consequently, PF now owns 88.06 percent of total paid-up shares and voting rights of WR, which has reached the trigger point for a mandatory tender offer, and thus PF is required to make a tender offer for the 49,336,728 remaining shares, or 11.94 percent of WR's paid-up shares, it currently does not own, at a price of Baht 1.14 per share, totaling Baht 56,243,869.92.

Name	Type of shares	No. of shares	As percent of total issued shares	As percent of total voting rights
I Offeror: Property Perfect Plc.	Ordinary shares	363,818,182	88.06	88.06
II Persons in the same group as the Offeror	-	-	-	-
III Persons under Section 258 of the persons specified in I and II	-	-	-	-
IV Persons under Section 246 and 247 of the persons specified in I and II	-	-	-	-
V Other agreements for additional share acquisition by persons specified in I-III	-	-	-	-
Total		363,818,182	88.06	88.06

Source: Form 247-4

1. Information of the Company and the Offeror

1.1 Business of the Company

We Retail Public Company Limited, formerly named Daidomon Group Public Company Limited, engaged in the operation of Japanese restaurants (Roast & Grill) business. It was established on October 9, 1990. Its head quarter was located at 5/2 Soi Sukhumvit 63 (Ekkamai), North-Klongton, Wattana, Bangkok. WR has registered to be a public company on April 27, 2001 under the name: Daidomon Group Public Company Limited.

However, on October 18, 2011, the Extra General Meeting of Shareholders ("EGM") of the Company No. 1/2011 passed a resolution to approve the disposition of all assets relating to the restaurant

business. On December 15, 2011, the Company already completed the disposition of such assets, resulting the Company to have no business and become a cash company.

Later, on November 11, 2011, the EGM of the Company No. 2/2011 passed a resolution to approve the acquisition of ordinary shares of Centre Point Shopping Mall Company Limited, a commercial property developer focusing on developing shopping malls and rental office buildings, in order to replace the restaurant business, which will soon be disposed. The acquisition of Centre Point was completed on December 16, 2011. Additionally, the Company announced changing its company's name to We Retail Public Company Limited on November 29, 2011 and moved its head office to 100/1 Vorasombat Building, 17th floor, Rama IX Road, Huai Khwang, Bangkok on December 16, 2011. However, Centre Point has not yet launched any project. It has only vacant lands and leasehold rights and in a process of purchasing additional lands.

1.1.1 Nature of Business

Formerly, the Company engaged in the operation of Japanese restaurants (Roast-Grill, Sukiyaki and Shabu) business including 1 bottled sauce product. The Company has 4 different brands of restaurants, which are Daidomon, Yasuki, Umami and Mitake, with total 26 branches.

However, on December 15, 2011, the Company already disposed all assets relating to the restaurant business. And on December 16, 2011, the Company has acquired all ordinary shares of Centre Point, a commercial property developer focusing on developing shopping malls and rental office buildings, in order to replace the disposed business. Consequently, the Company announced changing its company's name to We Retail Public Company Limited on November 29, 2011. However, Centre Point has not yet launched any project. It had only vacant lands, leasehold rights and in a process of purchasing additional lands. Centre Point also entered into a To-Purchase and To-Sell Land Agreement for a plot of 137 square wah raw land which deposits are made. In addition, Centre Point deposited a 30-year leasehold right for a piece of 252 square meter land. Therefore, the Company has not yet operated any business.

In addition, the Offeror, as a major shareholder of WR, has the initial plan (which is subject to change as deemed appropriate in the future) for Centre Point to embark on shopping mall, office building and commercial area development projects, divided into two phases. Phase 1 (first 1-2 years) will feature the development of open shopping complex projects in form of a community mall, each involving a moderate amount of investment, followed by closed shopping complex projects and office buildings for rent. Phase 2 (next 3-5 years) will be the development of 3 to 5 additional property projects in form of community malls and commercial areas in residential community zones and/or on the mass transit system routes.

1.1.2 Registered capital and shareholding structure

(A) Shareholding structure before the tender offer

Before the issuing newly-issued ordinary shares for the payment of acquiring shares of Centre Point on December 15, 2011, WR had registered capital of Baht 246,683,640 and paid-up capital of Baht 246,683,640 divided into 49,336,728 shares at a par value of Baht 5 per share. After the capital increase, the Company has registered capital of Baht 4,131,594,100 and paid-up capital of Baht 2,065,774,550 divided into 413,154,910 shares at a par value of Baht 5 per share.

Top 10 major shareholders of the Company as of October 18, 2011 (the latest book closing date) are as follows:

Name of shareholder	As of October 18, 2011			As of December 16, 2011		
	No. of shares (shares)	As % of		No. of shares (shares)	As % of	
		Total paid-up shares	Total voting rights		Total paid-up shares	Total voting rights
1. Property Perfect Plc.	-	-	-	363,818,182	88.06	88.06
2. Mr. Kampol Tantiyakavee	33,000,000	66.89	66.89	33,000,000	7.99	7.99
3. Tongtang Group						
Miss Wiorn Thongtang	4,122,184	8.36	8.36	4,122,184	1.00	1.00
Mr. Paween Chewaplaboon	2,064,105	4.18	4.18	2,064,105	0.50	0.50
Mr. Amnaj Wongsuwan	190,000	0.39	0.39	190,000	0.05	0.05
Total Thongtang Group	6,376,289	12.92	12.92	6,376,289	1.54	1.54
4. Krung Thai Bank Plc.	3,689,600	7.48	7.48	3,689,600	0.89	0.89

Name of shareholder	As of October 18, 2011			As of December 16, 2011		
	No. of shares (shares)	As % of		No. of shares (shares)	As % of	
		Total paid-up shares	Total voting rights		Total paid-up shares	Total voting rights
5. Thanachart Bank Plc.	2,247,200	4.55	4.55	2,247,200	0.54	0.54
6. Fukuda Group						
Mr. Shisiro Fukuda	548,237	1.11	1.11	548,237	0.13	0.13
Mrs. Yasuko Fukuda	238,860	0.48	0.48	238,860	0.06	0.06
Mr. Kasunasi Fukuda	220,700	0.45	0.45	220,700	0.05	0.05
Mr. Munenasi Fukuda	220,000	0.45	0.45	220,000	0.05	0.05
Miss Yueuki Fukuda	124,700	0.25	0.25	124,700	0.03	0.03
Mr. Shiako Fukuda	47,620	0.01	0.01	47,620	0.01	0.01
Total Fukuda Group	1,400,117	2.84	2.84	1,400,117	0.34	0.34
7. Mrs. Kanokwan Pornsaban	271,164	0.55	0.55	271,164	0.07	0.07
8. Mr. Phuttipong Tewawichulada	119,000	0.24	0.24	119,000	0.03	0.03
9. Raffles Nominees (PTE) Limited	95,200	0.19	0.19	95,200	0.02	0.02
10. Mr. Takeshi Okawara	82,200	0.17	0.17	82,200	0.02	0.02
11. Other shareholders	2,055,958	4.17	4.17	2,055,958	0.50	0.50
Total	49,336,728	100.00	100.00	413,154,910	100.00	100.00

Source: Thailand Securities Depository Co., Ltd. and 247-4 Form

(B) Expected shareholding structure after the tender offer

In case all shareholders accept the tender offer, except the four shareholders who have shown their intention not to sell their ordinary shares, the shareholder structure after the tender offer will be as follows:

Name of shareholders	No. of shares (shares)	As % of total paid-up shares of the Company	As % of total voting rights of the Company
1. Property Perfect Plc.	373,778,621*	90.47	90.47
2. Mr. Kampol Tantiyakavee*	33,000,000	7.99	7.99
3. Tongtang Group			
- Miss Wiorn Thongtang*	4,122,184	1.00	1.00
- Mr. Paween Chewaplaboon*	2,064,105	0.50	0.50
- Mr. Amnaj Wongsuwan*	190,000	0.05	0.05
Total Thongtang Group	6,376,289	1.54	1.54
Total	413,154,910	100.00	100.00

Remark: * 4 shareholders owned totaling 39,376,289 shares or 9.53% of total paid-up shares have shown their intention not to sell their ordinary shares in this tender offer by issuing 4 letters as stated in the Tender Offer statement (Form 247-4).

1.1.3 Board of Directors of the Company before and after the tender offer

(A) List of directors before the Tender Offer

List of Board of Directors of PF as of December 15, 2011, which is the date before the Tender Offer acquires shares of the Company are as follows:

	Name	Position
1.	Mr. Aumnart Wongsuwan	Chairman, Independent Director and Audit Committee
2.	Mr. Kampol Tatiyakavee	Director and Chief Executive Officer
3.	Miss Wiorn Thongtang	Deputy Chairman and Director
4.	Mr. Buncha Suwannajit	Independent Director and Audit Committee
5.	Mr. Piphat Inphongphant	Director
6.	Mr. Taradol Tayangkanonda	Independent Director and Chairman of Audit Committee

Source: SETSMART

After the acquisition of newly-issued shares of the Company by the Tender Offer, the BOD's meeting of the Company No. 12/2011 on December 16, 2011 and No. 13/2011 on December 19, 2011 passed the resolutions to appoint new directors, which can be summarized as follows:

	Name	Position
1.	Mr. Tawatchai Nakhata*	Chairman
2.	Mr. Kampol Tatiyakavee	Director and Chief Executive Officer
3.	Mr. Chainid Ngow-Sirimaneer*	Director
4.	Mr. Promote Rermyindee*	Director
5.	Mr. Chaikorn Boonlop	Independent Director and Audit Committee
6.	Mr. Choetsak Kukiatnan	Independent Director and Audit Committee

Source: Company affidavit of PF and SETSMART

Remark: * Directors who are the representatives of the Tender Offeror

(B) List of directors after the tender offer

After the successful acquisition of WR's shares by the Offeror, the Company's Board of Directors' meeting No. 12/2011 on December 16, 2011 and No. 13/2011 on December 19, 2011 passed the resolutions to appoint three new directors and two new directors, respectively. Three of these newly appointed directors are representatives of the Offeror. As such, the list of the Company's Board of Directors after the tender offer shall not change significantly, except where any director has resigned or passed away in which case any such vacancy will be filled in accordance with the post-tender offer shareholding of the Offeror. Moreover, the Offeror may later add new members to the Board of Directors as it deems appropriate. In making any change thereto, the Offeror will take appropriate actions in compliance with the Company's Articles of Association and the relevant laws, rules and regulations enforceable in Thailand.

1.1.4 Summary of Financial Highlights and Analysis of Operational Performance and Financial Status of WR▪ **Balance Sheet**

Unit : Baht million	2008	2009	2010	Sep 30, 11
Assets				
<u>Current assets</u>				
Cash and cash equivalent	10.09	3.59	10.07	13.08
Accounts receivable	2.64	3.13	3.36	3.90
Inventories	3.14	3.04	4.43	2.59
Other current assets	3.45	3.46	1.35	1.18
Total current assets	19.33	13.21	19.21	20.75
<u>Non-current assets</u>				
Long-term investments	26.12	26.12	26.12	-
Building improvement and equipment - net	24.31	22.17	23.45	21.10
Leasehold right – net	72.37	64.74	18.78	16.01
Non-operating asset – net	0.36	0.68	0.39	0.29
Other non-current assets	14.10	13.29	14.70	12.76
Total non-current assets	137.26	126.99	83.44	50.16
Total assets	156.58	140.20	102.65	70.90
Liabilities				
<u>Current liabilities</u>				
Accounts and notes payable	20.35	29.36	21.55	17.43
Current portion of liabilities under financial lease	-	-	2.54	1.03
Short-term loan from related persons	-	5.00	5.00	-
Short-term loan from other persons	-	-	10.00	-
Accrued expenses	15.30	17.49	28.81	20.74
Other current liabilities	4.04	3.96	3.06	1.72
Total current liabilities	65.90	73.32	70.96	40.93
<u>Non-current liabilities</u>				
Liabilities under rehabilitation plan	1,193.10	1,286.19	8.50	8.91
Liabilities under financial lease – net	-	-	8.03	7.35
Gain from Deferred Leasehold Right Transfer	-	-	8.52	2.89
Provision for employee benefits	-	-	-	1.16
Other non-current liabilities	3.84	3.95	2.15	2.15
Total non-current liabilities	1,196.94	1,290.14	27.20	22.45
Total liabilities	1,262.84	1,363.46	98.16	63.38
Shareholders' equity				
Registered capital	260.00	217.00	247.00	247.00
Issued and paid-up capital	260.00	26.00	246.68	246.68
Discount on share capital	172.41	-	(130.00)	(130.00)
Retained earnings (losses)				
Legal reserve	17.55	-	-	-

Unit : Baht million	2008	2009	2010	Sep 30, 11
Unappropriated	(1,556.22)	(1,249.25)	(112.19)	(109.16)
Total shareholders' equity	(1,106.26)	(1,223.25)	4.49	7.52
Total liabilities and shareholders' equity	156.58	140.20	102.65	70.90

▪ **Income Statement**

Unit : Baht million	2008	2009	2010	9 months of 2011
Revenues from sales of food and beverage	247.41	271.04	274.15	180.96
Revenues from sale membership card	2.72	2.60	2.97	0.87
Other income	9.57	12.60	9.48	4.78
Gain from sales of long-term investment	-	-	-	6.07
Revenues from amortized of gain from leasehold right transfer	-	-	9.07	5.63
Revenues from reduce debt as per petition of debt repayment receipt	19.07	1.33	-	-
Gains from leasehold right transfer in order to repay debt according to entity rehabilitated plan	-	-	38.94	-
Gains from debts release according to entity rehabilitated plan	-	-	1,152.53	-
Other income from the conversion of loss from impaired asset	1.46	-	-	-
Total revenues	280.23	287.57	1,487.12	198.31
Cost of sales	(221.21)	(235.84)	(247.24)	(160.32)
Gross profit	28.92	37.80	29.88	21.51
Selling expenses	(10.42)	(15.74)	(10.55)	(6.92)
Administrative expenses	(31.98)	(37.60)	(41.33)	(22.07)
Directors remuneration	(12.74)	(17.91)	(7.71)	(4.33)
Total expenses	(55.14)	(71.25)	(59.59)	(33.32)
Profit (loss) before financial costs	3.87	(19.52)	1,180.30	4.67
Financial costs	(116.53)	(97.48)	(43.24)	(1.64)
Net profit (loss)	(112.65)	(117.00)	1,137.06	3.03
Profit (loss) per share (Baht)	(21.66)	(22.50)	56.16	0.06
Total shares (million shares)	5.20	5.20	20.25	49.34

▪ **Income Statement from the Restaurant Business**

Unit : Baht million	2008	2009	2010	9 months of 2011
Revenues from sales of foods and beverages	247.41	271.04	274.15	180.96
Revenues from sales membership cards	2.72	2.60	2.97	0.87
Cost of sales	(221.21)	(235.84)	(247.24)	(160.32)
Gross profit	28.92	37.80	29.88	21.51
Other income	9.57	12.60	9.48	4.78
Selling expenses	(10.42)	(15.74)	(10.55)	(6.92)
Administrative expenses	(31.98)	(37.60)	(41.33)	(22.07)
Directors remuneration	(12.74)	(17.91)	(7.71)	(4.33)
Total selling and administrative expenses	(55.14)	(71.25)	(59.59)	(33.32)
Profit from Restaurant Business	(16.65)	(20.85)	(20.23)	(7.03)

▪ **Cash Flow Statement**

Unit : Baht million	2008	2009	2010	9 months of 2011
Cash flow from operating activities	11.73	15.39	(3.96)	(8.39)
Cash flow from investing activities	(6.08)	(15.24)	(12.02)	29.90
Cash flow from financing activities	(0.05)	(6.65)	22.47	(18.50)
Net increase (decrease) of cash and cash equivalent	5.61	(6.51)	6.49	3.00

▪ **Financial Ratio**

	2008	2009	2010	9 months of 2011
Current ratio (times)	0.29	0.18	0.27	0.51
Gross profit margin from restaurant business (%)	11.56	13.8	10.78	11.81
Net profit margin from restaurant business (%)	(6.66)	(7.62)	(7.30)	(3.87)
Net profit margin (%)	(40.20)	(40.69)	76.46	1.53
Return on equity from the restaurant business (%)	N/A*	N/A*	N/A*	(117.07)
Return on equity (%)	N/A*	N/A*	N/A*	50.48
Return on asset (%)	2.34	(13.15)	936.40	3.49
Dividend per share (Baht)	-	-	-	-
Debt to equity ratio (times)	N/A*	N/A*	21.87	8.43

Remark: * Cannot calculate due to the Company had shareholders' equity less than zero

▪ **Notes to the financial statements**

According to the Company's financial statement as of September 30, 2011, the auditor had raised the going-concern issues since the financial statement as of September 30, 2011, the Company constituted deficits from operation by Baht 109.16 million and current liabilities were higher than current assets by Baht 20.19 million. Such situation indicated that there was a material uncertainty, which might cause substantial doubts in respect of ability in continued operation of the Company. As a result, the Company cannot call assets refund and repay liabilities under the normal course of business.

Moreover, as per mentioned in the note to the financial statement No. 3.6, the Company did not present the statements of comprehensive income for the three months and nine months period ended on September 30, 2010, the statements of changes in shareholders' equity and the statements of cash flow for the nine months period ended on September 30, 2010, in comparison with the statements of comprehensive income for the three months and nine months period ended on September 30, 2011, the statements of changes in shareholders' equity and the statements of cash flow for the nine months period ended on September 30, 2011. This does not comply with the Accounting Standard No. 34 (revised in 2009) "Interim Financial Reporting". This is because, in 2010, the Company is under the rehabilitation plan under the bankruptcy act which has been exempted to present the quarterly financial statements. Therefore, only financial statements for the six months period and for the year are available.

Operational Performance

▪ **Total Revenues**

The Company's major source of income is from selling foods (buffet) and beverages, and sales of membership cards. In 2009, the Company's total revenues were Baht 287.57 million, increased of Baht 7.34 million or 2.62% from total revenues in 2008, which had total revenues of Baht 280.23 million. In 2008, the Company had Baht 20.53 million revenue, which was not related to the restaurant business (most of the revenues came from the debt restructuring). In 2009, the revenue, which was not related to the restaurant business, decreased by 93.50% or Baht 19.19 million. In 2009, the Company had the revenue related to debt restructuring of Baht 1.33 million.

In 2010, the Company's total revenues were Baht 1,487.14 million, increased of Baht 1,199.57 million or 417.15% from 2009. Most of the revenues came from the profit of debt restructuring of Baht 1,200.54 million.

During the 6 months period of 2011, the Company's total revenues were Baht 136.30 million, decreased of Baht 13.39 million or 8.94% from the same period of 2010, which the Company had total revenues of Baht 149.69 million. In addition, the Company had profit from sales of long-term investment of Baht 6.07 million and revenues from gain from leasehold right transfer of Baht 3.76 million during the 6 months period of 2011, while the Company didn't have such revenue during the same period of 2010.

During 9 months period of 2011, the Company's total revenues were Baht 198.31 million. However, due to the Company did not prepare the 9 months period financial statement for 2010, CapAd could not compare the figures with the same period of 2010.

▪ Revenues from Restaurant Business

In 2009, the Company had revenues sales of foods and beverages of Baht 271.04 million, increased of Baht 23.63 million, or 9.55% from 2008, which had total revenues from sales of foods and beverages of Baht 247.41 million. This is due to the increase of branches from 26 branches in 2008 to 30 branches in 2009. However, the revenues from sales of membership cards in 2009 were Baht 2.60 million, decreased of Baht 0.13 million or 4.67% from revenues from sales of membership cards in 2008. This is due to the Company has entered into the rehabilitation plan, which resulted in the loss of confidences of some customers. Other income of the Company in 2009 was Baht 12.60 million, increased of Baht 3.03 million, or 31.65% from 2008. This is due to the increase of the income from sub-leasing of some restaurants.

In 2010, the Company had revenues from sales of foods and beverages of Baht 274.15 million, increased of Baht 3.11 million or 1.15% from 2009 due to the increase of buffet price from Baht 199 per head to Baht 219 per head at the end of 2010 even though the Company closed some branches. The revenues from sales of membership cards in 2010 was Baht 2.97 million, increased Baht 0.37 million or 14.42% from 2009 and in line with the increase of revenues from sales of foods and beverages. In addition, the Company had other income of Baht 9.48 million, decreased of Baht 3.12 million or 24.76% from 2009 due to less sub-lease revenues.

During the 6 months period of 2011, the Company had revenues from sales of food and beverage of Baht 122.51 million, decreased of Baht 20.31 million or 14.22% from the same period of 2010 due to 2 branches were closed, resulting the number of operating branches in 2011 reduced to 26 branches. The revenues from sales of membership cards were Baht 0.72 million, decreased of Baht 1.01 million or 58.43% from the same period of 2010 due to the Company's policy to stop selling its membership cards since the end of 2010. However, the recognition of the revenues still existed in 2011. Moreover, the Company had other income of Baht 3.25 million, decreased of Baht 1.89 million or 36.79% from the same period of 2010, due to the Company has terminated some sub-lease contracts. Currently, the Company has only one sub-lease contract with Fuji Group Company Limited.

During the 9 months period of 2011, the Company had revenues from sales of foods and beverages of Baht 180.96 million and the revenues from sales of membership cards of Baht 0.87 million. This is due to the Company's policy to stop selling its membership cards since the end of 2010. Moreover, the Company had other income of Baht 4.78 million since the Company has terminated some sub-lease contracts. Currently, the Company has only one sub-lease contract with Fuji Group Company Limited.

▪ Cost of Sales

In 2009, the Company had cost of sales of Baht 235.84 million, increased of Baht 14.63 million or 6.61% from 2008, which had total cost of sales of Baht 221.21 million due to higher sales. In 2009, cost of sales was accounted for 86.19% of revenues from sales (not include other income and income from debt restructuring), which reduced from 88.44% in 2008. The main reason of lower cost of sales proportion was due to lower depreciation and the increase of the revenues in 2009.

In 2010, the Company had cost of sales of Baht 247.24 million, increased of Baht 11.40 million or 4.84% from 2009. This is due to higher sales, resulting in higher production costs. However, the cost of sales growth in 2010 was higher than the revenues growth because of higher raw material and energy costs. The cost of sales in 2010 was accounted for 89.22% of revenues from sales.

During the first 6 months period of 2011, the Company had cost of sales of Baht 108.12 million, decreased of Baht 24.45 million or 18.45% from the same period of 2010. This is due to lower sales from closing of two branches. However, the cost of sales was improved to 87.75% of revenues from sales, increased of 3.98% due to closing of non performing branches and lower number of staffs.

During the 9 months period of 2011, the Company had cost of sales of Baht 160.32 million, which decreased following the revenues as a result of closing of branches. The cost of sales was 88.17% of revenues from sales.

▪ Selling and Administration Expenses

In 2009, the Company had selling and administration expenses of Baht 71.25 million, increased of Baht 16.10 million or 29.20% from 2008, which had selling and administration expenses of Baht 55.14

million. The selling and administration expenses can be divided into 1) selling expenses of Baht 15.74 million, consisted of marketing expenses, equipment expenses, tax, logistic expenses, etc., 2) administrative expenses of Baht 45.07 million, consists of employees' salary, compensation, and benefits, etc. and 3) management remuneration of Baht 9.08 million. The increase of the Company's selling and administration expenses was due to the increase of selling expenses of Baht 5.32 million, the increase in administrative expenses of Baht 5.61 million, and the increase in management remuneration of Baht 5.17 million. This is mainly due to the increase of branches and the Company's entering into the rehabilitation plan, resulting in higher administrative expenses related to the rehabilitation plan.

In 2010, the Company had selling and administration expenses of Baht 59.59 million, decreased of Baht 11.66 million or 16.36% from 2009. The selling expenses in 2010 decreased of Baht 5.19 million due to the closing of 2 branches. The administrative expenses decreased of Baht 4.38 million since the preparation of rehabilitation plan was almost completed, resulting in the lower administrative expenses related to the rehabilitation plan. In addition, the management remuneration decreased of Baht 2.09 million due to the resignation of high level managements in the middle and end of 2010.

During the 6 months period of 2011, the Company had selling and administration expenses of Baht 21.37 million, decreased of Baht 10.01 million or 31.90% from the same period of 2010 due to lower staff from the closing of 2 branches. In addition, the Company's exit from the rehabilitation plan resulted in no further expenses regarding the rehabilitation plan.

During the 9 months period of 2011, the Company had selling and administration expenses of Baht 33.32 million, increase of Baht 11.95 million from 6 months period of 2011.

▪ **Net Profit (Loss) from Restaurant Business**

In 2009, the Company had net operating loss from the restaurant business of Baht 20.85 million, increased loss of Baht 4.20 million or 25.22% from 2008, which had net operating loss of Baht 16.65 million due to the increase of administrative expenses and management remuneration expenses. In 2010, the Company had net operating loss from the restaurant business of Baht 20.23 million, decreased of Baht 0.62 million or 2.97% from 2009 due to the decrease of selling expenses and management remuneration expenses.

During the 6 months period of 2011, the Company had net operating loss from restaurant business of Baht 3.02 million, decreased of Baht 11.26 million from the same period of 2010 due to the reduction of cost of sales, selling and administrative expenses and management remuneration expenses.

During the 9 months period of 2011, the Company had net loss from the restaurant business of Baht 7.03 million, which is the increase loss of Baht 4.01 million from 6 months period of 2011.

▪ **Net Profit (Loss)**

In 2009, the Company had net loss of Baht 117.00 million, increased loss of Baht 4.34 million or 3.86% from 2008, which had net loss of Baht 112.65 million.

In 2010, the Company had net profit of Baht 1,137.06 million, increased of Baht 1,254.06 million or 1,071.88% from 2009 due to Baht 1,200.54 million profit from the rehabilitation plan.

During the 6 months period of 2011, the Company had net profit of Baht 5.68 million, increased of Baht 51.70 million or 112.35% from the same period of 2010 due to the Company had lower financial costs from the successful implementation of rehabilitation plan in 2010. In addition, the Company had the revenues of Baht 6.07 million from sales of long-term investment and revenues of Baht 3.76 million from gain from leasehold right transfer, respectively.

During the 9 months period of 2011, the Company had net profit of Baht 3.03 million, decreased of Baht 1.92 million from the 6 months period of 2011.

Financial Status

▪ **Assets**

At end of 2009, the Company had total assets of Baht 140.20 million, divided into Baht 13.21 million current assets and Baht 126.99 million non-current assets. The Company's total assets decreased for Baht 16.38 million or 10.46% decreased from 2008, which had total assets of Baht 156.58 million. The decrease of total assets in 2009 was due to the decrease of non-current assets of Baht 6.12 million as a result of lower cash and cash equivalent from higher expenses from entering into the rehabilitation plan. The Company's non-current assets in 2009 decreased of Baht 10.26 million from 2008 due to the lower leasehold right and building improvement, resulted from lower depreciation expenses.

At end of 2010, Company had total assets of Baht 102.65 million, divided into Baht 19.21 million current assets and Baht 83.44 million non-current assets. The Company's assets decreased of Baht 37.55 million or 26.78% from 2009, mainly due to the lower non-current assets of Baht 37.55 million as a result of the lower leasehold right of Baht 45.96 million. This is due to the Company had transferred the assets to settle off the debt according to the rehabilitation plan. In addition, the Company has leased back some of these assets from the creditors for operations. However, in 2010 the Company's current asset increased of Baht 6 million from 2009 due to the increase of cash and cash equivalent.

As of September 30, 2011, the Company had total assets of Baht 70.90 million, decreased of Baht 31.75 million or 30.93% from at the end of 2010. The assets comprised of Baht 20.75 million current assets, increased of Baht 1.53 million or 7.98% from at the end of 2010 and Baht 50.16 million non-current assets, decreased of Baht 33.28 million or 39.89% from at the end of 2010, mainly due to the disposition of long-term investment of Baht 26.12 million.

▪ Liabilities

At the end of 2009, the Company had total liabilities of Baht 1,363.46 million, increased of Baht 100.62 million or 7.97% from at the end of 2008, which had total liabilities of Baht 1,262.84 million. The major increase of the liabilities in 2009 was from the increase of debt according to rehabilitation plan from Baht 1,193.10 million to 1,286.19 million, the increase of accounts payable from Baht 20.32 million to Baht 29.36 million, the increase of loan from related person of Baht 5.00 million and the increase of accrued expenses from Baht 15.30 to Baht 17.49 million.

At the end of 2010, the Company had total liabilities of Baht 98.16 million, decreased of Baht 1,265.29 million or 92.80% from at the end of 2009 due to the decrease of Baht 1,277.69 million of liabilities from the rehabilitation plan and the decrease of Baht 7.81 million of accounts and notes payable. However, the increase of accrued expenses of Baht 11.32 million from 2009 was the payment from the debt restructuring plan, which the Company already completed in 2010. Thus, some expenses of the debts from restructuring plan were transferred to the accrued expenses.

As of September 30, 2011, the Company had total liabilities of Baht 63.38 million, decreased of Baht 34.78 million or 35.43% from at the end of 2010. Major decrease of total liabilities was from accounts and notes payable, accrued expenses, and gains from deferred leasehold right transfer of Baht 4.12 million, Baht 8.07 million, and Baht 5.63 million, respectively.

▪ Shareholders' Equity

At the end of 2009, the Company had total shareholders' equity of Baht (1,223.25) million, increased loss of Baht 117.00 million or 10.58% from at the end of 2008, which had total shareholders' equity of Baht (1,106.26) million, mainly due to net operating loss in 2009. However, in 2009, the Company had operated following the rehabilitation plan by decreasing and increasing its registered capital according to the central bankruptcy court's order on January 15, 2009. The procedures were summarized below:

- 1) Reduction of the registered capital, which was not yet paid-up by the amount of Baht 3,605, divided into 721 shares at the par value of Baht 5.00 per share and maintained the registered capital of Baht 259,996,395, divided into 51,999,279 shares at the par value of Baht 5.00 per share at the same level of total paid-up registered capital. The capital reduction had been registered at the Ministry of Commerce on April 21, 2009.
- 2) Reduction of the registered capital and paid-up capital by the amount of Baht 233,996,755, divided into 46,799,351 shares at the par value of Baht 5.00 per share in order to compensate accumulated losses. Therefore, it resulted in remaining the registered capital and paid-up capital in the amount of Baht 25,999,640, divided into 5,199,928 shares at the par value of

Baht 5.00 per share. The capital reduction had been registered at the Ministry of Commerce on April 22, 2009.

- 3) Increasing the registered capital by the amount of Baht 216,999,640 from the previous registered capital of Baht 25,999,640 by issuing ordinary shares of not lower than 38,200,000 shares at the par value of Baht 5.00 per share and allocate to various persons. The capital increase had been registered at the Ministry of Commerce on April 23, 2009.
- 4) Reduction of legal reserve in full amount of Baht 17,553,134 in order to compensate accumulated loss.
- 5) Reduction of premium on capital in full amount of Baht 172,411,974 in order to compensate accumulated loss.

At end of 2010, the Company had total shareholders' equity of Baht 4.49 million, increased of Baht 1,227.74 million from at the end of 2009 due to the Company successfully implemented the debt restructuring plan in 2010, resulted in profits of Baht 1,200.54 million from debt restructuring.

As of September 30, 2011, the Company total shareholders' equity of Baht 7.52 million, increased of Baht 3.03 million or 67.53% from at the end of 2010, mainly due to the net profit during the period as a result of the sales of the long-term investment in Daiso Sungyo (Thailand) Co., Ltd.

Liquidity

▪ Cash Flow

In 2009, the Company had net cash flow decreased of Baht 6.51 million, comprised of the increase of Baht 15.39 million of cash flow from operating activities mainly from to the increase of accounts payable, the decrease of Baht 15.24 million of cash flow from investing activities mainly from fixed asset purchase, and the decrease of Baht 6.65 million of cash flow from financing activities mainly from debt repayment according to rehabilitation plan.

In 2010, the Company had net cash flow increased of Baht 6.49 million, comprised of the decrease of Baht 3.96 million of cash flow from operating activities mainly from the decrease of accounts and notes payable, the decrease of Baht 12.02 from cash flow from investing activities mainly from fixed asset purchase, and the increase of Baht 22.47 million of cash flow from financing activities mainly from fund raising activities and short-term loan from outside parties.

After the Company has completed its rehabilitation plan, resulting in the Company to have less liquidity problems due to much lower financial cost. As of September 30, 2011, the Company had net cash increased of Bath 3.00 million, comprised of the increase of Baht 29.90 million of cash flow from investing activities as a result of the sales of Baht 32.18 million long-term investments. However, the Company had the decrease of Baht 8.39 million from cash flow from operating activities mainly from lower accounts and notes payable, and the decrease of Baht 18.50 million from cash flow from financing activities used for the debt payment under financial lease agreement.

1.1.5 The highest and the lowest prices of the Company's shares in each quarter over the past three years

Not available due to the Company's shares have been suspended (SP) since 2004.

1.1.6 Industry outlook and competition

Due to currently the Company has no business. However, the Company has invested in Centre Point, a subsidiary, which focuses on commercial property development including shopping malls and rental office buildings. Therefore, the industry outlook and competition shall be relating to the information of Centre Point's business.

The Company has a plan or policy (*which is only an initial plan or policy and is subject to change as deemed appropriate in the future*) for Centre Point to embark on shopping mall, office building and commercial area development projects, divided into two phases. Phase 1 (first 1-2 years) will feature the development of open shopping complex projects in form of a community mall, each involving a moderate amount of investment, followed by closed shopping complex projects and office buildings for rent. Phase 2 (next 3-5 years) will be the development of 3 to 5 additional property projects in form of community malls and commercial areas in residential community zones and/or on the mass transit system routes.

The Company expects to generate revenues from operation starting from 2013 at the earliest. Since each project is still in the design and budget preparation phase, the Company therefore cannot forecast the operating results from each project at this point in time.

Shopping Mall

Shopping center development and management business directly relates to retail business, i.e. upon expansion of retail business, demand for business premise will increase accordingly.

Retail business in Thailand has a tendency to continue to grow, thereby encouraging growth of the shopping center development and management business in the same direction.

The year 2011 outlook for retail business is likely to continue to increase from the end of the previous year as a result of a raise in salary in all sectors by the government. Soaring price of agricultural products also boosts purchasing power and it is thus predicted retail sector is likely to expand from the previous year by as much as 10% within this year. Additionally, tourism industry is recovering coupled with an expected election this year which should raise the level of money circulated within the system, all of the above factors indicated positive signs that growth rate of retail sector this year should be greater than that in the past. However, there are several remaining negative factors, which may have an impact on the industry, e.g. the increase in inflation due to the increase in raw material price, wages and interest rate as well as the adverse impact during the last quarter such as European economic crisis and flooding crisis in several regions of Thailand.

From the above factors, it is anticipated the retail business will continue to grow this year according to economic expansion as aforementioned. It is expected this year a proportion of modern trade will increase from 40% last year to 45% of total while traditional trade will account for 55% of total compared with 60% last year. This year's investment for branch expansion of retail sector is expected to increase, especially in big cities, tourist destination or urban area in which expansion of mini mart or mini supermarket is expected as people's shopping lifestyle has moved towards their neighboring area. Property development sector also continues to grow whereby developers want to build their own community mall. Therefore, this year's expected expansion of retail sector is attributable to various positive factors which have already been incurred or are expected to take place in the future.

Competition is intense in 4 major sectors of retail business, i.e. discount store, department store, convenience store and supermarket. Sector with the most intense competition and influence over retail business is the discount store. Approximately 90% of Thai people visit the discount stores at least once a month. However, convenient store is the most popular category with average visit of 2 - 3 times per week, 7-11 in particular attributable to its convenience, numerous branches and proximity to community areas.

In Summary, the company believed that the retail business in Thailand has a tendency to continue to grow, thereby, the existing retailers in the country plan to continue their business expansion. Moreover, some of the discount store retailers, such as Tesco Lotus and Big-C, have a definite plan to expand their branches in form of supermarket, smaller size that conforming to the retail law, in the open shopping centers which are the business that the Company operates and has expertise. Villa Market and Jusco, expert supermarket developers, are planning to expand more centers as well. Other retailers who have no presence in the country, e.g. drugstore, furniture store also plan to enter Thailand market.

Source: Form 56-1 for the year 2010 of Siam Future Development Plc. ("SF")

Office Building

The Bangkok office market, which showed positive signs since the first quarter of 2011, slowed down during the second quarter of 2011 in anticipation of the general election. However, according to the latest Bangkok Office Market Report from Colliers International Thailand and recent elections results, there could be a resumption of activity in the near future that has been somewhat lacking for the past few years.

The Associate Director of research at Colliers International Thailand disclosed that on the supply side, no new office space was supplied for the first half of the year and this helped to underpin occupancy and rentals with only limited movement in demand and he also believed that the market has remained sluggish with a wait-and-see approach in regards to business expansion.

Indications that the market could be turning the corner can be found in Park Ventures "The Ecoplex on Witthayu", which has already pre-booked of 30% of leasehold office space prior to its opening in September of this year with rental rates in the region of Baht 800 per square metre,

pointing out that new, modern, eco-friendly designed building in the CBD can command a premium in the market.

The expected introduction in the second half of 2011 of around 100,000 square meters of space in the CBD will mean that increasing occupancy rates are more likely to manifest themselves in 2012 according to the report. The managing director of Colliers guided that the limited new supply after 2011 is likely to lead to the strengthening of occupancy and rental rates.

However, the several concerns are still existed while the fiscal situation in many western economies remained precarious, Thailand is still not out of the woods even with the domestic situation settling down. However according to Colliers, future stability in Thailand will be the main factor to propel demand, while the worst case scenario for the global economy is unlikely to be seriously factored in.

Offices located close to mass transit stations command a premium although many are newer buildings that would usually command higher rentals. The sharpest difference occurs in grade C buildings with around a 40% difference being registered. Mass transit only explains part of an office building's appeal. Access to expressways may be equally or even more important for tenants.

The effect of the expected introduction of Sathorn Square in the second half of 2011 is likely to have a short term detrimental effect on occupancy after a recovery in the first quarter of 2011. However with modest growth predicted for the following two years and a limit on new supply, Colliers International Thailand predicts a gradual but sustained rise in occupancy rates in 2012. This will in turn lead to a certain hardening of rental rates. This analysis assumes that both domestic political concerns and the global financial situation do not take a turn for the worse.

Source: <http://www.thaipr.net/nc/readnews.aspx?newsid=3875BFE4C7A5EA58A49759CD9A5215CD&query=pM3FxdTgzc3D7Mo=>

1.2 Information of the Tender Offeror

Property Perfect Public Company Limited (the "Tender Offeror" or "PF") was established on August 14, 1985, by a group of executives of Maneeya Estate, with initial registered capital of Baht 300,000. In 1993, PF was registered as a public company and listed on the Stock Exchange of Thailand, in the Property Sector.

PF has extensively expanded the business and undergone several capital increases and reduction. As of January 4, 2012, PF's registered capital stood at Baht 5,961.2 million with 6,552 million shares at Baht 1 par value while the paid-up capital totaled Baht 4,726.5 million or 787.7 million shares at par value of Baht 1 per share and the outstanding units of warrants have not been exercised are totaling of 8,863,476 units.

1.2.1 Nature of Business

PF's business is the property development for sales. The projects involve the development of single detached houses, townhouses, and low-rise condominiums which are located mainly in Bangkok and peripheral areas with the focus on potential location near BTS line.

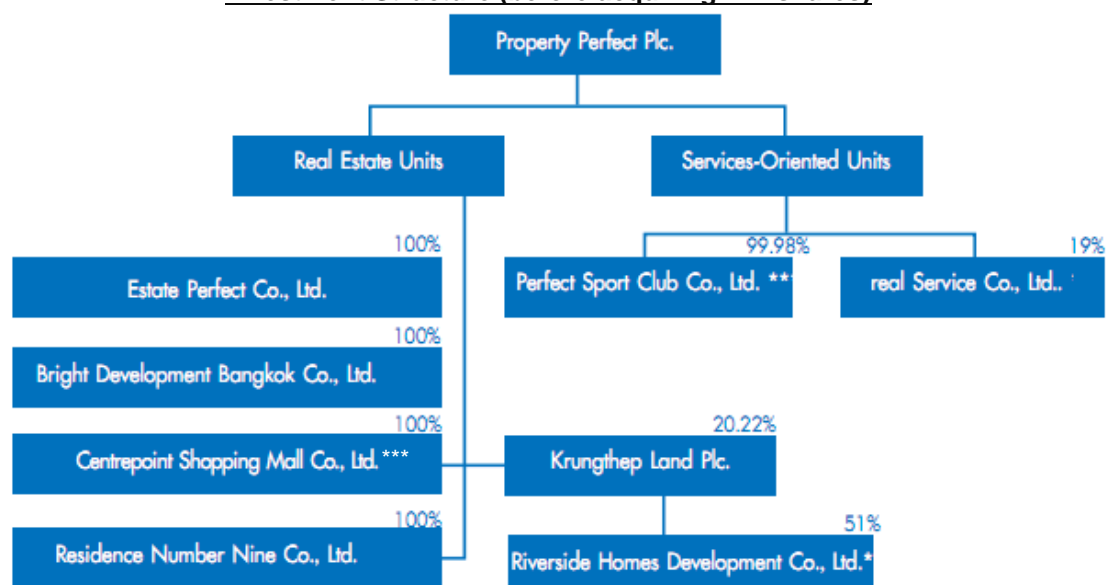
PF's investment in subsidiaries and affiliates can be put into 2 main categories.

1. Property development: consisting of 4 subsidiaries and 1 affiliate
2. Services: consisting of 1 subsidiary and 1 affiliate

Business units focusing on development for sales

PF and its subsidiaries are mainly involved with the property development for sale and rent. The projects involve the development of single detached houses, townhouses, and low-rise condominiums. PF and its subsidiaries normally put the construction of designed houses in the hands of contractors, but the construction process will be inspected by in-house engineers and architects at all stages. The projects of PF and its subsidiaries are located in Bangkok metropolitan areas as well as potential provinces.

In 2011, a subsidiary ventures into Chiang Mai in the North, of which potential is demonstrated through the growing number of population and infrastructure development. It also locates famous educational institutions (Chiangmai University and others) and has been a major tourist destination of Thailand. "Uniloft" brand is introduced in the province, targeting students and investors. PF is also exploring possibilities to expand the investment into potential provinces in other regions like the South, the East and the Northeast.

Investment Structure (before acquiring WR shares)

Remark: * Develop "The Pano" condominium. The remaining 49% stake is owned by a Singaporean group, represented by Fraser (Thailand) Pte. Ltd.

** Renamed from Perfect Satellite Services

*** Currently, PF sold 100% shareholding of Centre Point to WR. However, PF still has 88.06% indirect shareholding of Centre Point via WR. (Details in 1.1 Information of the Company)

- **Property Perfect Public Company Limited**

Developing housing estates and low-rise condominiums. As of December 31, 2010, a total of 19 projects are under development with outstanding value of Baht 15,908 million. Six new projects will be launched in 2011, with total value of Baht 11,175 million.

- **Estate Perfect Company Limited ("Estate") (Subsidiary)**

Estate Perfect Company Limited, located at 100/1 Varasombat Bldg., Floor 17, 100/1 Rama 9 Road, Huay Khwang, Bangkok, develops housing estates mainly in the East of Bangkok and townhouses under "The Villa" brand.

As of now, Estate's the registered capital is Baht 1,200 million and PF owns the entire 100% shareholding. Three single-house projects are now under development. As of December 31, 2010, total project value is Baht 3,120 million. Estate is also developing two "The Villa" 2-storey townhouse projects worth totally Baht 909 million.

- **Bright Development Bangkok Company Limited ("Bright") (Subsidiary)**

Bright Development Bangkok Company Limited is located at 100/1 Varasombat Bldg., Floor 17, 100/1 Rama 9 Road, Huay Khwang, Bangkok. Bright was established by the resolution of PF's board meeting No. 4/2007 on April 30, 2007 for condominium development. PF owned 99.94% of Bright's Baht 1,000,000 capital. As of now, its registered capital is Baht 500 million.

As of December 31, 2010, Bright has 4 projects under development under "Metro Sky" and "I-Condo" brands with combined value of Baht 3,558 million. In 2011, Bright launches investment in two rental apartment projects under "Uniloft" brand with combined value of Baht 2,060 million. Priced at Baht 1 - 1.2 million per unit and located near universities.

- **Residence Number Nine Company Limited ("Residence") (Subsidiary)**

Residence Number Nine Company Limited is located at 100/1 Varasombat Bldg., Floor 17, 100/1 Rama 9 Road, Huay Khwang, Bangkok. Residence has the registered capital of Baht 1,000 million with 10 million shares at par value of Baht 100 per share and is owned 100% by PF. Residence focuses on low-rise residential development.

Residence becomes a subsidiary as PF bought 10 million shares or 100% from old shareholders at Baht 507 million, close to the book value, following the resolution from PF's

Board of Directors' meeting No. 1/2010 on January 22, 2010. Residence, was taken over as PF, planned to develop single houses and townhouses on a 164-rai plot in Bang Buathong, Nonthaburi, which is the only piece of asset of Residence. As of December 31, 2010, Residence has two projects underway - a single house project and a townhouse project worth totally Baht 2,158 million.

▪ **Krungthep Land Public Company Limited (“Krungthep Land”) (Affiliate)**

Krungthep Land Public Company Limited, located at 100/1 Varasombat Bldg., Floor 17, 100/1 Rama 9 Road, Huay Khwang, Bangkok, is a property development company focusing on Bangkok metropolitan area.

As of December 31, 2010, Krungthep Land has the registered capital of Baht 2,230 million (paid-up capital of Baht 1,780 million or 178 million shares at par value of Baht 10 per share). PF owns 20.22% in Krungthep Land.

▪ **Centre Point Shopping Mall Company Limited (“Centre Point”) (Subsidiary)**

Centre Point Shopping Mall Company Limited is located at 100/1 Varasombat Bldg., Floor 17, 100/1 Rama 9 Road, Huay Khwang, Bangkok. It was established in December 2007 by PF's board meeting No. 8/2007 on September 24, 2007 with the registered and paid-up capital of Baht 1 million at par value of Baht 100 per share. Centre Point focuses on commercial development like shopping malls and rental office building. PF owned 59.99% in Centre Point, and the other 40% owned by Timberline Investments Pte. Ltd., which majority owned by Arangannal S/O Kathamuthu who has no connection with PF.

PF's Board of Directors' meeting No. 1/2010 on January 22, 2010 approved the purchase of 4,000 shares or 40% of Centre Point from Timberline Investments Pte. Ltd., resulting an increased shareholding in Centre Point by PF to 9,999 shares or 99.99% which turned Centre Point into a subsidiary of PF. The board also approved the capital increase in Centre Point by Baht 499 million from Baht 1 million (divided into 10,000 ordinary shares at Baht 100 par value). As of now, the Centre Point's registered capital is Baht 500 million and the paid-up capital is Baht 400.2 million. PF still has 88.06% indirect shareholding of Centre Point via WR.

Services-oriented units

▪ **Perfect Sport Club Company Limited**

Perfect Sport Club Company Limited (formerly named Perfect Satellite Services Company Limited), located at 100/52 Vongvanij B Bldg., Floor 19, Rama 9 Road, Huay Kwang, Bangkok was established in March 2003. As of June 21, 2005, it had the registered capital of Baht 1 million. Perfect Sport Club manages the fitness centers, clubhouses and entertainment properties of companies in Perfect Group. It is now 99.98% owned by the Company.

▪ **Real Service Company Limited**

Real Service Company Limited is located at 100/9 Soi Ta-it, Rattana Tibet Road, Nonthaburi. It was established in 1995 to provide the construction and maintenance services for the company's projects. After main contractors completed their jobs, Real Service mainly gave finishing touches before the transfer of the completed units to clients. Real Service acted as the sub-contractor of the project contractors, allowing the contractors to complete their obligations in a faster manner. This also allowed PF to realize revenues from the projects faster. Real Service's registered capital was Baht 40 million with 400,000 shares at Baht 100 par value. Real Service, 19% owned by PF, has discontinued its operations.

1.2.2 Registered capital and shareholding structure

As of January 4, 2012, PF had registered capital of Baht 5,961.2 million and paid-up capital of Baht 4,726.5 million divided into 4,726.5 million shares at a par value of Baht 1 per share.

Top 10 major shareholders of PF as of December 30, 2011 (the latest book closing date) are as follows:

	Name	No. of shares (shares)	As % of total paid-up shares of PF	As % of total voting rights of PF
1.	Japan Asia Group Co., Ltd.*	508,661,664	10.76	10.76
2.	Miss Sumonmas Lipisontorn	339,414,534	7.18	7.18
3.	Thai NVDR Co., Ltd.	324,854,656	6.87	6.87
4.	Natee International Law Office Co., Ltd.	222,113,568	4.70	4.70
5.	Andaman Long Beach Resort Co., Ltd.	220,744,200	4.67	4.67
6.	Mrs. Sumalee Ongjarit	157,041,874	3.32	3.32
7.	Finansa Life Assurance Co., Ltd.	104,070,000	2.20	2.20
8.	Mr. Mahintr Pratchayanant	93,740,600	1.98	1.98
9.	Miss Sumalee Wangprakobsuk	87,003,530	1.84	1.84
10.	Miss Sunee Sae-Ngow	82,591,962	1.75	1.75
	Total Top 10 major shareholders	2,140,236,588	45.28	45.28
	Other shareholders	2,586,219,732	54.72	54.72
	Total	4,726,456,320	100.000	100.000

Source: Thailand Securities Depository Co., Ltd.

Remark: * It is registered in the British Virgin Islands, a sovereign territory of the United Kingdom

1.2.3 Board of Directors

List of Board of Directors of PF as of January 4, 2012 are as follows:

	Name	Position
1.	Mr. Tawatchai Nakhata	Chairman
2.	Mr. Chainid Ngow-Sirimane	Chief Executive Officer
3.	Mr. Veerayuk Panpet	Deputy Chairman and Independent Director
4.	Mr. Phairat Senachack	Director
5.	Mr. Vidhya Nativivat	Director
6.	Miss Sirirat Wongwattana	Director
7.	Mr. Ooi Boon Aun	Director
8.	Mrs. Nuanual Swasdikula-Na-Ayudhaya	Independent Director
9.	Mr. Wanchai Thanittiraporn	Independent Director
10.	Mr. Krish Follett	Chairman of Audit Committee and Independent Director
11.	Mr. Somsak Toruksa	Audit Committee and Independent Director
12.	Mr. Thamnoon Ananthothai	Audit Committee and Independent Director

Source: Company affidavit of PF and SETSMART

1.2.4 Summary of Financial Highlights and Analysis of Operational Performance and Financial Status of PF

▪ Balance Sheet

Unit : Baht million	2008	2009	2010	Sep 30, 11
Assets				
Current assets				
Cash and cash equivalent	455.05	740.59	2,017.85	1,304.17
Trade accounts receivable, net	33.80	30.10	21.78	30.18
Account receivable - land	35.36	30.96	66.44	66.44
Project development costs, net	8,931.08	8,708.71	10,123.00	12,998.21
Other current assets	75.11	129.78	276.43	254.36
Total current assets	9,530.40	9,640.14	12,505.49	14,653.35
Non-current assets				
Restricted deposits	8.86	1.45	18.49	28.42
Investment in associate	416.74	419.74	477.62	495.61
Other long-term investments, net	51.70	53.73	55.52	49.83
Land held for development, net	1,860.37	3,623.64	5,492.99	4,390.23
Advances for purchases of land	476.16	128.78	554.64	795.19
Property, plant and equipment, net	400.59	341.69	312.01	318.53
Leasehold rights, net	119.57	117.81	173.31	169.09
Other non-current assets	68.50	149.78	138.85	149.79

Unit : Baht million	2008	2009	2010	Sep 30, 11
Total non-current asset	3,402.47	4,836.60	7,223.43	6,396.69
Total assets	12,932.87	14,476.74	19,728.93	21,050.04
Liabilities				
Current liabilities				
Short term loans from financial institutions	528.27	-	-	-
Trade accounts payable	472.88	485.17	800.75	781.19
Note payable	-	355.00	75.00	-
Bills of exchange payable	-	1,266.26	1,997.29	2,803.00
Loans from other parties	31.00	-	-	-
Current portion of debentures	462.15	187.15	800.00	1,800.00
Creditors per rehabilitation plan	265.63	37.04	37.04	37.04
Unsubordinated convertible debentures - liability component	-	812.56	-	-
Current portion of long-term loans	233.10	194.22	-	343.08
Advance from director	80.00	80.00	-	-
Deposits and cash received in advance	112.24	107.47	86.36	177.70
Accrued corporate income tax	-	-	-	18.62
Provisions	26.48	212.47	12.74	17.69
Other current liabilities	269.91	314.84	481.88	409.81
Total current liabilities	2,481.66	4,052.18	4,291.05	6,388.13
Non-current liabilities				
Debentures, net of current portion	-	1,606.78	5,778.22	3,985.41
Unsubordinated convertible debentures - liability component	809.15	-	-	-
Long-term loans, net of current portion	2,721.34	1,942.92	2,433.79	3,243.93
Deposits and cash received in advance for sublease agreement	57.71	54.78	51.44	49.55
Long-term provisions	159.78	-	-	-
Total non-current liabilities	3,747.99	3,604.48	8,263.45	7,278.89
Total liabilities	6,229.64	7,656.65	12,554.50	13,667.01
Shareholders' equity				
Registered capital	6,552.00	6,552.00	6,552.00	5,961.16
Issued and paid-up capital	4,726.33	4,726.33	4,726.34	4,726.46
Surplus (Discount) from ordinary share value and capital	(49.49)	(48.84)	(29.98)	(20.68)
Unsubordinated convertible debentures - capital component	31.01	31.01	7.48	-
Retained earnings (losses)	1,996.96	2,117.05	2,470.59	2,505.19
Other components of shareholders' equity	-	-	(1.93)	(7.37)
Equity attributable to the Company's shareholders	6,704.81	6,825.55	7,174.43	7,381.91
Minority interest - equity attributable to minority shareholders of subsidiaries	(1.58)	(5.46)	-	1.12
Total shareholders' equity	6,703.23	6,820.09	7,174.43	7,383.02

▪ **Income Statement**

Unit : Baht million	2008	2009	2010	9 months of 2011
Revenues				
Revenues from sales of land and houses	5,420.14	5,073.42	7,002.70	5,777.08
Revenues from sales of residential condominium units	2,109.46	778.47	777.73	416.66
Revenue from sale of land	8.64	-	835.49	81.42
Other income	79.37	95.93	87.98	85.53
Total revenues	7,617.61	5,947.82	8,703.90	6,360.69
Expenses				
Cost of sales of land and houses	3,767.92	3,514.25	4,606.86	3,662.08
Cost of sales of residential condominium units	1,395.41	551.95	496.70	283.34
Cost of sales of land	6.59	-	695.76	55.27
Selling expenses	398.90	270.14	749.55	687.54

Unit : Baht million	2008	2009	2010	9 months of 2011
Administrative expenses	778.32	692.95	916.35	747.60
Management benefit expenses	66.88	71.50	90.25	-
Loss arising from minimum revenue guarantee	73.80	9.42	35.60	24.00
Total expenses	6,487.82	5,110.20	7,591.07	5,459.81
Income before share of income from investment in associate, finance cost and corporate income tax	1,129.79	837.62	1,112.83	900.88
Share of income from investment in associate	7.82	3.00	57.89	17.99
Income before finance cost and corporate income tax	1,137.60	840.62	1,170.72	918.87
Finance cost	(272.04)	(286.59)	(465.09)	(300.19)
Income before corporate income tax	865.57	554.03	705.63	618.68
Corporate income tax	(63.00)	(154.28)	(155.19)	(145.96)
Net profit (loss) for the period	802.57	399.75	550.44	294.52
Other comprehensive income	-	-	-	(5.44)
Total comprehensive income for the period	-	-	-	467.28
Equity holders of the parent	804.55	403.63	550.44	467.39
Minority interests of the subsidiaries	(1.98)	(3.88)	-	(0.11)

▪ Cash Flow Statement

Unit : Baht million	2008	2009	2010	9 months of 2011
Cash flow from operating activities	1,330.43	1,233.59	414.10	(12.84)
Cash flow from investing activities	(414.31)	(1,660.86)	(3,169.06)	(1,522.15)
Cash flow from financing activities	(885.13)	712.80	4,032.23	821.30
Net increase (decrease) of cash and cash equivalent	30.99	285.54	1,277.27	(713.68)

▪ Financial Ratio

	2008	2009	2010	9 months of 2011
Current ratio (times)	3.84	2.38	2.91	2.29
Gross profit margin (%)	31.42	30.51	32.69	36.25
Net profit margin (%)	10.54	6.72	6.32	7.35
Return on equity (%)	12.58	5.97	7.86	6.42
Return on asset (%)	6.21	2.92	3.22	2.29
Debt to equity ratio (times)	0.93	1.12	1.75	1.85

Analysis of financial status and performance of PF

Operational Performance

▪ Total Revenue

PF and subsidiaries (altogether called as "PFs") has realizes sales of land and house and condominium units as main revenues. Other revenues, which are accounted for 1- 2% of total revenues, comprised of utilities and club house management fee.

In 2009, PFs had total revenues of Baht 5,947.82 million, decreased of Baht 1,669.79 million or 21.92% from 2008, which had total revenues of Baht 7,617.61 million due to the following:

- Revenues from sales of lands and houses were Baht 5,073.42 million, decreased of Baht 346.72 million or 6.40% decreased from 2008 which had revenues from sales of land and houses of Baht 5,420.14 million.
- Revenues from residential condominium units were Baht 778.47 million, decreased of Baht 1,330.99 million or 63.10% decreased from 2008, which had revenues from sales of land and houses of Baht 2,109.46 million, mainly due to the drops in condominium units sold in Metro Park Sathorn as PFs started to transfer the Phase II units in late 2007. Transfers continued throughout 2008 and only some units were left for transfers in 2009. In addition, units in Phase III of the project were expected to be transferred and generate revenue in late 2010.
- In 2009, PFs had no revenues from sales of land, while PFs had earned Baht 8.64 million from land sales in 2008.

In 2010, PFs had total revenues of Baht 8,703.90 million, increased of Baht 2,756.08 million or 46.34% from 2009 due to the following:

- Revenues from sales of lands and houses were Baht 7,002.70 million, increased of Baht 1,929.28 million or 38.03% from 2009, thanks to the higher sales and the higher numbers of projects that could generate revenue.
- Revenues from residential condominium units were Baht 777.73 million, decreased of Baht 0.74 million or slightly 0.10% from 2009.
- Revenues from sales of land were Baht 835.49 million, 100% increased from 2009 which had no such revenue.

During the 9 months period of 2011, PFs had total revenues of Baht 6,360.69 million, increased of Baht 226.65 million or 3.69% from the same period of 2010, which had total revenues of Baht 6,134.04 million due to the following:

- Revenues from sales of land and houses were Baht 5,777.08 million, increased of Baht 877.00 million or 17.90% from the same period of 2010.
- Revenues from residential condominium units were Baht 416.66 million, increased of Baht 71.24 million or 20.63% from the same period of 2010, mainly due to PFs started to sell condominium units of Metro Park Sathorn Phase 3.
- Revenues from sales of land were Baht 81.42 million, decreased of Baht 741.85 million or 90.11% from the same period of 2010.

▪ Cost of Sales

Cost of Sales of PFs consists of cost of sales of lands and houses and cost of sales of residential condominium units, which will be realized after PFs records revenues from sales of particular unit.

In 2009, the total cost of sales was as follows:

- Cost of sales of lands and houses was Baht 3,514.25 million, decreased of Baht 253.67 million or 6.73% from 2008, which had cost of sales of lands and houses of Baht 3,767.92 million. The cost amount represented 69.27% of revenues from sales, down from 69.52% in 2008.
- Cost of sales of residential condominium units was Baht 551.95 million, decreased of Baht 843.46 million or 60.44% from 2008, which had cost of sales of residential condominium units of Baht 1,395.41 million. Cost of sales accounted for 70.90% of revenues from sales, which was above 66.15% in 2008 due to discounts on remaining units given to unit residences in 2009.
- In 2009, PFs had no cost of sales of lands due to there is no land sales, while PFs had cost of sales of Baht 6.59 million from land sales in 2008, accounting for 76.27% of revenues from sales.

In 2010, the total cost of sales was as follows:

- Cost of sales of lands and houses was Baht 4,606.86 million, increased of Baht 1,092.61 million or 31.09% from 2009. The cost amount represented 65.79% of revenues from sales, down from 2009 as a result of selling price adjustment.
- Cost of sales of residential condominium units was Baht 496.70 million, decreased of Baht 55.25 million or 10.01% from 2009. The cost of sales accounted for 63.87% of revenues from sales, down 63.87% from 2009 due to increasing units selling price of Metro Park Sathorn Phase 3.
- Cost of sales of land was Baht 695.76 million, accounting for 83.28% of revenues from sales.

During the 9 months period of 2011, the total cost of sales was as follows:

- Cost of sales of lands and houses was Baht 3,662.08 million, increased of Baht 412.98 million or 12.71% from the same period of 2010. The cost amount represented 63.39% of revenues from sales, down from the same period of 2010, which had cost of sales represented 66.31% of revenues from sales as a result of the selling price adjustment.
- Cost of sales of residential condominium units was Baht 283.34 million, increased of Baht 64.35 million or 29.38% from the same period of 2010. Cost of sales accounted for 68.00% of revenues from sales, which were higher than 63.40% of the same period of 2010, due to launching several new projects shall increase more costs.
- Cost of sales of lands was Bah 55.27 million, decreased of Baht 620.90 million or 91.83% from the same period of 2010. Cost of sales accounted for 67.88% of revenues from sales, down from 82.13% of the same period of 2010.

▪ Selling and Administrative Expenses

In 2009, the total selling and administrative expenses (including management benefits) were Baht 1,034.58 million, decreased of Baht 209.52 million or 16.84% decreased from 2008 which had total selling and administrative expenses of Baht 1,244.10 million. The selling expenses dropped by Baht 136.52 million, thanks to Baht 67 million decrease in the special business tax and transfer fee. The advertising, public relations and marketing expenses also dropped by Baht 70 million. Meanwhile, the administrative expenses also declined by Baht 80.75 million, due to more efficient expense control.

In 2010, the total selling and administrative expenses were Baht 1,756.14 million, increased of Baht 721.56 million or 69.74% increased from 2009. The selling expenses increased by Baht 479.41 million, mainly due to the special business tax and transfer fee went up by Baht 233.56 million, as the tax reduction to 0.01% was raised back to the normal level of 3.3% on 28 March 2010. The advertising, public relations and marketing expenses rose by Baht 233.40 million while the administrative expenses increased by Baht 242.15 million. As PFs had prepared to launch new projects particularly in the second half of 2010, all related employee expenses and projects expenses would be higher accordingly.

During the 9 months period of 2011, the total selling and administrative expenses were Baht 1,435.13 million, increased of Baht 336.49 million or 30.63% increased from the same period of 2010. The selling expenses increased by Baht 279.80 million, mainly due to the increase of marketing expenses. The administrative expenses increased by Baht 56.68 million, mainly due to launching of several new projects, resulting in higher all related employee expenses and projects expenses.

▪ Net Profit (Loss)

In 2009, the total net profit was Baht 399.75 million, decreased of Baht 402.81 million or 50.19% from 2008 which had the total net profit of Baht 802.57 million. Due to lower sales of houses and condominium units as mentioned above, the gross profit margin consequently dropped by Baht 582.62 million, which resulting in a decrease of Baht 400.92 million in net profit attributable to equity holders of the parent from Baht 804.55 million in 2008 reduced to 403.63 million in 2009.

In 2010, the total net profit attributable to equity holders of the parent was Baht 550.44 million, increased of Baht 150.69 million or 37.69% from 2009 due to the higher revenues from sales of lands and houses with improved margin as well as the revenues from sales of land of Baht 835 million.

During the 9 months period of 2011, the consolidated net profit was Baht 467.28 million, increased of Baht 59.61 million or 14.62% from the same period of 2010 which had the consolidated net profit of Baht 407.67 million as a result of lower revenues, particularly the lower revenues from sales of land.

Financial Status**▪ Assets**

At the end of 2009, PFs had total assets of Baht 14,476.74 million, increased of Baht 1,543.87 million or 11.94% from at the end of 2008 which had consolidated assets of Baht 12,932.87 million. The increase of total assets in 2009 was due to Baht 109.74 million or 1.15% increase in current assets and Baht 1,434.13 million or 42.15% increase in non-current assets as PFs acquired additional land for condominium and townhouse development.

At the end of 2010, PFs had total assets of Baht 19,728.93 million, increased of Baht 5,252.19 million or 36.28% from at the end of 2009. The increase of total assets in 2010 was due to Baht 2,865.35 million or 29.72% increase in current assets, attributed mainly to the higher project development costs to support the expansion of condominium and townhouse market, and Baht 2,386.83 million or 49.35% increase in non-current assets since PFs acquired additional land for condominium and townhouse development.

As of September 30, 2011, PFs had total assets of Baht 21,050.04 million, increased of Baht 1,321.11 million or 6.70% from at the end of 2010. The increase of total assets in 2011 was mainly due to Baht 2,147.86 million or 17.18% increase in current assets from the higher project development costs, offsetting with the decrease in non-current assets of Baht 826.75 million or 11.45% from the lower cost of land held for development, transferring to project development costs.

Liabilities

At the end of 2009, PFs had total liabilities of Baht 7,656.65 million, increased of Baht 1,427.01 million or increased 22.91% from at the end of 2008 which had consolidated liabilities of Baht 6,229.64 million. The increase of total liabilities in 2009 was due to Baht 1,570.52 million or 63.29% increase in current liabilities, mainly due to an increase of Baht 1,266.26 million in bill of exchange payable. Meanwhile, the non-current liabilities had decreased of Baht 143.51 million or 22.91%, mainly from the decrease of long-term loans, net of current portion of Baht 778.42 due to loans repayment.

At the end of 2010, PFs had total liabilities of Baht 12,554.50 million, increased of Baht 4,897.85 million or increased 63.97% from at the end of 2009. The increase of total liabilities in 2010 was due to Baht 238.87 million or 5.89% increase in current liabilities, mainly due to an increase of bill of exchange payable and debentures and Baht 4,658.97 million or 129.25% increase in non-current liabilities as a result of increasing in new debentures issuance at the end of 2010 totaling of Baht 6,600 million. All debentures were issued by PFs to finance property project development, increase working capital, and repay loans.

As of September 30, 2011, PFs had total liabilities of Baht 13,667.02 million, increased of Baht 1,112.51 million or increased 8.86% from at the end of 2010. The increase of total liabilities in 2011 was due to Baht 2,2097.08 million or 48.87% increase in current liabilities, mainly due to an increase of current portion of long-term loans, bill of exchange payable and current portion of debentures of Baht 1,000.00 million, Baht 805.71 million, and Baht 343.08 million, respectively. On the other hand, PFs's non-current liabilities decreased of Baht 984.56 million or 11.91% from debentures repayment totaling of Baht 1,792.81 million via short-term and long-term loans financing.

Shareholders' Equity

At the end of 2009, PFs had total shareholders' equity of Baht 6,820.09 million, increased of Baht 116.86 million or increased 1.74% from at the end of 2008 which had total shareholders' equity of Baht 6,703.23 million, mainly resulted from the entire net profit in 2009. The equity attributable to PFs's shareholders was Baht 6,825.55 million, increased of Baht 120.74 or increased 1.80% from at the end of 2008.

At the end of 2010, PFs had total shareholders' equity (no portion of minority interests) of Baht 7,174.43 million, increased of Baht 354.34 million or increased 5.20% from at the end of 2009, mainly resulted from the entire net profit in 2010.

As of September 30, 2011, PFs had total shareholders' equity of Baht 7,383.02 million, increased of Baht 208.59 million or increased 2.91% from at the end of 2010. In this regards, the equity attributable to PFs' shareholders was Baht 7,381.91 million.

Liquidity**Cash flow**

At the end of 2009, PFs' net cash flow increased of Baht 285.54 million, comprised of an increase of Baht 1,233.59 million from cash flow from operating activities as a result of better operation, an increase of Baht 712.80 million from cash flow from financing activities, mainly from an increase of bill of exchange payable and debentures, and a decrease of Baht 1,660.86 million from cash flow from investing activities used for financing land purchase for development and deposit payment in one company's shares.

At the end of 2010, PFs' net cash flow increased of Baht 1,277.27 million, comprised of an increase of Baht 414.10 million from cash flow from operating activities, an increase of Baht 4,032.23 million from cash flow from financing activities, mainly from an increase of debentures, bill of exchange payable, and long-term loans, and a decrease of Baht 3,169.06 million from cash flow from investing activities used for financing land acquisition for development and deposit payment in one company's shares.

As of September 30, 2011, PFs' net cash flow decreased of Baht 713.68 million, mainly from cash flows used in investing activities of Baht 1,522.15 million for financing land acquisition for development while PFs had cash flow from operating activities decrease of Baht 12.84 and cash flow from financing activities increase of Baht 821.30, respectively.

1.2.5 Commitments and contingent liabilities

- Capital commitments

- a) PFs had outstanding commitments of approximately Baht 1,366.5 million in respect of construction contracts of land and house projects and residential condominium units of which PFs had already entered into contracts with subcontractors.
- b) PFs had outstanding capital commitments of approximately Baht 3,117.7 million in respect of purchases of land.
- c) A subsidiary had outstanding capital commitments of approximately Baht 15.6 million in respect of land lease for real estate development.
- d) A subsidiary had outstanding commitments of approximately Baht 23.0 million in respect of a design contract for a shopping center and office project and consulting contract.

- Operating lease commitments

PFs have entered into several lease agreements in respect of the lease of land, vehicles, advertising board, office space and various services. The terms of the agreements are generally between 1 and 5 years. Operating lease agreements are non-cancellable. As at September 30, 2011, future minimum lease payments required under these non-cancellable operating lease contracts were as follows.

Payable within:	Baht million
Less than 1 year	84.5
2 to 5 years	11.5

During the nine-month period ended 30 September 2011, PFs recognized rental expenses of Baht 185.3 million (company-only financial statement: Baht 139.7 million).

- Long-term service commitments

PF has entered into clubhouse management agreements with its subsidiary. Under the conditions of these agreements, PF is to pay monthly service fees as stipulated in the agreements. The fees for the nine-month period ended September 30, 2011 amounted to approximately Baht 10.3 million.

- Guarantees

- a) PF has guaranteed debentures and bank credit facilities of its subsidiaries amounting to Baht 6,357.0 million.
- b) As at September 30, 2011, there were outstanding bank guarantees of approximately Baht 1,677.5 million issued by the banks on behalf of PFs in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee amounting to Baht 702.5 million to guarantee the public utilities and Baht 975.0 million to guarantee the debentures.
- c) As at September 30, 2011, there was an outstanding letter of guarantee issued by a bank on behalf of PF to guarantee minimum revenue of a fund of Baht 55.0 million per year for a period of 5 years, ending on December 31, 2012.

1.2.6 Criminal records

- None -

1.2.7 Litigations

Outstanding litigations as at September 30, 2011 are detailed below.

- a) PF has been sued by a customer seeking compensation of approximately Baht 5.0 million for the breach of conditions of sale and purchase agreement. Currently, the lawsuit is being considered by the civil court. However, PF believes that it will suffer no significant loss as a result of this litigation.
- b) A contractor has sued a subsidiary for payment of outstanding construction fees amounting to approximately Baht 7.5 million. However, the subsidiary has countersued the contractor for Baht 8.4 million since the construction fees that the subsidiary paid were for more work than the contractor performed for the subsidiary. The court dismissed the lawsuit brought against the subsidiary but the plaintiff appealed this order. Currently, the lawsuit is being considered by the appeals court. However, the subsidiary believes that it will suffer no significant loss as a result of this litigation.

- c) A subsidiary has been sued by a customer seeking compensation of approximately Baht 7.7 million for infringement of the plaintiff's rights. The court of first instance dismissed the lawsuit brought against the subsidiary but the plaintiff appealed this order. Currently, the lawsuit is being considered by the appeals court. However, the subsidiary believes that it will suffer no significant loss as a result of this litigation.

2. The Appropriateness of the Tender Offer Price

CapAd evaluated the appropriateness of the fair value of WR's shares by using information obtained from 247-4 Form, information memorandum for the acquisition and disposition of assets, interviewing with the managements of the Company, information from the Company and other publicly-disclosed information, such as Form 56-1, audited and reviewed financial statements, internal financial statements, property appraisal reports, financial information from various websites, and information from the SEC's website (www.sec.or.th) and the SET's website (www.set.or.th).

However, CapAd renders its opinion based mainly on the truth and completeness of those information and documents at present. Therefore, any change of such information may significantly affect business operations of WR and Centre Point, the financial statements as well as the shareholders' decision.

CapAd applied 6 approaches in evaluating the fair value of Centre Point's shares and newly-issued ordinary shares of WR, namely:

1. Book Value Approach (BV)
2. Adjusted Book Value Approach (ABV)
3. Market Value Approach
4. Price to Book Value Ratio Approach: P/BV Ratio
5. Price to Earnings Ratio Approach: P/E Ratio, and
6. Discounted Cash Flow Approach (DCF)

On October 18, 2011, the EGM of the Company No. 1/2011 passed a resolution to approve the disposition of all assets relating to the restaurant business. On December 15, 2011, the Company already completed the disposition of assets, resulting the Company to have no business and become a cash company.

On November 11, 2011, the EGM of the Company No. 2/2011 passed a resolution to approve the acquisition of ordinary shares of Centre Point, a commercial property developer focusing on developing shopping malls and rental office buildings, in order to replace the restaurant business, which will soon be disposed. The acquisition of Centre Point was completed on December 16, 2011. Additionally, the Company announced changing its company's name to We Retail Public Company Limited on November 29, 2011. However, currently, Centre Point has not yet launched any project. It has only vacant lands and leasehold rights and in a process of purchasing additional lands.

Therefore, currently the Company has no business. It has only investment in Centre Point, a wholly-owned subsidiary. Since the Company has recently purchased shares of Centre Point, there is no consolidated financial statement available. However, the latest internal financial statement of the Company has already taken into account the impact of capital increase from acquiring shares of Centre Point. Hence, CapAd evaluates the share value of WR and Centre Point separately. Then using the fair value of Centre Point to adjust the investment in Centre Point of WR in order to calculate the fair value of WR.

After studying WR's and Centre Point's information and documents, as well as other relevant information, CapAd's opinion on the appropriateness of the offering price can be summarized as follows;

2.1 The Fair Value of WR's Shares

Due to the Company has no business and has insufficient information and assumptions to prepare the financial forecast, CapAd, therefore could not use the Discounted Cash Flow Approach to evaluate the reliable share value of the Company.

Moreover, the IFA did not apply Market Value Approach to evaluate the share value of WR since the trading of the Company's shares has been suspended since 2004. Also, IFA did not apply Price to Book Value Ratio (P/BV Ratio) and Price to Earnings Ratio Approach (P/E Ratio) due to no appropriate comparable listed companies to compare with no-business WR and WR's net loss in the last four quarters period. Thus, the shares value of WR can be evaluated by applying the remaining 2 approaches as summarized below:

1) Book Value Approach

This approach determines WR's share value at a certain period. In this case, the calculation is based on WR's latest financial statement as of September 30, 2011, reviewed by a certified auditor approved by the SEC. The summary of shares value is as follows:

(Unit: Baht million)

	September 30, 2011
Paid-up capital	246.68
Discount from ordinary shares value	(130.00)
Appropriated retained earnings – Legal reserve	-
Unappropriated retained earnings (losses)	(109.16)
Total shareholders' equity	7.52
No. of paid-up shares of WR (million shares)*	49.34
Book value per share (Baht)	0.15

Remark: The par value of WR's share is Baht 5.00 each.

* On December 15, 2011, the Company increased its registered and paid-up capital of 368.82 million shares in order to acquire ordinary shares of Centre Point, resulting in the paid-up shares of the Company increased to 413.15 million shares.

The value of WR shares based on this approach is equal to **Baht 0.15 per share**.

2) Adjusted Book Value Approach

By this approach, the shares value is derived from total assets, deducted by total liabilities including commitments and contingent liabilities as shown in the latest financial statements and adjusted by items occurred after the end of accounting period or the items that may reflect the actual value of assets and liabilities. The adjustment items may include unrealized gain or loss from assets revaluation, reversal of provisions for doubtful accounts or reversal of bad debts write-off, value of business license, goodwill, patent, brand value, as well as losses carried forward that could be used as tax credit. Consequently, the adjusted book value is divided by total number of WR's paid-up shares.

In deriving the value of WR's shares, the IFA used the book value as shown in the latest financial statement as of September 30, 2011, which was reviewed by an auditor approved by the SEC, and made the adjustments until December 28, 2011. The details are as follows:

2.1) Book value based on the latest internal financial statement of WR

Refer to the internal financial statement of WR as of December 16, 2011 prepared by the Company, which has not been audited or reviewed by a certified auditor. However, it is already adjusted with disposition of assets relating to the restaurant business and the capital increase to acquire ordinary shares of Centre Point. The book value (shareholders' equity value) of WR can be summarized as follows:

	Baht million
Total assets	460.70
Total liabilities	61.40
Total shareholders' equity as of August 31, 2011	399.30
Total shareholders' equity as of June 30, 2011	7.52
Net increase of shareholders' equity	391.78

Thus, the adjusted value based on the latest internal financial statement of WR is equal to **Baht 391.78 million**.

2.2) Losses Carried Forward

At the end of 2010, WR has losses carried forward amounted to Baht 309.96 million, of which Baht 160.34 million will be expired in 2011. However, IFA views that the losses carried forward being expired in 2011 shall be used as tax credit only the amount equal to net profit of the Company. However, based on the latest internal financial statement as of December 16, 2011, the Company has net loss. Due to the unclear detailed plan of the future business, it is difficult to determine how much the Company is able to utilize tax saving.

Thus, CapAd considered not taking into account this transaction for the book value adjustment of the Company.

2.3) Legal Disputes

The Company was prosecuted as defendant in several civil cases in the charge of default of loan contract, financial lease contract and guarantee contract, carried the prosecuted asset amount of Baht 647.09 million with interest in the rate of various percentage from accrued principle. However, given such case, the Court orders to temporarily discharged the case since the Company was under entity rehabilitation and in some cases, the plaintiff had withdrawn prosecution in order to file petition to request for debt repayment according to Rehabilitation Plan. However, on November 18, 2010, the Central Bankruptcy Court had ordered to cancel entity rehabilitation of the Company since the Company had completely been complied all processes. It remained liability according to entity-rehabilitated plan, which is the 6th group creditor. Each creditor in such group would receive principle debt repayment from the fund that the Company received from the Axa Insurance Public Co., Ltd. Presently, it is on custodian officer process by execution office and it still has not reached finality of prosecuted cases from such 6th group creditor.

Since the legal consultant and the Board of Directors of the Company are unable to estimate the final court's decision of this case thus, CapAd did not take into account the adjustment of this transaction.

In addition, from due diligence of the information, the IFA did not find any other adjustments in considering to adjust the book value of disposed assets based on the latest financial statement of the Company.

The summary of adjustment items which shall affect the book value of WR's shares are as detailed below:

WR	Baht million
Adjustment items	
1) Increased of Book Value based on the latest internal financial statement of WR ending December 16, 2011	391.78
2) Losses Carried Forward	-
3) Legal Disputes	-
Total shareholders' equity as of September 30, 2011	7.52
Adjusted book value	399.30
No. of total paid-up shares (million shares)	413.15
Adjusted book value per share (Baht/share)	0.97

The value of WR shares based on this approach is equal to **Baht 0.97 per share**.

Comparison of the share value of WR derived from various valuation approaches can be summarized in the table below:

(Unit: Baht per share)

Valuation Approach	WR Share Value
1. Book Value Approach	0.15
2. Adjusted Book Value Approach	0.97

From the summary table above, the share value of WR over the various valuation approaches is in the range of Baht 0.15 - 0.97 per share.

On October 18, 2011, the EGM of the Company No. 1/2011 passed a resolution to approve the disposition of all assets relating to the restaurant business. On December 15, 2011, the Company already completed the

disposition of assets. Consequently, the Company have no operating business, therefore the valuation of WR's shares using the Discounted Cash Flow Approach is not applicable. In addition, due to no appropriate comparable listed company to compare with no-business WR and WR's net loss in the last four quarters, the Price to Book Value Ratio Approach and Price to Earnings Ratio Approach are also not applicable.

Therefore, CapAd estimated the shares value of WR by using 2 approaches, the Book Value Approach and the Adjusted Book Value Approach. Both methods consider the book value of the Company based on the latest reviewed financial statement as of September 30, 2011. In addition, the Adjusted Book Value Approach takes into account all adjustments incurred after the latest closing financial statement until the present and reflects the current fundamental value of the Company, thus it is viewed as the appropriate approach to value the WR's shares.

From the aforementioned rationales, the IFA viewed that the most appropriate valuation method for shares valuation of Centre Point is the Adjusted Book Value Approach. Therefore, the fair value of WR shares is equal to **Baht 0.97 per share**.

2.2 The Fair Value of Centre Point's Shares

Currently, Centre Point is a wholly-owned subsidiary of WR. CapAd did not apply Market Value Approach to evaluate the share value of Centre Point since it is not listed in the SET. Also, IFA did not apply Price to Earnings Ratio Approach (P/E Ratio) due to Centre Point has reported net loss in the last four quarters period. And CapAd could not apply the Discounted Cash Flow (DCF) Approach accurately and reliably since Centre Point has not yet operated and has only a preliminary policy and plan to develop a shopping mall and office building for rent project on Ratchadapisek Road. Such project is still under designing and revising project details such as building structure, No. of stories, rentable and common area space, etc., which have not yet concluded. Hence, the initial assumptions of Centre Point will be significantly different from the final plan of the project. Consequently, the share value of Centre Point evaluated by this DCF approach right now will not be accurate and not reflect the real fair value of Centre Point's shares. The IFA has an opinion that DCF approach shall be used when the details of the project is finalized and concluded.

Thus, the shares value of Centre Point can be evaluated by applying the remaining 3 approaches as summarized below:

1) **Book Value Approach**

This approach determines Centre Point's shares value at a certain period. In this case, the calculation is based on Centre Point's latest audited financial statement as of December 31, 2010, audited by a certified auditor approved by the SEC. The summary of shares value is as follows;

(Unit: Baht million)

Paid-up capital	150.70
Appropriated retained earnings – Legal reserve	-
Unappropriated retained earnings (losses)	(24.40)
Total shareholders' equity	126.30
No. of paid up shares of Centre Point (million shares)*	5.00
Book value per share (Baht)	25.26

Remark: * As of December 31, 2010, the Company's registered capital was Baht 500,000,000, divided into 5,000,000 ordinary shares with a par value of Baht 100 per share and the Company's paid-up capital was Baht 150,700,000, divided into (a) fully paid-up 10,000 ordinary shares representing the paid-up capital of Baht 1,000,000 and (b) 30% paid-up 4,990,000 ordinary shares or equivalent to Baht 30 per share representing the paid-up capital of Baht 149,700,000, totaling the paid-up capital of Baht 150,700,000.

The average value of Centre Point shares based on this approach is equal to **Baht 25.26 per share**.

2) **Adjusted Book Value Approach**

By this approach, the shares value of Centre Point is derived from total assets, deducted by total liabilities including commitments and contingent liabilities as shown in the latest financial statements, and adjusted by items occurred after the end of accounting period or the items that may reflect the actual value of assets and liabilities. The adjustment items may include unrealized gain or loss from assets revaluation, assets impairment, write-off for doubtful accounts receivable or lending, losses

carried forward that could be used as tax credit. Consequently, the adjusted book value is divided by total number of Centre Point's paid-up shares.

In deriving the value of Centre Point's shares, the IFA used the book value as shown in the latest financial statement as of December 31, 2010, which was audited by an auditor approved by the SEC, and made the following adjustments until December 28, 2011;

2.1) Book value based on the latest internal financial statement of Centre Point
Reference to the internal financial statement of Centre Point for the 9-month period ending September 30, 2011, which was reviewed by the certified auditor of PF (no report is issued), the book value (shareholders' equity value) of Centre Point can be summarized as follows:

	Baht million
Total assets	279.02
Total liabilities	11.27
Total shareholders' equity as of June 30, 2011	267.75
Total shareholders' equity as of December 31, 2010	126.30
Net increase (decrease) of shareholders' equity	141.45

Thus, the adjusted value based on the latest reviewed internal financial statement of Centre Point is equal to Baht 141.45 million.

2.2) Increase of Paid-up Capital
Reference to the reviewed internal financial statement as of September 30, 2011, Centre Point has the registered capital of Baht 500,000,000, divided into 5,000,000 ordinary shares with a par value of Baht 100 each which was separated into:

- (1) Fully paid-up 10,000 ordinary shares representing the paid-up capital of Baht 1,000,000 and
- (2) 60% paid-up 4,990,000 ordinary shares or equivalent to Baht 60 per share representing the paid-up capital of Baht 299,400,000, totaling the paid-up capital of Baht 300,400,000.

On October 5, 2011, additional Baht 99,800,000 has been paid-up, which is resulting in;

- (1) Fully paid-up 10,000 ordinary shares representing the paid-up capital of Baht 1,000,000 and
- (2) 80% paid-up 4,990,000 ordinary shares or equivalent to Baht 80 per share representing the paid-up capital of Baht 399,200,000, totaling for paid-up capital of Baht 400,200,000

Thus, the adjusted value based on the increment of paid-up capital is equal to Baht 99.80 million.

2.3) Losses Carried Forward
At the end of 2010, Centre Point has total losses carried forward of Baht 23.38 million, which will be expired since 2013 onwards. However, the IFA viewed that the tax benefit on losses carried forward of Centre Point may not been utilized due to uncertainty of future profitable operating period. Thus, IFA did not make any adjustment to the book value of the Company, resulting from tax saving benefits.

2.4) Gains from Assets Appraisal
CapAd considered that Centre Point has 2 groups of assets to evaluate, which are (1) lands and leasehold rights owned by the company and (2) lands in the purchasing process. The details are as follows:

2.4.1) Lands and leasehold rights owned by Centre Point (as of September 30, 2011, which is the date of the latest financial statement)

Centre Point appointed Thai Property Appraisal Lynn Phillips Co., Ltd. ("TPA"), an independent property appraiser approved by the SEC to appraise land value and leasehold rights of Centre Point totaling of 4 items. The land survey made on September 29, 2011 and the assets appraisal made on October 5, 2011 for public purpose based on the Market Approach can be summarized as follows:

Asset	Details	Appraised Value (Baht million)
Group 1: Land	- Title deed No. 127942, land No. 81 (the previous land No. 7580), survey page 18171, Huay Khwang, Bangkok, total areas of 90.10 sq.wah	31.54
Group 2: Leasehold Right ^{1/}	<p>Consisted of:</p> <ol style="list-style-type: none"> Title deed No. 1967, land No. 83 (the previous land No. 40), Huay Khwang, Bangkok, total areas of 2 rai 76 sq.wah. (876 sq.wah) Title deed No. 5600, land No. 74 (the previous land No. 300), Huay Khwang, Bangkok, total areas of 5 rai 46.10 sq.wah. (2,046.1 sq.wah) Title deed No. 114261, land No. 82 (the previous land No. 6744), Huay Khwang, Bangkok, total areas of 2 ngan 40 sq.wah. (240 sq.wah) <p>- Registration date of land leasehold agreements was April 8, 2010, the date that these land leasehold agreements were transferred to Centre Point by PF. The agreements shall be terminated in January 2025</p> <p>- In addition, Centre Point has entered into land leasehold agreements with the owners of the lands who are not related persons to Centre Point, to continue the land leasehold agreements for another 11 years and 11 months (February 1, 2025 - December 31, 2036)</p>	184.00
Total		215.54

Major assumptions for the asset appraisal of TPA

Group 1: Land

TPA appraised value of assets by comparing prices of 5 plots of lands in the same area, which are in the range of Baht 150,000 – 450,000 sq.wah. Thus, the appraisal value of lands of Centre Point is Baht 350,000 per sq.wah.

Group 2: Leasehold right

TPA valued the leasehold rights from sum of the difference (applied to the appraised land only) between the market rental income and the leasehold payments as per leasehold agreements of Centre Point [market rental income – leasehold payments]. Appraisal assumptions of TPA are as follows:

<u>Assumptions of revenues (market rental income)</u> (rental fee received from tenants)		
Land area	(1)	3,080.10 sq.wah
Market price of land	(2)	Baht 240,000 per sq.wah
Rate of return of revenue	(3)	3.75% p.a.
Market rental income ^{1/}	(4) = (1) * (2) * (3)	
Growth of market rental income		5% every 3 years (start at the 4 th year)
<u>Assumptions of expenses</u> <u>(leasehold payment under leasehold agreements)</u> (leasehold payments paid to the landlords each year throughout leasehold period)	(5)	Based to leasehold agreement ^{2/}
The difference	(6) = (4) – (5)	
Discount rate of the difference		12% p.a.

Remark: 1/ TPA rounded the market rental income for the amount of 1,000 each year.

2/ The IFA figured out that "leasehold payment under leasehold agreements" of TPA is missing "leasehold compensation". Therefore, the IFA made adjustments as described in the next section.

Adjustment of leasehold payment of TPA

Reference to the property appraisal report prepared by TPA, the IFA figured out that total "leasehold payments under leasehold agreements" each year is incorrect and under-estimated.

Based on the leasehold agreements and amendments, total “leasehold payments under leasehold agreements” is consists of (a) leasehold payment (30-year lease), (b) additional leasehold payment (30-year lease), (c) leasehold compensation (30-year lease), and (d) leasehold payment (11 years 11 months lease)

“Leasehold payments under leasehold agreements” of TPA is missing (c) leasehold compensation (30-year lease). Under-estimated expenses cause the appraised value of leasehold rights (Baht 184,000,000) is incorrect and over-estimated.

With aforementioned rationales, the IFA has carefully re-checked the leasehold agreements, leasehold rights transfer agreements, and other related agreements and cross-checked with Centre Point again. The IFA found that Centre Point correctly recorded leasehold payments in accordance with the relevant leasehold agreements and its financial statements were audited and reviewed by the certified auditor of PF. As a result, the IFA performed the estimation of the value of leasehold rights based on assumptions of revenues of TPA (“market rental income”), but adjusting “leasehold payments under leasehold agreements” to include (c) leasehold compensation (30-year lease) and adjusting leasehold payments of 15th year (year 2025) to comply with the relevant leasehold agreements. The remaining parts were unchanged from the existing assumptions of TPA. The revised appraised value calculated by the IFA is equal to Baht 178,000,000 (after rounded in millions)

The adjustment of asset revaluations to Centre Point's book value can be summarized as follows:

(Unit: Baht million)

Appraised assets	Book value as of June 30, 2011	Appraised value as of October 5, 2011	Appraised value in excess of Book value
Group 1: Land ^{1/}	31.54	31.54	0.00
Group 2: Leasehold Right	123.04	178.00 ^{2/}	54.96
Total	154.58	220.54	54.96

Remark: 1/ Centre Point recorded land in the category of “costs of project development”.

2/ Based on the revised appraised value of leasehold rights, which were estimated and adjusted by IFA.

2.4.2) Lands in the purchasing process (as of September 30, 2011, which is the date of the latest financial statement)

As of September 30, 2011, which is the latest date of the internal financial statement, Centre Point has planned to acquire additional 3 plots of lands, which are the title deed No. 127943, 127944 and 115009 with total land areas of 3 Ngan and 17.50 sq.wah. Centre Point has entered into 3 to-sale-and-to-purchase land agreements.

As of December 31, 2011, Centre Point already acquired 2 plots of lands, which are title deed No, 127943 and 127944 with total value of Baht 81.09 million. The remaining plot of land title deed No. 115009, which its final payment was December 2011, has been postponed the final payment to March 2012. Since ownership of such plot of lands has not yet transferred to Centre Point, CapAd has opinion that such plot of lands should not be adjusted in the book value of Centre Point.

PF appointed Brooke Real Estate Co., Ltd. (“BROOK”), an independent property appraiser approved by the SEC to appraise land value of Centre Point totaling of 2 items. The assets appraisal made on November 4, 2011 for public purpose based on the Market Approach can be summarized as follows:

Asset	Details	Appraised Value (Baht million)
Group 1 (Already acquired)	Consisted of: 1) Title deed No. 127943, land No. 80, survey page 18172, Huay Khwang, Bangkok, total areas of 1 Ngan, 8.8 sq.wah 2) Title deed No. 127944, land No. 79, survey page 18173, Huay Khwang, Bangkok, total areas of 71.4 sq.wah.	72.08

Major assumptions for the asset appraisal of BROOK

BROOK appraised value of assets by comparing prices of 5 plots of lands in the same area, which are in the range of Baht 360,000 – 530,000 sq.wah. Thus, the appraisal value of lands of Centre Point is Baht 400,000 per sq.wah.

The summary of adjustment items which shall affect the book value of Centre Point are as follows:

Appraised assets	Book value as of June 30, 2011	Appraised value as of October 5, 2011	Appraised value in excess of Book value
2.4.1) Lands and leasehold rights owned by Centre Point			
Group 1: Land ^{1/}	31.54	31.54	0.00
Group 2: Leasehold Right	123.04	178.00 ^{2/}	54.96
2.4.2) Lands in the purchasing process at September 30, 2011			
Group 1: Land ^{3/}	81.09	72.08	(9.01)
Total	234.46	281.62	47.16

Remark: 1/ Centre Point recorded land in the category of "costs of project development".

2/ Based on the revised appraised value of leasehold rights, which were estimated and adjusted by IFA.

3/ Currently, these plots of lands are already transferred to Centre Point, thus they are included in the evaluation.

Thus, the adjustment item from assets appraisal of Centre Point is equal to Baht 47.16 million.

In addition, from due diligence of the information of Centre Point, CapAd did not find any other adjustments in considering to adjust the book value on the latest financial statement of Centre Point.

The summary of adjustment items which shall affect the book value of Centre Point's shares are as detailed below:

Centre Point	Baht million
Adjustment items	
1) Increase of Book value based on the latest internal financial statement of Centre Point for the 9-month period ending September 30, 2011	141.45
2) Increase of Paid-up Capital	99.80
3) Losses Carried Forward	-
4) Gains from Assets Appraisal as compared to the internal financial statement of Centre Point for the 9-month period ending September 30, 2011	47.16
Total shareholders' equity as of December 31, 2010	126.30
Average adjusted book value	414.71
No. of shares (million shares)*	5.00
Average adjusted book value per share (Baht/share)	82.94

Remark: * On October 5, 2011, Centre Point had the registered capital of Baht 500,000,000, divided into 5,000,000 ordinary shares with the par value of Baht 100 each, which was separated into; (a) fully paid-up 10,000 ordinary shares representing the paid-up capital of Baht 1,000,000, and (b) 80% paid-up 4,990,000 ordinary shares or equivalent to Baht 80 per share representing the paid-up capital of Baht 399,200,000, totaling the paid-up capital of Baht 400,200,000

The average value of Centre Point shares based on this approach is equal to Baht 82.94 per share.

3) Price to Book Value Ratio Approach: P/BV Ratio

In this approach, CapAd evaluated Centre Point's shares by using book value of Centre Point as shown in the audited financial statements as of December 31, 2010 which was audited by an auditor approved by the SEC and considered the book value after the additional paid-up capital of Baht 249.50 million (please see details in section 2. Adjusted Book Value Approach), approximately of Baht 75.16 per share (IFA views that including paid-up capital increase shall truly reflect the fair value of Centre Point) multiplied by the median of P/BV Ratios of 2 comparable SET-listed companies with similar business focuses in Commercial Property Development which are (1) Central Pattana Plc. ("CPN") and (2) Siam Future Development Plc. ("SF") for the period up to December 28, 2011. The details are summarized below:

	Historical P/BV Ratio (time)							
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	360 days
CPN	1.65	1.68	1.71	1.75	1.76	1.80	1.82	1.70
SF	4.33	4.34	4.22	4.04	4.10	4.08	3.85	3.51
Median	2.99	3.01	2.97	2.89	2.93	2.94	2.84	2.60
Average value per share (Baht)	225.05	226.46	222.96	217.44	220.19	220.76	213.19	195.69

Source: SETSMART

The average value of Centre Point shares based on this approach is in the range of **Baht 195.69 - 226.46 per share**.

Comparison of the shares value of Centre Point derived from various valuation approaches can be summarized in the table below:

(Unit: Baht per share)

Valuation Approach	Centre Point Average Share Value
1. Book Value Approach	25.26
2. Adjusted Book Value Approach	82.94
3. Price to Book Value Ratio Approach: P/BV Ratio	195.69 – 226.46

From the summary table above, the share value of Centre Point over the various valuation approaches is in the range of **Baht 25.26 - 226.46 per share**.

The Book Value Approach is the method that reflects the operating result and status of Centre Point at any given period of time, but without taking into account its real asset value and future profitability, as well as the overall economic and industry outlook. In addition, Centre Point has not been operated any business, it owns only land, leasehold rights, and liabilities. Also, the book value as of September 30, 2011 is the book value prior to the paid-up capital increment in October 2011. Therefore, valuation of Centre Point's shares using this approach might not be appropriate.

The Adjusted Book Value Approach is the method taking into account all adjustments and reflects the market value of Centre Point's assets that is more accurate than the Book Value Approach. Although, this approach does not reflect the future growth potential of the business, overall economic, and industry outlook as well, it does reflect the fundamental value of Centre Point's shares.

The Price to Book Value Ratio Approach estimates the value of Centre Point's shares from using past financial figures of Centre Point to compare with the past selected industrial average of the 2 comparable SET-listed companies with similar business and focuses on commercial property development such as shopping mall and office building for rent, which are CPN and SF. Due to Centre Point has not been operated and there are only 2 comparable SET-listed companies which their asset sizes are 25 - 120 times larger than Centre Point's. Also since Centre Point has not yet operated, book value of Centre Point is not appropriate to compare with P/BV ratio of the selected listed companies. Therefore, valuation of Centre Point's share using this approach might not be appropriate.

From the aforementioned rationales, CapAd views that the most appropriate valuation method for share valuation of Centre Point is the Adjusted Book Value Approach. Therefore, the fair value of Centre Point share is equal to **Baht 82.94 per share**.

2.3 Conclusion of the Fair Value of WR (after adjusted investment in a subsidiary, Centre Point)

From the information stated earlier, the fair value of Centre Point is Baht 82.94 per share or Baht 414.71 million, which is higher than investment cost of WR in Centre Point, which is Baht 400.20 million (averagely Baht 80.04 per share). Therefore, the adjustment of the investment in Centre Point is as follows:

	Value (Baht million)
Investment cost of WR in Centre Point	400.20
Fair value of Centre Point	414.71
Surplus of investment in Centre Point	12.95

After adjusting the fair value of WR with the surplus of investment in Centre Point, the result is as follows:

1. Fair value of WR (from section 2.1)	Baht million	399.30
2. Surplus of investment in Centre Point	Baht million	14.51
Fair value of WR after adjusted investment in a subsidiary (1+2)	Baht million	413.81
Total paid-up shares of WR	Million shares	413.15
Fair value of WR per share after adjusted investment in a subsidiary	Baht/share	1.00

In conclusion, CapAd has an opinion that the fair value of the Company after adjusted investment in a subsidiary (Centre Point) is equal to **Baht 1.00 per share**. Comparing with the Tender Offer price of Baht 1.14 per share, **the fair value of the Company is lower than the Tender Offer price of Baht 0.14 per share or equal to 12.47% lower than the Tender Offer price. Therefore, the Tender Offer price of Baht 1.14 per share is appropriate.**

3. Reason to accept or reject the tender offer

CapAd has considered the tender offer statement (Form 247-4), Info Memo, other information relevant to the Company and recommends that shareholders should accept the tender offer based on the following reasons.

3.1 Reasonable tender offer price

CapAd has conducted valuations of the Company's shares using various theoretical valuation approaches. Based on the Adjusted Book Value approach after adjusted the investment in the subsidiary, fair value of the Company's share is Baht 1.00 per share, which is Baht 0.14 lower than the tender offer price of Baht 1.14 per share. Thus, CapAd is of the view that the tender offer price of Baht 1.00 per share is appropriate.

3.2 Lack of Trading Liquidity of the Company's securities

The Company's ordinary shares have been suspended from trading on SET and moved to Non-performing Group (NPG) since 2004. If the Company wants its ordinary shares to resume trading, it must follow the following steps.

1) The Company must carry out steps to get itself out of delisting criteria within 3 years from March 10, 2011 (extensible for one time for not more than 1 year, resulting in total time under rehabilitation of not more than 4 years). Therefore, the Company must carry out those steps within the aforementioned timeframe.

2) SET considers the following key qualifications to remove a company from being delisted.

2.1) Equity

- No less than Baht 20 million for trading on MAI, or
- No less than Baht 300 million for trading on SET.

2.2) Net profit from normal operation of main business to be conducted on a going concern basis from the audited full-year financial statements or 4-quarter financial statements

- Have a net and accumulated profit for the period prior to the filing of the request for trading on MAI, or
- Have no less than Baht 30 million net profit and accumulated profit for the period prior to the filing of the request for trading on SET.

2.3) The Company generates sustainably solid operating results, taking into account the Company's cash flow.

2.4) The Company has all the required qualifications to be a listed company.

After the disposal of the food business, the Company will change its core business to property development, with a plan to develop a shopping mall and commercial property by itself and under Centre Point, which is a subsidiary. However, projects under this plan have not commenced and would generate meaningful revenues starting from 2013 at the earliest. Therefore, the Company's

shares may resume normal trading on SET in 2014 or 2015 at the earliest. Shareholders may be stuck with the lack of trading liquidity of the Company's shares at least 3 – 4 years from now.

By accepting this tender offer, shareholders would be able to dispose the Company's shares after it has been suspended from trading since 2004 (for more than 7 years) and is not expected to resume trading for at least 3 – 4 years from now. In addition, shareholders can invest the proceeds in other assets or securities with higher and quicker returns.

3.3 The Company's Ability to Operate the Business

As the Company changes its core business to property development, developing shopping mall, office building, and commercial property, and acquires all ordinary shares of Centre Point, which also conducts similar property development business, it has to depend on experience and expertise of the Board of Directors, management, staff, as well as relationship with other property developers.

Even though the Offeror's expertise is in residential project, such as single house, townhouse, and low-rise condominium, and it has an extensive experience in spotting potential land and relationship with landlords in many areas, those expertise and experience are not really match the Company's segment of shopping mall, office building, and commercial property. Therefore, the Company have to depend on outside experts or experience personnel hired by the Offeror.

Therefore, there are operational risks including lack of experience, expertise, business strategy, and marketing. It may affect to the success of the developed project, project management, competitive advantage, and revenue and profit generating capability. Currently, it cannot be estimated whether the Company will operate successfully in the inexperience business.

3.4 The Company's Ability to Secure Sources of Funds, Debt Obligations, Interest Payment, and Future Equity Injection

The Company has a policy to have Centre Point develop shopping mall, office building, and commercial property. In the early stage (1 – 2 years), it plans to develop community mall projects, with an investment of approximately Baht 400 – 500 million per project, and then a closed shopping complex and an office building for rent, with an investment of approximately Baht 2,000 – 2,500 million. In the next stage (3 – 5 years), the plan is to expand the business to include 3 – 5 community malls and commercial property projects. Each project requires a certain level of capital outlay which cannot be assessed at this point in time and the timing of each project is also uncertain.

The high level of capital requirement for future projects may require both equity and debt financing, which may have an impact on shareholders of the Company as follows.

Equity financing by right offering may create a burden on shareholders to maintain their corresponding stakes in the Company. The Company plans to raise Baht 454.47 million by issuing new ordinary shares to existing shareholders in the first quarter of 2012 if the new shares are fully subscribed. However, the amount raised may not be enough and it could result in a private placement or a public offering in order to meet the capital requirement, which would have an effect on control dilution to existing shareholders.

Debt financing will increase liabilities and interest payment in the future, which would have an effect on net profit, debt to equity ratio, and dividend payout ratio.

Furthermore, if the Company is unable to secure adequate funding, it will have an impact on the success of the projects, which may in turn have an impact on its ability to service its debt obligation or expected required rate of return for shareholders.

3.5 Risk from the unclear detailed project development plan

Eventhough the Company has a preliminary business plan to develop property projects continuously in the next 1 – 3 years, design and corresponding financial plan of the projects are still under revision and cannot be concluded at this point in time. In addition, the Company is under negotiation and searching to acquire additional lands for these projects. Therefore, the success and future return of the projects cannot be assessed at this point in time, thus shareholders of the Company are still exposed to this risk.

3.6 Dividend Payment

Since the Company's security was suspended from trading since 2004 (more than 7 years ago) and is expected to remain so during the next 3 – 4 years as mentioned in 3.2, there is low possibility for shareholders to profit from capital gain during those periods. Dividend is the only return to shareholders. However, the Company stopped paying dividend since 2003 (9 years ago). It is expected to start generating operating revenues in 2013 at the earliest and is still unclear whether it will have excess cash for dividend payment (after servicing its debt deduct paying interest, and retaining cash for business expansion). Therefore, expecting a dividend payment from holding the Company's securities may be highly uncertain.

3.7 Other considerations

Balance of control of the Company

On the filing date of tender offer statement (247-4), the Offeror holds 88.06 percent of the Company's paid-up capital and voting rights, which is higher than 3/4 of total capital of the Company. The Offeror has the majority control in the shareholders' meeting as follows.

- Transactions that required resolution of not less than three-fourth of votes of shareholders who attend and eligible to vote such as capital increase or decrease, merger and acquisition, acquisition or disposal of assets, and bond issuance, etc.
- Transactions that required resolutions of not less than three-fourth of total paid-up shares such as delisting, etc.
- In case that the Offeror and its related parties altogether hold more than 90 percent of paid-up capital, the remaining shareholders will lose their right of objection implicitly such as delisting, offering new shares at low price, securities offering under the employee stock option plan over 5% of total paid-up capital.

With above reasons, shareholders have the risk of losing their rights in auditing, balance of control, and objection as stated by laws.

Maintaining the SET Listing Status

The minimum requirement of share distribution for a company to maintain its listing status on the SET is to have no less than 150 shareholders, holding in combination no less than 15 percent of total paid-up capital. On the tender offer date, the Offeror held 88.06 percent of the Company's total paid-up capital. In case a lot of shareholders accept the tender offer, total shareholders of the Company may drop below 150 and the Company may be obligated to increase its share distribution within 1 year in order to meet the requirement mentioned above.

4. Benefit or impact from plans and policies as disclosed in the tender document, the possibility of such plans and policies

CapAd has considered the plans and policies as stated in the tender offer statement (Form 247-4) dated December 28, 2011, the Info Memo, information from interviewing with the Company's management, and found that the overall plan and policy set by the Offeror provide a clear direction of the Company's business. However, there are no details of projects and thus make CapAd unable to analyze the feasibility of the Company's business plan. However, benefits and impacts may be as follows.

4.1 Status of the Company

The Offeror intends to maintain the listing status of the Company on SET. It has no plan to delist the Company unless SET issues an order to have the Company's share delisted on the ground that the Company's qualification fail to meet SET's regulations.

In addition, the Offeror clearly expresses its objective of listing Centre Point on SET via Backdoor listing. This transaction also corrects the cause of the Company's delist.

CapAd opines that the Offeror will maintain the listing status of the Company and have the Company's shares resume trading on SET as set out in its objective.

4.2 Structure of Board of Directors

On the tender offer date, the Offeror holds 88.06 percent of the Company's paid-up capital and appoints 3 out of 6 of the Company's Board of Directors. They are Mr. Thawatchai Nakata, Mr.

Chainid Ngowsrimanee, and Mr. Pramote Rermyindee. The Offeror has no intention to change the structure of the Board of Directors within the 12 months after the end of the tender offer period. However, there may be a change in the composition of Board of Directors in the future as appropriate.

CapAd is of the view that there would not be a significant change in the structure of the Company's Board of Directors within 12 months after the end of the tender offer period.

4.3 Policy and Business Plan

As stipulated in the tender offer document, the Offeror has no intention to change the business objectives within 12 months after the end of the tender offer period. The Company will continue to conduct property development business (developing shopping mall, office building, and commercial property) under Centre Point and the Company's own operation. The Offeror has a policy to let Centre Point develop shopping mall, office building, and commercial property projects. In the early stage (1 – 2 years), it plans to develop community mall projects and then a closed shopping complex and an office building for rent. In the next stage (3 – 5 years), the plan is to expand the business to include 3 – 5 community malls and commercial property projects closed to residential community and/or mass public transportation system.

Therefore, the Offeror should continue to support the Company's and Centre Point's business operations for its own and shareholders of the Offeror's and the Company's benefits. However, the Offeror does not have the details of the projects it plans to launch. CapAd is unable to analyze the feasibility of the projects and their impact on the Company's operating results in the future. Therefore, shareholders should take into account the risk of the Company in operating a new core business when making decision.

This tender offer gives an opportunity for shareholders, who have no confidence in the Company's business structure or its future plan, to exit by selling their shares in this tender offer.

4.4 Plan to Dispose the Company's and Subsidiaries' Main Assets

As stipulated in the tender offer document, the Offeror has no plan to dispose the Company's and subsidiaries' main assets within 12 months after the end of the tender offer period.

Main assets of the Company and Centre Point, a wholly-owned subsidiary, consist mainly of several plots of land and leasehold rights for future development projects. These assets have been acquired by the Offeror and/or Centre Point for quite a while (the leasehold rights extension is also completed). Therefore, it should be no significant asset disposition. However, in the case that the Offeror would like to dispose main assets of the Company and its subsidiary in the future, it has to comply with the regulation regarding the disposal of asset, as well as other related laws.

4.5 Dividend Policy

As stipulated in the tender offer document, the Company's current dividend policy is to pay out no more than 50 percent of net income after tax and legal reserve. This policy is different from the Offeror's dividend policy of paying out no less than 50 percent of net income after tax and legal reserve base on separate financial statements. The Offeror may propose to the next Annual General Meeting of Shareholders to change the dividend policy to be in line with the Offeror's. However, the dividend payment must take into consideration the Company's financial status, liquidity, business expansion, and other relevant factors.

Therefore, it depends on the resolution of the shareholders' meeting as the change of dividend policy requires at least half of the votes from shareholders attending the meeting and having voting rights. Since the Offeror currently holds 88.06 percent of the Company's paid-up capital, there would be a change in the dividend payout ratio from "no more than 50 percent" to "no less than 50 percent" in the future, which benefit the shareholders.

4.6 The Company's Shares Disposition Plan

As stipulated in the tender offer document, the Offeror has no plan to dispose or transfer the Company's shares it holds prior to the tender offer, as well as additional shares acquired in the tender offer, to other parties within 12 months after the end of the tender offer period. After the 12-month period, it may consider to sell the Company's shares to other investors, who will benefit the Company's business operation. This includes the compliance to the prevailing rules and regulations

governing the Company during the period, or shareholding and/or business restructuring after the tender offer period in order to maximize the benefit of the shareholders of the Offeror and the Company.

If the Company's shares resume normal trading on SET, the Company has to comply with the minimum requirement of share distribution to maintain its listing status on the SET. Thus, it has to have no less than 150 shareholders, holding in combination no less than 15 percent of total paid-up capital. Therefore, the Offeror may need to reduce its holding in the Company to maintain the listing status. In the case that the Offeror disposes the Company's shares in the significant portion in the future, the Offeror may decide to stop the financial support it provides to the Company. Therefore, the Company may need to find new source of funds or new shareholders to provide its financial support.

4.7 Connected Transactions

After the end of the tender offer period, the Offeror and Centre Point, a subsidiary of the Company, may have to settle their outstanding balances, which are now considered connected transactions. The connected transactions may increase in the future as required by normal business operation. The Offeror, which is a listed company on SET, must have already complied with all related laws and regulations regarding connected transactions, issued by related agencies, and will take a careful consideration in order to ensure that such transactions are conducted on an arm's length basis.

5. The benefit and impact to the shareholders if the shareholders reject the tender offer (in case of delisting tender offer)

None. This transaction is not a delisting tender offer.

6. Conclusion of Independent Financial Advisor's Opinion

CapAd has considered the tender offer statement (Form 247-4), the Info Memo, information from interviewing with the Company's management, and other information relevant to the Company and the Offeror. Thus, CapAd recommends that shareholders should **accept** the tender offer since the tender offer price of Baht 1.14 per share is higher than the appropriate price determined by Adjusted Book Value Approach of Baht 1.00 per share. Furthermore, the fact that suspension of the Company's shares from trading on SET for more than 7 years and are expected to remain so for at least another 3 – 4 years; operational risks from not having experience in commercial property development business; financial risks from securing sources of funds, increasing debt and interest obligations, and impacts from future equity increase; no detail of future project plans, makes it quite difficult to assess the Company's future success and returns; low possibility to receive dividend payment in the next few years; and a lack of balance of control since more than 75% of WR's shares held by the Offeror. Therefore, this tender offer provides an opportunity for WR's shareholders who do not have a confidence in the Company's current business structure and its future business plans and projects to sell their shares in this tender offer. Therefore, this tender offer provides an opportunity for shareholders who have no confidence in the Company's current business structure or future project plans to sell their shares in this tender offer.

Shareholders may consider information, rationale, and opinions on various issues stated herein the IFA report in consideration to accept or reject this tender offer. However, shareholders should use their own judgments with their discretion over their decisions regarding this tender offer.

Capital Advantage Company Limited hereby certifies that we have provided the above opinion cautiously in accordance with professional standard for the benefit of the shareholders.

Sincerely yours,

.....
 (Mr. Patchara Netsuwan)
 Managing Director
 Capital Advantage Co., Ltd.
 Independent Financial Advisor and Advisor to the WR Shareholders