

(Translation)

July 17, 2015

**Subject: Addition and Amendment to an Opinion of the Company on the Tender Offer of Grande Asset Hotels and Property Public Company Limited's Securities**

To: The Secretary-General of the Securities and Exchange Commission  
The President of the Stock Exchange of Thailand  
The Shareholders of Grande Asset Hotels and Property Public Company Limited

Reference is made to an opinion of the Company on the Tender Offer ("Form 250-2") dated June 24, 2015 of Grande Asset Hotels and Property Public Company Limited (the "Company" or "GRAND"). The Company would like to submit the additional and amended information to Form 250-2 according to the amendment to the Tender Offer for GRAND's securities by Property Perfect Public Company Limited dated June 30, 2015 as well as other amendments in order to provide a better understanding for the shareholders of the Company, details of which as follows:

- 1) Addition and amendment to item (1) 'Hotel business' on page 5 of item 1.1.3 'Business overview' as follows:

Original Statement

(1) Hotel business

The Company has three hotels already under operation and one hotel still under construction, as follows:

Hotel name	Status	Location	Type of hotel	No. of floors	No. of guestrooms	Average occupancy rate
The Westin Grande Sukhumvit Hotel	Already in operation	At the entrance of Soi Sukhumvit 19, Bangkok	Five-star hotel	25	362	58%
Sheraton Hua Hin Resort & Spa Hotel	Already in operation	Cha-am, Phetchaburi	Five-star hotel	2	240	64%

Hotel name	Status	Location	Type of hotel	No. of floors	No. of guestrooms	Average occupancy rate
Sheraton Hua Hin Pranburi Villas	Already in operation	Pran Buri, Prachuap Khiri Khan	Five-star hotel	1	53 pool villas	33%
Hyatt Regency Bangkok Sukhumvit Hotel	Under construction	At the entrance of Soi Sukhumvit 13, Bangkok	Four-star hotel	28	Approx. 273	N/A

Revised Statement

(1) Hotel business

The Company has three hotels already under operation and one hotel still under construction, as follows:

Hotel name	Status	Location	Type of hotel	No. of floors	No. of guestrooms	Average occupancy rate
The Westin Grande Sukhumvit Hotel	Already in operation	At the entrance of Soi Sukhumvit 19, Bangkok	Five-star hotel	25	362	58%
Sheraton Hua Hin Resort & Spa Hotel	Already in operation	Cha-am, Phetchaburi	Five-star hotel	2	240	64%
Sheraton Hua Hin Pranburi Villas	Already in operation	Pran Buri, Prachuap Khiri Khan	Five-star hotel	1	53 pool villas	33%
Hyatt Regency Bangkok Sukhumvit Hotel	Under construction and <u>expected to complete and commence the operation in 2017</u>	At the entrance of Soi Sukhumvit 13, Bangkok	Four-star hotel	28	Approx. 273	N/A

- 2) Addition and amendment to item (2) 'Real estate development business' on page 5 of item 1.1.3 'Business overview' as follows:

Original Statement

(2) Real estate development business

The Company has four projects under sales and/or development process, as follows:

Project name	Status	Type of property	Location	No. of floors	No. of remaining rooms
Hua Hin Blue Lagoon	Under ownership transfer to buyers	Residential condominium	Cha-am, Phetchaburi	3	6
The Trendy	Under ownership transfer to buyers	Commercial and office condominium	Soi Sukhumvit 13, Bangkok	32	2
Hyde Sukhumvit 13	Under ownership transfer to buyers	Residential condominium	Soi Sukhumvit 13, Bangkok	40	32
Hyde Sukhumvit 11	Under construction	Residential condominium	Soi Sukhumvit 11, Bangkok	39	476

Revised Statement

(2) Real estate development business

The Company has four projects under sales and/or development process, as follows:

Project name	Status	Type of property	Location	No. of floors	No. of remaining rooms
Hua Hin Blue Lagoon	Under ownership transfer to buyers	Residential condominium	Cha-am, Phetchaburi	3	6
The Trendy	Under ownership transfer to buyers	Commercial and office condominium	Soi Sukhumvit 13, Bangkok	32	2
Hyde Sukhumvit 13	Under ownership transfer to buyers	Residential condominium	Soi Sukhumvit 13, Bangkok	40	32
Hyde Sukhumvit 11	Under construction <u>and expected to</u>	Residential condominium	Soi Sukhumvit 11, Bangkok	39	476

Project name	Status	Type of property	Location	No. of floors	No. of remaining rooms
	<u>complete within</u> <u>2017</u>				

3) Addition and amendment to item 1.2 'Revenue structure' on page 6 as follows:

Original Statement

	2012		2013		2014		3M ended Mar 31, 15	
	Baht million	%	Baht million	%	Baht million	%	Baht million	%
Revenues from hotel operations	908.90	91.46	997.42	68.88	824.60	16.73	277.04	84.58
Revenues from sales of real estate	29.31	2.95	209.52	14.47	4,043.68	82.06	35.04	10.70
Excess of interest in the net fair value of subsidiary over purchase cost	-	-	147.92	10.22	-	-	-	-
Rental income	18.38	1.85	19.11	1.32	18.06	0.37	8.74	2.67
Other income	37.14	3.74	73.99	5.11	41.31	0.84	6.73	2.06
<b>Total</b>	<b>993.72</b>	<b>100.00</b>	<b>1,447.96</b>	<b>100.00</b>	<b>4,927.64</b>	<b>100.00</b>	<b>327.56</b>	<b>100.00</b>

Revised Statement

	2012		2013		2014		3M ended Mar 31, 15	
	Baht million	%	Baht million	%	Baht million	%	Baht million	%
Revenues from hotel operations	908.90	91.46	997.42	68.88	824.60	16.73	277.04	84.58
Revenues from sales of real estate	29.31	2.95	209.52	14.47	4,043.68	82.06	35.04	10.70
Excess of interest in the net fair value of subsidiary over purchase cost	-	-	147.92	10.22	-	-	-	-
Rental income	18.38	1.85	19.11	1.32	18.06	0.37	8.74	2.67
Other income*	37.14	3.74	73.99	5.11	41.31	0.84	6.73	2.06
<b>Total</b>	<b>993.72</b>	<b>100.00</b>	<b>1,447.96</b>	<b>100.00</b>	<b>4,927.64</b>	<b>100.00</b>	<b>327.56</b>	<b>100.00</b>

\* Note: Other income comprised gain from asset sale, interest income, gain from foreign exchange rate, revenue sharing of spa business operated by external party, etc. In 2013 other income mainly incurred from gain from sale of asset and hotel as well as a reduction in estimated unrecognized loss of several projects. In 2014 other income mainly incurred from seizing of the deposit of those customers who breached the contracts.

4) Addition and amendment to item 1.4 'Shareholder structure' on page 11 as follows:

Original Statement

Top 10 shareholders of the Company according to the shareholder register book as of May 28, 2015, which is the latest register book closing date, are as follows:

Name	As of May 28, 2015	
	No. of shares	%
1. Metro Premier Holding Co., Ltd.	1,026,558,657	35.53
2. Citynet Asia Ltd.	206,850,000	7.16
3. Thai Property Plc.	147,000,000	5.09
4. Miss Saranya Chaichutaporn	91,023,800	3.15
5. Mr. Suradej Narula	66,580,824	2.30
6. Thai NVDR Co., Ltd.	62,963,338	2.18
7. Mr. Tawee Anantarattana	52,283,490	1.81
8. Mr. Theeratat Poolkasame	43,424,115	1.50
9. Mr. Vileard Wongapisumpho	42,600,705	1.47
10. Mr. Warin Narula	31,571,966	1.09
11. Others	1,118,182,342	38.70
<b>Total</b>	<b>2,889,039,237</b>	<b>100.00</b>

Source: List of shareholders of the Company

Revised Statement

Top 10 shareholders of the Company according to the shareholder register book as of May 28, 2015, which is the latest register book closing date, are as follows:

Name	As of May 28, 2015	
	No. of shares	%
1. Metro Premier Holding Co., Ltd. <sup>1</sup>	1,026,558,657	35.53
2. Citynet Asia Ltd.	206,850,000	7.16
3. Thai Property Plc. <sup>2</sup>	147,000,000	5.09
4. Miss Saranya Chaichutaporn	91,023,800	3.15
5. Mr. Suradej Narula	66,580,824	2.30
6. Thai NVDR Co., Ltd.	62,963,338	2.18
7. Mr. Tawee Anantarattana	52,283,490	1.81
8. Mr. Theeratat Poolkasame	43,424,115	1.50
9. Mr. Vileard Wongapisumpho	42,600,705	1.47

Name	As of May 28, 2015	
	No. of shares	%
10. Mr. Warin Narula	31,571,966	1.09
11. Others	1,118,182,342	38.70
<b>Total</b>	<b>2,889,039,237</b>	<b>100.00</b>

Source: List of shareholders of the Company

Note: 1 TPROP's subsidiary whereby TPROP holds 100% of total issued shares

\_\_\_\_\_ 2 Subsidiary of the Offeror whereby the Offeror holds 89.57% of total issued shares

- 5) Addition and amendment to the first paragraph of item 1.6.3.1 'Operating results' on page 17 as follows:

Original Statement

In 2013, the Company and its subsidiaries posted a net loss of Baht 13.68 million, which decreased by Baht 364.14 million from loss incurred in 2012 thanks to an increase in revenues from hotel operations and sales of real estate, together with an excess of interest in the net fair value of subsidiary over purchase cost of Baht 147.92 million. For 2014, the Company and its subsidiaries recorded a net profit of Baht 602.01 million, a surge of Baht 615.69 million from the previous year as a result of an increase in revenues from sales of real estate of the Company and its subsidiaries.

Revised Statement

In 2013, the Company and its subsidiaries posted a net loss of Baht 13.68 million, which decreased by Baht 364.14 million from loss incurred in 2012 or a reduction of net loss margin of 38.02% to 0.94% thanks to an increase in revenues from hotel operations and sales of real estate. The reduced loss partly resulted from the increase in gross profit from real estate business as a result of a commencement of the transfer of condominium units of Hyde Sukhumvit 13 project around the end of 2013, together with an excess of interest in the net fair value of subsidiary over purchase cost of Baht 147.92 million as a result of an acquisition of Owendelle Co., Ltd. in June 2013. For 2014, the Company and its subsidiaries recorded a net profit of Baht 602.01 million or net margin of 12.22%, a surge of Baht 615.69 million from the previous year as a result of an increase in revenues from sales of real estate of the Company and its subsidiaries. Major factors significantly affecting the operating performance were the increase in gross profit of real estate business as a result of the transfer of condominium units of Hyde Sukhumvit 13 project whereby the gross profit from real estate business increased from Baht 57.58 million in 2013 to Baht 1,440.75 million or gross margin of 35.63% in 2014. However, revenues from hotel business declined due to political situation. As such, gross profit from hotel business in 2014 declined from Baht 630.74 million in the previous year to Baht 487.02 million or gross margin of 59.06%.

- 6) Addition and amendment to the first paragraph of 'Liabilities' item on page 21 of item 1.6.3.2 'Financial position' as follows:

Original Statement

As at the end of 2012-2014 and March 31, 2015, the Company and its subsidiaries recorded total liabilities of Baht 4,621.84 million, Baht 5,458.45 million, Baht 2,496.31 million and Baht 2,605.96 million respectively. As at year-end 2012, current liabilities were worth Baht 3,779.22 million or 81.77% of total liabilities, consisting mainly of current portion of long-term loans from financial institutions and deposits received. As at the end of 2013, current liabilities amounted to Baht 2,531.26 million or 46.37% of total liabilities, declining by Baht 1,247.96 million or 33.02% from the end of 2012 due primarily to repayment of current portion of long-term loans of 2012 during the year 2013 which thereby led to a decrease of Baht 1,706.68 million in current portion of loans. Meanwhile, deposits received increased by Baht 464.04 million, resulting from down payments and deposits for installment payments received from buyers of Hyde Sukhumvit Condominium units. As at year-end 2014, current liabilities stood at Baht 1,363.86 million or 54.64% of total liabilities, plunging by Baht 1,167.40 million or 46.12% from the end of 2013, ascribed mainly to a drop in deposits received due to transfers of Hyde Sukhumvit Condominium units. As at March 31, 2015, current liabilities accounted for Baht 1,522.13 million or 58.41% of total liabilities, up by Baht 158.27 million or 11.60% from the end of 2014 chiefly ascribed to issuance of bills of exchange of Baht 200 million.

Revised Statement

As at the end of 2012-2014 and March 31, 2015, the Company and its subsidiaries recorded total liabilities of Baht 4,621.84 million, Baht 5,458.45 million, Baht 2,496.31 million and Baht 2,605.96 million respectively. As at year-end 2012, current liabilities were worth Baht 3,779.22 million or 81.77% of total liabilities, consisting mainly of current portion of long-term loans from financial institutions and deposits received. As at the end of 2013, current liabilities amounted to Baht 2,531.26 million or 46.37% of total liabilities, declining by Baht 1,247.96 million or 33.02% from the end of 2012 due primarily to repayment of current portion of long-term loans of 2012 during the year 2013 which thereby led to a decrease of Baht 1,706.68 million in current portion of loans. Meanwhile, deposits received increased by Baht 464.04 million, resulting from down payments and deposits for installment payments received from buyers of Hyde Sukhumvit Condominium units. As at year-end 2014, current liabilities stood at Baht 1,363.86 million or 54.64% of total liabilities, plunging by Baht 1,167.40 million or 46.12% from the end of 2013, ascribed mainly to a drop in deposits received due to transfers of Hyde Sukhumvit Condominium units. As at March 31, 2015, current liabilities accounted for Baht 1,522.13 million or 58.41% of total liabilities, up by Baht 158.27 million or 11.60% from the end of 2014 chiefly ascribed to issuance of bills of exchange of Baht 200 million to support the investment and development of Hyatt Regency Bangkok

Sukhumvit Hotel as well as for working capital of the Company. Such bills of exchange will be matured within July and August 2015.

- 7) Addition and amendment to item 1.6.4 'Forecast of future performance' on page 23 as follows:

Original Statement

At present, the Company is in the process of constructing Hyatt Regency Bangkok Sukhumvit Hotel on Sukhumvit 13 Road, which is expected to be ready for grand opening around early 2017. In addition, it is constructing Hyde Sukhumvit 11, which is a new condominium project, scheduled for completion in 2017. Albeit the internal political tension, the Company anticipates ongoing growth in the hotel business, as encouraged by positive factors such as economic advancement, additional investment activities, increased spending by both the private and the government sectors to gear up for entry into the Asean Economic Community (AEC), global economic recovery, and expansion of domestic and international air travel. Besides, the emergence of AEC will bode well for the overall hotel industry in terms of a continuous increase in travelling from other AEC member countries to Thailand in the future. The Company will pursue the hybrid business operation, consisting of real estate development for income recognition in the short and medium terms and hotel business which aims at investment in properties for long-term revenue recognition. By doing so, the Company can reduce sole reliance on revenues from any of such business segments and can add value to its business through an increase of its assets in the long run.

Revised Statement

At present, the Company's hotels which are already operating comprise The Westin Grande Sukhumvit Hotel, Sheraton Hua Hin Resort and Spa and Sheraton Hua Hin Pranburi Villa. Additionally, the Company is in the process of constructing Hyatt Regency Bangkok Sukhumvit Hotel on Sukhumvit 13 Road, which is expected to be ready for grand opening around early 2017. For real estate business, the Company is in the process of sale and transfer of ownership in condominium units of Hyde Sukhumvit 13 project which is expected to be completed in 2016. In addition, it is constructing Hyde Sukhumvit 11, which is a new condominium project, scheduled for completion in 2017. Albeit the internal political tension, the Company anticipates ongoing growth in the hotel business, as encouraged by positive factors such as economic advancement, additional investment activities, increased spending by both the private and the government sectors to gear up for entry into the Asean Economic Community (AEC), global economic recovery, and expansion of domestic and international air travel. It is expected average occupancy rate in 2015 of The Westin Grande Sukhumvit Hotel, Sheraton Hua Hin Resort and Spa and Sheraton Hua Hin Pranburi Villa will be higher than the prior year, expected to be at approximately 77%, 73% and 43%, respectively. The occupancy rate of Sheraton Hua Hin Pranburi Villa is expected to improve as a result of



the completion of hotel renovation since 2014. Besides, the emergence of AEC will bode well for the overall hotel industry in terms of a continuous increase in travelling from other AEC member countries to Thailand in the future. The Company will pursue the hybrid business operation, consisting of real estate development for income recognition in the short and medium terms and hotel business which aims at investment in properties for long-term revenue recognition. By doing so, the Company can reduce sole reliance on revenues from any of such business segments and can add value to its business through an increase of its assets in the long run.

- 8) Addition and amendment to item 2 'Opinion on the accuracy of the Company's information contained in the tender offer document' on page 24 as follows:

Original Statement

The Board of Directors is of the opinion that the Company's information appearing in Form 247-4 dated June 16, 2015 is correct.

Revised Statement

The Board of Directors is of the opinion that the Company's information appearing in Form 247-4 dated June 16, 2015 as well as the amendments to the tender offer document no. 1 and 2 dated June 30, 2015 is correct.

- 9) Addition and amendment to the last paragraph of item 3.3 'Mutual agreements or contracts' on page 25 as follows:

Original Statement

Moreover, as at the tender offer submission date, the Offeror also held shares in TPROP, which is the Company's major shareholder. Details of the shareholding are as follows:

1. Metro Premier Holding Co., Ltd., a TPROP subsidiary, holds 1,026,558,657 shares or 35.53% of the Company's paid-up capital.
2. TPROP holds 147,000,000 shares or 5.09% of the Company's paid-up capital.

Source: List of shareholders of the Company

Revised Statement

Moreover, as at the tender offer submission date, the Offeror also held shares in TPROP, which is the Company's major shareholder, whereby the Offeror holds 89.67% of TPROP's total issued shares. Details of the shareholding by TPROP group are as follows:

1. Metro Premier Holding Co., Ltd., a TPROP's 100% subsidiary, holds 1,026,558,657 shares or 35.53% of the Company's paid-up capital.
2. TPROP holds 147,000,000 shares or 5.09% of the Company's paid-up capital.

Source: List of shareholders of the Company

10) Addition and amendment to item 3.5 'Management structure after the tender offer' on page 26 as follows:

Original Statement

After completion of the tender offer, the Offeror intends to nominate qualified persons who have knowledge, expertise and experience necessary and suitable for business operation of the Company for consideration and appointment as directors by the meeting of shareholders and/or Board of Directors of the Company (as the case may be) in order to benefit the Company's business administration and increase its business potential. In the case where the Offeror could not acquire additional shares of the Company from this tender offer, the Offeror will nominate its representatives, who are not the independent directors, to serve as the Company's directors in replacement of the existing four directors nominated by TPROP.

If the Offeror could acquire additional shares of the Company from this tender offer, the Offeror will nominate its representatives, who are not the independent directors, to serve as the Company's directors in replacement of the existing director seats granted to the Offeror's group according to their shareholding in the Company.

According to the tender offer document (Form 247-4), the Offeror is currently in the process of selecting qualified persons for such positions, which will be carried out in compliance with the relevant rules, regulations and laws. As at June 23, 2015, the Company has appointed four new directors in place of the previous directors who resigned from the position, i.e. Mr. Watcharakiti Watcharothai, Miss Sumalee Wangprakobsook, Mr. Vitavas Vibhagool and Mr. Asawin Rakmanusa. The list of new directors nominated by the new shareholders and Board of Directors of TPROP is as follows:

1. Mr. Watcharakiti Watcharothai
2. Dr. Bhichit Rattakul
3. Mr. Chainid Adhyanasakul
4. Miss Wilawun Leongnarktongdee

Revised Statement

After completion of the tender offer, if the Offeror acquires additional shares of the Company from this tender offer, the Offeror intends to nominate qualified persons who have knowledge, expertise and experience necessary and suitable for business operation of the Company for consideration and

appointment as directors by the meeting of shareholders and/or Board of Directors of the Company (as the case may be) in order to benefit the Company's business administration and increase its business potential. ~~In the case where the Offeror could not acquire additional shares of the Company from this tender offer, whereby the Offeror will nominate its additional representatives, who are not the independent directors, to serve as the Company's directors according to the proportion of additional shares the Offeror receives from this tender offer in replacement of the existing four directors nominated by TPROP.~~

~~If the Offeror could acquire additional shares of the Company from this tender offer, the Offeror will nominate its representatives, who are not the independent directors, to serve as the Company's directors in replacement of the existing director seats granted to the Offeror's group according to their shareholding in the Company:~~

~~According to the tender offer document (Form 247-4), the Offeror is currently in the process of selecting qualified persons for such positions, which will be carried out in compliance with the relevant rules, regulations and laws. As at June 23, 2015, the Company has appointed four new directors in place of the previous directors who resigned from the position, i.e. Mr. Watcharakiti Watcharothai, Miss Sumalee Wangprakobsook, Mr. Vitavas Vibhagool and Mr. Asawin Rakmanusa. The list of new directors nominated by the new shareholders and Board of Directors of TPROP is as follows:~~

1. Mr. Watcharakiti Watcharothai
2. Dr. Bhichit Rattakul
3. Mr. Chainid Adhyanasakul
4. Miss Wilawun Leongnarktongdee

- 11) Addition and amendment to the first paragraph of item 4.1 'Reasons to accept and/or reject the tender offer' on page 27 as follows:

#### Original Statement

The meeting of the Company's Board of Directors considered information in the tender offer document and the IFA's opinion report and was of the opinion that the tender offer price of Baht 1.29 per share is within the range of a fair value measured by the IFA at Baht 0.58 – Baht 1.78 per share, which is lower/(higher) than the tender offer price by Baht (0.49) – Baht 0.71 per share or (37.99)% - 55.20%.

#### Revised Statement

The meeting of the Company's Board of Directors considered information in the tender offer document and the IFA's opinion report and was of the opinion that the tender offer price of Baht 1.29 per share is within the range of a fair value measured by the IFA at Baht 0.58 – Baht 1.78 per share, which is lower/(higher) than the tender offer price by Baht (0.49) – Baht 0.71 per share or (37.99)% - 55.20%.

Such share value was appraised from the discounted cash flow approach, the weighted average market price approach and the adjusted book value approach. The IFA viewed these approaches were appropriate whereby the discounted cash flow approach valued the share based on the assumption that the Company continues its operation on a going-concern basis and none of the existing projects were disposed of. The share value derived from such approach is in a range of Baht 0.58 – 0.76 per share. Meanwhile, the weighted average market price approach valued the shares from the SET investors' perspective. The share value appraised by this approach is in a range of Baht 1.28 – 1.46 per share. Under the adjusted book value approach, the business is appraised assuming that the Company could dispose of all of its projects at the prices appraised by the property valuer within a short period and discontinues its business operation. Although the Company does not have any plan to dispose of any project at present, should there be potential buyer interested in its assets at a reasonable price, the Company may sell those assets in the future. Value of GRAND shares from such approach is evaluated at Baht 1.78 per share.

- 12) Addition and amendment to the last paragraph of item 4.3.1 'Business management plan and policy' on page 29 as follows:

Original Statement

The Board of Directors is of the opinion that the above business management policy and plan are viable and appropriate and that the investment in the Company by the Offeror will likely bode well for the Company since they could leverage on cooperation from the management team and staff who have had specialized experience and skill in each field of business of both the Company and the Offeror, including high-rise and low-rise property development, hotel property development, and development of property for rent, which could create value added for the Company in overall. Besides, since the groups of the Offeror and the Company operate a similar type of business in real estate development, they will be able to share resources which could then create economies of scale and could also mitigate problem in duplicated operations, thus helping to strengthen their competitive potentials. However, the Company's shareholders might be affected by a change in the major shareholder group if the Offeror sells the shares additionally acquired from the tender offer and could also be impacted had there been a change in the dividend payment policy of the Company in the future.

Revised Statement

The Board of Directors is of the opinion that the above business management policy and plan are viable and appropriate and that the investment in the Company by the Offeror will likely bode well for the Company since they could leverage on cooperation from the management team and staff who have had specialized experience and skill in each field of business of both the Company and the Offeror, including

high-rise and low-rise property development, hotel property development, and development of property for rent, which could create value added for the Company in overall. Besides, since the groups of the Offeror and the Company operate a similar type of business in real estate development, they will be able to share resources which could then create economies of scale and could also mitigate problem in duplicated operations, thus helping to strengthen their competitive potentials. Regarding the integration of businesses that are similar in nature into the same group, the Board of Directors views that such policy should help increase the efficiency of the operation. In case of the acquisition or disposal of assets of the Company to the Offeror to restructure business, the Offeror will be required to comply with the laws and/or regulations of the SET, the SEC and the Capital Market Supervisory Board regarding connected transactions accordingly. However, the Company's shareholders might be affected by a change in the major shareholder group if the Offeror sells the shares additionally acquired from the tender offer and could also be impacted had there been a change in the dividend payment policy of the Company in the future.

Please be informed accordingly.

Yours sincerely,

**Grande Asset Hotels and Property Public Company Limited**

Signature

*Chainid Adhyanasakul*  
(Mr. Chainid Adhyanasakul)

*Amarin Narula*  
(Mr. Amarin Narula)

(Translation)

At 21/2558

July 17, 2015

**Subject: Addition and Amendment to an Opinion of the Independent Financial Advisor on the Tender Offer of Grande Asset Hotels and Property Public Company Limited's Securities**

To: The Secretary-General of the Securities and Exchange Commission  
The President of the Stock Exchange of Thailand  
The Shareholders of Grande Asset Hotels and Property Public Company Limited

Reference is made to an appointment of Sage Capital Limited as an Independent Financial Advisor ("IFA") to Grande Asset Hotels and Property Public Company Limited (the "Company" or "GRAND") to provide opinion regarding the tender offer of GRAND's securities by Property Perfect Public Company Limited (the "Offeror" or "PF"), details of which as provided in the report on the opinion of the Company on the tender offer for securities ("Form 250-2") dated June 24, 2015. The IFA would like to submit additional and amended information according to the amendments to the tender offer dated June 30, 2015 as well as other amendments in order to provide a better understanding for the shareholders of the Company, details of which as follows:

- 1) Addition and amendment to the 2<sup>nd</sup> paragraph of item 5.2.1.2 'Adjusted Book Value Approach' on page 41 as follows:

Original Statement

1. **Book value of various projects:** We have adjusted value of all projects based on the latest appraisal value. GRAND has engaged Knight Frank Chartered (Thailand) Co., Ltd. ("KFT"), a capital market property valuer and an SEC-approved principal appraiser, to appraise properties in all projects. Details of the property appraisal, which was conducted by KFT for public purposes, can be summed up as follows:<sup>2</sup>

Revised Statement

1. **Book value of various projects:** We have adjusted value of all projects based on the latest appraisal value. GRAND has engaged Knight Frank Chartered (Thailand) Co., Ltd. ("KFT"), a capital market

property valuer and an SEC-approved principal appraiser, to appraise properties in all projects. The IFA views that KFT's appraisal approaches are reasonable. Details of the property appraisal, which was conducted by KFT for public purposes, can be summed up as follows:<sup>2</sup>

- 2) Addition and amendment to the 3<sup>rd</sup> paragraph on page 63 of item 5.2.1.2 'Adjusted Book Value Approach' as follows:

#### Original Statement

Results of the adjustment to book value of all property projects of GRAND according to the above property appraisal can be summed up as follows:

Unit: Baht million		Book value as at March 31, 2015	Appraised value <sup>2</sup>	Surplus on book value <sup>3</sup>
1.	The Westin Hotel and Robinson Department Store	603.71	N/A	-
2.	Sheraton Hua Hin Hotel	1,027.12	2,009.87	786.20
3.	Sheraton Pranburi Hotel	426.24	451.63	20.31
4.	Construction of Hyatt Sukhumvit Hotel	551.90 <sup>1</sup>	1,740.95	951.24
5.	Construction of Hyde Sukhumvit 11 Condominium	814.00 <sup>1</sup>	807.88	(6.12)
6.	Hyde Sukhumvit 13 Condominium units	386.55	876.53	391.98
7.	Blue Lagoon Condominium units	31.91	35.89	3.18
<b>Total</b>				<b>2,146.79</b>

Note: 1 Calculated only on book value of land to be in line with the appraisal by KFT which focused on land value only.

2 Adjusted by taxes and fees on transfer and selling expenses at a rate of around 6.30% of appraised value.

3 Adjusted by corporate income tax at a rate of 20.00% of gain on sales of assets.

#### Revised Statement

Results of the adjustment to book value of all property projects of GRAND according to the above property appraisal can be summed up as follows:

Unit: Baht million		Book value as at March 31, 2015	Appraised value <sup>2</sup>	Surplus on book value <sup>3</sup>
1.	The Westin Hotel and Robinson Department Store	603.71	N/A	-
2.	Sheraton Hua Hin Hotel	1,027.12	2,009.87	786.20
3.	Sheraton Pranburi Hotel	426.24	451.63	20.31
4.	Construction of Hyatt Sukhumvit Hotel	551.90 <sup>1</sup>	1,740.95	951.24
5.	Construction of Hyde Sukhumvit 11 Condominium	814.00 <sup>1</sup>	807.88	(6.12)
6.	Hyde Sukhumvit 13 Condominium units	386.55	876.53	391.98
7.	Blue Lagoon Condominium units	31.91	35.89	3.18
<b>Total</b>				<b>2,146.79</b>

Note: 1 Calculated only on book value of land to be in line with the appraisal by KFT which focused on land value only.

2 Adjusted by taxes and fees on transfer and selling expenses at a rate of around 6.30% of appraised value under the assumption that the Company will be able to dispose of all of the above projects at the prices stated above and cease the operation.

3 Adjusted by corporate income tax at a rate of 20.00% of gain on sales of assets under the assumption that the Company will be able to dispose of all of the above projects at the prices stated above and cease the operation.

3) Addition and amendment to item 4) 'Interest expense' on page 79 as follows:

Original Statement

The IFA projects the interest rate based on the interest on loans specified in the loan agreements and/or the details and conditions of the existing loans.

Revised Statement

The IFA projects the interest rate based on the interest on loans specified in the loan agreements and/or the details and conditions of the existing loans. The interest rate from the financial institutions and/or external parties is projected in the range of 5 – 7.25% p.a. while that from TPROP is projected at 9% p.a.

4) Addition and amendment to item 7) 'Capital expenditure' on page 79 as follows:

Original Statement

Capital expenditure during the projection period will be incurred from the construction of Hyatt Sukhumvit Hotel. The Company's management forecasts the hotel's capital expenditure in 2015-2016 at Baht 1,000 million and Baht 884 million respectively. Capital expenditure of Sheraton Pranburi Hotel, arising from construction of common facilities, is estimated at Baht 72 million in 2015 based on projection by the Company's management. For other capital expenditure, provision for repair and maintenance expense is set under hotel administrative expenses at 1%-4% of total revenues of Hyatt Sukhumvit Hotel and at 2% of total revenues of other hotels.

Revised Statement

Capital expenditure during the projection period will be incurred from the construction of Hyatt Sukhumvit Hotel. The Company's management forecasts the hotel's capital expenditure in 2015-2016 at Baht 1,000 million and Baht 884 million respectively. Capital expenditure of Sheraton Pranburi Hotel, arising from construction of common facilities, is estimated at Baht 72 million in 2015 based on projection by the Company's management. For other capital expenditure, provision for repair and maintenance expense is set under hotel administrative expenses at 1%-4% of total revenues of Hyatt Sukhumvit Hotel in 2017, 2% of total revenues in 2018, 3% of total revenues in 2019 and 4% of total revenues of Hyatt Sukhumvit Hotel from 2020 onwards, and at 2% of total revenues of other hotels.



- 5) Addition and amendment to the first paragraph of 'Calculation of present value of cash flow' on page 80 as follows:

Original Statement

Based on the financial projection prepared under the above assumptions, the IFA uses the cash flow to shareholders in each year for estimating present value with a proper discount rate in order to measure an appropriate value of the Company. Here is the calculation formula adopted:

Revised Statement

Based on the financial projection prepared under the above assumptions, the IFA uses the cash flow to shareholders in each year for estimating present value with a proper discount rate in order to measure an appropriate value of the Company. The IFA views that the projected remaining cash flow to shareholders will adopt the remaining value after deducting with the entire projected cash outflow, including interest and principal in each year of the projection. As such, it should clearly represent the projected remaining cash available to the shareholders. Here is the calculation formula adopted:

- 6) Addition and amendment to the last paragraph of item 5.2.2 'Summary of GRAND share valuation' on page 84 – 85 as follows:

Original Statement

To sum up, we are of the opinion that the adjusted book value approach, the weighted average market price approach and the discounted cash flow approach are suitable for measurement of GRAND share value. By the adjusted book value approach, under which the business is appraised based on its current status assuming that the Company disposes of all of its assets and discontinues its business operation if the assets could be sold at a reasonable price, value of GRAND shares is evaluated at Baht 1.78 per share. Meanwhile, the share value appraised by the weighted average market price approach from the SET investors' perspective is in a range of Baht 1.28 – 1.46 per share. Under the discounted cash flow approach, by which the business is valued based on the assumption that the Company continues its operation on a going-concern basis and could develop and complete the existing projects in order to generate income for the Company in the future, GRAND shares are appraised in a range of Baht 0.58 – 0.76 per share. Therefore, an appropriate value of the Company's shares measured by these three approaches is between Baht 0.58 and Baht 1.78 per share.

## Revised Statement

To sum up, we are of the opinion that the adjusted book value approach, the weighted average market price approach and the discounted cash flow approach are suitable for measurement of GRAND share value. By the discounted cash flow approach, the business is valued based on the assumption that the Company continues its operation on a going-concern basis according to current status of the Company and economy without cessation of the business nor the disposal of any projects while no significant change is made to the business operation plan, by appraising value of the business from cash generation capability of the Company assuming the Company could develop and complete all of the existing projects and generates income for the Company in the future by basing on the information of historical operating performance and future business plan obtained from the Company's management. GRAND shares are appraised in a range of Baht 0.58 – 0.76 per share. Share value appraised by the weighted average market price approach which reflects demand and supply from the SET investors' perspective during the period close to present status, i.e. period prior to the date the Offeror submitted the Announcement of Intention to Make the Tender Offer for the Company's Securities is in a range of Baht 1.28 – 1.46 per share. By the adjusted book value approach, although it does not take into account the profitability potential of the Company in the future, normally such approach will be used to appraise the book value in case of business disposal and cessation of business, especially for the real estate business in which the book value will be adjusted to reflect the most updated appraisal value of various real estate projects obtained from independent appraisers assuming the Company disposes of all of its assets and discontinues its business operation if buyers who are willing to buy all assets at reasonable prices could be located within a short period. Value of GRAND shares from such approach is evaluated at Baht 1.78 per share. ~~adjusted book value approach, under which the business is appraised based on its current status assuming that the Company disposes of all of its assets and discontinues its business operation if the assets could be sold at a reasonable price, value of GRAND shares is evaluated at Baht 1.78 per share. Meanwhile, the share value appraised by the weighted average market price approach from the SET investors' perspective is in a range of Baht 1.28 – 1.46 per share. Under the discounted cash flow approach, by which the business is valued based on the assumption that the Company continues its operation on a going-concern basis and could develop and complete the existing projects in order to generate income for the Company in the future, GRAND shares are appraised in a range of Baht 0.58 – 0.76 per share.~~ Therefore, an appropriate value of the Company's shares measured by these three approaches is between Baht 0.58 and Baht 1.78 per share.

- 7) Addition and amendment to the paragraph before the last and the last paragraphs of item 5.4.2 'Impact from the business management plan and policy' on page 87 – 88 as follows:

Original Statement

After completion of the tender offer, the Offeror intends to nominate qualified persons who have knowledge, expertise and experience necessary and suitable for business operation of the Company for consideration and appointment as directors by the meeting of shareholders and/or Board of Directors of the Company (as the case may be) in order to benefit the Company's business administration and increase its business potential. In doing so, the Offeror will ensure the relevant rules, regulations and laws are complied with. In the case where the Offeror could not acquire additional shares of the Company from this tender offer, the Offeror will nominate its representatives, who are not the independent directors, to serve as the Company's directors in replacement of the existing four directors nominated by TPROP. If the Offeror could acquire additional shares of the Company from this tender offer, the Offeror will nominate its representatives, who are not the independent directors, to serve as the Company's directors in replacement of the existing director seats granted to the Offeror's group according to their shareholding in the Company. The Offeror is currently in the process of selecting qualified persons for such positions, which will be carried out in compliance with the relevant rules, regulations and laws.

In our opinion, the above business management policy and plan are viable and appropriate and the investment in the Company by the Offeror will likely bode well for the Company since they could leverage on cooperation from their business potential, experience, skill and strengths in business operation in the field of high-rise and low-rise property development, hotel property development, and development of property for rent, which could enhance their competitiveness for the overall business operation of the group. Besides, since the groups of the Offeror and the Company operate a similar type of business in real estate development, they will be able to share resources which could then create economies of scale and could also mitigate problem in duplicated operations. However, the Company's shareholders might be affected by a change in the major shareholder group if the Offeror sells the shares additionally acquired from the tender offer and could also be impacted had there been a change in the dividend payment policy of the Company in the future.

Revised Statement

After completion of the tender offer, if the Offeror acquires additional shares of the Company after this tender offer, the Offeror intends to nominate qualified persons who have knowledge, expertise and experience necessary and suitable for business operation of the Company for consideration and appointment as directors by the meeting of shareholders and/or Board of Directors of the Company (as the case may be) in order to benefit the Company's business administration and increase its business

potential. In doing so, the Offeror will ensure the relevant rules, regulations and laws are complied with. In the case where the Offeror could not acquire additional shares of the Company from this tender offer, whereby the Offeror will nominate its additional representatives, who are not the independent directors, to serve as the Company's directors according to the proportion of additional shares the Offeror acquires from this tender offer in replacement of the existing four directors nominated by TPROP. If the Offeror could acquire additional shares of the Company from this tender offer, the Offeror will nominate its representatives, who are not the independent directors, to serve as the Company's directors in replacement of the existing director seats granted to the Offeror's group according to their shareholding in the Company. The Offeror is currently in the process of selecting qualified persons for such positions, which will be carried out in compliance with the relevant rules, regulations and laws.

In our opinion, the above business management policy and plan are viable and appropriate and the investment in the Company by the Offeror will likely bode well for the Company since they could leverage on cooperation from their business potential, experience, skill and strengths in business operation in the field of high-rise and low-rise property development, hotel property development, and development of property for rent, which could enhance their competitiveness for the overall business operation of the group. Besides, since the groups of the Offeror and the Company operate a similar type of business in real estate development, they will be able to share resources which could then create economies of scale and could also mitigate problem in duplicated operations. The integration of businesses that are similar in nature into the same group should help increase the efficiency of the operation. In case of the acquisition or disposal of assets of the Company to the Offeror to restructure business, the Offeror will be required to comply with the laws and/or regulations of the SET, the SEC and the Capital Market Supervisory Board regarding connected transactions accordingly. However, the Company's shareholders might be affected by a change in the major shareholder group if the Offeror sells the shares additionally acquired from the tender offer and could also be impacted had there been a change in the dividend payment policy of the Company in the future.

Please be informed accordingly.

*Thanathip Vidhayasirinun*

.....  
(Thanathip Vidhayasirinun)

Chief Executive Officer

*Saranya Krasaesian*

.....  
(Saranya Krasaesian)

Managing Director

Sage Capital Ltd.