

**Minutes of Extraordinary Meeting of Shareholders No. 1/2016**  
**of**  
**Sammakorn Public Company Limited**  
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The meeting was held on 20 October 2016 at 10.30 hrs. at Monthathip 1 Room, 1<sup>st</sup>Floor, Anantara Siam Bangkok Hotel, No. 155 Ratchadamri Road, Lumpini Sub-district, Pathum Wan District, Bangkok Metropolis 10330. Mr. Kittipol Pramroj Na Ayudhya, the Managing Director, delivered a welcoming speech to the shareholders for entry into the Extraordinary Meeting of Shareholders No. 1/2016 and notified the shareholders that the Board of Directors' Meeting No.7/2016 resolved to appoint Mr. Bibit Bijaisoradatto be the Chairman of the Board in replacement of Mr. Kavi Ansvananda, the Chairman of the Board, who passed away on 3 October 2016, and invited Mr. Bibit Bijaisoradat, the Chairman of the Board to called to order.

Mr. Bibit Bijaisoradat, the Chairman of the Board ("the Chairman") and Chairman of the Meeting, stated to invite the shareholders and the meeting attendants to stand still and induced their mind to express mournfulness to His Majesty the King Bhumibol Adulyadej prior to enter into the meeting agenda. He also notified for acknowledgement that the shareholders who attended the Meeting consisted of 63 shareholders by their presence for 258,281 shares and 64 shareholders by proxy for 383,581,624 shares, totaling to 127 shareholders by their presence and by proxy whereas number of shares were counted for 383,839,905 shares or 65.1227% of total number of sold shares. The quorum was constituted according to the Articles of Association of the Company in Clause 32 which determines that "in shareholders' meeting, the shareholders and proxy by shareholders shall attend the meeting for not less than 25 people or not less than moiety of total number of the shareholders under requirement of total counted shares for not less than 1/3 of total number of sold shares so that it is constituted quorum."

The Chairman delivered to call to order and assigned Mr. Kittipol Pramroj Na Ayudhya, the Managing Director to carry on the meeting. The Managing Director notified for acknowledgement that in this time of meeting, eight directors who attended the meeting were as follows.

1.	Mr. Bibit	Bijaisoradat	Chairman of the Board
2.	Mr. Satja	Janetumnugul	Director
3.	Mr. Tawat	Ungsuprasert	Director
4.	Mr. Sitthichai	Chantravadee	Independent Director/Chairman of the Audit Committee
5.	Mr. Anuthip	Krairik	Independent Director/Audit Committee Member
6.	Mr. Tawatchai	Chongdarakul	Independent Director/Audit Committee Member
7.	Ms. Koonthala	Sasasmit	Independent Director/Audit Committee Member
8.	Mr. Kittipol	Pramroj Na Ayudhya	Director/Managing Director

Directors who took leave for the Meeting      Quantity –persons

None of the directors took leave for the Meeting.

Meeting Attendants

1. Mr. Unnop Saengvanitch      Independent Financial Advisor from Optasia Capital Company Limited
2. Representative of the Auditor from EY Office Company Limited
3. Representative from Thai Investors Association

Prior to entry into the meeting agenda, the Managing Director notified the Meeting for acknowledgement that the Company has disseminated the documentation for this time of meeting in the Company's Website and also informed Stock Exchange of Thailand on 5 October 2016 by informing voting practice in each agenda based on the criteria of Stock Exchange of Thailand as follows.

In voting in the Shareholders' Meeting, Clause 34 of the Company's Articles of Association determines that a shareholder shall have votes equaling to number of holding or authorized shares whereas one share has one vote. In each agenda of the meeting, the shareholder is entitled to vote for only one of the threeways including agreeing, disagreeing or abstaining.

In the event that any shareholder has special interest in any issue, that shareholder is not entitled to vote in that issue except voting for election of the director that is deemed not to have special interest.

Vote count in each agenda is as follows.

Agenda 1 shall consider the majority of total number of votes of the shareholders who attend the meeting and vote as the meeting's resolution.

Agenda 2 shall consider not less than 3/4 votes of total number of votes of the shareholders who attend the meeting as the meeting's resolution. The part of the shareholders with interest shall not be counted.

In vote count in each agenda, the Company shall use number of shares of the latest meeting attendants at the voting time as the calculation basis. The Company deems that the attendant who has no intention to object or abstain has agreed

resolution according to the proposed agenda without the requirement of his or her vote in ballot. If no one disagrees or abstains, the Company shall conclude that every shareholder has unanimous resolution for approval as proposed in the said agenda. However, if any shareholder intends to object or abstain, the Company shall ask that shareholder who intends to object or abstain to vote in distributed ballot while registering by marking with check mark ☒ in square box in the blank required by him or her in ballot, and ask him or her to show his or her hands so that the Company's officer shall collect his or her ballot for vote count. The Company will deduct disagreed and/or abstained votes from total number of votes with meeting attendance and voting for conclusion of voting result in each agenda.

Moreover, for the proxy from Proxy Form B or the custodian who is the proxy from foreign investors according to Proxy Form C of which voting has already been specified by the proxy to be agreed or disagreed or abstained in Proxy in any agenda, the proxy or custodian shall not vote in the agenda of which voting has already been specified by the proxy. The Company shall count his or her vote from Proxy for everyone's conveniences. However, for the proxy or custodian of which voting has not been specified in Proxy, the proxy is requested to vote in each agenda as if the shareholder by his or her presence.

The Company shall inform the Meeting about voting result in each agenda. The counted voting result is the vote including the vote according the intention of the shareholder by his or her presence or by proxy. In the even that many voters disagree or abstain, the Company may carry on the next meeting agenda during waiting for vote count result and shall Inform the shareholders vote count result for immediate acknowledgement after completion of vote count.

During meeting, if any shareholder intends to additionally inquire in each agenda, the shareholders shall kindly inform name and surname as the Company's information to record the minutes of meeting. If any shareholder require to inquire the information irrelevant to the agenda which is carrying in the Meeting at that time, the shareholder shall kindly inquire the said query in Agenda 3 which is an agenda whereas the opportunity is given by the Company to the shareholders to enable to inquire, discuss and express the opinions in various issues.

After informing the shareholders for acknowledgement on voting practice, the Managing Director proposed the Meeting for consideration on the meeting agenda as follows.

Agenda 1 To Approve Minutes of Annual General Meeting of Shareholders for 2016

Agenda 2 To Consider and Approve the Purchase of Ordinary Shares of Pure Sammakorn Development Company Limited (PSDC) for 44.13% of the Registered Capital from the Major Shareholders

Agenda 3 To Consider Other Issues (if any)

During meeting, if any shareholder intends to additionally inquire in each agenda, the shareholders shall kindly inform name and surname as the Company's information to record the minutes of meeting. If any shareholder require to inquire the information irrelevant to the agenda which is carrying in the Meeting at that time, the shareholder shall kindly inquire the said query in Agenda 3 which is an agenda whereas the opportunity is given by the Company to the shareholders to enable to inquire, discuss and express the opinions in various issues.

After informing the shareholders for acknowledgement on voting practice, the Managing Director proposed the Meeting for consideration on the meeting agenda as follows.

#### 1. **To Approve Minutes of Annual General Meeting of Shareholders for 2016**

The Managing Director proposed the Meeting to consider and approve Minutes of Annual General Meeting for 2016 held on 7 April 2016. The Company has already prepared Minutes of Meeting and delivered to Stock Exchange of Thailand and Ministry of Commerce within deadline required by law, with the copy of Minutes of Meeting enclosed herewith, and disseminated in the Company's website. The Board of Directors verified the recording of the last Minutes of Meeting prior to submission to the Stock Exchange and the registrar of public limited company, Department of Business Development, Ministry of Commerce, and deemed as accurate according to the Meeting's resolution in all respects.

The Board of Directors therefore proposed the Meeting to kindly consider certifying the Minutes of Annual General Meeting of Shareholders for 2016 according to the copy delivered to the shareholders. The resolution in this agenda shall be approved from the Shareholders' Meeting with majority votes of total votes of the shareholders who attended the Meeting and voted in the copy of Minutes of Meeting delivered to the shareholders for acknowledgement together with Meeting Invitation Letter.

The Managing Director gave the shareholders the opportunity to interrogate.

None of any shareholders additionally inquired or requested for amendment.

**The Meeting's Resolution** The Minutes of Annual General Meeting of the Shareholders for 2016 was certified without the request of any shareholder for amendment with unanimous votes under below resolution result.

Agreed	398,669,156	Votes	or	in	100.0000
			percentage		
Disagreed	-	Votes	or	in	0.0000
			percentage		
Abstained	-	Votes	or	in	0.0000
			percentage		

(The shareholders by their presence and by proxy were 138 shareholders, totaling to 398.669,156 shares or 67.6386% of number of sold shares.)

## **2. To Consider and Approve the Purchase of Ordinary Shares of Pure Sammakorn Development Company Limited (PSDC) for 44.13% of Registered Capital from the Major Shareholders**

The Managing Director reported that the Board had the opinion that for restructuring of the connected shareholding and reflection of good governance, the Company should hold all of 100% shares of Pure Sammakorn Development Company Limited (PSDC). In this agenda, Optasia Capital Company Limited, the Company's independent financial advisor, by Mr. UnnopSaengvanitch, presented the report to the shareholders.

Mr. Unnop Saengvanitch, the independent financial advisor, reported the objective and opinion of independent financial advisor by classifying into two significant aspects consisting of the first aspect on the appropriateness of report preparation and the second aspect on the opinion of the appropriateness of bid price and offer price when compared with the price evaluated by the independent financial advisor by various approaches as acknowledged by the shareholders on the data of detail in Enclosure delivered to the shareholders.

Optasia Capital Company Limited is the company, which has been founded for approximately 9 years, has been experienced as financial advisor and independent financial advisor for various companies such as being the independent financial advisor for preparation of share purchase offer to Jasmin Telecom Systems Company Limited on joint venture and appraisal of business value for Star Sanitaryware Public Company Limited and Khonburi Sugar Public Company Limited. In addition, it has also been the advisor of foreign business for hotel business dealing in USA such as Sunset Tower. Total value has been more than 5,000 million Baht. Apart from the interior design business operation of JEF Company Limited, it has also given advice of the business doing for Chef Club Restaurant in New York. It has been the collaboration of EY Group. Therefore, in view of Optasia Capital Company Limited, it has been considerably and fairly experienced in working both in advisory issue and in M&A issue

Regarding to the Company's transaction performing, the objective of transaction performing has been in line with the resolution of the Board of Directors No. 6/2016 on 9 August 2016 that resolved to approve the purchase of ordinary shares of Pure Sammakorn Development Company Limited for 1,147,499 shares or 44.13% in 140 Baht of unit share price and 100 Baht of par value. Total approximate value required for purchase has been 160 million Baht. The Company will become 100% shareholder in PSDC in such entry to purchase. The objective of this entry to purchase is to clearly restructure shareholding, reduce redundancy, reduce related operating procedure, reduce contingent expense, and also result in the Company's ability to entirely recognize profit from PSDC's operation. In performing transaction with RPCG which is the major shareholder, it was deemed as the connected transaction. Therefore, the resolution from the shareholder shall be requested.

In part of background of RPCG and SAMCO, joint venture has been executed to establish PSDC since 2006. In the initial period, capital was 50 million Baht. After that, capital was increased to be 225 million Baht, and in 2011, PSDC increased capital. However, in that time, RPCG did not increase capital accordingly, resulting in increase in the shareholding proportion of SAMCO from 49% into 55.87%. After that, in 2012, RPCG entered to become the shareholder of SAMCO in the proportion of 25% and in 2015, it increased more shareholding in SAMCO from 25.25% into 48.25%. The shareholding in PSDC remained the same. It was meant that both RPCG and SAMCO have been the shareholders in PSDC. For more clarity, the Board then resolved to restructure the shareholding whereas SAMCO is the direct shareholder for 100%. In this part, the independent financial advisor all agreed in restricting issue. It was assumed that IPO is submitted with the existing structure, SEC will remain not approving since it was considered to be unclear. If policies are mainly succeeded to SAMCO and SAMCO manages PSDC, in this regard, more clarity will take place that in part of shareholding structure, it was deemed to be according to good governance and appropriate for operation.

Regarding to the calculation of transaction size, it has been the calculation based on all of four criteria of the Stock Exchange, consisting of net book value of asset criteria, net profit criteria, gross value of return criteria, and share-acquired security value criteria since transaction performing has been within the scope of market criteria for 2 issues, consisting of asset acquisition as the first issue and connected transaction as the second issue. In asset acquisition and paid value has been regarded as quite small and moderate transaction. In fact, it has not been within the scope of requirement for shareholder proposals since maximum proportion has been 4.52% only from calculation. However, when considering on acquisition criteria, it has been the connected transaction. It appeared that based on the connected transaction criteria, the criteria specifies that if the value of asset acquisition exceeds 20 million Baht or exceeds 3% of net asset value. It requires for proposing to shareholders. When considering on net book value of asset, it has been equal to 3.90%, exceeding 3%. Therefore, it must be proposed to the shareholders for consideration and approval.

Regarding to the acquired asset of PSDC which engages in Community Mall business, currently, total of the three branches have consisted of Pure Place Rangsit as the first branch, Pure Place Ramkhamhaeng as the second branch and Pure Place Ratchaphruek as the third branch. The operation for all of three branches has been fairly good. The principle of this business doing is availability of magnet that attracts people to access for service use and access for space lease. Villa Supermarket is available at Pure Place Ramkhamhaeng Mall, and MaxValu is available at Pure Place Rangsit and Pure Place Ratchaphruek to attract customers. Moreover, the Company has also let PSDC for additional space lease of approximately 9,200 square meters which is the continuous area with Pure Place Ramkhamhaeng Mall. The interest has been taken by the major lessees. According to lessees, it has been confident on

the space lease of the significant lessees with the Company. The Company's business operation therefore has still fairly continued.

According to the advantages of the transaction performing, firstly, the nature of transaction performing is restructuring of the Company's business operation to be more flexible since SAMCO and PSDC have been currently regarded as the connected persons from availability of the same shareholders. If PSDC must, in the future, perform inter-transaction for more than 20 million Baht of the transaction size value or more than 3% of NTA. Such transaction performing will become the connected transaction with transaction size required for request of approval from the shareholders' meeting, resulting in addition of work procedure and extension of work duration. Secondly, it will be reduction of expense occurred from operation according to the Regulation of Office of SEC and Stock Exchange of Thailand. As in the event of necessary transaction that requires for request of approval from the shareholders' meeting, the expense for hire of the financial advisory firm and/or independent financial advisor for advice on the said transaction performing, as well as expenses relating to holding of shareholders' meeting, will incur. Thirdly, management and recognition of overall operation of PSDC after completion of transaction performing, SAMCO will become the shareholder of PSDC for 100%, resulting in easiness to manage and transmit the policies that will contribute to maximum benefit to SAMCO and ability to recognize all overall operations of PSDC. It was expected that the Company will be fully gainful from PSDC's overall operation that will continuously grow. Based on table, it was seen that revenue increased from 2016 around 164 million Baht and it will inconstantly grow around 381 million Baht in the 25<sup>th</sup> year under 25 years forecast. Around 18 million Baht of profit will be increased from this year and the profit of half year has been around 11 million Baht as disclosed. It was expected that profit will be around 18 million Baht and it will gradually and inconstantly grow. Therefore, the forecasted profit shall be the part that SAMCO can entirely recognize 100% of profit. The disadvantages and risk of entry to perform the transaction have been the reduction of the Company's liquidity for use in investment of real estate project and others. If the Company enters to perform transaction of ordinary share purchase in this time, the Company's balance of working capital and temporary investment fund will be reduced.

For advantage of non-transaction performing, the Company will have the balance of investment fund for continuous use in other projects. For disadvantage of non-transaction performing, inflexibility will occur and at the same time, it will be opportunity loss on recognition of profit sharing occurred from increase in investment. Therefore, when generally considering on restructuring, advantages and disadvantages of transaction performing and non-transaction performing, the independent financial advisor commented that the entry to perform transaction in this time shall be deemed to be reasonable due to direct benefit gained by SAMCO.

The advice on bidding, the independent financial advisor evaluated all of six approaches.

The first approach is Book Value Approach. The evaluated book value was considered from the Company's disclosed financial statements, mainly using financial statements as at 30 June 2016. The acquired book value after calculation was 79 Baht per share. In book value approach, bid price is 140 Baht and book value as at 30 June was 79 Baht. Therefore, book value has been lower than bid price.

The next approach was Adjusted Book Value Approach. This approach is the adjustment of the Company's asset accounts, such as fixed assets or other assets, whether there will be premium or discount from valuation. In this part, the Company has hired the independent valuer named Agency For Real Estate Affairs Co., Ltd. which is also certified from the Office of SEC to enter for valuation of all of three projects with Income Approach whereas Discounted Cash Flow Approach has also been applied. From valuation of all of three approaches, it was appeared that if considering in overview, added value is derived at 589 million Baht whereas book price as at 30 June 2016 was at 426 million Baht, indicating premium from valuation at 161 million Baht and then taking 161 million Baht which is premium for adjustment with book value calculated in the first approach and plus with another 161 million Baht. Therefore, upon calculation into unit share price, the adjusted book value derived is at 141.16 Baht per share and it was deemed as similar to the bid price which is 140 Baht per share.

The third approach is Price to Book Value Multiples (P/B) Method. This approach is the calculation using retroactive Book Ratio formula. According to the criteria, the retroactive calculation is performed to 7 days, 30 days, 60 days, 90 days, 120 days, 180 days and 360 days, applying Price to Book Value of the companies with similar business operation. From analysis and comparison with the companies in the Stock Exchange, three companies that do the similar business have consisted of Central Pattana, Siam Future, and MBK. Even though these three companies have larger size, but the vision has been illustrated in a certain level when compared in view of the derived Price to Book Value Ratio between 2.6-2.7 times. Therefore, when it is multiplied by Book Value of the Company, the price will be derived between 205.09-214.50 Baht per share. Hence, this price derived by this approach is higher than the bid price of 140 Baht per share.

The fourth approach is Price to Earnings Multiples (P/E) Method. The calculation is performed in the same way that the calculation is performed in retroactive average based on number of days alike Price to Book Value. It was appeared that PE Ratio of this group is between 17.06-17.99 times and when multiplied by the profit of 4 retroactive quarters consisting of Quarter 1-2 of 2016 and plus with Quarter 3-4 of 2015, the amount of total profit is divided with number of shares. Upon calculation into unit share price by this approach, the derived price is around 91.52-96.54 Baht per share. The price derived by this approach is lower than the price of 140 Baht per share.

The fifth approach is market value approach. This approach was unable to be applied for valuation since the shares of PSDC are not traded in the Stock Market.



The last approach is Discounted Cash Flow Approach. It is the proper approach for the business that continuously operates the business. It is the approach that can reflect the overall operation both in view of revenue and profit of the business. The independent financial advisor has estimated for 25 years based on Lease entered between PSDC and SAMCO. If considering in detail, revenue, expense, determination method of assumption of the independent financial advisor by referring from the actual occurred overall operation for 3 retroactive years and plus with 6 months, all of the aforesaid can be applied as assumption basis for future forecasting. Therefore, the forecasting under determination of assumption was deemed as forecasting by referring to average value from overall operation. For instance, the growth of revenue from service lease fee and revenue from space service is 3.33% per year. You can be retroactively seen where 3.33% is derived from. If considering from the Lease entered between PSDC who is the lessor and the minor lessee or major lessee, most of the Lease term is around 3 years. If it is the minor lessee, it may be around 1 year. In Lease term, the rate of increase in lease fee is often prescribed, for instance, the growth of 3 years is mostly 10% or if it is minor lessee, the growth is 3%. Therefore, the average growth of revenue is the range of 3.33% per year based on the actual occurred Lease. It has been the same in view of revenue from public utility, water charge and electricity charge that they are also collected from the lessee based on the ratio which is average value for 3 retroactive years. Other revenues and cost of lease fee are also based on Land Lease paid by PSDC to SAMCO. The cost of service charge is determined for management fee of 45% according to Lease. Other service charge is estimated in the ratio of revenue based on the past result to help in determining in percentage and then estimated in percentage per revenue. The same criterion is applied whether it is the cost of public utility in selling and in administration. In view of 25-year depreciation, the asset which is long-term Lease can be amortized for 25 years according to the accounting criteria. If it is equipment, 5-year depreciation is amortized. Corporate income tax is 20% according to the criteria of normal limited company. Investment expense is according to the Company's policy by the way that the Company continuously invests in the project and around in the tenth year, big investment will be performed again for project renovation. The loan for financial reserve is the short-term loan from Bank of Ayudhya. Average interest of average loan is around 6.71% in payback according to the contractual term. If considering in overview from comparison between the Company's data and overview and from research result of QualierSynthenizer Co., Ltd. that specified that in Quarter 2, average most of lease fee rate has been in which rank of average price of letting space in the industry. It was seen that the price in outer area zone from 1,000 Baht and over per square meter. The price is incessantly higher in average ratio of access to use the space in the ratio which is higher than 97% and over. This was seemed to be rather high, indicating fair growth and somewhat moderate popularity in view of Community Mall industry. If considering in overview and trying to compare PSDC with the companies in Stock Exchange in quarter per quarter from proposed graph in comparison with CPN whereas the part of business relating to revenue and lease fee was particularly retrieved without retrieve of revenue in other part for analysis, it was seen that if it was Quarter 2 in 2015 and Quarter 2 in 2016, it was deemed that the growth was rather high for 10% and over. If considering both quarters in this year, the growth has been rather constant and low. In part of MBK, its growth has been the same to be not much high. When considering at SF, its growth was higher a bit while the growth of PSDC in Quarter 2 of last year was around 7%. If compared in quarter, Quarter 1 and Quarter 2 of this year, the growth has been around 11%. If considering in overview of the business in the issue of letting and service, the growth was deemed to exist even if it has been decelerated a bit. However, it was deemed that the growth can be continued. The overview in the issue of overall operation of the companies that do the businesses similar to PSDC, it has been in similar level and not below market. If considering and comparing in term of rate of access to lease the space from graph of Qualier, the maximum has been at 9.7% whereas the Company's community malls such as Ramkhamhaeng Community Mall, Rangsit Community Mall, and Ratchaphruek Community Mall have been still entirely in lower level than maximum level analyzed by Qualier, indicating the Company's opportunity of increasing growth rate. In the assumption of IFA's forecasting, the growth is not up to 9.7%, the growth is just constant according to the current situation. For instance, space lease rate is at 94% in Ramkhamhaeng Community Mall, at 92% in Rangsit Community Mall and at 89% in Ratchaphruek Community Mall. Ratchaphruek is lower than other community mall since it has been lately opened for service. IFA has cautiously and reasonably assumed. In the past, PSDC earned loss of overall operation and started to be profitable in 2014 - whereas around 5 million Baht of profit in 2014, around 8 million Baht in 2015 and around 11 Million Baht of profit in the first half period of 2016, as already reflected in the financial statements of SAMCO. IFA forecasted that in this year of 2016, the profit will be around 89 million Baht. After that, profit will be gradually and incessantly grown. The revenue has been the same that from 164 million Baht, it will incessantly grow in average of 3.33% and within 25 years, it will grow up to 381 million Baht. The profit growth will be from around 18-19 million Baht to be 127 million Baht within 25 years. The trend of overall operation will gradually and incessantly increase. It may swing up and down a bit according to business situation. Upon calculation of full amount as discounted cash flow, the value is around 605 million Baht. Upon calculation based on formula, the value is around 407 million Baht. Upon calculation into unit share value, unit share value is 156.68 Baht per share which is more expensive price than the bid price which is 140 Baht. If trying to calculate to find variation value of Discount Rate at +/- 0.5%, the range of acquired price is between 146.90-167.16 Baht per share as the valued price. When compared, it is similar to valued price of FA. Shortly, fair value of PSDC is the price between 146.90-167.16 Baht per share.

Conclusively, valued price from all of six approaches in overview of the independent financial advisor, it was deemed that since PSDC is the usual business operator and have continuously had the businesses in the future. Therefore, the appropriate approach in price valuation is discounted cash flow approach. This approach has been

internationally applied in valuation of this type of business nature. At the same time, adjusted book value approach is the approach reflecting the basic price of the business at 141.16 Baht per share. Hence, in the basic view, it will support the bid price. Therefore, when generally considering, it was deemed that the market price of shares has been appropriate.

Mr. Unnop Saengvanitch, the independent financial advisor, additionally explained that since the Chairman of the Audit Committee raised the query and suggested various aspects requiring explanation and elucidation on price valuation of the independent financial advisor, he therefore asked for permission to additionally clarify based on the query aspect as follows.

The first aspect was that even though the independent financial advisor has never been experienced in mainly doing Community Mall business, it has ever been experienced in M&A in term of projects as presented and involved in the advisory works both in domestic and abroad. Personally, he has already worked with FA for more than 25 years. Therefore, the principle and method of work is to work suchlike the standard professional person. Hence, in this part, he is confident in working.

The second aspect was data. The Company's data compared and contrasted with normal data of FA work, it will be compared with the listed company's disclosed data which is the data that can be referred and applied for public interest. Thus, that part of data is the data that can be implicated to the overview of the business in a certain level. Even if the size will be unequal, the location is dissimilar, but it can be illustrated that in the overall business for this kind of industry, how more or less the growth or deflation will be when compared with the industry or compared with this type of business. If the company which is Community Mall is not listed in Stock Exchange, the data will not be disclosed. Thus, the said data cannot be referred, or if the data which is the business secret of that company can be gathered, but after attempt to indirectly compare with the competitors, the said data is taken to support the level of the Company's competitive status or market position, Qualier's data shall be taken to support the consideration.

The third aspect was determination of growth assumption at 3% or 3.33% per year. In this part, he has entered to verify Space Lease of the Company agreed with its customers. According to Lease, growth is really determined as the aforesaid rate. The Lease has also been perceived as it has actually taken place that the customer has actually renewed the Lease. Some of customers have actually entered the Lease and some of them might not renew the Lease. It has been in line with normal businesses of the general customers that some of them have had the necessary cause for not renewal. However, most of them have renewed the Lease and done the business as usual with the Company.

The fourth aspect was growth comparison at 3% or 3.33% compared with retroactive national inflation rate of 10 retroactive years. The inflation was at 2.5% for 25 years based on the estimated year at around 3%. It was described that the growth of revenue was considerably similar to inflation. The growth has not yet been specially mentioned as the financial advisor has been analyzed more than the aforesaid that was just basic.

The fifth aspect was the location of all of three community malls which are located in rather highly advantageous locations, particularly Ramkhamhaeng Community Mall with big area for 16 rais. It is located at roadside and the back is Sammakorn Village consisting of over than 4,000 families or households. This has been the very large market value and it was deemed as a significant site. At the same time, the commuters on the road where is the location of the Community Mall is the main city inbound road. Therefore, in term of customers, this location was deemed as rather highly advantageous when compared with other Community Malls, and the location has had the opportunity of potential development that will rather considerably generate furthermore revenue.

The fifth aspect was average lease fee. Average lease fee has still been lower than market a little bit. If the area is developed and improved, the Company will have the opportunity to increase lease fee higher than its growth according to the Lease.

The next aspect was the change of PSDC in newly participative executives. As recognized that formerly, in 2014-2015, the Company earned profit for 5 million Baht, 8 million Baht, and in 2016, it earned 11 million Baht of profit in half year only. Thus, in this whole year, the profit has grown around 18-20 million Baht. It meant that the participative executive team can pertinently solve the problems, resulting in improved profitability and ability to build the confidence to shareholders that the Company's growth opportunity both in revenue and profit in the future will be likely possible without trouble.

In part of cost of sales, it has tended to be declined due to fixed depreciation but growth of revenue, and ability to reduce redundant expenses. Generally, expenses for this type of business are not high depending on the space management capability.

Consequently, the determination of assumption for valuation, the historical data in average of 3 retroactive years and 6 retroactive months has been referred as the price valuation basis of the independent financial advisor. Therefore, the actual occurrence will be gradually swung up and down but it was quite sure that the continual growth tendency will be possible.

Hence, in the viewpoint of the independent financial advisor, after considering in conclusion both in part of structure of transaction performing and of price, it was deemed that this time of transaction performing is appropriate.

The independent financial advisor therefore proposed to the shareholders for consideration and approval on this time of transaction performing and opened the shareholders the opportunity to interrogate.

Mr. Sathaporn Phangniran, the attending shareholder by his presence, asked for permission to commence now by the way that with respect to the resolution of the directors and agreement with the resolution, he delivered his gratitude to the Audit Committee Members who commented in another area for IFA. It was very good aspect. He

requested for permission to mention the name of Mr. Unnop who referred to data of 25 years of FA. However, he thought that this work was the opinion of Indy, FA and something was missing and uncovered. For consideration on this agenda and complete recording of meeting minutes, he asked for permission to add at the point that if FA agrees with every aspect but in part of Indy, it was perceived that in purchasing in and then selling, if Sammakorn sells to RPCG at the approximate price of 180-200, cash flow will be flown in and it will be the capital for more growth as he has been by chance headed with both status on behalf of the shareholder of RPCG and Sammakorn. This was another issue.

The disadvantage of IFA did not indicated him that when it is 50% and over and 40% and over, the revenue can be recognized upon consolidation. However, is it correct if it is belonged to the Company for 100% and then it is consolidated, the Company will recognize the revenue from lease fee in part of percentage? Previously, PSDC held some proportion and PSDC had to pay lease fee to Sammakorn. At the time of consolidation by Sammakorn, the portion of RPCG will be recognized as revenue of Sammakorn. However, after consolidation, it will be disappeared, is it right? That was the opinion at Indy. He thought that the offer has not yet taken place. Thus, he required clear explanation in minutes of meeting that his today's SAMCO, the Board proposed for meeting and asked for approval on purchasing PSDC. If the company will sell to RPCG to be the buyer, he thought that it may have better conclusion. He wanted to gain this viewpoint to be added in minutes of meeting for clarity of the general investors to perceive that this thing is really good, and then Sammakorn should sustain in part of revenue in the business in the field of Community Mall. It should not be based on immovable property only. He thought that it will be more complete in recording the minutes of meeting. He requested this viewpoint so that the recording of the minutes of meeting in this agenda will be more complete. Thank you. The Managing Director asked for firstly reply that since it has been the policy, it has had to refer from the beginning that Sammakorn continually develops housing estate. The diversification of the Company on development of Community Mall has been the major policy of the Company since 10 years and over ago to seek for revenue from lease fee in case of bad economy, house, condominium and townhome will be unsalable. The Company will remain at least earning incoming revenue from lease fee. The letting business is the business with low risk but with not high profit. However, incoming cash flow will be always generated. That is the major policy of Sammakorn for long time. Hence, the holding of the Company for 100% was deemed by him as more positive effect for Sammakorn. If we sell out, we can control nothing and the Company will just earn lease fee of land.

Another aspect of which Community Mall is consistent with the philosophy of Sammakorn's business operation is that "We do not just construct house but we create society". What is society? Society is the perfect society where facilities shall be available. When you stay at your house, you go out to the front of your house; supermarket, restaurant, coffee shop and bank are available in front of your house, resulting more convenience. When you desire to organize activities of the village, you can organize at the community mall where parking lot and facilities are available. At this point, it will respond the question of philosophy and business operation approach of Sammakorn. Thus, he would like PSDC to be with Sammakorn without desire to sell it out.

Mr. Unnop Saengvanitch, the independent financial advisor, replied the query that in view of IFA, the transaction performing will mainly emphasize on comment between Sammakorn and PSDC. It was unable to step over to RPCG since it is different identity. Hence, in viewpoint of IFA, it will look at the appropriateness of Sammakorn's consideration on this transaction. In meanwhile, if RPCG is presumed and if compared in term of valuated price before the entry of IFA to work, FA was hired to valuate the price. The compared price acquired was in similar range of the price valuated by IFA and the agreed dealing price was also similar price. It was unable to regard that it was the price much different from the valuated price when considering on the transaction performing between RPCG and SAMCO. It was not deemed that any party will be much advantageous between each other as concerned by the shareholder.

Mr. Satja Janetumnugul, the director, replied on behalf of RPCG that Sammakorn is more expert than RPCG and in the business related to these things for long time as it was seen from the improvement and great leap profit. Thus, RPCG has been gainful from shareholding of Sammakorn. If Sammakorn operates, the growth will be rapid than estimated by IFA.

Mr. Sitthichoke Boonvanitch, the attending shareholder by his presence, inquired whether the interest rate for Bank of Ayudhya's loan limit required for use is MLR -0.50% according to the slide from the monitor in Page 17, and which nature of loans in how many amount of limit.

Mr. Unnop Saengvanitch, the independent financial advisor, replied the query that if reading in the opinion report, the Company has primarily prepared money beforehand to purchase PSDC's shares. Nevertheless, at present, the Company has had other projects firstly required for spending the said money. Therefore, the lump of the said money for purchase of PSDC's shares was spent in the next project required for spending. The loan therefore must be withdrawn from that project. It is the loan limit of which the Company has negotiated with the Bank beforehand. However, for other project, it has been cash management inside the business. Hence, additional loan has not been borrowed for takeover of business.

The Managing Director additionally explained that from slide in Page 17, it is PSDC's loan borrowed for business expansion. The first project at Rangsit borrowed money from Siam Commercial Bank and the loan was entirely paid back. The second project at Ramkhamhaeng borrowed money from Bank of Ayudhya. The third project at Ratchaphruek did not borrow money and this project spent the company's cash. Therefore, the outstanding limit which is the limit of Bank of Ayudhya is the borrowing for development of Ramkhamhaeng Community Mall for approximate borrowing period of 10 years. However, most of the loan will be paid back before and it will be entirely

paid back in around 6-7 years. At Ramkhamhaeng Community Mall, it has been opened for service on 10 October 2010 and already opened for 6 years and over. The outstanding limit has been around 200 million Baht and over. The revenue from lease fee has been earned and the loan has been gradually paid back.

Mr. Sitthichoke Boonvanitch, the shareholder, additionally inquired whether the increase in equity shall be considered if the great amount of investment fund is spent since it is better than borrowing money that must pay interest to the bank at the annual interest rate of 6.5%.

The Managing Director replied that it has been the existing loan amount of PSDC. In part of purchase of shares in this time and the project improvement, not much money will be spent. Increase in equity has not yet been necessary and the company's debt to equity ratio has still been low.

Mr. Sitthichoke Boonvanitch, the shareholder, recommended that if in the future, the Company will increase equity for inter-dealing and if high profit is generated, it shall be separated into new company and then listed in Stock Market.

Miss Jinnapak Pornpiboon, the attending shareholder by her presence, inquired whether the area used by the Company for development of every Community Mall is the area of the Company.

The Managing Director replied yes.

Miss Jinnapak Pornpiboon, the shareholder, additionally inquired to know whether which is the prominent point of the community mall under current operation of the Company whereas the Company has had numerous vantage positions in development of Community Mall; and which management strategy of the Company both in being good immovable property developer and being good social creator as the prototype in sufficiency living according to the teachings of His Majesty the late King that should be induced by the Company for application as a strategy of Sammakorn. In part of competitors, it has been the significant issue if the competitors will be altered to be business partners and then increasing leased areas and differentiating those leased areas from other persons. At the same time, the risk has been unavoidable. Therefore, what will be the Company's risk?

The Managing Director replied the query as follows: firstly, according to the prominent point of the Community Mall, the Community Mall business in his opinion will survive subject to two things which are most important that you need to respond the question. The first thing is that you have to respond the question of daily life of the community there. It was not the development of community mall to respond the question. They will visit for just once a month and it is not the Community Mall that someone will visit more than once a week. The visit reason is to respond the convenience of their daily lives whether visit for shopping, eating and going to bank. At this point, our prominent point is 100% in the view of location where is situated in the center point which is not just in Sammakorn Village and not just adjacent to Sammakorn Village. However, we must refer that it is in the cluster of residence villages whether at Ramkhamhaeng, at Rangsit or at Ratchaphruek. If anyone goes to those areas, it will be seen for numerous villages. They are the residence zones. The second thing is convenience. Community Mall shall be convenient since the people who visit for use are not the same as the people who visit big malls such as Paragon, EmQuartier, or any malls in the town. In going to big malls, you have to drive and strain your mind that it perhaps takes half an hour or 40 minutes before arrival at the shop which is your destination. However, in going to Community Mall, someone visits to just enter to buy one bag of sugar and then drive out, such as anything like this. Thus, convenience is significant in the way of convenient access, convenient parking lot and convenient access to shops. Our Community Mall has been deemed to be in favorable criteria. In his opinion, just two prominent points are required for us to respond the question of the users of Community Mall, consisting of satisfaction of the user's need in daily life and convenience of visit to use. Certainly, regarding to lease fee, it was said that this has been moderate pressure from our competitors as seen in last 5 years period of emergence of numerous community malls. Anyone residing at Ratchaphruek route will perceive the numerous emergencies. It did not mean that every community mall will be successful. Therefore, the approach making customers to be viable among these competitors, lease fee shall be sometimes considered as the pressure point for inability to increase high lease fee. The increase for 3% was deemed to be in the criterion that is surely preferred to gain more than the said rate. However, we must balance it with the attending shops. They must be viable as well. If lease fee is charged, the shop will charge expensive price of goods, its customer may not visit. This is the chain. Thus, at this point, good management shall be required. We have also would like to refer to our disadvantage that the marketing has been currently improved. Later, if we synergize between work team which has ever worked at PSDC to join with Sammakorn and use over than 40 years and over of Sammakorn's experiences, we, under his opinion, should build the marketing strength and then apply the philosophy of His Majesty the Late King. This shall be very best suggestion that will be applied with the projects.

In the issue of risk, each location of mall shall be considered. For example, will new mall be emerged in Khlong Song? This has tended to be difficult since it has been hard to find the land which is adjacent to the road. Most of the lands are villages and official places. The single risk at Rangsit, Khlong Song has been that if the government constructs road bridge crossing directly from Vibhavadi Junction and then crossing out, this will cause the possibility of use of elevated way by the people for crossing instead of running on the surface by the people that will easily access to us, resulting in loss of opportunity of the external residing customer group. However, it had the opinion that in KhlongNueng and Khlong Song, there have been many developed villages; the volume has still been assumed to be risky but the volume has been assumed to be adequate to have adequate customers. In part of Ramkhamhaeng, I had the opinion that it has not been risk but it has been advantage by the way that Orange MRT Line has been currently bidded and we will likely see the contractor's startup of the construction. There will be station at Sammakorn Station



where is far from the mall for 100 meter and over. It may be the future point for charge of parking rent in weekday. The people will park their cars here and walk to MRT. This has been regarded as the opportunity. In part of Ratchaphruek Road, it has been risk in the issue of competitors due to availability of numerous undeveloped areas. At this point, our attendances are MaxValu and several banks, drive-thru KFC, assuming the retention of our customers. Therefore, the risk shall be considered in individual project whereas the risk of each project is dissimilar but the adequate potential was deemed to enable overcome the said risk.

Mr. Thitipong Sophonudomporn, the attending shareholder by his presence, inquired about the guideline of the Company's business expansion and location selection strategy, which proportion of house sales and revenue from lease fee will be the point which is assumed to be equilibrium, and in how many years that equilibrium point will be reached.

The Managing Director replied the query as follows: prior to management integration of both companies, Sammakorn has had moderate letting space consisting of Sammakorn market fair. At the beginning of the year, the Company accepted the transfer of Premier Sammakorn Project where is located in connection with Pure Place Ramkhamhaeng Mall, to be the ownership according to the condition of Land Lease as if the fourth mall has emerged. Therefore, the next business expansion has been the improvement of Premier Sammakorn Mall to be integrated as part of Pure Place Ramkhamhaeng. The opportunity of the said business expansion has still been moderately existent both in Bangkok and up-country. Previously, the Company has ever submitted a tender at KhonKaen University and awarded the tender and already developed the project in a certain level. However, city plan was unclear and city plan of KhonKaen Province was expired. Nevertheless, there must be some changes since the area for tender is in the olive area where is the educational area and the risk is high if anyone protests or sues to indicate that it is misuse of city plan. This will be great risk. Therefore, the said project has been postponed. However, it has been sure that the opportunity has still existed from this business expansion. For which proportion of revenue from sales of houses and lease fee should be, it has been unable to obviously indicate in percentage since if revenue from sales of immovable properties highly increases, it should be grow more than growth rate of revenue from lease fee that will gradually grow for just 3.33%. Nevertheless, the growth of the sales of immovable properties in ascending period may be 10-15% as last year that the Company grew from 2014 for 31%. Therefore, when it was calculated into proportion, it may swing. The thing considered by the Company has been the regular revenue that shall be break even for fixed expense in each month.

Mr. Sakchai Sakulsrimontri, the attending shareholder by his presence, inquired whether the lease spaces of three branches have been fully leased by the lessees at which lease rate, and whether lease fee has been equal for every branch. In addition, he called into question that Pure Place Ramkhamhaeng Mall which is located in front of Sammakorn Village and is the city inbound side has been unlikely convenient for general people. It may be convenient for people who residing in the village only.

The Managing Director replied the query as follows: The said Ramkhamhaeng branch is city inbound side. This aspect has been aware. However, the Company's target group customers are the group of people who are residing at city inbound side since from the employment of Infosearch Co., Ltd., the conclusion of the conducted survey came out that people who are residing in this zone mostly use motorway route or beltway parallel route for homing travel. Even though it is the city inbound side but it is also the homing inbound side. Thus, this Mall shall be both inbound and outbound sides. At the time of conducting feasibility study prior to startup of the project, the map has been clearly specified that the main customers are Ramkhamhaeng Road side where none of competitors exists.

In part of space letting rate, its average has been around 90% of three malls. It has ever risen up to 95%. However, in the past two year period, the change in customers was moderate due to the competitors. In part of lease fee rate, it has been entirely unequal, depending on who is the lessee and the size of leased space. For instance, the major lessee will have higher bargaining power and low rate of lease fee in the basis of hundred Baht per square meter per month and plus percentage of monthly revenue has been charged for some of them.

Mr. Sakchai Sakulsrimontri, the shareholder, requested to additionally inquire why the purchasing margin was more expensive whereas book value of the Company was 80 but RPCG purchased at 140 and how goodwill is estimated.

Mr. Unnop Saengvanitch, the independent financial advisor, replied the query that in part of adjusted book value approach, if considering based on the Company's book value as at 30 June 2016, it was at 79 Baht per share. When adjusted book value approach has been applied, assets of all of three branches were valued for how much asset value should be. The valuer has had various valuation approaches since these assets are performing assets. The valuation approach is valuation approach with revenue approach. It was valued like Discounted Cash Flow Approach. The increasing price of each project will be acquired. For instance, the price of Pure Place Sammakorn was around 350 million Baht whereas its book value was at 258 million Baht. In this part, the price was same as the adjusted price based on the valued price. However, bookkeeping of the Company has been another unrelated issue. None of additional bookkeeping exists. This valuation approach will just reflect the valued value in case of actual valuation of the business for use in valuation of the Company's share price.

Mr. Sakchai Sakulsrimontri, the shareholder, additionally inquired whether margin of share price was recorded as goodwill.

Mr. Unnop Saengvanitch, the independent financial advisor, replied the query that it was not recorded. This was depended on the Company's accounting policy and the Company has recorded asset value by Income Approach for all of the three malls.

The representative of the auditor from EY Office additionally explained that it has been the accounting principle applied by the Company since PSDC is the subsidiary and when the parent company purchases more shares for 100%, it cannot be recorded as goodwill according to the accounting principle. However, the transaction of premium on net book value of the subsidiary will be presented in the line of the shareholder as a transaction in equity and not being asset or goodwill if we purchases more expensive than that part. This will be different from the way that the Company has never held the shares of that company and then take over that company to be its subsidiary, and evaluate that it has goodwill. This can be deemed to have goodwill.

Mr. Sakchai Sakulsrimontri, the shareholder, additionally inquired whether this part will be affected if in the future, the Company will earn profit and loss. The representative of the auditor from EY Office replied that the Company has already prepared consolidated financial statements. Previously, it was allocated to RPCG for 40%. When all shares are held, all turnovers of the subsidiary will be presented in the parent company for 100%.

Mr. Sakchai Sakulsrimontri, the shareholder, additionally inquired why the Company purchased by cash and why SAMCO shares were not swapped with RPCG.

The Managing Director clarified that there are quite many procedures of share swap particularly in the event of the connected company, then swap may be unable to be performed. Therefore, it was deemed that it will be most convenient that the dealing value shall be around 160 million Baht subject to the purchase by cash payment for the whole amount in the single time.

Mr. Sitthichoke Boonvanitch, the shareholder, inquired whether the table of recovery, recession and recovery in Enclosure, Page 111 can be applied with almost of real estate business and with almost of every stock in the Stock Exchange. The calculation structure indicated recovery in Year 2016-2017, prosperity in 2019-2021, re-deceleration in 2020, and then re-prosperity when 100 years of constitution will be due in 2032. Will this calculation be somewhat unmistakable? If yes, this structure will be matched with the main speculated real estate stocks.

The Managing Director clarified that everything has been uncertain and it has been the assumption of the independent valuer to reflect the cycle of real estate business. It has been unanswerable that it will be in this way for 100%.

Mr. Sitthichoke Boonvanitch, the shareholder, inquired about the progress of the sales of the Company's condominium projects and whether there will be the increase.

The Managing Director responded the query as follows: at present, S9 Condominium Project has been transferred for more than half of the ownership under somewhat delay on the progress of sales despite it is the location with bright future. It may be due to MRT Purple Line already opened for service but not yet connected. However, the connection has been expected to be within next year and it may be the period of economic deceleration. This has been uncontrollable external factor. Nevertheless, S9 Condominium Project is not the big project. It was deemed as learning for the Company's work team which is always expert in development of horizontal project. Now, the number of condominiums has not yet increased and community malls will be firstly developed so that revenue from rental fee will be regular revenue. The shareholders which are fund have preferred to the Company's focus on horizontal project since it is the market without speculators but with real buyers. The condominium market is sold to two groups consisting of the investment group and the group that buys for real residence. When the economy is bad, the group that buys for investment will be still.

**The Meeting's Resolution** The purchase of ordinary shares of Pure Sammakorn Development Company Limited (PSDC) for 44.13% of the registered capital from the major shareholders was approved with not less than 3/4 of total number of votes of the shareholder who attended the Meeting and voted without count of the part of the shareholder with interest which has been RPCC Public Company Limited for 284,417,180 votes. The resolution result was as follows.

Agreed	122,342,305	Votes	or in percentage	99.9983
Disagreed	-	Votes	or in percentage	0.0000
Abstained	2,000	Votes	or in percentage	0.0016

(The shareholders by their presence and by proxy were 160 shareholders, totaling to 122,344,305 shares or 100% of total number of votes of the shareholders who attended the Meeting and voted.)

Mr. Sathaporn Phangniran, the shareholder, stated to congratulate with the Company for the Meeting's resolution to approve, and inquired whether image and brand issue will be performed together with Sammakorn and the name will be changed after PSDC is 100% belonged to Sammakorn or not.

The Managing Director clarified that the Company has had the policy. The name of Premier Sammakorn Community Mall which has been accepted for transfer has been changed into Sammakorn Place and all of three Pure Place Community Mall will be changed into Sammakorn Place as well so that Sammakorn people can feel that they are belonged to them. In part of image, it shall be also under consideration.

The Chairman stated to deliver the gratitude to the shareholders who attended the Meeting and proposed useful opinions as well as approved the proposal of the Board of Directors in different issues without trouble.

The Meeting was adjourned at 12.30 hrs.



(Mrs. Khaimook Prahmanee)  
Company Secretary



(Mr. Bibit Bijaisoradat )  
Chairman of the Meeting