



23rd September 2013

Re: Invitation for the Extraordinary General Meeting of the Shareholders No. 1/2013.

To: Shareholders
Home Product Center Public Company Limited

- Attachment:
1. A copy of the Minutes of the Annual General Meeting of the Shareholders for the year 2013
 2. Three sets of Proxy Form including brief biographies of Independent Director who serve as the proxy and details of documents to be presented prior to attending the meeting
 3. Form report of capital increase
 4. Information on the acquisition and disposal of assets and the entering into connected transaction
 5. Report of the opinion of the independence financial advisor on the entering into connected transaction
 6. Articles of Associations with regards to shareholders meeting and definition of "Independent Director"
 7. Map of the meeting venue
 8. Registration Form for the Extraordinary General Meeting of the Shareholders No.1/2013

The Board of Directors Meeting No. 8/2013 of Home Product Center Public Company Limited held on 27th August 2013 adopted a resolution to call for the Extraordinary General Meeting of the Shareholders No.1/2013 to be held on Tuesday 22nd October 2013 at 10.00 A.M., Grand Ballroom, 1st Floor, Mandarin Hotel 662 Rama IV Road, Bangrak Sub District, Bangrak District, Bangkok, to consider the following agenda:

Agenda 1 To consider and approve the Minutes of the Annual General Meeting of the Shareholders for the year 2013.

Objectives and Rationale

Secretary of the Meeting has prepared the Minutes of the Annual General Meeting of the Shareholders for the year 2013 held on 5th April 2013 and submitted to the Stock Exchange within 14 days from the date of the Annual General Meeting of the Shareholders. The Board of Directors has considered that such minutes are correct according to the resolution of the shareholders meeting, therefore proposed to the Extraordinary General Meeting of the Shareholders No.1/2013 to consider approval of the minutes of the Annual General Meeting of the Shareholders for the year 2013 which was sent to the shareholders together with the invitation of this meeting (enclosure No.1)

Opinion of the Board of Directors

The Board of Directors adopted a resolution to propose the Minutes of the Annual General Meeting of the Shareholders for the year 2013, held on 5th April 2013, to the Extraordinary General Meeting of the Shareholders No.1/2013 to be considered and certified.

Agenda 2 To approve the allocation of the retained earnings and the interim dividend payment.

Objectives and Rationale

From January to June 2013, The Company has a net profit in the amount of Baht 1,431.19 million derived from its operating result with no accumulated deficit. In addition, there is sufficient cash flow to be paid as the interim dividend payment in which the provision for dividend payment policy as specified must not be lower than 40% of the net profit.

According to Section 115 of the Public Company Act and Clause 37 of the Articles of Associations of the Company specify that “the Board of Directors may pay for the interim dividend to the shareholders from time to time when it appears that the Company has reasonable profits for such payment. After having paid the dividend, the Company shall report to the shareholders in the next meeting for acknowledgment”.

Even though the Board of Directors is entitled to pay for the interim dividend, the payment of such dividend in the form of Stock Dividend and Cash Dividend must be approved by the Shareholders' Meeting pursuant to Section 117 of the Public Company Act.

In this regard, the Board of Directors Meeting No. 8/2013 adopted a resolution to propose to the Extraordinary General Meeting of the Shareholders No.1/2013 to consider and approve the allocation of the net profit derived from its operating result from January to June 2013 and the interim dividend payment in the form of Stock Dividend and Cash Dividend in order to provide the shareholder return, to retain cash liquidity for Company expansion and to increase the stock liquidity for share trading in the Stock Exchange.

The statistic to compare the dividend payment of the previous years is as follows:

Period	2010	2011	2012
Stock dividend payment rate (amount of existing share : stock dividend)	(6 :1) , (6:1) (Interim),(Final)	(7:1) (Interim)	(5 :1) , (6:1) (Interim),(Final)
Stock dividend rate per share (before dilution)	0.3334	0.1429	0.3667
Cash dividend per share	0.0386	0.1659	0.407523
Total dividend payment	0.372	0.3088	0.407523
Dividend payout ratio (comparing with the net profit)	92.38%	83.61%	98.03%

Opinion of the Board of Directors

The Board of Directors adopted a resolution to propose to the Extraordinary General Meeting of the Shareholders No.1/2013 to consider for approval of the allocation of the net profit and the interim dividend payment as per the following details:

- (1) Allocated as the statutory reserve in the amount of Baht 71.56 million which is equivalent to 5% of the net profit from January 2013 to June 2013 in the amount of Baht 1,431.19 million.
- (2) Paid dividend by the Company's ordinary shares in the ratio of six (6) current shares per one (1) dividend shares, not exceeding 1,370,210,000 shares or in the total amount not exceeding Baht 1,370,210,000 or shall be converted as dividend payment to be Baht 0.1667 per share. In case that any shareholder holds the indivisible share remaining after such allocation, the dividend shall be paid by cash in the amount of Baht 0.1667 per share.
- (3) Paid dividend by cash at the rate of Baht 0.0186 per share or in the total amount not exceeding Baht 152,900,000.

The details mentioned in (2) and (3) above are combined for the dividend payment at the rate of 0.1853 Baht per share which are in accordance with the provision of the dividend payment policy specified by the Company. All dividends shall be deducted for the withholding tax at the rate stipulated by law.

In this regard, on 30th October 2013, the Company will list the name of shareholders who are entitled to receive Stock Dividend and Cash Dividend and will gather the names by closing the share registration book on 31st October 2013 pursuant to Section 225 of the Securities and Exchange Act. The payment of such Stock Dividend and Cash Dividend shall be made within 15th November 2013.

Agenda 3 To consider and approve the decrease of registered capital of 8,228,193,829 Baht to be the new registered capital of Baht 8,219,637,893 by way of eliminating the 8,555,936 ordinary shares with par value Baht 1, remaining from the allocation of stock dividend per the resolution adopted from the Annual General Shareholders' Meeting 2013 total of 999,994 shares and remaining from exercise of the rights of conversation from the warrants issued to employees of the Company (ESOP-W4) total of 7,555,942 shares, and to amend Clause 4 of the Memorandum of Association of the Company on registered capital to be in line with the decrease of the registered capital.

Objectives and Rationale

As a result of the Annual General Meeting of the Shareholders for the year 2013 on 5th April 2013 in which the meeting approved the dividend payment in the form of the stock dividend payment not exceeding 1,174,610,000 shares, from the actual distribution of stock dividend, there were shareholders receiving shares in total of 1,173,610,006 shares. Therefore, there are remaining shares to support the dividend payment totaling of 999,994 shares and from exercise of the rights of conversation from the warrants issued to employees of the Company (ESOP-W4), which the final exercise date was expired after 14th May

2013, totaling of 7,555,942 shares. Thus the totaling of the remaining share are 8,555,936 shares. Since there are some shares which the Company has not completely issued as registered, in order to be in line with the law, the Company, therefore, has to decrease its registered capital.

Opinion of the Board of Directors

The Board of Directors proposed to the Extraordinary General Meeting of the Shareholders to consider of approval for the decrease of registered capital of Baht 8,228,193,829 to be the new registered capital of Baht 8,219,637,893, by way of eliminating the 8,555,936 ordinary shares with par value Baht 1, remaining from the allocation of stock dividend per the resolution adopted from the Annual General Shareholders' Meeting 2013 total of 999,994 shares and remaining from exercise of the rights of conversation from the warrants issued to employees of the Company (ESOP-W4) total of 7,555,942 shares, and to amend Clause 4 of the Memorandum of Association of the Company on registered capital to be in line with the decrease of the registered capital

"Clause 4" Registered capital (Baht) : 8,219,637,893 (Eight billion, Two hundred and Nineteen million, Six hundred and Thirty Seven thousand, Eight hundred and Ninety Three Baht)

Divided into (shares) : 8,219,637,893 (Eight billion, Two hundred and Nineteen million, Six hundred and Thirty Seven thousand, Eight hundred and Ninety Three shares)

Par value of (Baht) : 1 (One Baht)

which is classified into

Ordinary shares (shares) : 8,219,637,893 (Eight billion, Two hundred and Nineteen million, Six hundred and Thirty Seven thousand, Eight hundred and Ninety Three shares)

Preference shares (shares) : - (.....)"

Agenda 4 **To consider and approve the increase of registered capital of 1,370,210,000 shares to support stock dividend payment and to amend Clause 4 of the Memorandum of Association of the Company on registered capital to be in line with the increase of registered capital.**

Objectives and Rationale

As the Company adopted a resolution regarding the dividend payment in the form of ordinary share of the Company to shareholders, the details of which appeared in Agenda 2, the Company shall allocate ordinary shares to support the dividend payment for 1,370,210,000 shares.

However, the company shares are not sufficient to support the dividend payment. The meeting, therefore, approved to propose to the Extraordinary General Meeting of the Shareholders for consideration the approval to increase registered to support the dividend payment.

Opinion of the Board of Directors

The Board of Directors adopted a resolution to propose to the Extraordinary General Meeting of the Shareholders No.1/2013 for consideration of the approval to increase the registered capital from the previous registered capital of 8,219,637,893 Baht to the new registered capital of 9,589,847,893 Baht, divided into 9,589,847,893 shares. In this regard, the new ordinary share will be issued for 1,370,210,000 shares at the par value of Baht 1 per share, and Clause 4 of Memorandum of Association of the Company shall be amended to be consistent with the increase of registered capital of the Company as follows:

“Clause 4”	Registered capital (Baht) :	9,589,847,893	(Nine billion, Five hundred and Eighty nine million, Eight hundred and Forty Seven thousand, Eight hundred and Ninety Three Baht)
	Divided into (shares) :	9,589,847,893	(Nine billion, Five hundred and Eighty nine million, Eight hundred and Forty Seven thousand, Eight hundred and Ninety Three shares)
	Par value of (Baht) :	1	(One Baht)

which is classified into

Ordinary shares (shares) :	9,589,847,893	(Nine billion, Five hundred and Eighty nine million, Eight hundred and Forty Seven thousand, Eight hundred and Ninety Three shares)
Preference shares (shares) :	-	(.....-.....)”

Agenda 5 To approve the increased shares allocation to support the stock dividend payment.

Objectives and Rationale

As the Company adopted a resolution regarding the dividend payment in the form of ordinary shares of the Company to shareholders as described in Agenda 2, the Company shall allocate ordinary shares to support the stock dividend payment for 1,370,210,000 shares.

Opinion of the Board

The Board of Directors proposed to the Extraordinary General Meeting of the Shareholders No.1/2013 for consideration of the approval to increase the registered capital by issuing ordinary shares for the increase of registered capital for 1,370,210,000 shares. The meeting, therefore, approved to propose

such to the Extraordinary General Meeting of the Shareholders No.1/2013 for consideration of the approval to allocate ordinary shares for increase of registered capital for 1,370,210,000 shares to support the stock dividend payment.

Agenda 6 To approve the entering into agreement to lease out partial space and public utilities systems in the Market Village Hua Hin Shopping Center building, totaling floor area of approximately 50,518 square meters and to approve the sale of movable property to LH Shopping Center Leasehold Property Fund ("Property Fund"), and for approval for Market Village Co., Ltd. to provide the service as the property manager of the Market Village Hua Hin Shopping Center Project.

Objectives and Rationale

As the Company is in the period of expanding its business and investing in new projects, the Company needs to have the capital to do so. The source of funds from letting on lease of space including facility systems to the Property Fund is another channel to substitute the borrowing and reduce interest payable which may incur in the future. Such enhances the Company's capability to make other new investments which shall benefit the Company and the shareholders in the long term, and such can be proceeded by the company that has quality assets which can generate returns to the Unit-holders of such investment.

Opinion of the Board

The Board of Directors proposed to the Extraordinary General Meeting of the Shareholders to consider for approval of the entering into by the Company the agreement to lease out partial space in the Market Village Hua Hin Shopping Center building, which is a 4 storey building with 1 basement, totaling floor area of approximately 50,518 square meters, and public utilities systems such as electricity system, telephone system, lifts, escalators, air-conditioning system and engineering system, etc. including component parts and equipment both permanently and not permanently fixed with the leased immovable property, as well as other facilities installed and used within the Market Village Hua Hin Shopping Center, and any rights related or associated with such property, for the lease period of approximately 27 years commencing from the date of lease registration and completion on 31st August 2040, and to approve the sale of movable property which is used for the purpose of decoration or providing conveniences to customers of Market Village Hua Hin Shopping Center, to LH Shopping Center Leasehold Property Fund ("Property Fund"), at the consideration before expenses of not less than 4,060 million Baht and for approval for Market Village Co., Ltd. (which is a Subsidiary of the Company in which the Company holds 99.99% of shares) to provide the service as the property manager of the Market Village Hua Hin Shopping Center Project.

However, since at present the Company has leased out certain space in the Market Village Hua Hin Shopping Center to Market Village Co., Ltd. under the lease agreement of Market Village Hua Hin Shopping Center, which such space is the same space that the Company will let on lease to the Property

Fund, and, besides, Market Village Co., Ltd. as the lessee of partial space in the Market Village Hua Hin Shopping Center, has engaged Home Product Center Public Co., Ltd. to manage and proceed with the administration of Market Village Hua Hin Shopping Center under the Management Service Agreement for Market Village Shopping Center Project, thus, it is approved for the Company to terminate the lease agreement of Market Village Shopping Center and the Management Service Agreement for Market Village Hua Hin Shopping Center Project made with Market Village Co., Ltd. which the termination is effective when the lease of space agreement between the Company and the Property Fund and the Agreement to hire the Property Manager between the Property Fund and Market Village Co., Ltd. become effective.

Agenda 7 To approve the invest in the LH Shopping Center Leasehold Property Fund ("Property Fund") for the amount of not exceeding one-third of the assets appraisal price specifically for the assets that the Company lets on lease and sells to the Property Fund.

Objectives and Rationale

From the Agenda 6, as the Company shall lease out the space together with facility systems and sell certain moveable assets to the Property Fund, and the Company has the plan to purchase investment units in the Property Fund which shall support the Property Fund to be able to raise the funds to buy the assets as planned, such shall cause the Company to receive the returns from the project in the form of dividend as the holder of the investment units. Also, as Market Village Co., Ltd., a subsidiary, shall manage the Project, this subsidiary will have additional income from being the Property manager for the Property Fund.

However, the entering into the Agenda 6 and 7 is the entering into the transaction with connected person, which such must obtain approval from the shareholders.

Opinion of the Board

The Board of Directors proposed to the Extraordinary General Meeting of the Shareholders to consider for approval of invest in the LH Shopping Center Leasehold Property Fund ("Property Fund") for the amount of not exceeding one-third of the assets appraisal price specifically for the assets that the Company lets on lease and sells to the Property Fund, which initially it is expected that the value of the purchase of investment unit in the Property Fund will not have value more than Baht 1,420 million.

The disposal of assets per details indicated in Agenda 6 has the size of total transactions of 14.12% which is deemed as the transaction of disposal of assets not more than 15% of total assets. However, if the price for giving the leasehold right of assets and for selling movable property have the value of more than Baht 4,313.44 million, the size of the transaction of disposal of assets will be higher than 15% which shall be deemed as the transaction to dispose assets in the 2nd category under the Notification of Capital Market Supervisory Board No. TorChor. 20/2551, subject "Rules on Entering into Material Transactions

Deemed as Acquisition or Disposal of Assets” and the Announcement of the Stock Exchange of Thailand subject “The Disclosure of Information and the Compliance of the Listed Companies for the Acquisition or Disposition of Assets B.E. 2547” (hereinafter collectively called “Announcement for Acquisition or Disposal”) or the transaction having the size more than 15% but lower than 50% which the Company shall have the obligation to disclose the entering into such transaction to the Stock Exchange of Thailand (“Stock Exchange”) and to circulate letter to inform shareholders within 21 days from the date the Company has disclosed the entering into such transaction to the Stock Exchange.

As for the transaction indicated in Agenda 7, such is the transaction to acquire assets having the size of transaction equivalent to 4.94% which is lower than 15%. Therefore, such transaction is within the approval power of the Company’s Board of Directors meeting, which the Company has no obligation to make the report and disclose the information to the Stock Exchange and request for approval from the Company’s shareholders.

However, the entering into the transaction as specified in Agenda 6 and Agenda 7 as mentioned above is the entering into transaction with connected person according to the Notification of Capital Market Supervisory Board No. TorChor. 21/2551 subject: “Rules on Connected Transactions” and the Announcement of the Board of the Stock Exchange of Thailand, Subject: Disclose of Information and Compliance of List Companies for Connected Transaction” B.E. 2546” (hereinafter collectively called “Announcement of Connected Transaction”, because:

(1) After the establishment of the Property Fund is completed, Land and House Public Co., Ltd. (“LH”) which is a major shareholder of the Company by holding the paid up 30.21% of the registered capital may hold investment unit in the Property Fund directly and/or via subsidiary company and related companies in the ratio of more than 10% of all investment units which are issued and offered; and

(2) Mr. Anant Asavabhokhin is a major shareholder in Land and House Public Co., Ltd. by holding the paid-up 23.76% of the registered capital of LH, and is the authorized person who can sign on behalf of LH which is a major shareholder of the Company. Besides, Mr. Anant Asavabhokhin may hold investment units in the Property Fund via LH and/or subsidiary company and/or related company in the proportion of more than 10% of the investment units which are issued and offered; and

(3) Land and House Fund Management Co., Ltd. which its major shareholder, i.e. LH, is the fund manager of the Property Fund, is deemed as a party having control power of the Property Fund.

Since the entering into the transaction as specified in Agenda 6 and Agenda 7 mentioned above has the size of the Connected Transaction totaling 50.08% of the net tangible assets of the Company (as of 30th June 2013, the Company has its net tangible assets of Baht 10,942.67 million) which the size of the transaction exceeds 3% of the Company's net tangible assets, therefore, the Company has the obligation to disclose the information of the entering into such transaction to the Stock Exchange and to request for approval from shareholders meeting with the votes of not lower than three-fourth (3/4) of total votes of shareholder who attend the meeting and has the right to vote, by not counting the shareholders who has interest in this Agenda, and the Company shall have to cause the invitation to shareholders calling for shareholders meeting, together with the opinion of independent financial advisor, to be delivered to shareholders at least 14 days in advance before the shareholders meeting date. Therefore, the meeting of the Board of Directors of the Company has adopted the resolution to propose to the Extraordinary General Meeting of The Shareholders No. 1/2013 to be held on 22nd October 2013 to consider for approval to enter into such transactions.

Agenda 8 To approve the Company to grant the power to the Board of Directors and/or managing director and/or authorized directors to negotiate, sign and enter into agreement, make documents and contracts relating to the entering into transactions with Property Fund.

Objectives and Rationale

From the Agenda 6 and Agenda 7, as the principle and several proceedings were presented which need many documents and procedures, thus the authorization given to the Board of Directors and/or managing director and/or authorized director to have the power to negotiate, bargain, sign and enter into agreement, make documents and contracts in connection with the entering into transaction with the Property Fund, is necessary in order for any proceedings to be proceeded efficiently and smoothly.

Opinion of the Board

The Board of Directors proposed to the Extraordinary General Meeting of the Shareholders for consideration of the approval for the Company to grant the power to the Board of Directors and/or managing director and/or authorized directors to negotiate, bargain, sign and enter into agreement, make documents and contracts relating to the entering into transactions with LH Shopping Center Leasehold Property Fund ("Property Fund"), and to have the power to perform any act of the Company which relates to entering into transaction with the Property Fund until completion and in accordance with the objectives.

Agenda 9 Any other considerations (if any)

The schedule relating to the Extraordinary General Meeting of the Shareholders No.1/2013 is as follows

Schedules for the Extraordinary General Meeting of the Shareholders No.1/2013	Date
1. Specifying the name list of shareholders who are eligible to attend the shareholders meeting (record date).	10 th September 2013
2. Compiling the name list according to Section 225 of the Securities and Stock Exchange Act B.E. 2535, by way of closing the registration book to suspend the transfer of share for the shareholders meeting.	11 st September 2013
3. Convening the Extraordinary General Meeting of the Shareholders No.1/2013	22 nd October 2013
4. Specifying the name list of Shareholders who are eligible to receive dividend.	30 th October 2013
5. Compiling the name list according to Section 225 of the Securities and Stock Exchange Act B.E. 2535, by way of closing the registration book to suspend the transfer of share for the receiving of dividend.	31 st October 2013
6. Dividend Payment	15 th November 2013

Yours faithfully,

(Mr. Khunawut Thumpomkul)

Managing Director

Authorized Person of the Board of Directors

Home Product Center Public Company Limited

Remarks:

1. The Company has published the Invitation for the Meeting both Thai and English version, including the Proxy forms of type A, type B, and type C on Company's website which the shareholders can download at www.homepro.co.th
2. In the event shareholders would like to enquire information relating to the Meeting about any agenda of the Company, shareholders may send questions in advance to the Company within the 15th of October 2013, by sending to the Investor Relation office of Home Product Center Public Company Limited. No. 96/27, 4th floor, Moo 9, Tambol Bangkhen, Amphur Muang Nontaburi, Nontaburi Province, 11000 or via e-mail: ir@homepro.co.th
3. In case the shareholder wishes to give proxy to Independent Director, please indicate the name of MR. Chanin Roonsamrarn in the proxy and send it to the Company, Home Product Center Public Company Limited. No. 96/27, 4th floor, Moo 9, Tambol Bangkhen, Amphur Muang Nontaburi, Nontaburi Province, 11000. The biography of Independent Director is in the attached document.

For translation purpose only, Thai language text will be for official use
Minutes of The Annual General Meeting of The shareholders for the year 2013
of
Home Product Center Public Company Limited

The Annual General Meeting of the Shareholders is held on 5th April 2013 at 10.05 a.m. at Meeting Room, Grand Balloon, C Floor, Grand Centre Point Hotel and Residence Sukhumvit Terminal 21 Building, address: Number. 2, 88 Sukhumvit Soi 19 (Wattana), Sukhumvit Road, North Klongtoei Sub District, Wattana District, Bangkok

Mr. Anant Asavabhokhin, the Chairman of the Board being as the Chairman of the meeting, opened the meeting by introducing Board of Directors, auditors, and independent legal consultant who attended the meeting as follows:

List of the directors attending the meeting

1. Mr. Anant Asavabhokhin	Position	Chairman of the Board of Directors
2. Mr. Rutt Phanijsaphan	Position	Executive Director and Chairman of the Nomination and Remuneration Committee
3. Mr. Naporn Soonthornchitcharoen	Position	Executive Director
4. Mr. Joompol Meesook	Position	Director
5. Mrs. Suwanna Buddhaprasart	Position	Director
6. Mr. Manit Udomkunnatum	Position	Director and Chairman of Executive Director
7. Mr. Khunawut Thumpomkul	Position	Managing Director
8. Mr. Apichat Natasilpa	Position	The Nomination and Remuneration Committee
9. Mr. Apilas Osatananda	Position	Chairman of the Audit Committee and Independent Director
10. Mr. Thaveevat Tatiyamaneekul	Position	Audit Committee and Independent Director
11. Mr. Chanin Roonsamrarn	Position	Audit Committee, Independent Director, and Nomination and Remuneration Committee

List of the directors not attending the meeting

Mr. Pong Sarasin	Position	Independent Director
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Secretary of Company and the meeting

Ms. Wannee Juntamongkol	Position	Senior Vice President – Finance
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Name of the Auditors from Ernst & Young Office Company Limited

Mrs. Gingkam Atsawarangsalit	CPA Registration No.4496
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Name of Independent Representative and Middle Person for the Vote Counting

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|--|---------------------------------------|
| 1. Ms. Chanobol Promsatit | Legal Consultant of Wissen & Co. Ltd. |
| 2. Proxy holder of Ms. Chuleekorn Thanawongsuwan | Minor Shareholder |

Number of shareholders attending the meeting

Mr. Anant Asavabhokhin, Chairman of the Board being the Chairman of this meeting, reported to the shareholders the quorum of the meeting as follows: There were shareholders who attended the meeting by themselves and proxy totaling 1,365 persons, being total amount of 5,875,539,043 shares or by 83.4424% of all issued shares, which was constituted the quorum. The types of shareholders are separated as follows:

1. Ordinary persons attending the meeting by themselves, totaling 317 persons, representing 441,423,891 shares;
2. Ordinary authorized person by proxy attending the meeting by themselves, totaling 190 persons, representing 459,387,657 shares;
3. Juristic person shareholders holding shares over 10%, totaling 2 persons, representing 3,513,172,452 shares; and
4. Juristic person shareholders holding shares not over 10%, totaling 856 persons, representing 1,461,555,043 shares.

Proceeding of the Meeting

The Chairman assigned Mr. Khunawut Thumpomkul to explain the process of the meeting, voting, the right to express opinion and to make inquiry, including the details of each agenda as follows:

The meeting shall be preceded according to the agenda notified in the notice inviting for the meeting. The details of each agenda will be informed in the meeting.

Rights of Shareholders to Express Opinion

In case that any shareholder has an opinion or inquiry, that shareholder shall raise hand and inform the name. Then, such shareholder shall give such opinion or make the inquiry in order for the meeting to answer such inquiry.

Voting Method

The Company has used the voting method of 1 share per 1 vote and has prepared the voting cards of each agenda for each shareholder. After the report of each agenda has been made, the meeting will be requested to vote and the shareholders will be informed that if any shareholder would disagree or abstain, a hand shall be raised. Then, there shall be collecting of the voting cards for such disagreeing or abstaining vote, in order to gather the votes and inform the meeting. The Company would deduct the disagreeing or abstaining votes from all votes.

For the shareholders who gave proxy to other person to attend the meeting and voted upon his decision, the Company had recorded their agreeing, disagreeing and abstaining votes in the electronic system for each agenda voting.

The agreeing voting cards not being collected during the meeting was requested to be returned after the adjournment of meeting. The Company appointed the lawyer of Wissen & Co Limited and Minor Shareholder as the independent representative and the middle person for the vote counting.

For the regulations of the Company regarding shareholders meeting and resolution of shareholders meeting, all shareholders can consider from the Endosure 8 (Pages 59) as attached to the notice calling for the meeting.

Remark: Under the Public Company Act, it provides that resolution adopted for general matter requires the votes of not less than half of the votes of shareholders attending the meeting and casting votes, by not counting the abstained votes. Therefore, in each Agenda except Agenda 5, 6 and Agenda 12 (the votes of not less than three - fourth of the all shares attending the meeting and having the right to vote), the abstained votes were not considered.

Equitable Treatment to Shareholders

1. The proposed agenda for the Annual General Meeting of Shareholders and name of directors

The Company has given the opportunity to shareholders to propose the agenda of shareholders meeting and nominate director by proposing such via Website and has notified it to the Stock Exchange of Thailand since 5th November 2012 the final date to accept such proposal was on 15th January 2013. During such period to be propose agenda of shareholders meeting and name of director, the agenda of shareholders meeting and name of director as follows:

- Proposing agenda by shareholders. The Board of Directors has already brought the proposal from shareholders relating to the fixing agenda into consideration for the fixing of agenda for this Annual General Meeting.
- Nomination of director name. The Nomination and Remuneration Committee has considered and proposed to the Company's Board of Directors to present to the shareholders, the result of which appears in Agenda 8.

2. Distribution of Invitation for the Annual General Meeting of Shareholders

In order for the shareholders to access the details of the Annual General Meeting of the shareholders of this year, the Company has published the invitation in both English and Thai language in the company's website. The Company has also informed the Stock Exchange of Thailand since 5th March 2013 and has given the opportunity to shareholders to send question in advance to the Company within 29th March 2013 which appeared that there was no shareholder sending the questions

Remark: After the Chairman of the meeting informed the amount of shares, there were additional 51 shareholders attending the meeting, representing 25,864,493 shares. Therefore, the total number of shareholders attending the meeting was 1,416 shareholders representing total 5,901,403,536 shares. The Company has given the opportunity to the shareholders to exercise their vote which resulted in the increase of voting in each agenda.

The Annual Ordinary General Meeting of the Shareholders of 2013 considered and adopted the following resolutions as follows:

Agenda 1 **To consider and approve the minutes of the Extraordinary General Meeting of the Shareholders No. 1/2012.**

Chairman of the meeting proposed the shareholders the minutes of the Extraordinary General Meeting of the Shareholders No.1/2012, held on 5th October 2012, which was sent to the shareholders together with the invitation of this meeting consider and certify such meeting.

Resolved The meeting considered and resolved to certify the minutes of the Extraordinary General Meeting of the Shareholders No.1/2012 with the votes of more than one half of the total votes of the shareholders attending and casting votes. The details are as follows:

Resolution	Number of Shares	Percentage of all attending and casting votes
- Approved	5,901,398,386	100
- Disapproved	0	0
- Abstained	5,150	Excluding

Agenda 2 **To consider for acknowledgement of the Company's Operation Results of the Year 2012.**

Ms. Wannee Juntamongkol reported the operation results in the year 2012 as summarized in the following:

At the yearend as of 2555 (A.D. 2012), the Company has totaling 53 branches by having 20 branches in Bangkok and 33 branches in provincial area. The new branches opened in the year 2012 were Trung branch, Mega Bangna branch, Burirambranch, Hat Yai Kanjanawanit branch, Nakhonsawan branch, Mahachai branch, Ubonratchathari branch, Ratchaburi branch.

In the Year 2012, the Company generated revenue from sales of Baht 34,541.55 million which increases from the previous year for Baht 6,178.13 million or by 21.78%. In this regard, the majority of increased sales volume was driven from the same store sales growth, the newly opened branches in the Year 2012, and the Company has total revenues of Baht 36,969.30 million (which is the total of sales amount including other incomes i.e. rental space fees, other

service fees which already included the Market Village Co., Ltd., marketing fee from vendors, and incomes from other service fees) which increases for the amount of Baht 6,466.87 million or up by 21.20%.

The Selling and Administrative expenses were Baht 7,781.14 million which was increased from the previous year for Baht 1,396.87 million or by 21.88 %. The Company had the net profit of Baht 2,679.47 million increased from the previous year for Baht 674.11 million or by 33.62% and the earning per share was Baht 0.38 per share. The increase of the net profit was the result of the increase of sales and other income.

In addition to the enhancement of the company's efficiency, the Company also focused on the social responsibility by supporting activities such as:

1. The project of "Kids' Toilet", which the Company has continuously been doing by building and improving toilets in various schools, providing using knowledge and maintaining them hygienically. The company has built more than 1,309 rooms for 100 schools in 29 provinces.
2. This year the Company has cooperated with 8 educational institutions to provide 120 scholarships to study in the High Vocational certificates (Por.Vor.Sor) degree, in order to promote more education opportunities to children. In addition, the Company has given the opportunity to students to become trainee and to provide security after graduation for having the chance to work with the Company.

Resolved This Agenda was the report of the operation result. Therefore, there was no adoption of resolution.

Remark: After the meeting had already considered of Agenda 1 and Agenda 2, there were additional 48 shareholders attending the meeting, representing totally 2,400,944 shares. Therefore, the total number of shareholders attending the meeting was 1,464 shareholders and the total shares represented were 5,903,804,530 shares. The Company gave the opportunity to the shareholders to exercise their voting right which resulted in the increase of votes in Agenda 3.

Agenda 3 **To consider the approval of the Statements of Financial Position and Statements of Comprehensive Income, including the Auditor's Report of the year end as of 31st December 2012.**

The Chairman reported the meeting that the financial result of the year 2012 of the Company in summary is as follows.

Sales income	= Baht 34,541.55 million
Increased from the previous year	= Baht 6,178.13 million or 1.78%.

Total revenues = Baht 36,969.30 million
 Increased from the previous year = Baht 6,466.87 million or 1.20%.

Net profit = Baht 2,679.47 million
 Increased from the previous year = Baht 674.11 million or 33.62%
 Basic earnings per share was Baht 0.38 per share.

As of 31st December 2012, the Company's total asset = Baht 25,801.00 million
 Total liabilities = Baht 15,941.10 million
 Shareholders' equity = Baht 9,859.90 million

Regarding the details of the Statements of Financial Position and Statements of Comprehensive Income, and the Auditor's Report for the year end as of 31st December 2012, which was sent to the shareholders together with the invitation of this meeting, such was proposed to the shareholders meeting to consider to approve the Statements of Financial Position and Statements of Comprehensive Income, and the Auditor's Report for the year end as of 31st December 2012.

Resolved

The meeting considered and adopted the resolution to approve the Statements of Financial Position and Statements of Comprehensive Income, and the Auditor's Report for the year end as of 31st December 2012 with the votes of more than one-half of the total votes of the shareholders attending and casting votes. The details are as follows:

Resolution	Number of Shares	Percentage of all attending and casting votes
- Approved	5,903,799,380	100
- Disapproved	0	0
- Abstained	5,150	Excluding

Remark: After the meeting had finished consideration of Agenda 3, there were 37 additional shareholders attending the meeting, representing 5,254,585 shares. Therefore, the total number of shareholders attending the meeting was 1,501 shareholders and the total shares represented were 5,909,059,115 shares. The Company gave the opportunity to the shareholders to exercise their voting right which resulted in the increase of votes in Agenda 4.

Agenda4

To consider the approval of the dividend payment and the allocation of profit for legal reserve fund for the year 2012.

The Chairman declared to the meeting that The Company has its policy specifying for the dividend payment for not less than 40% of the net profit. In the Year 2012, the Company has net profit of Baht 2,660.22 million of the separate financial statements and there is no accumulated loss remaining. Moreover, the Company has its cash flow enough to make the dividend payment according to the Company's policy. The Board of Directors has considered and deemed it appropriate to allocate legal reserve fund and pay the dividend as follows:

For the operation results of the half of the year, the Extraordinary General Meeting of the Shareholders No. 1/2012 held on 5th October 2012 has adopted the resolution to allocate for 5% of the net profit for the legal reserve fund as at the amount of Baht 59.70 million which such amount was calculated from the net profit of the separate financial statements of January 2012 to June 2012 in the amount of Baht 1,191.94 million and approved the interim dividend payment for the operation results of the first six months of the Year 2012 on 30th October 2012 as follows:

- (A) Payment of dividend by the Company's ordinary shares in the ratio of five (5) current shares per one (1) dividend shares or shall be converted as dividend payment to be Baht 0.20 per share. In case that any shareholder holds the indivisible share remaining after such allocation, the dividend shall be paid by cash in the amount of Baht 0.20 per share.
- (B) Payment of dividend by cash at the rate of Baht 0.222223 per share.

The total payment of dividend for the first half of the year was at the rate of Baht 0.222223 per share.

Therefore, the Board of Directors proposed to the meeting of shareholders to acknowledge such interim dividend payment. The information showing the comparison of the dividend payment by cash and stock dividend in the previous year is as follows:

Period	2009	2010	2011
Stock dividend payment rate (amount of existing share : stock dividend)	(10 : 9)	(6 : 1) , (6 : 1) (Interim) , (Final)	(7 : 1) , (Cash) (Interim) , (Final)
Stock dividend rate per share (before dilution)	0.9	0.3334	0.1429
Cash dividend per share (Baht / Share)	0.26	0.0386	0.1659
Total dividend payment (Baht / Share)	1.16	0.372	0.3088
Dividend payout ratio (comparing with the net profit)	224.60%	92.38%	83.61%

For the operation results of the second half of the year (July 2012 – December 2012) as per separate financial statement, the Board of Directors proposed to the Shareholders' Meeting of the total votes of the shareholders attending and casting votes for consideration of approval of the allocation of legal reserve fund and payment of dividend as follows:

- (A) To allocate the profit to the legal reserve fund of the year 2012 in the amount of Baht 73.40 million, which such was calculated from 5% of the net profit of the separate financial statement of July 2012 - December 2012 as in the amount of Baht 1,468.28 million.
- (B) To approve payment of dividend by ordinary shares to shareholders in the ratio of six (6) current shares per one (1) dividend share, not exceeding 1,174.61 million shares at par value of 1 Baht per share, or totally not exceeding Baht 1,174.61 million or equivalent to be Baht 0.1667 per share for dividend payment. In case that any shareholder holds the indivisible share remaining after such allocation, the dividend shall be paid by cash in the amount of Baht 0.1667 per share.
- (C) To approve to pay dividend by cash at the rate of Baht 0.0186 per share, or not exceeding in total of Baht 131.06 million.

The total of profit allocated for legal reserve fund of the Year 2012 was at the amount of Baht 133.1 million, and the total of the stock dividend and the cash dividend payment the whole year shall be equivalent to the rate of Baht 0.407523 per share (before taking dilution effect) which can be calculated as in the total amount of approximately Baht 2,609.02 million, or at payout ratio of 98.08% dividend to stock dividend 88.25% and cash dividend totaling 9.83%. Such rate of dividend payment is in accordance with the dividend payment policy of the Company. All dividends shall be deducted for the withholding tax at the rate stipulated by law.

By specifying the list of shareholders who are entitled to receive the dividend on 18th April 2013, and collecting the names of shareholders, according to Section 225 of the Securities and Stock Exchange Act, by way of closing the registration book to suspend the transfer of share on 19th April 2013, and fixing the date of dividend payment to be made on 30th April 2013.

Resolved

The meeting considered and adopted the resolution to acknowledge the interim payment of dividend and to approve the dividend payment and the allocation of profit for legal reserve fund as follows:

- (A) To allocate the profit to the legal reserve fund of the year 2012 in the amount of Baht 73.40 million which such was calculated from 5% of the net profit of the separate financial statement of July 2012 - December 2012 as in the amount of Baht 1,468.28 million.
- (B) To approve the payment of dividend by ordinary shares in the ratio of six (6) current shares per one (1) dividend share, not exceeding in total of 1,174.61 million shares at par value of 1 Baht per share, or totally not exceeding Baht 1,174.61 million or equivalent to be Baht 0.1667 per share. In case that any shareholder holds the indivisible share remaining after such allocation, the dividend shall be paid by cash in the amount of Baht 0.1667 per share.
- (C) To approve the payment of dividend by cash at the rate of Baht 0.0186 per share, or not exceeding in total of Baht 131.06 million.

By specifying the list of shareholders who are entitled to receive the dividend on 18th April 2013, and collecting the name of shareholders, according to Section 225 of the Securities and Stock Exchange Act, by way of closing the registration book to suspend the transfer of share on 19th April 2013, and fixing the date of dividend payment to be made on 30th April 2013.

The meeting adopted the resolution with the votes exceeding one-half of the total votes of the shareholders attending and casting votes. The details are as follows:

Resolution	Number of Shares	Percentage of all attending and casting votes
- Approved	5,909,032,195	99.9995
- Disapproved	26,900	0.0004
- Abstained	20	Excluding

Remark: After the meeting had considered Agenda 4, there were 9 additional shareholders attending the meeting, representing 49,822 shares. Therefore, the total number of shareholders attending the meeting was 1,510 shareholders and the total shares represented were 5,909,108,937 shares. The Company gave the opportunity to the shareholders to exercise their voting right which resulted in the increase of votes in Agenda 5.

Agenda 5 To consider and approve the decrease of the Company's registered capital by way of eliminating the 1,387,406 ordinary shares with the par value of Baht 1, remaining from the allocation of stock dividend per the resolution adopted from the Extraordinary General Meeting of the Shareholders No. 1/2012, and the amendment to Article 4 of the Memorandum of Association in order to be in line with the decrease of registered capital.

The Chairman informed the meeting that as a result of the Extraordinary General Meeting of the Shareholders No. 1/2012 on 5th October 2012 in which the meeting adopted the resolution for payment of dividend in the form of the stock dividend not exceeding 1,174,400,000 shares, which from the actual distribution of stock dividend, there were shareholders receiving stock dividend in total of 1,173,012,594 shares. Therefore, there are remaining shares to support the dividend payment totaling of 1,387,406 shares. Since there are shares which the Company has not completely issued as registered, in order to be in compliance with the law, the Company, therefore, has to decrease its registered capital.

Therefore, shareholders' meeting was requested to consider of approval to decrease the registered capital of the Company from the previous registered capital of Baht 7,054,971,235, by eliminating the registered ordinary share remaining from the stock dividend allocation according to the resolution of the Extraordinary General Meeting of the Shareholders No. 1/2012 in total of 1,387,406 shares with the par value of Baht 1, and to amend Clause 4 of the Company's Memorandum of Association to be consistent with the decrease of the registered capital as follows:

"Clause 4" Registered capital (Baht) : 7,053,583,829 (Seven billion, Fifty Three million, Five hundred and Eighty Three thousand, Eight hundred and Twenty Nine Baht)

Divided into (shares) : 7,053,583,829 (Seven billion, Fifty Three million, Five hundred and Eighty Three thousand, Eight hundred and Twenty Nine Shares)

Par value of (Baht) : 1 (One Baht)

which are classified into

Ordinary shares (shares) : 7,053,583,829 (Seven billion, Fifty Three million, Five hundred and Eighty Three thousand, Eight hundred and Twenty Nine Shares)

Preference shares (shares) : - (.....)"

Resolved

The meeting of shareholders considered and adopted the resolution to decrease the registered capital of the Company by eliminating the registered ordinary share remaining from the stock

dividend allocation according to the resolution of the Extraordinary General Meeting of the Shareholders No. 1/2012 in total of 1,387,406 shares with the par value of Baht 1, and to amend Clause 4 of the Company's Memorandum of Association to be in consistent with the decrease of the registered capital, as follows:

“Clause 4” Registered capital (Baht) : 7,053,583,829 (Seven billion, Fifty Three million, Five hundred and Eighty Three thousand, Eight hundred and Twenty Nine Baht)

Divided into (shares) : 7,053,583,829 (Seven billion, Fifty Three million, Five hundred and Eighty Three thousand, Eight hundred and Twenty Nine Shares)

Par value of (Baht) : 1 (One Baht)

which are classified into

Ordinary shares (shares) : 7,053,583,829 (Seven billion, Fifty Three million, Five hundred and Eighty Three thousand, Eight hundred and Twenty Nine Shares)

Preference shares (shares) : - (.....-.....)”

The meeting adopted this resolution with the votes of more than three-fourth of the total votes of the shareholders attending the meeting and having the right to vote. The details are as follows:

Resolution	Number of Shares	Percentage of all attending and having the right to vote
- Approved	5,909,047,117	99.9989
- Disapproved	31,800	0.0005
- Abstained	30,020	0.0005

Remark: After the meeting had considered Agenda 4, there were 7 additional shareholders attending the meeting, representing 90,022 shares. Therefore, the total number of shareholders attending the meeting was 1,517 shareholders and the total shares represented were 5,909,198,959 shares. The Company gave the opportunity to the shareholders to exercise their voting right which resulted in the increase of votes in Agenda 6.

Agenda 6

To consider the approval for the increase of registered capital 1,174,610,000 shares to support stock dividend payment and to amend Clause 4 of the Memorandum of Association of the Company on registered capital to be in line with the increase of registered capital.

The Chairman informed the meeting that as the Company adopted the resolution for the dividend payment in the form of ordinary share of the Company to shareholders, the details of which appears in Agenda 4, the Company shall allocate ordinary shares to support the dividend payment for 1,174,610,000 shares. However, the Company available shares are not sufficient to support the dividend payment. The meeting, therefore, was requested to consider the approval to increase registered capital from the previous registered capital of Baht 7,053,583,829 to the new registered capital of Baht 8,228,193,829, divided into 8,228,193,829 shares. Thus, there will be issuance of new 1,174,610,000 ordinary shares at par value of Baht 1 per share, and Clause 4 of Memorandum of Association of the Company shall be amended to be consistent with the increase of registered capital of the Company, as follows:

“Clause 4” Registered capital (Baht) : 8,228,193,829 (Eight billion, Two hundred and Twenty Eight million, One hundred and Ninety Three thousand, Eight hundred and Twenty Nine Baht)

Divided into (shares) : 8,228,193,829 (Eight billion, Two hundred and Twenty Eight million, One hundred and Ninety Three thousand, Eight hundred and Twenty Nine Shares)

Par value of (Baht) : 1 (One Baht)

which are classified into

Ordinary shares (shares) : 8,228,193,829 (Eight billion, Two hundred and Twenty Eight million, One hundred and Ninety Three thousand, Eight hundred and Twenty Nine Shares)

Preference shares (shares) : - (.....-.....)”

Resolved

The meeting of shareholders considered and adopted the resolution to increase registered capital from the previous registered capital of Baht 7,053,583,829 to be the new registered capital of Baht 8,228,193,829, divided into 8,228,193,829 shares. In this regard, the new ordinary shares will be issued for 1,174,610,000 at the par value of Baht 1 per share, and

Clause 4 of Memorandum of Association of the Company shall be amended to be consistent with the increase of registered capital of the Company as follows:

“Clause 4” Registered capital (Baht) : 8,228,193,829 (Eight billion, Two hundred and Twenty Eight million, One hundred and Ninety Three thousand, Eight hundred and Twenty Nine Baht)

Divided into (shares) : 8,228,193,829 (Eight billion, Two hundred and Twenty Eight million, One hundred and Ninety Three thousand, Eight hundred and Twenty Nine Shares)

Par value of (Baht) : 1 (One Baht)

which are classified into

Ordinary shares (shares) : 8,228,193,829 (Eight billion, Two hundred and Twenty Eight million, One hundred and Ninety Three thousand, Eight hundred and Twenty Nine Shares)

Preference shares (shares) : - (.....)”

The meeting adopted the resolution with the votes of more than three-fourth of the total votes of the shareholders attending the meeting and having the right to vote. The details are as follows:

Resolution	Number of Shares	Percentage of all attending and having the right to vote
- Approved	5,909,142,039	99.9990
- Disapproved	26,900	0.0004
- Abstained	30,020	0.0005

Remark: After the meeting had considered Agenda 6, there were 4 additional shareholders attending the meeting, representing 8,021 shares. Therefore, the total number of shareholders attending the meeting was 1,521 shareholders and the total shares represented were 5,909,206,980 shares. The Company gave the opportunity to the shareholders to exercise their voting right which resulted in the increase of votes in Agenda 7.

Agenda 7 **To consider the approval for the increased shares allocation to support the stock dividend payment.**

The Chairman informed the meeting that as the Company adopted a resolution regarding the dividend payment in the form of ordinary shares of the Company to shareholders as described in Agenda 4, the Company shall allocate ordinary shares to support the stock dividend payment for 1,174,610,000 shares. Therefore, the Annual General Meeting of the Shareholders for the year 2013 was requested to consider approval to allocate ordinary shares of 1,174,610,000 shares to support the stock dividend payment.

Resolved The meeting of shareholders considered and adopted the resolution to allocate ordinary shares to support the stock dividend payment for 1,174,610,000 shares to support the stock dividend payment.

The meeting adopted the resolution with the votes of more than one-half of the total votes of the shareholders attending and casting votes. The details are as follows:

Resolution	Number of Shares	Percentage of all attending and casting votes
- Approved	5,894,761,900	99.7556
- Disapproved	14,438,260	0.2443
- Abstained	6,820	Excluding

Remark: After the meeting had considered Agenda 7, there were 10 additional shareholders attending the meeting, representing 421,272 shares. Therefore, the total number of shareholders attending the meeting was 1,531 shareholders and the total shares represented were 5,909,628,252 shares. The Company gave the opportunity to the shareholders to exercise their voting right which resulted in the increase of votes in Agenda 8.

Agenda 8 **To consider the approval the re-appointment of the Company's directors in place of the directors who are retired by rotation.**

The Chairman informed the meeting that in this year, the four directors of the Board of Directors who are retired by rotation are as follows:

- | | | | |
|------------------|-----------------|----------|--|
| 1. Mr. Joampol | Meesook | Position | Director |
| 2. Mrs. Suwanna | Buddhaprasart | Position | Director |
| 3. Mr. Thaveevat | Tatiyamaneeikul | Position | Audit Committee and Independent Director |
| 4. Mr. Chanin | Roonsamram | Position | Audit Committee, Independent Director and the
Nomination and Remuneration Committee |

This year the Company gave the opportunity to the shareholders to propose name of person to be proposed to the shareholders for their consideration in the agenda of appointment of director, in the Company's website from 5th November 2012 to 15th January 2013, it appears that there was one person being nominated to be considered for being a director to the Nomination and Remuneration Committee on 21st January 2013.

As for Mr. Thaveevat Tatiyamaneeekul who has been holding the position of Independent Director and Audit Committee since May 2001 until present, totally 11 years consecutively, however, the Nomination and Remuneration Committee has considered the qualification and thus found that he is fully qualified under the Public Company Act B.E. 2535 and he has substantial knowledge, capabilities, experiences and skills in the retails business which such enable him to provide useful advice to the Company in a great deal and his independence still remains. Therefore, it is appropriate to appoint Mr. Thaveevat to hold the position as the Independent Director and Audit Committee for another term.

As for the Board of Directors selection criteria, the Nomination and Remuneration Committee has considered and has the view that at present the number of directors in the Board of Directors is appropriate and the number is the same as prescribed in the criteria of corporate good governance which specifies that the Board of Directors should consist of 5 – 12 directors. The Company has no policy to increase additional number of Directors and all four existing directors have fully met with the qualification as specified in the Public Company Act B.E. 2535 and have knowledge, capability, experience in business relating to the Company's operation and also in the past 2 years, the directors of the Company have never been employee or partner of the auditor company. Therefore, the Annual General Meeting of the Shareholders was requested to consider approval to re-appoint the four directors of the Company who would be retired by rotation in this year to be directors of the Company for another term. The biography of the directors, number of years in the position of director, and the amount of time attending the meeting of each director are as follows:

Director Information

Name – Surname Mr. Joompol Meesook
Age 64
Nominated Position Director
Date of Appointment May 29, 2001
(Counted from the date of conversion to be public company)



Education

Education	Major	University
Master Degree	Business Administration	Thammasat University
B.S.	ARCH.	Far Eastern University (FEU), Philippines
B.S.	CE.	Far Eastern University (FEU), Philippines

Institution Thai Institute of Directors Association (IOD)

Program Director Accreditation Program (DAP) 2008

Experience during the last 5 years

During	Position	Company Name	Type of Business
2001 - Present	Director	Home Product Center Plc.	Home Improvement retailing
2006 - 2010	Director	The Confidence Co., Ltd.	Property development
1993 - 2010	Director	Casa Ville Co., Ltd.	Property development
	President and CEO	Quality Houses Plc.	Property development
1993 – 2010	Director	Quality Construction Products Plc.	Construction material manufacturing

Director position in other companies (excluding Home Product Center Public Co.,Ltd.)

Listed Companies	Non - Listed Companies	Other company or business that competes with/ related to the Company
None	None	None

Amount of shareholding 2,134,466 shares or 0.03%

Numb
er of
terms

and service years as Director at Homepro (since becoming listed company)

3 terms in 2004, 2007 and 2010, and 11 years of service

Number of meeting attendance

Board of Directors Meeting: 12 attendances out of total 12 meetings

Director Information

Name - Surname Mrs. Suwanna Buddhaprasart

Age 58

Nominated Position Director

Date of Appointment July 2, 2003

(Counted from the date of conversion to be public company)



Education

Education	Major	University
Master Degree	Business Administration	Chulalongkorn University

Training Thai Institute of Directors Association (IOD)

Program Director Accreditation Program (DAP) 2004

Program Director Certification Program (DCP) 2007

Program Financial Institutions Governance Program (FGP) 2011

Working Experience during the last 5 years

During	Position	Company Name	Type of Business
2003 - Present	Director	Home Product Center Plc.	Home improvement retailing
2010 – Present	Director	Idea Fitting Co., Ltd.	Interior design and furnished
2009 – Present	Director	LH Financial Group Plc.	Investment
2008 – Present	Director	L & H Management Co., Ltd.	Recruit to work for apartment
2005 – 2012	Director and Nomination and Remuneration Committee	Land and Houses Bank Plc.	Financial Institution
2003 - Present	Director	Casa Ville Co., Ltd.	Property development
	Director	Q.H Management Co., Ltd.	Project after sale service
2000 - Present	Director and Senior Executive Vice President	Quality Houses Plc.	Property development
	Director	Q.H. International Co., Ltd.	Property Management (Office & Resident)
	Director	The Confidence Co., Ltd.	Property development

Director position in other companies (excluding Home Product Center Public Co.,Ltd.)

Listed Companies	Non – Listed Companies	Other company or business that competes with/ related to the Company
Total of Listed Companies = 2	Total of Non –Listed Companies = 6	None
Quality House Plc.	Idea Fitting Co., Ltd.	
LH Financial Group Plc.	L & H Management Co., Ltd.	
	Casa Ville Co., Ltd.	
	Q.H. Management Co., Ltd.	
	Q.H. International Co., Ltd.	
	The Confidence Co., Ltd.	

Amount of Shareholding None

Number of terms and service years as Director at Homepro (since becoming listed company)

3 terms in 2004, 2007 and 2010 and 9 years of service

Number of meeting attendance

Board of Director Meeting: 11 attendances out of total 12 meetings

Director Information

Name – Surname Mr. Thaveevat Tatiyamaneekul
Age 67
Nominated Position Independent Director and Audit Committee
Date of Appointment May 29, 2001
 (Counted from the date of conversion to be public company)

**Education**

Education	Major	University
Primary	-	-

Training Thai Institute of Directors Association (IOD)

Program Director Accreditation Program (DAP) 2004

Working Experience during the last 5 years

During	Position	Company Name	Type of Business
2001 - Present	Independent Director and Audit Committee	Home Product Center Plc.	Home improvement retailing
1989 - Present	Chairman of Executive Director	Star Fashion (2008) Co., Ltd	Apparel manufacturer and distributor

Director position in other companies (excluding Home Product Center Public Co., Ltd.)

Listed Companies	Non – Listed Companies	Other company or business that competes with/ related to the Company
None	Total of Non –Listed Companies = 1	None
	Star Fashion Co., Ltd	

And interests during the last 2 years and at present i.e. :

- 1) He has not participated in management and is not the employee, staff or consultant who receives regular salary in the Company.
- 2) He has not provided any professional service i.e. Auditor, legal counsel
- 3) He has no business relationship or benefit or interest with company that affect the duty performing independently in giving an opinion which may prevent him from performing duty independently.

Amount of Shareholding None

Number of Terms and service years as Directors

3 terms in 2004, 2007 and 2010 and 11 years of service.

Number of Meeting attendance

1. Board of Director Meeting : 12 attendances out of total 12 meetings
2. Audit Committee Meeting : 11 attendances out of total 12 meetings

The Proposed Director Information

Name – Surname Mr. Chanin Roonsamrarn
Age 65
Nominated Position Independent Director, Audit Committee and Nomination
 and Remuneration Committee
Date of Appointment October 3, 2005
 (Counted from the date of conversion to be public company)



Education

Education	Major	University
Master Degree	Business Administration	Fort Hays State University, Kansas, USA

Training Thai Institute of Directors Association (IOD)
Program Director Certification Program (DCP) 2002
Program The Role of Chairman (RCM) 2002

Experience during the last 5 years

During	Position	Company Name	Type of Business
2005 - Present	Independent Director, Audit Committee and Nomination and Remuneration Committee	Home Product Center Plc.	Home improvement retailing
2010 - Present	Chief Executive Director	SBL Leasing Co., Ltd.	Leasing
2003 - Present	Independent Director, Audit Committee, Chairman of Risk Management Committee and, Human Resource and Remuneration Director	The Siam Commercial Samaggi Insurance Plc.	Insurance
1986 - Present	Independent Director, Audit Committee, Remuneration Committee and Nomination Committee	Thai Reinsurance Plc.	Insurance
1996 – 2009	President and Chief Executive Officer	The Siam Industrial Credit Plc.	Financial Institution

Director position in other companies (excluding Home Product Center Public Co.,Ltd.)

Listed Companies	Non – Listed Companies	Other company or business that competes with/ related to the Company
Total of Listed Companies = 2	Total of Non- Listed Companies = 1	None
- The Siam Commercial Samaggi Insurance Plc.	SBL Leasing Co., Ltd.	
- Thai Reinsurance Plc.		

Any interest during the last 2 years and at present i.e. :

- 1) He has not participated in management and is not the employee, staff or consultant who receives regular salary in the Company.
- 2) He has not provided any professional service i.e Auditor, legal counsel
- 3) He has no business relationship or benefit or interest with company that affect the duty performing independently in giving an opinion which may prevent him from performing duty independently.

Mr. Chanin Roonsamrarn has experience and expertise in accounting and finance.

Amount of Shareholding None

Number of terms and service years as Director

2 terms in 2007 and 2010 and 7 years of service.

Number of meeting attendance

1. Board of Director Meeting : 11 attendances out of total 12 meetings
2. Audit Committee Meeting : 12 attendances outof total 12 meetings
3. The Nomination and Remuneration Committee Meeting : 3 attendances out of total 3 meetings

Resolved

The meeting of shareholders considered and adopted the resolution to re-appoint the four directors of the Company who would be retired by rotation in this year to be directors of the Company for another term with the votes of one-half of the total votes of the shareholders attending and casting votes. For this Agenda, the Company has arranged the voting method to appoint Director on an individual basis as follows:

Name of Director	Position	Approved (%)	Disapproved (%)	Abstained (%)
Mr. Joompol Meesook	Director	5,859,983,517 (99.1605%)	49,607,584 (0.8394%)	37,151 (Excluding)
Mrs. Suwanna Buddhaprasart	Director	5,854,712,997 (99.0713%)	54,878,104 (0.9286%)	37,151 (Excluding)
Mr. Thaveevat Tatiyamaneekul	Audit Committee and Independent Director	5,909,513,871 (99.9994%)	30,230 (0.0005%)	84,151 (Excluding)
Mr. Chanin Roonsamrarn	Audit Committee, Independent Director and Nomination and remuneration Committee	5,866,618,241 (99.2736%)	42,925,860 (0.7263%)	84,151 (Excluding)

1 share = 1 vote

% = percentage of all shares which shareholders attended the meeting and exercised the voting right.

Remark: After the meeting had considered Agenda 8, there were 23 additional shareholders attending the meeting, representing 562,817 shares. Therefore, the total number of shareholders attending the meeting was 1,554 shareholders and the total shares represented were 5,910,191,069 shares. The Company gave the opportunity to the shareholders to exercise their voting right which resulted in the increase of votes in Agenda 9.

Agenda 9 **To consider the approval of the remuneration of directors for the Year 2013.**

The Chairman informed the meeting that the Company has its procedure to propose the remuneration throughout the consideration of the Nomination and Remuneration Committee before proposing such to the Board of Directors of the Company for their consideration and approval in order to propose such to the shareholders' meeting. In this regard, The Nomination and Remuneration Committee has considered according to the specified criteria as follows:

1. Considering of suitability by comparing with the criteria in method, rate payment, obligation assigned of the company the same business and industry, and the Company's cash flow.
2. Considering the Company's operation results as of yearend, and the payment will be made when the Company has its profit.
3. Considering to pay for remuneration when the Company has already paid dividend to shareholders and bonus to employees.

The composition of the director's remuneration is the remuneration in providing the consultation in any matter to the Company working group and attendance fee. Normally, the Company will arrange for the Board of Directors Meeting to be held at least once a month, and also arrange

for the other sub-committee meetings i.e. the Audit Committees Meeting, the Executive Directors Meeting, and the Nomination and Remuneration Committees Meeting.

The Nomination and Remuneration Committees and the Board of Directors of the Company have considered to specify the remuneration of the directors of the Company by considering from the Company's results in overall, the dividend payment paid to shareholders, obligations and responsibilities of each of the Board of Directors group, and, therefore, opined that the shareholders' meeting should approve for remuneration of the directors and sub-committees of the Year 2013.

As for other benefits, the Company proposed to the meeting for acknowledgement that the other benefits that the Company gave to the directors were only the welfare benefit for buying goods with discount, which the given discount are as specified in the Articles of Association of the Company having been approved by the shareholders meeting, and that such welfare benefit was given by the Company at the rate not higher than the rate the Company gives to general VIP customers which is fixed at the highest rate not more than 10%.

The information showing the comparison of remuneration payment in the previous years is as follows:

The year paid for remuneration	Approved amount	Actual amount paid
2010	12,000,000 Baht	9,105,000 Baht
2011	12,000,000 Baht	10,435,000 Baht
2012	12,000,000 Baht	10,570,000 Baht

Number of the Board of Directors' Meeting in 2012 was as follows:

The Meeting	Actual Number of Meeting
Board of Directors Meeting	12 times
The Executive Directors Meeting	11 times
The Audit Committees Meeting	12 times
The Nomination and Remuneration Committees Meeting	3 times

The Board of Directors has considered and agreed with the proposal of the Nomination and Remuneration Committee and, therefore, proposed such to the Shareholders' Meeting for consideration the approval for the remuneration of directors and sub-committees of the year 2013 for not exceeding Baht 12,000,000 (Twelve Million Baht) which is equivalent to the payment for the year 2012. The details of remuneration of director of each group is as follows:

Details of Remuneration	Amount
Remuneration of Directors	
1. Monthly remuneration	
- Chairman	Baht 80,000 per person/ per month
- Director	Baht 40,000 per person/ per month
2. Remuneration per meeting attendance	
- Chairman	Baht 30,000 per person/ per meeting attendance
- Director	Baht 20,000 per person/ per meeting attendance
The remuneration of directors and sub-committees: Remuneration per meeting attendance of each group of directors (the Board of Directors of the Company, the Audit Committee, the Executive Directors, and the Nomination and Remuneration Committees)	
Remuneration per meeting attendance	
- Chairman	Baht 30,000 per person/ per meeting attendance
- Director	Baht 20,000 per person/ per meeting attendance

3. Besides the director remunerations stated in item 1 and 2 above, the Company has given other benefits to the directors i.e. the welfares benefit for buying goods with discount which the given discount is as specified in the Articles of Association of the Company having been approved by the shareholders meeting, and such welfares benefit was given by the Company at the rate not higher than the rate the Company gives to general VIP customers, which is fixed at the highest rate not more than 10%.

The Board of Directors has intention to express its transparency and to comply with the principle of good governance. Therefore, the directors who will receive the remuneration shall abstain from voting for this agenda.

Resolved

The meeting of shareholders considered and approved the remuneration of directors and sub-committees of the year 2013 for not exceeding Baht 12,000,000 (Twelve Million Baht) according to the payment criteria of each committee as proposed by the Chairman in every respect. Besides such director remunerations, the Company has given other benefits to the directors i.e. the welfares benefit for buying goods with discount which the given discount is as specified in the Articles of Association of the Company having been approved by the shareholders meeting, and such welfares benefit was given by the Company at the rate not higher than the rate the Company gives to general VIP customers, which is fixed at the highest rate not more than 10% with the votes of more than one-half of the total votes of the shareholders attending and casting votes, as per the following details:

Resolution	Number of Shares	Percentage of all attending and casting votes
- Approved	5,562,666,102	94.1199
- Disapproved	39,656	0.0006
- Abstained	347,485,311	Excluding

Agenda 10 **To consider the approval the payment of directors' bonus for the Year 2012.**

The Chairman informed the meeting that the Board of Directors has considered and agreed with the proposal of the Nomination and Remuneration Committee which has considered on the bonus of the directors by concerning on the suitability and comparing with the facts from the same industry including the extension of business and the growth of the Company's profit.

The Nomination and Remuneration Committees has considered the bonus of the directors by considering on the suitability having the criterions as follows:

1. Since the Board of Directors have participated in specifying the policy, business guideline, including providing the counsel regarding the Company's operation, as such can be determined from the Company's net profit increased from the Year 2011 by 33.62%.
2. Since the Company has its net profit increasing of 33.62%, which makes the market value of the Company (Market Capitalization) increased from the year 2011 for 38.16% which this increase is higher than the growth of SET 50 index in overall which increases by 31.60%, and such shall be considered as the increase of value for shareholders which is higher than the average rate in the market, these results are supported by the contribution of the directors.

The information showing the comparison payment of directors' fees of the previous years was follows:

The Year approved for the bonus payment to the directors and sub-committees	Approved amount	Actual amount paid
2009	11,000,000 Baht	11,000,000 Baht
2010	15,000,000 Baht	15,000,000 Baht
2011	17,000,000 Baht	17,000,000 Baht

The Board of Directors has considered and agreed with the proposal of the Nomination and Remuneration Committee; therefore, proposed such to the Shareholders' Meeting for consideration the approval for the payment of bonus for all directors and sub-committees of the year 2012 in the amount of Baht 22,000,000 (TwentyTwo Million Baht).

The Board of Directors has intention to express its transparency and to comply with the principle of good governance. Therefore, the directors who will receive the remuneration shall abstain from voting for this agenda.

Question of shareholder Mr. Suparp Pisuraj

I would like to know the policy of the payment of director bonus.

Answer of director Mr. Rutt Phanijphan

The policy for the directors' bonus is as mentioned earlier. The payment of directors' bonus is consistent with the dividend payment to the shareholders. If shareholders receive dividend, the payment of directors' bonus shall be made.

Resolved The Board of Directors has considered and adopted the resolution for the payment of bonus for all directors and sub-committees of the year 2012 in the amount of Baht 22,000,000 (Twenty Two Million Baht) with the voting of more than one-half of total votes of the shareholders attending and casting votes. The details are as follows:

Resolution	Number of Shares	Percentage of all attending and casting votes
- Approval	5,457,409,055	92.3389
- Disapproval	99,689,894	1.6867
- Abstention	353,092,129	Excluding

Remark: After the meeting had considered Agenda 10, there were 12 additional shareholders attending the meeting, representing 35,396 shares. Therefore, the number of shareholders attending the meeting was 1,566 shareholders and the total shares represented were 5,910,226,465 shares. The Company gave the opportunity to the shareholders to exercise their voting right which resulted in the increase of votes in Agenda 11.

Agenda 11 To consider the approval the appointment of auditors and determination the auditing fee for the year 2013.

The Chairman informed the shareholders meeting that the Audit Committee has considered to select many auditors by considering the performance result, independence of the auditor, and then proposed to the Board of Directors to appoint the auditors of Ernst & Young Office Limited to be the auditors of the Company of the Year 2013 as per the following names:

1. Mrs. Kingkarn Atsawarangsalit CPA No.4496 and/or
2. Mr. Sophon Permsirivallop CPA No.3182 and/or
3. Mr. Chayapol Suppasertanon CPA No.3972, and/or
4. Miss Pimjai Manitkajohnkit CPA No.4521

This is because they have good standard in their performance, specialized in auditing, and always well performed in their obligations. In addition, when comparing with the quantity of work and the rate of audit fee of other listed companies in the same level, the committee opines that such audit fee is appropriate. And to approve the audit fee for year 2013 in amount Baht 2,680,000. In addition to the audit fee, the Company has also paid other fee, i.e. fee for being witness for destruction of damaged goods at approximately Baht 100,000. Details of the audit fee for the year 2013 are as follows:

Unit : Baht

Audit Fee	2011	2012	2013
Annual auditing fee for the financial statements of the Company and subsidiaries	1,590,000	1,590,000	1,720,000
Quarterly reviewing fee for financial statements of the Company and subsidiaries for the whole year	930,000	930,000	960,000
Total amount to request for approval	2,520,000	2,520,000	2,680,000

In the event that the auditors mentioned above are unable to perform their duties, Ernst & Young Office Limited shall assign other approved auditors of the Company to examine the Company's account and express opinion on the Company's financial statements in place of them.

The Company has appointed Ernst & Young Office Limited to be the audit firm of the Company until present for 5 years but there was the change of auditor within the same audit firm. In 2013, Mrs. Kingkarn Atsawarangsali who is assigned to be the auditor of the Company to examine and express opinion on the Company's financial statements since the Year 2010 up to year 2013 totaling for 4 years. However, the auditors have no conflict of interest with the Company/ subsidiary/executive/major shareholder or any person related to such person in which the auditors of the Company and the auditors of subsidiaries are in the same audit firm.

It was proposed to the meeting of shareholders to consider and approve the appointment of the auditors as per the list above to be the auditors of the Company and subsidiary for year 2013 and to approve auditing fee by determining as the fee for Annual auditing fee for the financial statements of the Company and subsidiaries in amount Baht 1,720,000 and Quarterly reviewing fee for financial statements of the Company and subsidiaries for the whole year in amount Baht 960,000, being total amount to request for approval in amount 2,680,000 including other fee, i.e. fee for being witness for destruction of damaged goods at approximately Baht 100,000.

Resolved

The Board of Directors has considered and adopted the resolution to appoint the auditors of Ernst & Young Office Limited to be the auditors of the Company of the Year 2013 as per the following names:

1. Mrs. Kingkarn Atsawarangsalit CPA No.4496 and/or
2. Mr. Sophon Permsirivallop CPA No.3182 and/or
3. Mr. Chayapol Suppasedtanon CPA No.3972, and/or
4. Miss Pimjai Manitkajohnkit CPA No.4521

and approved the fee for Annual auditing fee for the financial statements of the Company and subsidiaries in amount Baht 1,720,000 and Quarterly reviewing fee for financial statements of the Company and subsidiaries for the whole year in amount Baht 960,000, being total amount to request for approval in amount 2,680,000 including other fee, i.e. fee for being witness for destruction of damaged goods at approximately Baht 100,000. In the event that the auditors mentioned above are unable to perform their duties, Ernst & Young Office Limited shall assign other approved auditors of the Company to examine the Company's account and express opinion on the Company's financial statements in place of them. The shareholder meeting adopted the resolution with the votes of more than one-half of the total votes of the shareholders attending and casting votes. The details are as follows:

Resolution	Number of Shares	Percentage of all attending and casting votes
- Approved	5,910,154,184	100
- Disapproved	0	0
- Abstained	72,281	Excluding

Remark: After the meeting had considered Agenda 11, there were 5 additional shareholders attending the meeting, representing 27,855 shares. Therefore, the total number of shareholders attending the meeting was 1,571 shareholders and the total shares represented were 5,910,254,320 shares. The Company gave the opportunity to the shareholders to exercise their voting right which resulted in the increase of votes in Agenda 12.

Agenda 12

Considering for approval the cancellation of non-issued debenture and considering for approval the Company issue a long-term debenture in the amount of not exceeding Baht 20,000 million

The Chairman informed in the meeting that as the Company has its plan for continuingly expansion of business which such will need to acquire other financial source in addition to the operating capital in order for the Company to have options to raise fund with lower costs and to have more flexibilities on debentures issuance, the Chairman proposed to the Shareholders' Meeting as follows:

1. The Company proposed to the Shareholders' Meeting to consider and approve the cancellation of long-term debentures, which was approved according to the resolution of the Annual General Shareholders' Meeting of year 2011. For the portion that has not been issued and offered for sale by the end of the Annual General Shareholders' meeting of year 2013, the Company has remained a long-term debenture for the amount of Baht 1,700 million remaining.
2. To consider and approve the issuance and sale of long-term debentures in the amount of not exceeding Baht 20,000 million with maturity date not later than 10 years. The Company may issue the new long-term debenture to replace in case the Company has made any redemption and/or repurchased the existing debentures in any case under the conditions as follows:

Types:	All types of debentures (subordinated or non-subordinated, with or without trustee, and secured or unsecured) depending upon the market suitability at the time of each offering.
Currency:	Baht, US\$ and/or other foreign currency
Principal amount:	Principal amount of the debentures issued will not exceed Baht 20,000 million or the US\$ or other foreign currency equivalent amount, calculated by using the prevailing exchange rate at the time of each offering as deemed appropriate by the Company.
Offering:	Public offering or private placement pursuant to the notification of The Securities and Exchange Commission and/or the Office of the Securities and Exchange Commission to local investors or overseas, in one or several offerings depending on the discretion and necessity for the use of money of the Company, and the debentures may be issued and sold, as replacement for the debentures already issued and sold by the Company.
Maturity:	Not exceeding 10 years.
Interest rate:	Depending upon the suitability and the market condition at the time of the issuance and offer for sale.
Repayment:	Amortizing or bullet payment.
Call option:	The Company may have the call option to redeem the debentures before maturity, or may repurchase debentures.

Put option: The debenture holders may be granted with put option subject to the conditions as to be specified by the Company.

Secondary market: The Company may apply for listing of debentures with the Thai Bond Dealing Center or other foreign bond dealing center.

In the event that the debentures are redeemed for whatever reasons, or are repurchased, resulting in the reduction of the outstanding balance of debentures, the Company can issue the new debentures within the principal amount as approved by the Shareholders' Meeting above.

The managing director has been granted with the power to consider and determine criteria, conditions and other details relating to the issuance and offering for sale of debentures as necessary and appropriate according to the laws, including the listing of debentures on the Stock Exchange of Thailand, the Thai Bond Market Association or any other secondary markets. The power also extend to apply for approval form, make disclosure to, and proceed any and all relevant acts with the relevant regulatory agencies appoint advisors or relevant persons with respect to the issuance and offering of debentures as well as to enter into, execute and amend relevant documents and contracts, and take any action relating to the issuance and offering of debentures for its completeness.

Question of shareholder : Mr. Suparp Pisuraj

1. Regarding the loan amount of Baht 20,000 million, please inform how such money will be invested?
2. Has the management had any plan to setup property fund?

Answer of director : Mr. Khunawut Thumpomkul

1. In the past, the Company had the market capital with approximately of Baht 50,000 million and the available loan facilities amount was Baht 5,000 million. Due to the fact that the Company has continually increased the numbers of branches, the market capital grew bigger; the available amount of loan facility of Baht 5,000 million might be inadequate. Because of this situation, the Company needs to get approval from shareholders which at that time when the interest rate was very low and the process to get the approval took 2-3 months which was very late. Thus, for flexibility of the procedure, the Company had to request for the approval in advance and the Company has compared the amount of the Company's capital with the amount of loan at this time, it was not too high.

2. Regarding setting up of property fund, the Company is studying in details.

Resolved

The general meeting considered and adopted the resolution to approve the proposal of the Company as follows:

1. Approved the cancellation of long-term debentures, which has been approved according to the resolution of the Annual General Shareholders' Meeting of year 2011. For the portion that has not been issued and offered for sale by the end of the Annual General Shareholders' meeting of year 2013, the Company has available a long-term debenture for the amount of Baht 1,700 million remaining.
2. Approved the issuance and sale of long-term debentures in the amount of not exceeding Baht 20,000 million with maturity date not later than 10 years. The Company may issue the new long-term debenture to replace in case the Company has made any redemption and/or repurchased the existing debentures in any case under the conditions as follows:

Types: All types of debentures (subordinated or non-subordinated, with or without trustee, and secured or unsecured) depending upon the market suitability at the time of each offering.

Currency: Baht, US\$ and/or other foreign currency.

Principal amount: Principal amount of the debentures issued will not exceed Baht 20,000 million or the US\$ or other foreign currency equivalent amount, calculated by using the prevailing exchange rate at the time of each offering as deemed appropriate by the Company.

Offering: Public offering or private placement pursuant to the notification of The Securities and Exchange Commission and/or the Office of the Securities and Exchange Commission to local investors or overseas, in one or several offerings depending on the discretion and necessity for the use of money of the Company, and the debentures may be issued and sold, as replacement for the debentures already issued and sold by the Company.

Maturity: Not exceeding 10 years.

Interest rate: Depending upon the suitability and the market condition at the time of the issuance and offer for sale.

Repayment: Amortizing or bullet payment.

Call option: The Company may have the call option to redeem the debentures before maturity, or may repurchase debentures.

Put option: The debenture holders may be granted with put option subject to the conditions as to be specified by the Company.

Secondary market: The Company may apply for listing of debentures with the Thai Bond Dealing Center or other foreign bond dealing center.

In the event that the debentures are redeemed for whatever reasons, or are repurchased, resulting in the reduction of the outstanding balance of debentures, the Company can issue the new debentures within the principal amount as approved by the Shareholders' Meeting above.

The managing director has been granted with the power to consider and determine criteria, conditions and other details relating to the issuance and offering for sale of debentures as necessary and appropriate according to the laws, including the listing of debentures on the Stock Exchange of Thailand, the Thai Bond Market Association or any other secondary markets. The power also extend to apply for approval form, make disclosure to, and proceed any and all relevant acts with the relevant regulatory agencies, appoint advisors or relevant persons with respect to the issuance and offering of debentures as well as to enter into, execute and amend relevant documents and contracts, and take any action relating to the issuance and offering of debentures for its completeness.

The meeting adopted the resolution with votes of more than three-fourth of the total votes of the shareholders attending and having the right to vote, as per the following details:

The meeting resolution	Number of Shares	Percentage of all attending and having the right to vote
- Approved	5,909,177,597	99.9807
- Disapproved	525,803	0.0088
- Abstained	610,920	0.0103

After all the Agendas were considered, the Board of Directors had informed the trend of the Company's business in 2013 to the meeting as follows:

1. Increase of branches

In year 2013, there were 2 opened subsidiaries which are Chantaburi branch and Chumpon branch and next Prachinburi branch will be opened. Suratthani branch will be moved during the first half of the year. There will be 6 branches to be opened in the future consisting of 5 provincial branches and 1 branch in Bangkok. The

total new opened branches in 2013 will be 62 branches consisting of 21 branches in Bangkok and 41 in provinces.

2. Structure of the Company

In overview, there are 3 main structures. The policy of the Company is to expand the business. Expanding of business arises from the growth of the existing and new branches. Besides, the Company has extended to new customers in the same market which all of you have been aware that the Company runs retail trade by selling goods to the contractors and the owner of project by using the name as Mega Home which it sells various types of goods that Homepro does not sell such as steel rod, cement, roof, agricultural goods. There was the shareholder asking question whether such business overlaps with the business under Homepro. The Answer is that there are some overlaps with Homepro but the group of customers can be separated.

The second part is Home Product Center (Malaysia) Limited. As informed, after doing research in many countries, the Company chose Malaysia with 100 % of shares held by Homepro. In addition, in South East Asia there are 10 countries, the country having same type and size of business as Homepro is Indonesia called "ACE Hardware" and other surrounding countries such as Myanmar, Laos, and Cambodia are on research.

The third part i.e. Market Village Company Limited, such has 2 business centers i.e. at Hua Hin and BangNa.

Question of shareholder	Mr. Aunapat Vanuschaipruk, Proxy from Social Security Office
	1. What is the company expectation on break-even of Mega Home Center Co., Ltd.?
	2. How much for the capital spent in opening new branch of Mega Home?
	3. Has the increase of land cost caused any difficulty in working?
Answer of director	Mr. Khunawut Thumpomkul
	1. Opening of Mega Home spent the amount of capital approximately Baht 500 million which has larger space than Homepro because there are various goods to be sold. The area is about 15,000 Square Meter and stock area is about 10,000 Square Meter. It will take 8-9 years to break-even which takes longer time than Homepro.
	2. Since the Company has worked in advance, the Company has already had land in its possession for the increase of number of branch for this year and next year. While the increase of land cost, there is also the increase of sales as appeared from the annual increase of sales price per square meter since opening as also seen from the ROA.

Question of shareholder	<p>Mr. Watson Manasurangkul</p> <ol style="list-style-type: none"> 1. How many branches does Homepro have potential to expand? 2. At present, there is 20% of Private Band Product. Comparing to all total sales, how many percents will the Private Band Product have potential to reach? 3. How much total sales in Malaysia per branch higher than total sales in Thailand per branch and how many years for the break-even? 4. Is there any tendency for the increase of capital?
Answer of director	<p>Mr. Khunawut Thumpomkul</p> <ol style="list-style-type: none"> 1. At present, Homepro has market in this segment at 1.5% of GDP and Market size in aboard is about 5% of GDP which is bigger than in Thailand (2% of GDP). This shows that market size can be expanded more than one fold. The Company wishes to have 80 branches within year2015. 2. In the developed countries, there are 35 % of Private Band Products. For Homepro, the portion of sales of Private Band Products will increase 1-2% per year. 3. In Malaysia, there is the potential to increase the total sales but it cannot predictable right now about the amount of total sales. However, we have done the research on the possibility. 4. There is no increase of capital in this year.
Question of shareholder	<p>Mr. Watson Phongputthamon</p> <p>What is the difference between Property Fund and REIT?</p>
Answer of director	<p>Mr. Khunawut Thumpomkul</p> <p>According to the Office of The Securities and Exchange Commission, it shall revoke the Property Fund and apply REIT instead in this year. The difference is that REIT can make loan and increase size of the fund but the beneficiary from the fund has to pay tax.</p>
Question of shareholder	<p>Mr. Pamod Reaungsub, Proxyfrom Thai Investors Association.</p> <p>Please inform the competition and tendency about opening new branch in AEC. Which country in AEC that the company wishes to open new branch apart from Malaysia?</p>
Answer of director	<p>Mr. Khunawut Thumpomkul</p> <p>South East Asia is the target where Homepro wishes to open new branches. The reason the Company choosing to open new branch is that there is the</p>

competition opportunity. In addition, opening AEC leads to many benefits because it provides good sources for exchange goods. Furthermore, there are many countries on our research such as Vietnam, Myanmar, the Philippines, and Cambodia. However, Malaysia is the first country that the company chose and after learning from Malaysia, it will expand to other countries.

Question of shareholder

Mr. Supakit Meaunmee

1. When opening AEC, which country has the possibility to invest in Thailand?
2. How does the Company manage with the out-of-date products apart from selling them at a cheap price rate?

Answer of director

Mr. Khunawut Thumpomkul

1. In South East Asia, there are two big companies which are Homepro and ACE Hardware, and apart from these, they are just small shops. In Indonesia, the population is about 200 million. ACE Hardware might open in Indonesia before opening branches in abroad because there is the potential to expand in Indonesia itself. Moreover, as far as we know, ACE Hardware has not yet had policy to expand branch to abroad.
2. About the management of out-of-date products, the company have controlled and followed up on them.

Question of shareholder

Mr. Jeerawat Moungyu

Is Homepro afraid of competitor? Does Homepro do R&D? How is the strategy?

Answer of director

Mr. Khunawut Thumpomkul

Main competitor has different group of customers from us. Homepro concentrates on the competition with ourselves for the better development.

Question of shareholder

Mr. Suparp Pisuraj

Please put the agricultural products into the care of the Company because I found that it is not on sale in branches. Please focus on agricultural products.

Answer of director

Mr. Khunawut Thumpomkul

Mega Home. Also, there are agricultural tool on sale there.

Question of shareholder

Mr. Teerachart Kitrungraurpaisan

Setting property fund in this year, Market Village Co., Ltd. is entered into the fund. Which property will be brought into the fund if REIT will be set in the

future? And if there is expansion, will the property be entered into the fund every year?

Answer of director

Mr. Khunawut Thumpomkul

At present, there are 53 branches and within this year end, it will be approximately 62 branches. There are many rental shops that can be entered into REIT.

3. Responsibility to society

In respect of responsibility to society, last year there were activities supported by the company as follows:

1. Kids' toilet project that the Company has continued this project and cooperated with Ministry of Public Health and Ministry of Education. Ministry of Public Health has HAS standard for toilets. The Company has continuously been doing by building and improving toilets in various schools, providing using knowledge and maintaining them hygienically. The company has built more than 1,309 rooms for 100 schools in 29 provinces.
2. This year the Company has cooperated with 8 educational institutions to provide 120 scholarships to study in the High Vocational certificates (Por.Vor.Sor) degree, in order to promote more education opportunities to children. In addition, the Company has given the opportunity to students to become trainee and to provide security after graduation for having the chance to work with the Company.

There is no other shareholder who desires to make further inquiry, the Annual General Meeting of shareholders for the year 2013 is adjourned.

The meeting is adjourned at 12.10 p.m.

Signed Mr. Anant Asavabhokhin Chairman of the Meeting

(Mr. Anant Asavabhokhin)

Signed Ms. Wannee Juntamongkol Company's secretary

(Ms. Wannee Juntamongkol)

หนังสือมอบฉันทะแบบ ก.

Proxy (Form A)

เขียนที่/ Made at.....

วันที่/Date.....เดือน/Month.....พ.ศ./ Year.....

(1) ข้าพเจ้า/ I/We.....สัญชาติ/ Nationality.....อยู่บ้านเลขที่/ Reside at.....ถนน/ Street.....ตำบล/แขวง/ Sub-District.....อำเภอ/เขต/ District.....จังหวัด/ Province.....ประเทศ/ Country.....รหัสไปรษณีย์/ Postal Code.....

(2) เป็นผู้ถือหุ้นของบริษัท โฮม โปรดักส์ เซ็นเตอร์ จำกัด (มหาชน) โดยถือหุ้นจำนวนทั้งสิ้นรวม/ Being (a) shareholder(s) of Home Product Center Plc., holding a total number of.....หุ้น/ shares และออกเสียงลงคะแนนได้เท่ากับ/ and having the right to vote equal to.....เสียง ดังนี้/ votes as follows:

หุ้นสามัญ/ Ordinary share.....หุ้น/ share, และออกเสียงลงคะแนนได้เท่ากับ/ having the right to vote equal to.....เสียง/ votes

หุ้นบุริมสิทธิ/ Preferred share.....หุ้น/ share, และออกเสียงลงคะแนนได้เท่ากับ/ having the right to vote equal to.....เสียง/ votes

(3) ขอมอบฉันทะให้/ hereby appoint

1) ชื่อ/ Name.....อายุ/ Age.....ปี/ year อยู่บ้านเลขที่/ Reside at.....ถนน/ Street.....ตำบล/ แขวง / Sub-Districtอำเภอ/เขต/ District.....จังหวัด/ Province.....รหัสไปรษณีย์/ Postal Code หรือ/or

2) ชื่อ/ Name.....อายุ/ Age.....ปี/ year อยู่บ้านเลขที่/ Reside at.....ถนน/ Street.....ตำบล/ แขวง / Sub-Districtอำเภอ/เขต/ District.....จังหวัด/ Province.....รหัสไปรษณีย์/ Postal Code หรือ/or

3) ชื่อ/ Name.....อายุ/ Age.....ปี/ year อยู่บ้านเลขที่/ Reside at.....ถนน/ Street.....ตำบล/ แขวง / Sub-Districtอำเภอ/เขต/ District.....จังหวัด/ Province.....รหัสไปรษณีย์/ Postal Code

คนหนึ่งคนใดเพียงคนเดียวเป็นผู้แทนของข้าพเจ้า เพื่อเข้าประชุมและออกเสียงลงคะแนนแทนข้าพเจ้าในการประชุมวิสามัญผู้ถือหุ้นครั้งที่ 1/2556 ในวันอังคารที่ 22 ตุลาคม 2556 เวลา 10.00 น. ณ ห้องแกรนด์ บอลรูม ชั้น 1 โรงแรมแมนดาริน เลขที่ 662 ถนนพระราม 4 แขวงบางรัก เขตบางรัก กรุงเทพมหานคร 10500 หรือที่จะพึงเลื่อนไปในวัน เวลา และสถานที่อื่นด้วย /only one of them to be my/our Proxy to represent myself/ ourselves for attending and voting on my/ our behalf at the Extraordinary General Meeting of the Shareholder No.1/2013 on Tuesday 22nd October 2013 at 10.00 a.m. at Grand Ballroom, 1st Floor, Mandarin Hotel 662 Rama IV Road, Bangrak Sub District, Bangrak District, Bangkok, 10500, or at any adjournment thereof.

กิจการใดที่ผู้รับมอบฉันทะกระทำการไปในการประชุมนั้น ให้ถือเสมือนว่าข้าพเจ้าได้กระทำการเองทุกประการ/ Any act(s) taken by the Proxy at the meeting shall be deemed to be taken by myself/ ourselves in every respect.

ลงชื่อ/ Signed.....ผู้มอบฉันทะ/ Appointer
(.....)

ลงชื่อ/ Signed.....ผู้รับมอบฉันทะ/ Proxy
(.....)

หมายเหตุ/ Remark

ผู้ถือหุ้นที่มอบฉันทะจะต้องมอบฉันทะให้ผู้รับมอบฉันทะเพียงรายเดียวเป็นผู้เข้าประชุมและออกเสียงลงคะแนน ไม่สามารถแบ่งแยกจำนวนหุ้นให้ผู้รับมอบฉันทะหลายคนเพื่อแยกการลงคะแนนเสียงได้

A shareholder appointing a Proxy must authorize only one Proxy to attend the meeting and cast the votes on his/her behalf. All votes of a shareholder may not be splitted for more than one Proxy.

หนังสือมอบฉันทะแบบ ข.

Proxy (Form B)

เลขทะเบียนผู้ถือหุ้น/ Shareholder Registration No.

เขียนที่/ Made at

วันที่/Date.....เดือน/Month.....พ.ศ./ Year.....

(1) ข้าพเจ้า/ I/We.....สัญชาติ/ Nationality.....อยู่บ้านเลขที่/ Reside at.....ถนน/ Street.....ตำบล/แขวง/ Sub-District.....อำเภอ/เขต/ District.....จังหวัด/ Province.....ประเทศ/ Country.....รหัสไปรษณีย์/ Postal Code.....

(2) เป็นผู้ถือหุ้นของบริษัท โฮม โปรดักส์ เซ็นเตอร์ จำกัด (มหาชน) โดยถือหุ้นจำนวนทั้งสิ้นรวม/ Being (a) shareholder(s) of Home Product Center Plc., holding a total number of.....หุ้น/ shares และออกเสียงลงคะแนนได้เท่ากับ/ and having the right to vote equal to.....เสียง ดังนี้/ votes as follows:

หุ้นสามัญ/ Ordinary share.....หุ้น/ share, และออกเสียงลงคะแนนได้เท่ากับ/ having the right to vote equal to.....เสียง/ votes

หุ้นบุริมสิทธิ/ Preferred share.....หุ้น/ share, และออกเสียงลงคะแนนได้เท่ากับ/ having the right to vote equal to.....เสียง/ votes

(3) ขอมอบฉันทะให้/ hereby appoint

1) ชื่อ/ Name.....อายุ/ Age.....ปี/ year อยู่บ้านเลขที่/ Reside at.....ถนน/ Street.....ตำบล/ แขวง / Sub-Districtอำเภอ/เขต/ District.....จังหวัด/ Province.....รหัสไปรษณีย์/ Postal Code หรือ/or

2) ชื่อ/ Name.....อายุ/ Age.....ปี/ year อยู่บ้านเลขที่/ Reside at.....ถนน/ Street.....ตำบล/ แขวง / Sub-Districtอำเภอ/เขต/ District.....จังหวัด/ Province.....รหัสไปรษณีย์/ Postal Code หรือ/or

3) ชื่อ/ Name.....อายุ/ Age.....ปี/ year อยู่บ้านเลขที่/ Reside at.....ถนน/ Street.....ตำบล/ แขวง / Sub-Districtอำเภอ/เขต/ District.....จังหวัด/ Province.....รหัสไปรษณีย์/ Postal Code

คนหนึ่งคนใดเพียงคนเดียวเป็นผู้แทนของข้าพเจ้า เพื่อเข้าประชุมและออกเสียงลงคะแนนแทนข้าพเจ้าในการประชุมวิสามัญผู้ถือหุ้นครั้งที่ 1/2556 ในวันอังคารที่ 22 ตุลาคม 2556 เวลา 10.00 น. ณ ห้องแกรนด์ บอลรูม ชั้น 1 โรงแรมแมนดาริน เลขที่ 662 ถนนพระราม 4 แขวงบางรัก เขตบางรัก กรุงเทพมหานคร 10500 หรือที่จะพึงเลื่อนไปในวัน เวลา และสถานที่อื่นด้วย /only one of them to be my/our Proxy to represent myself/ ourselves for attending and voting on my/ our behalf at the Extraordinary General Meeting of the Shareholders No.1/2013 on Tuesday 22nd October 2013 at 10.00 a.m. at Grand Ballroom, 1st Floor, Mandarin Hotel 662 Rama IV Road, Bangrak Sub District, Bangrak District, Bangkok, 10500, or at any adjournment thereof.

(4) ข้าพเจ้าขอมอบฉันทะให้ผู้รับมอบฉันทะออกเสียงลงคะแนนแทนข้าพเจ้าในการประชุมครั้งนี้ดังนี้/ In the meeting, I/ we authorize the Proxy to vote on behalf of myself/ ourselves as follows:

- ☐ วาระที่ 1 เรื่องพิจารณารับรองรายงานการประชุมสามัญผู้ถือหุ้นประจำปี 2556
Agenda 1 To consider and approve the Minutes of the Annual General Meeting of the Shareholders for the year 2013.
- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
- ☐ เห็นด้วย/ Approve ☐ ไม่เห็นด้วย/ Disapprove ☐งดออกเสียง/ Abstain
- ☐ วาระที่ 2 เรื่องพิจารณาอนุมัติให้จัดสรรกำไรสะสมและจ่ายปันผลระหว่างกาล
Agenda 2 To approve the allocation of the retained earning and the interim dividend payment.
- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
- ☐ เห็นด้วย/ Approve ☐ ไม่เห็นด้วย/ Disapprove ☐งดออกเสียง/ Abstain
- ☐ วาระที่ 3 พิจารณาอนุมัติให้ลดทุนจดทะเบียนจากทุนจดทะเบียนเดิม 8,228,193,829 บาท เป็นทุนจดทะเบียนใหม่ 8,219,637,893 บาท โดยวิธีตัดหุ้นสามัญจดทะเบียนที่คงเหลือจากการจัดสรรหุ้นปันผลตามมติที่ประชุมสามัญผู้ถือหุ้นประจำปี 2556 จำนวน 999,994 หุ้น และส่วนที่คงเหลือจากการใช้สิทธิแปลงสภาพใบสำคัญแสดงสิทธิที่ออกให้กับพนักงาน (ESOP-W4) จำนวน 7,555,942 หุ้น รวมจำนวน 8,555,936 หุ้น มูลค่าที่ตราไว้หุ้นละ 1 บาท และแก้ไขหนังสือบริคณห์สนธิของบริษัท ข้อ 4. เพื่อให้สอดคล้องกับการลดทุนจดทะเบียน
Agenda 3 To consider and approve the decrease of registered capital of 8,228,193,829 Baht to be the new registered capital of Baht 8,219,637,893. by way of eliminating the 8,555,936 ordinary shares with par value Baht 1. remaining from the allocation of stock dividend per the resolution adopted from the Annual General Shareholders' Meeting 2013 total of 999,994 shares and remaining from exercise of the rights of conversation from the warrants issued to employees of the Company (ESOP-W4) total of 7,555,942 shares, and to amend Clause 4 of the Memorandum of Association of the Company on registered capital to be in line with the decrease of the registered capital.
- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้ / The Proxy shall vote in accordance with my/ our objectives as follows:
- ☐ เห็นด้วย/ Approve ☐ ไม่เห็นด้วย/ Disapprove ☐งดออกเสียง/ Abstain
- ☐ วาระที่ 4 พิจารณาอนุมัติการเพิ่มทุนจดทะเบียนจำนวน 1,370,210,000 หุ้น เพื่อรองรับการจ่ายหุ้นปันผลและแก้ไขหนังสือบริคณห์สนธิของบริษัทข้อ 4 เพื่อให้สอดคล้องกับการเพิ่มทุนจดทะเบียน
Agenda 4 To consider and approve the increase of registered capital of 1,370,210,000 shares to support stock dividend payment and to amend Clause 4 of the Memorandum of Association of the Company on registered capital to be in line with the increase of registered capital.
- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.

- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
- ☐ เห็นด้วย/ Approve ☐ ไม่เห็นด้วย/ Disapprove ☐งดออกเสียง/ Abstain
- ☐ **วาระที่ 5** **เรื่องพิจารณาอนุมัติการจัดสรรหุ้นสามัญเพิ่มทุนเพื่อรองรับการจ่ายหุ้นปันผล**
Agenda 5 **To approve the increased shares allocation to support the stock dividend payment.**
- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
- ☐ เห็นด้วย/ Approve ☐ ไม่เห็นด้วย/ Disapprove ☐งดออกเสียง/ Abstain
- ☐ **วาระที่ 6** **พิจารณาอนุมัติให้บริษัทเช่าทำสัญญาให้เช่าพื้นที่บางส่วน จำนวน 50,518 ตารางเมตร และงานระบบสาธารณูปโภค และสัญญาซื้อขายสังหาริมทรัพย์ ในโครงการศูนย์การค้ามาร์เก็ตวิลเลจ หัวหิน แก่กองทุนรวมสิทธิการเช่าสังหาริมทรัพย์ แอล เอช ซอปปิ้ง เซ็นเตอร์ (“กองทุนรวมอสังหาริมทรัพย์”) รวมทั้งอนุมัติให้บริษัทมาร์เก็ต วิลเลจ จำกัด ให้บริการเป็นผู้บริหารอสังหาริมทรัพย์ของโครงการศูนย์การค้ามาร์เก็ตวิลเลจ หัวหิน**
Agenda 6 **To approve the entering into agreement to lease out partial space and public utilities systems in the Market Village Hua Hin Shopping Center building, totaling floor area of approximately 50,518 square meters and to approve the sale of movable property to LH Shopping Center Leasehold Property Fund (“Property Fund”), and for approval for Market Village Co., Ltd. to provide the service as the property manager of the Market Village Hua Hin Shopping Center Project.**
- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
- ☐ เห็นด้วย/ Approve ☐ ไม่เห็นด้วย/ Disapprove ☐งดออกเสียง/ Abstain
- ☐ **วาระที่ 7** **พิจารณาอนุมัติให้บริษัทซื้อหน่วยลงทุนในกองทุนรวมอสังหาริมทรัพย์ในจำนวนไม่เกินหนึ่งในสามของราคาประเมินทรัพย์สิน เฉพาะส่วนทรัพย์สินที่บริษัทให้เช่าและจำหน่ายให้แก่กองทุนรวมอสังหาริมทรัพย์**
Agenda 7 **To approve the invest in the LH Shopping Center Leasehold Property Fund (“Property Fund”) for the amount of not exceeding one-third of the assets appraisal price specifically for the assets that the Company let on lease and sells to the Property Fund.**
- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
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- ☐ เห็นด้วย/ Approve ☐ ไม่เห็นด้วย/ Disapprove ☐งดออกเสียง/ Abstain
- ☐ **วาระที่ 8** **พิจารณาอนุมัติมอบอำนาจให้คณะกรรมการและ/หรือกรรมการผู้จัดการและ/หรือกรรมการผู้มีอำนาจลงนามเป็นผู้มีอำนาจในการเจรจาต่อรอง ลงนามและการตกลง เข้าทำเอกสารและสัญญาต่างๆ ที่เกี่ยวข้องกับการการเช่าทำธุรกรรมต่าง ๆ กับกองทุนรวมอสังหาริมทรัพย์**

Agenda 8 To approve the Company to grant the power to the Board of Directors and/or managing director and/or authorized directors to negotiate, sign and enter into agreement, make documents and contracts relating to the entering into transactions with Property Fund.

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
- ☐ เห็นด้วย/ Approve ☐ ไม่เห็นด้วย/ Disapprove ☐งดออกเสียง/ Abstain

☐ **วาระที่ 9** เรื่องพิจารณาเรื่องอื่นๆ (ถ้ามี)

Agenda 9 Any other considerations (If any)

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
- ☐ เห็นด้วย/ Approve ☐ ไม่เห็นด้วย/ Disapprove ☐งดออกเสียง/ Abstain

(5) การลงคะแนนเสียงของผู้รับมอบฉันทะในวาระใดที่ไม่เป็นไปตามที่ระบุไว้ในหนังสือมอบฉันทะนี้ ให้ถือว่าการลงคะแนนเสียงนั้นไม่ถูกต้องและไม่ถือว่าเป็นการลงคะแนนเสียงของข้าพเจ้าในฐานะผู้ถือหุ้น / Vote of the Proxy holder for any agenda which is not in accordance with this Proxy shall be deemed that such vote is not correct and is not my/our casting of vote as a shareholder.

(6) ในกรณีที่ข้าพเจ้าไม่ได้ระบุความประสงค์ในการออกเสียงลงคะแนนในวาระใดไว้ หรือระบุไว้ไม่ชัดเจนหรือในกรณีที่ประชุมมีการพิจารณาหรือลงมติในเรื่องใดนอกเหนือจากเรื่องที่ระบุไว้ข้างต้น รวมถึงกรณีที่มีการแก้ไขเปลี่ยนแปลงหรือเพิ่มเติมข้อเท็จจริงประการใด ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร / In the case that I/we have not indicated my/our intention of vote in any agenda or have indicated it but not clear, or in the case the meeting will consider or adopt any resolution in addition to the matter indicated above, including any correction, change or addition of facts, the Proxy holder shall have the right to consider and vote for me/us in every respect as he/she deems appropriate.

กิจการใดที่ผู้รับมอบฉันทะได้กระทำให้ไปในการประชุม เว้นแต่กรณีที่ผู้รับมอบฉันทะไม่ออกเสียงตามที่ข้าพเจ้าระบุในหนังสือมอบฉันทะให้ถือเสมือนว่าข้าพเจ้าได้กระทำให้เองทุกประการ / Any act(s) taken by the Proxy holder at the meeting, except in the case the Proxy holder does not cast vote per my/our indication in the Proxy, shall be deemed to be taken by myself/ourselves in every respect.

ลงชื่อ/ Signed.....ผู้มอบฉันทะ/ Appointer
(.....)

ลงชื่อ/ Signed.....ผู้รับมอบฉันทะ/ Proxy
(.....)

หมายเหตุ/ Remarks

1. ผู้ถือหุ้นที่มอบฉันทะจะต้องมอบฉันทะให้ผู้รับมอบฉันทะเพียงรายเดียวเป็นผู้เข้าประชุมและออกเสียงลงคะแนน ไม่สามารถแบ่งแยกจำนวนหุ้นให้ผู้รับมอบฉันทะหลายคนเพื่อแยกการลงคะแนนเสียงได้
A shareholder appointing Proxy must authorize only one Proxy to attend the meeting and cast the votes on his/her behalf. All shares shall not be split into more than one Proxy to separately vote.
2. ในกรณีที่มามีวาระที่จะพิจารณาในการประชุมมากกว่าวาระที่ระบุไว้ข้างต้น ผู้มอบฉันทะสามารถระบุเพิ่มเติมได้ในใบปะจําต่อแบบหนังสือมอบฉันทะแบบ ข. ตามแนบ
In case there is (are) more agenda(s) to consider than the above mentioned, the appointer can specify the additional agenda in the attached sheet to the Proxy form B.

ใบประจำต่อแบบหนังสือมอบฉันทะแบบ ข.

Attached Sheet to the Proxy Form B

การมอบฉันทะในฐานะเป็นผู้ถือหุ้นของบริษัท โฮม โปรดักส์ เซ็นเตอร์ จำกัด (มหาชน) / As a Proxy to act on behalf of the shareholder of Home Product Center Public Company Limited

ในการประชุมวิสามัญผู้ถือหุ้นครั้งที่ 1/2556 ในวันอังคารที่ 22 ตุลาคม 2556 เวลา 10.00 น. ณ ห้องแกรนด์ บอลรูม ชั้น 1 โรงแรมแมนดาริน เลขที่ 662 ถนนพระราม 4 แขวงบางรัก เขตบางรัก กรุงเทพมหานคร 10500 หรือที่จะพึงเลื่อนไปในวัน เวลา และสถานที่อื่นด้วย / In the Extraordinary General Meeting of the Shareholders No.1/2013 on Tuesday 22nd October 2013 at 10.00 a.m. at Grand Ballroom, 1st Floor, Mandarin Hotel 662 Rama IV Road, Bangrak Sub District, Bangrak District, Bangkok, 10500, or at any adjournment thereof.

- ☐ วาระที่/ Agenda..... เรื่อง/ Subject.....
- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
- ☐ เห็นด้วย/ Approve ☐ ไม่เห็นด้วย/ Disapprove ☐งดออกเสียง/ Abstain
- ☐ วาระที่/ Agenda..... เรื่อง/ Subject.....
- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
- ☐ เห็นด้วย/ Approve ☐ ไม่เห็นด้วย/ Disapprove ☐งดออกเสียง/ Abstain

ข้าพเจ้าขอรับรองว่า รายการในใบประจำต่อแบบหนังสือมอบฉันทะ ถูกต้องบริบูรณ์และเป็นความจริงทุกประการ/ I/ we hereby certify that all statements as appeared in this attached sheet to the Proxy form are true and correct.

ลงชื่อ/ Signed.....ผู้มอบฉันทะ/ Appointer
(.....)

วันที่/ Date...../...../.....

ลงชื่อ/ Signed.....ผู้รับมอบฉันทะ/ Proxy
(.....)

วันที่/ Date...../...../.....

หนังสือมอบฉันทะแบบ ค.

(เฉพาะกรณีผู้ถือหุ้นเป็นผู้ลงทุนต่างประเทศ และแต่งตั้งให้ Custodian ในประเทศไทยเป็นผู้รับฝากและดูแลหุ้น)

Proxy (Form C)

(For Foreign shareholders who authorize the custodian in Thailand as proxy)

เลขทะเบียนผู้ถือหุ้น/ Shareholder Registration No.

เขียนที่/ Made at.....

วันที่/Date.....เดือน/Month.....พ.ศ./ Year.....

(1) ข้าพเจ้า/ I/We.....สัญชาติ/ Nationality.....อยู่บ้านเลขที่/ Reside at.....ถนน/ Street.....ตำบล/แขวง/ Sub-District.....อำเภอ/เขต/ Districtจังหวัด/ Province.....รหัสไปรษณีย์/ Postal Code.....ในฐานะผู้ประกอบธุรกิจเป็นผู้รับฝากและดูแลหุ้น (As the Custodian of (Please specify the fund name/ shareholder name) ให้กับ ซึ่งเป็นถือหุ้นของบริษัท โฮม โปรดักส์ เซ็นเตอร์ จำกัด (มหาชน) โดยถือหุ้นจำนวนทั้งสิ้นรวม/ am/ are (a) shareholder(s) of Home Product Center Plc., holding a total number of.....หุ้น/ shares และออกเสียงลงคะแนนได้เท่ากับ/ and having the right to vote equal to.....เสียง ดังนี้/ votes as follows:

หุ้นสามัญ/ Ordinary share.....หุ้น/ share, และออกเสียงลงคะแนนได้เท่ากับ/ having the right to vote equal to.....เสียง/ votes

หุ้นบุริมสิทธิ/ Preferred share.....หุ้น/ share, และออกเสียงลงคะแนนได้เท่ากับ/ having the right to vote equal to.....เสียง/ votes

(2) ขอมอบฉันทะให้/ hereby appoint

1) ชื่อ/ Name.....อายุ/ Age.....ปี/ year อยู่บ้านเลขที่/ Reside at.....ถนน/ Street.....ตำบล/ แขวง / Sub-Districtอำเภอ/เขต/ Districtจังหวัด/ Province.....รหัสไปรษณีย์/ Postal Code หรือ/or

2) ชื่อ/ Name.....อายุ/ Age.....ปี/ year อยู่บ้านเลขที่/ Reside at.....ถนน/ Street.....ตำบล/ แขวง / Sub-Districtอำเภอ/เขต/ Districtจังหวัด/ Province.....รหัสไปรษณีย์/ Postal Code หรือ/or

3) ชื่อ/ Name.....อายุ/ Age.....ปี/ year อยู่บ้านเลขที่/ Reside at.....ถนน/ Street.....ตำบล/ แขวง / Sub-Districtอำเภอ/เขต/ Districtจังหวัด/ Province.....รหัสไปรษณีย์/ Postal Code หรือ/or

คนหนึ่งคนใดเพียงคนเดียวเป็นผู้แทนของข้าพเจ้า เพื่อเข้าประชุมและออกเสียงลงคะแนนแทนข้าพเจ้าในการประชุมวิสามัญผู้ถือหุ้นครั้งที่ 1/2556 ในวันอังคารที่ 22 ตุลาคม 2556 เวลา 10.00 น. ณ ห้องแกรนด์ บอลรูม ชั้น 1 โรงแรมแมนดาริน เลขที่ 662 ถนนพระราม 4 แขวงบางรัก เขตบางรัก กรุงเทพมหานคร 10500 หรือที่จะพึงเลื่อนไปในวัน เวลา และสถานที่อื่นด้วย /only one of them to be my/our Proxy to represent myself/ ourselves for attending and voting on my/ our behalf at the Extraordinary General Meeting of the Shareholders No.1/2013 on Tuesday 22nd October 2013 at 10.00 a.m. at Grand Ballroom, 1st Floor, Mandarin Hotel 662 Rama IV Road, Bangrak Sub District, Bangrak District, Bangkok, 10500, or at any adjournment thereof.

(3) ข้าพเจ้าขอมอบฉันทะให้ผู้รับมอบฉันทะเข้าร่วมประชุม และออกเสียงลงคะแนนในครั้งนี้นี้/ In the meeting, I/ we authorize the Proxy to attend and vote on behalf of myself/ ourselves as follows:

- ☐ มอบฉันทะตามจำนวนหุ้นทั้งหมดที่ถือและมีสิทธิออกเสียงลงคะแนนได้ / Equal to the total number of my/ our shares and having the right to vote.
 - ☐ มอบฉันทะบางส่วน คือ/ assign partial number of my/our shares and having the right to vote as follows:
 - ☐ หุ้นสามัญ/ Ordinary shareหุ้น/ shares และมีสิทธิออกเสียงลงคะแนนได้/ having the right to vote equal toหุ้น/ shares
 - ☐ หุ้นบุริมสิทธิ/ Preferred shareหุ้น/ shares และมีสิทธิออกเสียงลงคะแนนได้/ having the right to vote equal toหุ้น/ shares
- รวมสิทธิออกเสียงลงคะแนนได้ทั้งหมด/ Total votes areหุ้น/ shares

(4) ข้าพเจ้าขอมอบฉันทะให้ผู้รับมอบฉันทะออกเสียงลงคะแนนแทนข้าพเจ้าในการประชุมครั้งนี้ ดังนี้/ In the meeting, I/ we authorize the Proxy to vote on behalf of myself/ ourselves as follows:

- ☐ **วาระที่ 1** **เรื่องพิจารณารับรองรายงานการประชุมสามัญผู้ถือหุ้นประจำปี 2556**
Agenda 1 **To consider and approve the Minutes of the Annual General Meeting of the Shareholders for the year 2013.**
 - ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
 - ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
 - ☐ เห็นด้วย/ Approveเสียง/ shares
 - ☐ ไม่เห็นด้วย/ Disapproveเสียง/ shares
 - ☐ จดออกเสียง/ Abstainเสียง/ shares
- ☐ **วาระที่ 2** **เรื่องพิจารณาอนุมัติให้จัดสรรกำไรสะสมและจ่ายปันผลระหว่างกาล**
Agenda 2 **To approve the allocation of the retained earning and the interim dividend payment.**
 - ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
 - ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
 - ☐ เห็นด้วย/ Approveเสียง/ shares
 - ☐ ไม่เห็นด้วย/ Disapproveเสียง/ shares
 - ☐ จดออกเสียง/ Abstainเสียง/ shares
- ☐ **วาระที่ 3** **พิจารณาอนุมัติให้ลดทุนจดทะเบียนจากทุนจดทะเบียนเดิม 8,228,193.829 บาท เป็นทุนจดทะเบียนใหม่ 8,219,637,893 บาท โดยวิธีตัดหุ้นสามัญจดทะเบียนที่คงเหลือจากการจัดสรรหุ้นปันผลตามมติที่ประชุมสามัญผู้ถือหุ้นประจำปี 2556 จำนวน 999,994 หุ้น และส่วนที่คงเหลือจากการใช้สิทธิแปลงสภาพใบสำคัญแสดงสิทธิที่ออกให้กับพนักงาน (ESOP-W4) จำนวน 7,555,942 หุ้น รวมจำนวน 8,555,936 หุ้น มูลค่าที่ตราไว้หุ้นละ 1 บาท และแก้ไขหนังสือบริคณห์สนธิของบริษัท ข้อ 4. เพื่อให้สอดคล้องกับการลดทุนจดทะเบียน**
Agenda 3 **To consider and approve the decrease of registered capital of 8,228,193,829 Baht to be the new registered capital of Baht 8,219,637,893, by way of eliminating the 8,555,936 ordinary shares with par value Baht 1, remaining from the allocation of stock dividend per the resolution adopted from the Annual General**

Shareholders' Meeting 2013 total of 999,994 shares and remaining from exercise of the rights of conversation from the warrants issued to employees of the Company (ESOP-W4) total of 7,555,942 shares, and to amend Clause 4 of the Memorandum of Association of the Company on registered capital to be in line with the decrease of the registered capital.

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้ / The Proxy shall vote in accordance with my/ our objectives as follows:
 - ☐ เห็นด้วย/ Approveเสียง/ shares
 - ☐ ไม่เห็นด้วย/ Disapproveเสียง/ shares
 - ☐ จดออกเสียง/ Abstainเสียง/ shares

- ☐ **วาระที่ 4** พิจารณาอนุมัติการเพิ่มทุนจดทะเบียนจำนวน 1,370,210,000 หุ้น เพื่อรองรับการจ่ายหุ้นปันผลและแก้ไขหนังสือบริคณห์สนธิของบริษัทข้อ 4 เพื่อให้สอดคล้องกับการเพิ่มทุนจดทะเบียน

Agenda 4 To consider and approve the increase of registered capital of 1,370,210,000 shares to support stock dividend payment and to amend Clause 4 of the Memorandum of Association of the Company on registered capital to be in line with the increase of registered capital.

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
 - ☐ เห็นด้วย/ Approveเสียง/ shares
 - ☐ ไม่เห็นด้วย/ Disapproveเสียง/ shares
 - ☐ จดออกเสียง/ Abstainเสียง/ shares

- ☐ **วาระที่ 5** เรื่องพิจารณาอนุมัติการจัดสรรหุ้นสามัญเพิ่มทุนเพื่อรองรับการจ่ายหุ้นปันผล

Agenda 5 To approve the increased shares allocation to support the stock dividend payment.

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
 - ☐ เห็นด้วย/ Approveเสียง/ shares
 - ☐ ไม่เห็นด้วย/ Disapproveเสียง/ shares
 - ☐ จดออกเสียง/ Abstainเสียง/ shares

- ☐ **วาระที่ 6** พิจารณาอนุมัติให้บริษัทเช่าทำสัญญาให้เช่าพื้นที่บางส่วน จำนวน 50,518 ตารางเมตรและงานระบบสาธารณูปโภค และสัญญาซื้อขายสังหาริมทรัพย์ ในโครงการศูนย์การค้ามาร์เก็ตวิลเลจ หัวหิน แก่กองทุนรวมสิทธิการเช่าสังหาริมทรัพย์ แอล เอช ซอปปิ้ง เซ็นเตอร์ (“กองทุนรวมอสังหาริมทรัพย์”) รวมทั้งอนุมัติให้บริษัทมาร์เก็ต วิลเลจ จำกัด ให้บริการเป็นผู้บริหารอสังหาริมทรัพย์ของโครงการศูนย์การค้ามาร์เก็ตวิลเลจ หัวหิน

Agenda 6 To approve the entering into agreement to lease out partial space and public utilities systems in the Market Village Hua Hin Shopping Center building, totaling floor area of approximately 50,518 square meters and to

approve the sale of movable property to LH Shopping Center Leasehold Property Fund ("Property Fund"), and for approval for Market Village Co., Ltd. to provide the service as the property manager of the Market Village Hua Hin Shopping Center Project

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
 - ☐ เห็นด้วย/ Approveเสียง/ shares
 - ☐ ไม่เห็นด้วย/ Disapproveเสียง/ shares
 - ☐ จดออกเสียง/ Abstainเสียง/ shares

- ☐ วาระที่ 7 พิจารณาอนุมัติให้บริษัทซื้อหน่วยลงทุนในกองทุนรวมอสังหาริมทรัพย์ในจำนวนไม่เกินหนึ่งในสามของราคาประเมินทรัพย์สิน เฉพาะส่วนทรัพย์สินที่บริษัทให้เช่าและจำหน่ายให้แก่กองทุนรวมอสังหาริมทรัพย์

Agenda 7 To approve the invest in the LH Shopping Center Leasehold Property Fund ("Property Fund") for the amount of not exceeding one-third of the assets appraisal price specifically for the assets that the Company lets on lease and sells to the Property Fund.

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
 - ☐ เห็นด้วย/ Approveเสียง/ shares
 - ☐ ไม่เห็นด้วย/ Disapproveเสียง/ shares
 - ☐ จดออกเสียง/ Abstainเสียง/ shares

- ☐ วาระที่ 8 พิจารณาอนุมัติมอบอำนาจให้คณะกรรมการและ/หรือกรรมการผู้จัดการและ/หรือกรรมการผู้มีอำนาจลงนามเป็นผู้มีอำนาจในการเจรจาต่อรอง ลงนามและการตกลง เข้าทำเอกสารและสัญญาต่างๆ ที่เกี่ยวข้องกับการการเข้าทำธุรกรรมต่างๆ กับกองทุนรวมอสังหาริมทรัพย์

Agenda 8 To approve the Company to grant the power to the Board of Directors and/or managing director and/or authorized directors to negotiate, sign and enter into agreement, make documents and contracts relating to the entering into transactions with Property Fund.

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
 - ☐ เห็นด้วย/ Approveเสียง/ shares
 - ☐ ไม่เห็นด้วย/ Disapproveเสียง/ shares
 - ☐ จดออกเสียง/ Abstainเสียง/ shares

- ☐ วาระที่ 9 เรื่องพิจารณาเรื่องอื่นๆ (ถ้ามี)
Agenda 9 Any other considerations (If any).

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
- ☐ เห็นด้วย/ Approveเสียง/ shares
- ☐ ไม่เห็นด้วย/ Disapproveเสียง/ shares
- ☐ จงดออกเสียง/ Abstainเสียง/ shares

(5) การลงคะแนนเสียงของผู้รับมอบฉันทะในวาระใดที่ไม่เป็นไปตามที่ระบุไว้ในหนังสือมอบฉันทะนี้ ให้ถือว่าการลงคะแนนเสียงนั้นไม่ถูกต้องและไม่ใช่เป็นการลงคะแนนเสียงของข้าพเจ้าในฐานะผู้ถือหุ้น / Vote of the Proxy holder for any agenda which is not in accordance with this Proxy shall be deemed that such vote is not correct and is not my/our casting of vote as a shareholder.

(6) ในกรณีที่ข้าพเจ้าไม่ได้ระบุความประสงค์ในการออกเสียงลงคะแนนในวาระใดไว้ หรือระบุไว้ไม่ชัดเจนหรือในกรณีที่ประชุมมีการพิจารณาหรือลงมติในเรื่องใดนอกเหนือจากเรื่องที่ระบุไว้ข้างต้น รวมถึงกรณีที่มีการแก้ไขเปลี่ยนแปลงหรือเพิ่มเติมข้อเท็จจริงประการใด ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร / In the case that I/we have not indicated my/our intention of vote in any agenda or have indicated it but not clear, or in the case the meeting will consider or adopt any resolution in addition to the matter indicated above, including any correction, change or addition of facts, the Proxy holder shall have the right to consider and vote for me/us in every respect as he/she deems appropriate.

กิจการใดที่ผู้รับมอบฉันทะได้กระทำไปในการประชุม เว้นแต่กรณีที่ผู้รับมอบฉันทะไม่ออกเสียงตามที่ข้าพเจ้าระบุในหนังสือมอบฉันทะให้ถือเสมือนว่าข้าพเจ้าได้กระทำเองทุกประการ / Any act(s) taken by the Proxy holder at the meeting, except in the case the Proxy holder does not cast vote per my/our indication in the Proxy, shall be deemed to be taken by myself/ourselves in every respect.

ลงชื่อ/ Signed.....ผู้มอบฉันทะ/ Appointer ลงชื่อ/ Signed.....ผู้รับมอบฉันทะ/ Proxy
(.....)

หมายเหตุ/ Remarks

- หนังสือมอบฉันทะแบบ ค. นี้ ใช้เฉพาะกรณีที่ผู้ถือหุ้นที่ปรากฏชื่อในทะเบียนเป็นผู้ลงทุนต่างประเทศ และแต่งตั้งให้คัสโตเดียน (Custodian) ในประเทศไทยเป็นผู้รับฝากและดูแลหุ้นให้เท่านั้น/ This Form C Proxy shall be used only in the case the shareholder whose name appears in the Register is overseas investor and has appointed custodian in Thailand as a depositee of the shares only.
- หลักฐานที่ต้องแนบพร้อมหนังสือมอบฉันทะคือ / Evidences to be attached to the Proxy are:
 - หนังสือมอบอำนาจจากผู้ถือหุ้นให้คัสโตเดียน (Custodian) เป็นผู้ดำเนินการลงนามในหนังสือมอบฉันทะแทน/ Letter of authorization from the shareholder to grant the custodian to proceed with the signing on the Proxy for the shareholder.
 - หนังสือยืนยันว่าผู้ลงนามในหนังสือมอบฉันทะแทนได้รับอนุญาตประกอบธุรกิจ คัสโตเดียน (Custodian)/ A document confirming that the signor on the Proxy for the shareholder has been permitted to engage in the custodian business.
- ผู้ถือหุ้นที่มอบฉันทะจะต้องมอบฉันทะให้ผู้รับมอบฉันทะเพียงรายเดียวเป็นผู้เข้าประชุมและออกเสียงลงคะแนน ไม่สามารถแบ่งแยกจำนวนหุ้นให้ผู้รับมอบฉันทะหลายคนเพื่อแยกการลงคะแนนเสียงได้/ A shareholder appointing a Proxy must authorize only one Proxy to attend the meeting and cast the votes on his/her behalf. All shares shall not be splitted into more than one Proxy to separately vote.
- ในกรณีที่มีวาระที่จะพิจารณาในการประชุมมากกว่าวาระที่ระบุไว้ข้างต้น ผู้มอบฉันทะสามารถระบุเพิ่มเติมได้ในใบปะจําต่อแบบหนังสือมอบฉันทะแบบ ค. ตามแนบ In case there is (are) more agenda(s) to consider than the above mentioned, the appointer can specify the additional agenda in the attached sheet to the proxy form C.

ใบประจำต่อแบบหนังสือมอบฉันทะแบบ ค.

Attached Sheet to the Proxy Form C

การมอบฉันทะในฐานะเป็นผู้ถือหุ้นของบริษัท โฮม โปรดักส์ เซ็นเตอร์ จำกัด (มหาชน) / As a Proxy to act on behalf of the shareholder of Home Product Center Public Company Limited

ในการประชุมวิสามัญผู้ถือหุ้นครั้งที่ 1/2556 ในวันอังคารที่ 22 ตุลาคม 2556 เวลา 10.00 น. ณ ห้องแกรนด์ บอลรูม ชั้น 1 โรงแรมแมนดาริน เลขที่ 662 ถนนพระราม 4 แขวงบางรัก เขตบางรัก กรุงเทพมหานคร 10500 หรือที่จะพึงเลื่อนไปในวัน เวลา และสถานที่อื่นด้วย / In the Extraordinary General Meeting of the Shareholder No.1/2013 on Tuesday 22nd October 2013 at 10.00 a.m. at Grand Ballroom, 1st Floor, Mandarin Hotel 662 Rama IV Road, Bangrak Sub District, Bangrak District, Bangkok, 10500, or at any adjournment thereof.

- ☐ วาระที่/ Agenda..... เรื่อง/ Subject.....
- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
- ☐ เห็นด้วย/ Approveเสียง/ shares
- ☐ ไม่เห็นด้วย/ Disapproveเสียง/ shares
- ☐ งดออกเสียง/ Abstainเสียง/ shares
- ☐ วาระที่/ Agenda..... เรื่อง/ Subject.....
- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร/ The Proxy has the right to consider and vote on behalf of myself/ ourselves in all agendas as appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้/ The Proxy shall vote in accordance with my/ our objectives as follows:
- ☐ เห็นด้วย/ Approveเสียง/ shares
- ☐ ไม่เห็นด้วย/ Disapproveเสียง/ shares
- ☐ งดออกเสียง/ Abstainเสียง/ shares

ข้าพเจ้าขอรับรองว่า รายการในใบประจำต่อแบบหนังสือมอบฉันทะ ถูกต้องบริบูรณ์และเป็นความจริงทุกประการ/ I/ we hereby certify that all statements as appeared in this attached sheet to the Proxy form are true and correct.

ลงชื่อ/ Signed.....ผู้มอบฉันทะ/ Appointer
(.....)

วันที่/ Date...../...../.....

ลงชื่อ/ Signed.....ผู้รับมอบฉันทะ/ Proxy
(.....)

วันที่/ Date...../...../.....

Brief biographies of the Independent Director who is assigned to be proxy.



Name – Surname	Mr. Chanin	Roonsamrarn	Age	65
Position	Independent Director, Audit Committee and Nomination and Remuneration Committee			
Address	96/27 Moo 9, Bangkhen, Amphoe, Muang, Nonthaburi.			
Date of Appointment	October 3, 2005			

Educational	Major	University
Master Degree	Business Administration	Fort Hays State University, Kansas, USA

Institution	Thai Institute of Directors Association (IOD)
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Program	Director Certification Program (DCP) 2002
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Program	The Role of Chairman (RCM) 2002
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During	Position	Company Name	Type of Business
2005 - Present	Independent Director, Audit Committee and Nomination and Remuneration Committee	Home Product Center Plc.	Home improvement retailing
2010 - Present	Chief Executive Director	SBL Leasing Co., Ltd.	Leasing
2003 - Present	Independent Director, Audit Committee, Chairman of Risk Management Committee and Human Resource and Remuneration Director	The Siam Commercial Samaggi Insurance Plc.	Insurance
1986 - Present	Independent Director, Audit Committee, Remuneration Committee and Nomination Committee	Thai Reinsurance Plc.	Insurance
1996 – 2009	President and Chief Executive Officer	The Siam Industrial Credit Plc.	Financial Institution

Director position in other companies (excluding Home Product Center Public Co., Ltd.)

Listed Companies	Non - Listed Companies	Other organization that compete with/ related to The Company
Total of Listed Companies = 2	Total of Non - Listed Companies = 1	None
The Siam Commercial Samaggi Insurance Plc.	SBL Leasing Co., Ltd.	
Thai Reinsurance Plc.		

And any other interest at Homepro during the last 2 years: None i.e.

- 1) He has not participated in management and is not the employee, staff or consultant who receives regular salary in the Company.
- 2) He has not provided any professional service i.e. Auditor, legal counsel
- 3) He has no business relationship or benefit or interest with company that affect the duty performing independently in giving an opinion.

Shareholding - shares Proportion -
Warrant (ESOP) - shares

No. of Terms and No. of service year as Directorship at Homepro (since becoming listed company)

2 term in 2007, 2010 and 7 years of service.

No. of Meeting attendance for the year 2012

1. Board of Director Meeting : 11 attendances out of total 12 meetings
2. Audit Committee Meeting : 12 attendances out of total 12 meetings
3. The Nomination and Remuneration Committee Meeting : 3 attendances out of total 3 meetings

Attachment 2

The following documents must be presented prior to attending the shareholders meeting (as the case may be):

1. In the event that the shareholder is a natural person:

1.1 Attendance in person: presenting an official document issued by governmental agency which having photograph of such shareholder, and not yet expired, e.g. personal ID card, driver license, or passport.

1.2 Attendance by proxy:

- (A) a completed Proxy Form, which is per the form attached to the notice calling for the meeting, signed by the appointer (the shareholder) and the proxy;
- (B) a copy of the official document of the shareholder as referred to in 1.1 certified as true copy by the appointer; and
- (C) an original of the proxy's official document as referred to in 1.1 above.

2. In the event that the shareholder is a juristic person:

2.1 Attendance by an authorized representative of such shareholder:

- (A) an original of such authorized representative's official document as referred to in 1.1; and
- (B) a copy of the Affidavit or Certificate of Incorporation of the shareholder showing the name of such authorized representative as a person having authority to act on the shareholder's behalf and such copy of the Affidavit or Certificate of Incorporation must be certified as true copy by such authorized representative.

2.2 Attendance by proxy:

- (A) a completed Proxy Form which is per the form attached to the notice calling for the meeting, signed by the appointer (the shareholder) and the proxy;
- (B) a copy of the Affidavit or Certificate of Incorporation of the shareholder showing that the name of the person who signs on the Proxy Form as the appointers an authorized representative of the shareholder having authority to act on the shareholder's behalf and such copy of the Affidavit or Certificate of Incorporation must be certified and affixed the company seal by such authorized representative; and
- (C) an original of the proxy's official document as referred to in 1.1 above.

3. In the event that the shareholder is non-Thai shareholder or is a juristic person incorporated under a foreign law:

Clause 1 and 2 above shall be applied mutatis mutandis to a non-Thai shareholder or a shareholder which is juristic person incorporated under a foreign law as the case may be under the following conditions:

- (A) Affidavit or Certificate of Incorporation of such juristic person may be issued by either the governmental authority of the country in where such juristic person is situated or by an officer of such juristic person, provided that such an Affidavit or Certificate of Incorporation must contain the name of the juristic person, the address of the head office of the juristic person, and the name(s) of the person(s) having authority to sign on behalf of the juristic person together with any restriction or conditions of the authority of such person(s); and
- (B) If the original document which is not made in English, English translation is required to be made and attached thereto and such translation must be certified by the authorized representative of such juristic person.

4. Procedure of Granting Proxy

- (A) Shareholder shall sign his/her name in the Proxy form at the column of "grantor" and the "grantee"
Shall sign his/her name in the column of "grantee", which the form shall have been affixed with stamp duty of Baht 20;
- (B) Attach full documents as specified in item 1, 2 and 3 and hand over them to the Company's personnel prior to entering into the meeting; and
- (C) In the event of desire to grant the proxy to Independent Director, please indicate the name of Mr.Chanin Roonsamrarn in the proxy form. The biography of the Independent Director appears in the Attachment 2. The document shall be delivered to the Company prior to the meeting date or latest before entering into the meeting.

Attachment 3

(F 53-4)

Capital Increase Report Form Home Product Center Public Company Limited On 27 August 2013

We, Home Product Center Public Company Limited, hereby reports the resolution of the board of directors no.8/2556, held on August 27, 2013 from 9.30 to 12.30 hrs. in respect of a capital increase/share allotment as follows:

1. Capital decrease/increase:

The meeting of the board of directors passed a resolution approving agenda of decrease and increase registered capital of the Company as follows:

- To decrease of a registered capital of the Company from Bath 8,228,193,829 to Baht 8,219,637,893 by eliminating the total of 8,555,936 registered share with the par value of Baht 1, which remains from the allocation of stock dividend per the resolution adopted from the Annual General Shareholders' Meeting 2013 total of 999,994 shares and remaining from exercise the rights of the ordinary shares to employees of the Company and Subsidiaries No.4 (ESOP-W4) total of 7,555,942 shares and
- To increase of a registered capital of the Company from Bath 8,219,637,893 to Baht 9,589,847,893 by means of the issuance of 1,370,210,000 ordinary shares with a par value of Baht 1 each, totaling Baht 1,370,210,000.

2. Allotment of new shares:

The meeting of the board of directors passed a resolution approving the allotment of 1,370,210,000 ordinary shares with par value of 1 Baht each, totaling Baht 1,370,210,000 to reserve for the stock dividend payment as follows:

2.1 Details of Allocation

Allotted to	Number (shares)	Ratio (old : new)	Sale price per share (Baht)	Subscription and payment period	Note
Existing Shareholders	1,370,210,000	6 : 1	-	To reserve for the stock dividend	Stock dividend

2.2 The Company's plan in case where there is a fraction of shares remaining

If there is an indivisible fraction of shares remaining, the dividend will be paid in the form of cash dividend for that fraction of shares instead.

2.3 The number of shares remaining from the allotment
-None-

3. Schedule for shareholders meeting to approve the capital increase/allotment

The Extraordinary Meeting of shareholders no. 1/2013 is scheduled to be held on October 22, 2013 at 10.00 a.m. at Grand Ballroom, 1st Floor, Mandarin Hotel 662 Rama IV Road, Bangrak, Bangkok.

To determine the right to attend the meeting (record date) will be on September 10, 2013 and list will be compiled by closing the share register on September 11, 2013 in accordance with the Article 225 of Securities and Exchange Act.

4. Approval of the capital increase/share allotment by relevant governmental agency and conditions thereto (if any)

- None -.

5. Objectives of the capital increase and plans for utilizing proceeds received from the capital increase

To provide shareholders return in form of share dividend by issuing stock dividend instead of paying cash dividend.

6. Benefits which the Company will receive from the capital increase/share allotment:

6.1 To increase the Company's stock liquidity

6.2 To retain the working capital for Company's operation

7. Benefits which the shareholders will receive from the capital increase/share allotment:

7.1 The Company has a policy to pay dividend not less than 40 percent of the net profits each year.

7.2 The shareholder who will be allotted the stock dividend are entitled to received dividends as same as the existing shareholders.

8. Other details necessary for shareholders to approve the capital increase/share allotment:

-None-

9. Schedule of action where the board of directors of the Company passes a resolution approving the capital increase or allotment of new shares:

Proceedings	Date
1. To hold the Board of Directors' Meeting	August 27, 2013
2. To determine shareholders entitled to attend the Meeting (Record Date)	September 10, 2013
3. To comply the names by closing the share registrar for the Meeting, according to the Article 225 of the Securities and Exchange Act	September 11, 2013
4. To convene the Shareholders' Extraordinary Meeting No. 1/2013	October 22, 2013

The Company hereby certifies that the information contained in this report form is true and complete in all respects.

Signed Mr. Khunawut Thumpomkul authorized director

(Mr. Khunawut Thumpomkul)
Position Director

Signed Mrs. Suwanna Bhuddhaprasart authorized director

(Mrs. Suwanna Bhuddhaprasart)
Position Director

(Translation)

**Information Memorandum on Acquisition and Disposal of Assets
and Connected Transactions**

Details of Lease of Partial Area and Sale of Movable Properties
in Market Village Hua-Hin Shopping Center Project
to LH Shopping Center Leasehold Property Fund
and Appointment of Market Village Company Limited as Property Manager
of Market Village Hua-Hin Shopping Center Project

and

Details of Acquisition of Investment Units
of LH Shopping Center Leasehold Property Fund

by



Home Product Center Public Company Limited

September 2013

Part 1

Details of Asset Acquisition and Disposal Transactions and Connected Transactions

The meeting of the Board of Directors of Home Product Center Plc. (“the Company” or “HMPRO”) No. 8/2013 held on August 27, 2013 passed resolutions as follows:

Transaction 1 Approval for the Company to enter into an agreement to lease out of a partial area of about 50,518 square meters and public utilities systems and an agreement to sell movable properties Market Village Hua-Hin shopping center project to LH Shopping Center Leasehold Property Fund (“Property Fund”), which is a property fund to be established by Land and Houses Fund Management Co., Ltd. as a management company, for a lease term of approximately 27 years with a total agreement value before deduction of expenses of not less than Baht 4,060 million, together with approval for Market Village Co., Ltd. (“MV”) to manage properties of Market Village Hua-Hin shopping center project; and

Transaction 2 Approval for the Company to purchase investment units of the Property Fund in an amount not exceeding one-third of the appraised value of the properties to be leased and sold to the Property Fund, with value of such investment preliminarily expected at not more than Baht 1,420 million.

Total size of the disposal of assets in Transaction 1 is not less than 14.12% which is less than 15% of total assets, and, hence, is considered as a small-sized asset disposal transaction. However, if the combined value of the leasehold right to the assets and the sale of movable properties is greater than Baht 4,313.44 million, total size of the asset disposal transaction will then exceed 15% and such transaction will relatively be deemed as a Type 2 of asset disposal transaction in accordance with Notification of the Capital Market Supervisory Board No. ThorChor. 20/2551 Re: “Rules on Entering into Material Transactions Deemed as Acquisition or Disposition of Assets” and Notification of the Stock Exchange of Thailand (“SET”) Re: “Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547” (hereinafter collectively called “the Acquisition and Disposition Notification”). If the transaction size is higher than 15% but less than 50%, the Company is obligated to disclose information on such transaction to the SET and to submit a circular letter to inform the shareholders within 21 days from the date of disclosure of the transaction to the SET. As for Transaction 2, it is an acquisition of assets with total size equal to 4.94%, which is lower than 15%. As such, it is subject to approval authority of the Board of Directors’ meeting of the Company and the Company accordingly is not required to prepare a report and disclose information on the transaction to the SET, nor to seek approval from the shareholders’ meeting of the Company.

Nonetheless, Transactions 1 and 2 are considered as connected transactions according to Notification of the Capital Market Supervisory Board No. ThorChor. 21/2551 Re: “Rules for Connected Transactions” and Notification of the SET Board of Governors Re: “Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546” (hereinafter collectively called “the Connected Transaction Notification”). This is because:

(1) After completion of the establishment of the Property Fund, Land and Houses Plc. (“LH”), which is a major shareholder holding 30.21% of the Company’s paid-up registered capital, may acquire investment units of the Property Fund, directly and/or through its subsidiary and/or related companies in an amount greater than 10% of total number of issued and offered investment units.

(2) Mr. Anant Asavabhokhin is LH’s major shareholder holding 23.76% of LH’s paid-up registered capital and is an authorized signatory of LH which is the Company’s major shareholder. Mr. Anant Asavabhokhin may hold investment units of the Property Fund through LH and/or a subsidiary and/or related company in an amount greater than 10% of total number of issued and offered investment units.

(3) Land and Houses Fund Management Co., Ltd., which has LH as its major shareholder, will act as manager of the Property Fund and, thus, is deemed as a party having control power in the Property Fund.

Transactions 1 and 2 above have a combined size of the connected transactions equal to 50.08% of net tangible assets of the Company (as at June 30, 2013, the Company’s net tangible assets were Baht 10,942.67 million), which is greater than 3% of the Company’s net tangible assets. Therefore, the Company has duty to disclose information on such transactions to the SET and to seek approval from the shareholders’ meeting with a required affirmative vote of at least three-fourths of total votes of the shareholders attending the meeting and having the right to vote, excluding shareholders with a conflict of interest. The Company must also submit a notice of the shareholders’ meeting, accompanied by opinion of an independent financial advisor, to the shareholders at least 14 days ahead of the date of the shareholders’ meeting. The meeting of the Board of Directors of the Company resolved to propose the Extraordinary General Meeting of Shareholders No. 1/2013, scheduled for October 22, 2013, to consider and approve the above-mentioned transactions.

In order to ensure that the seeking of approval from the shareholders’ meeting for the above transactions is processed in accordance with the Acquisition and Disposition Notification and the Connected Transaction Notification, the Company would like to disclose information on the said two transactions to the shareholders as follows:

1. **Date of the transactions**

Period after the Company obtains approval for entering into the transactions from the Extraordinary General Meeting of Shareholders No. 1/2013, scheduled for October 22, 2013.

2. **Parties concerned and relationship with the Company**

2.1. Lease of a partial area and public utilities systems and sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund, including approval for MV to enter into the property management service agreement

(a) Lease of a partial area and public utilities systems in Market Village Hua-Hin shopping center project to the Property Fund

Lessor	Home Product Center Plc.("the Company")
Lessee	LH Shopping Center Leasehold Property Fund ("Property Fund")
Relationship with the Company:	<p>(1) After completion of the establishment of the Property Fund, Land and Houses Plc. ("LH"), which is a major shareholder holding 30.21% of the Company's paid-up registered capital, may acquire investment units of the Property Fund, directly and/or through its subsidiary and/or related companies in an amount greater than 10% of total number of issued and offered investment units.</p> <p>(2) Mr. Anant Asavabhokhin is LH's major shareholder holding 23.76% of LH's paid-up registered capital and is an authorized signatory of LH which is the Company's major shareholder. Mr. Anant Asavabhokhin may hold investment units of the Property Fund through LH and/or a subsidiary and/or related company in an amount greater than 10% of total number of issued and offered investment units.</p> <p>(3) Land and Houses Fund Management Co., Ltd., which has LH as its major shareholder, will act as manager of the Property Fund and, thus, is deemed as a party having control power in the Property Fund.</p>

(b) Sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund

Seller:	Home Product Center Plc.("the Company")
Purchaser:	LH Shopping Center Leasehold Property Fund ("Property Fund")

Relationship with the Company:	<p>(1) After completion of the establishment of the Property Fund, Land and Houses Plc. ("LH"), which is a major shareholder holding 30.21% of the Company's paid-up registered capital, may acquire investment units of the Property Fund, directly and/or through its subsidiary and/or related companies in an amount greater than 10% of total number of issued and offered investment units.</p> <p>(2) Mr. Anant Asavabhokhin is LH's major shareholder holding 23.76% of LH's paid-up registered capital and is an authorized signatory of LH which is the Company's major shareholder. Mr. Anant Asavabhokhin may hold investment units of the Property Fund through LH and/or a subsidiary and/or related company in an amount greater than 10% of total number of issued and offered investment units.</p> <p>(3) Land and Houses Fund Management Co., Ltd., which has LH as its major shareholder, will act as manager of the Property Fund and, thus, is deemed as a party having control power in the Property Fund.</p>
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(c) Provision of property management service for the Property Fund

Service Provider:	Market Village Co., Ltd. ("MV")
Service Recipient:	LH Shopping Center Leasehold Property Fund ("Property Fund")
Relationship with the Company:	<p><u>MV</u></p> <p>MV is a subsidiary in which the Company holds 99.99% of MV's total paid-up registered capital.</p> <p><u>Property Fund</u></p> <p>(1) After completion of the establishment of the Property Fund, Land and Houses Plc. ("LH"), which is a major shareholder holding 30.21% of the Company's paid-up registered capital, may acquire investment units of the Property Fund, directly and/or through its subsidiary and/or related companies in an amount greater than 10% of total number of issued and offered investment units.</p> <p>(2) Mr. Anant Asavabhokhin is LH's major shareholder holding 23.76% of LH's paid-up registered capital and is an authorized signatory of LH which is the Company's major shareholder. Mr. Anant Asavabhokhin may hold investment units of the Property Fund through LH and/or a subsidiary and/or related company in an amount greater than 10% of</p>

	<p>total number of issued and offered investment units.</p> <p>(3) Land and Houses Fund Management Co., Ltd., which has LH as its major shareholder, will act as manager of the Property Fund and, thus, is deemed as a party having control power in the Property Fund.</p>
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2.2. Investment in the Property Fund

The Company will invest in the Property Fund in an amount not exceeding one-third of the appraised value of the properties, with total value of such investment preliminarily will not more than Baht 1,420 million. General characteristics of the Property Fund can initially be described as follows:

Subscriber:	Home Product Center Plc.
Offeror:	LH Shopping Center Leasehold Property Fund ("Property Fund")
Relationship with the Company:	<p>(1) After completion of the establishment of the Property Fund, Land and Houses Plc. ("LH"), which is a major shareholder holding 30.21% of the Company's paid-up registered capital, may acquire investment units of the Property Fund, directly and/or through its subsidiary and/or related companies in an amount greater than 10% of total number of issued and offered investment units.</p> <p>(2) Mr. Anant Asavabhokhin is LH's major shareholder holding 23.76% of LH's paid-up registered capital and is an authorized signatory of LH which is the Company's major shareholder. Mr. Anant Asavabhokhin may hold investment units of the Property Fund through LH and/or a subsidiary and/or related company in an amount greater than 10% of total number of issued and offered investment units.</p> <p>(3) Land and Houses Fund Management Co., Ltd., which has LH as its major shareholder, will act as manager of the Property Fund and, thus, is deemed as a party having control power in the Property Fund.</p>

3. General characteristics of the transactions

3.1. Lease out of a partial area and public utilities systems and sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund

(a) Lease out of a partial area and public utilities systems in Market Village Hua-Hin shopping center project to the Property Fund

Counterparties	<p>Lessor : Home Product Center Plc.</p> <p>Lessee : LH Shopping Center Leasehold Property Fund (“Property Fund”)</p>
Leased properties	<p>(a) A partial area of Market Village Hua-Hin shopping center, featuring a four-storied building with one basement, located at No. 234/1 Phet Kasem Road, Hua Hin Sub-district, Hua Hin District, Prachuap Khiri Khan Province, currently used as a shopping mall divided into rented space to tenants of about 25,861 square meters and common area of about 24,657 square meters, representing a total space to be leased by the Property Fund of about 50,518 square meters, excluding the areas rented by anchor tenants and the new car park building; and</p> <p>(b) Public utilities systems comprising electricity system, water supply system, telephone system, elevators, escalators, air-conditioning system, engineering system, waste water treatment system, etc. and component parts, whether permanently fixed or not fixed to the leased properties, including all facilities installed and utilized within Market Village Hua-Hin shopping center and any rights pertaining or relating to such properties, in their as-is condition as of the date of registration of the leasehold right under this agreement.</p>
Lease term	About 27 years from the date of registration of the leasehold right under this agreement which will expire on August 31, 2040
Rental payment	The Property Fund agrees to pay rental in full for the leased properties throughout the lease period on the date of registration of the leasehold right.
Lessor's duties	If there are any benefits and guarantee deposits against lease and services which the Property Fund is entitled to and the Lessor has

	received in advance from tenants, the Lessor shall so notify the Property Fund and shall hand over such benefits to the Property Fund as follows:	
	Date of receiving the benefits	Handover of the benefits
	Before or on the registration date	Within 90 days from the date of registration of the leasehold right
	After the registration date	Within 30 days
Lessee's duties	<ul style="list-style-type: none"> ● The Property Fund shall maintain, repair and improve the leased properties or take all acts to ensure that the leased properties are in good condition and suited with objectives of use specified in this agreement throughout the lease term. ● The Property Fund shall not build any construction or component part in the leased properties, nor modify any part of the leased properties in such a way that will cause damage to the leased properties, nor materially change the leased properties without prior written consent from the Lessor, and shall be responsible for all expenses incurred thereon, whereby the Lessor shall consider whether to give such consent without delay and shall not refuse to give the consent without a reasonable ground. Where a regulatory permission is required, the Property Fund may not proceed to build any construction or component part or modify any part of the leased properties until it has duly obtained such permission from the authority concerned. The said constructed, extended, modified or adapted portion and construction shall be deemed as a component part of the leased properties. <p>In the event that the construction or component part or modified portion in the leased properties as contemplated in the first paragraph causes damage to any other party or building or violates the applicable law or any other rules, regulations or requirements of the authority concerned, the Property Fund agrees to be held liable and indemnify for such damage. In the event that the Lessor has paid for any damage incurred thereon in advance, the Property Fund shall reimburse for such damage to the Lessor in full within 30 days from the date of receiving a written notice thereof from the Lessor.</p>	

	<ul style="list-style-type: none"> ● In the event that there are expenses arising from any actions taken by the Lessor in order to protect the leased properties against damage from any accidents or perils that are or are not predictable such as floods, storms, etc., the Property Fund agrees to be jointly responsible for such expenses with the Lessor in a proportion to be mutually agreed upon. If the Lessor needs to take an immediate action to prevent against any loss, the Property Fund agrees to reimburse the relevant expenses to the Lessor in the said proportion.
Common area management	<ul style="list-style-type: none"> ● Throughout the period that this agreement remains in full force, the Property Fund shall allow the Lessor, including customers and counterparties of the Lessor and other tenants in Market Village Hua-Hin shopping center who have rented the space that is under possessory right of the Lessor, to use the common area and the areas relating to the leased properties of the Property Fund, whereby these areas shall be deemed as areas for common use primarily to benefit the operation of the shopping center. ● If the Lessor, as the property manager, and/or a natural or juristic person designated by the Lessor to act as the property manager on its behalf has collected any benefit from utilization of the common area as described above, the parties hereto mutually agree that the Property Fund shall be entitled to collect service revenues and such person shall be entitled to collect public utilities service fees (and be responsible for all expenses relevant to such public utilities services) at a rate as specified in the respective contracts entered into by the Property Fund and the property manager with the tenants in the leased properties of the Property Fund. ● Throughout the period that this agreement remains in full force, the Lessor shall allow the Property Fund, counterparties of the Property Fund and other tenants in the leased properties of the Property Fund, including customers of those tenants, to use the road around the building and the entrance/exit way of Market Village Hua-Hin shopping center, the common area, parking areas for automobiles and motorcycles, and the areas relating to the properties in which the Property Fund has not invested, whereby these areas shall be

	<p>deemed as areas for common use primarily to benefit the operation of the shopping center.</p> <p>The Property Fund shall have the right to use the said parking areas for automobiles and motorcycles in the proportion calculated according to the shopping center area it has occupied.</p> <ul style="list-style-type: none"> ● If the Lessor collects benefits from the use of parking areas in the future, the parties hereto agree to further negotiate about right to such revenue collection.
Public utilities system management	<ul style="list-style-type: none"> ● Throughout the period that this agreement remains in full force, the Property Fund shall allow the Lessor to use the public utilities systems for servicing its customers and counterparties of the Lessor and other tenants in Market Village Hua-Hin shopping center who have rented the space that is under possessory right of the Lessor, in order for the Lessor to continue operating its business as usual. If there are expenses arising as a result of the management, repair or maintenance of the said system, the parties hereto agree to be jointly responsible for such expenses in the proportion specified herein. ● The Property Fund shall grant right to the property manager and/or a natural or juristic person designated by the Lessor to act as the property manager on its behalf to manage the public utilities systems, whereby such person shall collect public utilities service fees from the tenants and shall be responsible for all expenses relevant to the public utilities services. Such person shall pay a consideration for the right to public utilities system management to the Property Fund in the form of remuneration that shall vary with revenues from public utilities service fees. In the event that there is a change in costs of public utilities system management, the Property Fund and such person shall mutually agree to determine the revenue proportion so as to cover the said costs that are actually incurred.
Sharing of expenses ^{1/}	<p>The Property Fund and the Lessor mutually agree to a sharing of capital expenditure (CAPEX) such as repair and maintenance expenses, corporate image improvement expenses, etc. and operating expenses (OPEX) such as expenses on repair and maintenance of common area, parking area, road around the building, and public utilities systems,</p>

	marketing expenses, etc., as mutually agreed upon between the parties hereto.
Insurance	<ul style="list-style-type: none"> ● The two parties agree to the provision of insurance coverage throughout the lease agreement period and the use of monies received as insurance claims from an insurance company for covering costs of construction and/or renovation of Market Village Hua-Hin shopping center under this agreement, as follows: <ul style="list-style-type: none"> - Property All Risks Insurance to protect Market Village Hua-Hin shopping center, whereby the Lessor and the Property Fund shall be named the co-beneficiaries and shall share the payment of insurance premiums according to proportion of the area not invested in by the Property Fund and the area invested in by the Property Fund. In this respect, the Property Fund shall pay insurance premiums which shall be calculated based on a ratio of the area invested in by the Property Fund (excluding service area^{2/}) to the area not invested in by the Property Fund (excluding service area^{2/} and parking area for automobiles and motorcycles). - Public Liabilities Insurance to cover bodily injury or death and property damage possibly incurred to a third party, whereby the Lessor and the Property Fund agree to share the payment of insurance premiums according to proportion of the area not invested in by the Property Fund and the area invested in by the Property Fund. In this respect, the Property Fund shall pay insurance premiums which shall be calculated based on a ratio of the area invested in by the Property Fund (excluding service area^{2/}) to the area not invested in by the Property Fund (excluding service area^{2/} and parking area for automobiles and motorcycles). - Business Interruption Insurance, whereby the Lessor and the Property Fund agree to share the payment of insurance premiums and shall be named the co-beneficiaries to receive benefits in proportion to revenues from rentals and services from the area. In this respect, the Property Fund shall pay insurance

	<p>premiums and receive benefits in proportion to revenues from rentals and services from the area invested in by the Property Fund.</p> <p>The sharing ratio of insurance premium payment specified above shall be subject to change as to be mutually agreed upon between the two parties.</p> <ul style="list-style-type: none"> ● In the event that the leased properties become partially damaged, this agreement shall remain in full force and applicable to only the undamaged parts of the leased properties that are still in a usable condition, whereby such undamaged properties shall be deemed as the leased properties under this agreement.
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Note: 1/ The Company and the Property Fund have agreed to set forth a preliminary guideline on cost sharing as follows: (1) CAPEX shall be shared according to the area not invested in by the Property Fund and the area invested in by the Property Fund; (2) OPEX shall be shared according to proportion of revenue of the area not invested in by the Property Fund and revenue of the area invested in by the Property Fund.

2/ Service area refers to the area which is location of back office and various systems such as cooling system, water pumps, system control room, etc.

(b) Sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund

Counterparties	<p>Seller: Home Product Center Plc.</p> <p>Purchaser: LH Shopping Center Leasehold Property Fund ("Property Fund")</p>
Sold and purchased properties	<p>Furniture, fittings and fixtures, whether permanently fixed or not fixed, including any other equipment used for decoration or provision of convenience to visitors of Market Village Hua-Hin shopping center project, which do not form any part of the public utilities systems and are not deemed as a component part of Market Village Hua-Hin shopping center project building, installed and/or fixed outside or inside Market Village Hua-Hin shopping center project building with respect to only the properties to be invested in by the Property Fund under the lease agreement, or installed and/or fixed on the area in Market Village Hua-Hin shopping center project building with respect to only the properties to be invested in by the Property Fund under the lease agreement and/or</p>

	in rented space of tenants in Market Village Hua-Hin shopping center project building with respect to only the properties to be invested in by the Property Fund under the lease agreement, including any rights pertaining or relating to such properties, in the said properties' as-is condition as of the ownership transfer date. In this respect, the Seller shall not be liable for any damage or defect to the properties to be sold and purchased, irrespective of whether such damage or defect is evident on the ownership transfer date, except where such damage or defect causes the Property Fund to be unable to use the said properties according to the objectives of use of any such properties.
Payment	The Property Fund shall pay for the sale and purchase price in full on the date of registration of the leasehold properties of Market Village Hua-Hin shopping center project.
Ownership transfer	Ownership transfer shall be valid on the date of registration of the leasehold right and after payment is duly made as agreed.
The Property Fund's representation	The Property Fund agrees to grant rights to the Seller, customers and counterparties of the Sellers, and other tenants in Market Village Hua-Hin shopping center who have not rented space in Market Village Hua-Hin shopping center from the Property Fund to use the properties in the usual course of business subject to the obligations prevailing or as agreed upon between the counterparties.

The movable properties to be sold to the Property Fund are not fixed assets and mainly consist of equipment to provide convenience for visitors of Market Village Hua-Hin shopping center project such as stage equipment, chairs for an event, emergency lights, benches at different spots, trash bins, sound system, fire extinguishers, television screens, etc. As of July 31, 2013, these assets had a total book value of around Baht 3.8 million.

- (c) Agreement on appointment of property manager of Market Village Hua-Hin shopping center project

Counterparties	<p>Service Provider: Market Village Co., Ltd. as property manager of Market Village Hua-Hin shopping center project</p> <p>Service Recipient: LH Shopping Center Leasehold Property Fund ("Property Fund") by Land and Houses Fund</p>
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	Management Co., Ltd. as a management company of the Property Fund		
Properties under management	Properties invested in by the Property Fund in Market Village Hua-Hin shopping center project		
Agreement term	10 years and to be automatically renewable for consecutive terms of 10 years each unless otherwise agreed by the counterparties or unless the agreement is prematurely terminated in accordance with the terms and conditions under the agreement.		
Public utilities system management	<ol style="list-style-type: none"> 1. The Property Fund shall grant right to the property manager to manage the public utilities systems, whereby the property manager shall collect public utilities service fees from the tenants and shall be responsible for all expenses relevant to the public utilities services. The property manager shall pay a consideration for the right to public utilities system management to the Property Fund in the form of remuneration that shall vary with revenues from public utilities service fees. In the event that there is a change in costs of public utilities system management, the Property Fund and the property manager shall mutually agree to determine the revenue proportion so as to cover the said costs that are actually incurred. 2. If the property manager collects benefits from the use of common area and areas relating to the leased properties of the Property Fund, the Property Fund shall be entitled to collect revenues from service fees and the property manager shall have the right to collect public utilities service fees (and be responsible for all expenses relevant to such public utilities services) at a rate as specified in the respective contracts entered into by the Property Fund and the property manager with the tenants in the leased properties of the Property Fund. 		
Remuneration for property management	Type of fee	Fee rate	Unit
	1. Rental collection fee in the name of the Property Fund	Up to 3.00%	of net rental revenues of the Property Fund

	2. Commission fee		
	● Tenants with contract renewal	Up to 0.5	month
	● Tenants with contract term less than 1 year	Up to 0.5	month
	● Tenants with contract term from 1 year to less than 3 years	Up to 1.0	month
	● Tenants with contract term of 3 years or more	Up to 1.5	month
	3. Property management fee	Up to 0.50%	of net value of the Property Fund
	4. Incentive fee	Up to 3.00%	of net revenues from the properties
	5. Property sale and purchase fee		
	● Purchase fee	Up to 1.50%	of value of property to be additionally invested
	● Selling fee	Up to 0.75%	of value of property to be sold
	6. Fee for project improvement and/or development supervision	Up to 2.00%	of value of project improvement or development

3.2. Acquisition of investment units of the Property Fund

The Company will invest in the Property Fund in an amount not exceeding one-third of the appraised value of the properties, with total value of such investment preliminarily expected at not more than Baht 1,420 million. General characteristics of the Property Fund can initially be described as follows:

Name of project	LH Shopping Center Leasehold Property Fund (“Property Fund”)
Type of project	A closed-end fund; fund manager to apply for listing of investment units on the SET
Nature of project	Exclusively specified
Project life	Not determined
Initial investment policy	To invest in two leasehold property projects: Terminal 21 shopping center project and Market Village Hua-Hin shopping center project
Par value per investment unit	Baht 10 per unit
Offering price	To be determined afterwards by a book building process
Total investment value	Not more than Baht 1,420 million
Trustee	Siam Commercial Bank Plc.

4. Value of consideration

4.1. The Company will receive consideration for the lease of a partial area and sale of movable properties in a combined amount, before deduction of expenses, of not less than Baht 4,060 million. At the same time, MV which is the Company's 99.99% owned subsidiary will generate additional income from serving as property manager in the amount that will vary primarily with MV's ability in managing those properties. Moreover, the Company has set out a guideline on collection of management fee receivable by MV from the Property Fund that is compatible with management fee collection by property managers of other similar property funds.

4.2. The Company will invest in the Property Fund with total investment value not exceeding Baht 1,420 million.

5. Basis for determination of consideration value

5.1. Consideration for the lease of partial area and public utility system and the sale of movable properties in Market Village Hua-Hin project to the Property Fund is determined based on valuation by two independent valuers, Grand Asset Advisory Co., Ltd. and TAP Valuation Co., Ltd., which measured a fair value of the said lease agreement at Baht 4,274 million and Baht 4,270 million respectively. The Company has determined a minimum consideration

value at not less than 95% of an average of the said fair prices appraised by the two valuers, or not less than Baht 4,060 million.

Moreover, the Company has set out a guideline on collection of management fee receivable by MV from the Property Fund that is compatible with management fee collection by property managers of other similar property funds.

- 5.2. The Company has a policy to invest in the Property Fund investment units in an amount not more than Baht 1,420 million, which is calculated from a holding proportion of investment units at not exceeding one-third of the appraised value of the properties to be leased and sold to the Property Fund.

6. Calculation of transaction size

6.1. Calculation of the asset disposal transaction size

The transaction size, calculated in accordance with the Acquisition and Disposition Notification by four methods, is as follows:

Basis of calculation	Disposal transaction	Acquisition transaction
	Lease of partial area and public utilities systems and sale of movable properties to the Property Fund	Investment in the Property Fund
1. Asset value method	N/A	N/A
2. Net profit method	N/A	N/A
3. Total value of consideration method	14.12%	4.94%
4. Securities value method	N/A	N/A

The outcome of the above calculation of acquisition transaction size is as follows:

- (1) The total size of asset disposal transaction in lease of a partial area and public utilities systems and sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund is equal to 14.12%, which is lower than 15% of total assets and thus deemed as a small-sized disposal transaction. However, if the combined value of the leasehold right and the sale of movable properties is greater than Baht 4,313.44 million, the total size of the asset disposal transaction will then exceed 15% and such transaction will relatively be deemed as a Type 2 asset disposal transaction in accordance with the Acquisition and Disposition Notification. If the transaction size is higher than 15% but less than 50%, the Company is obligated to disclose

information on such transaction to the SET and to submit a circular letter to inform the shareholders within 21 days from the date of disclosure of the transaction to the SET.

- (2) The size of asset acquisition transaction in investment in the Property Fund is equal to 4.94%, which is lower than 15%. As such, it is subject to approval authority of the Board of Directors' meeting of the Company and the Company accordingly is not required to prepare a report and disclose information on the transaction to the SET, nor to seek approval from the shareholders' meeting of the Company.

6.2. Calculation of the connected transaction size

The transaction size, calculated in accordance with the Connected Transaction Notification based on HMPRO's consolidated financial statement as of June 30, 2013, is as follows:

Unit: Baht million

	Lease of partial area and public utilities systems and sale of movable properties to the Property Fund	Investment in the Property Fund	Total
HMPRO's net tangible assets (NTA)	10,942.67	10,942.67	10,942.67
3% of NTA	328.28	328.28	328.28
Value of connected transaction	4,060	1,420	5,480
Size of connected transaction as % of NTA	37.10%	12.98%	50.08%

From the above calculation, the transaction in lease of a partial area and public utilities systems and sale of movable properties and the transaction in investment in the Property Fund have a combined size equal to 50.08% of net tangible assets of the Company, which is greater than 3% of the Company's net tangible assets. Therefore, the Company has duty to disclose information on such transactions to the SET and to seek approval from the shareholders' meeting with a required affirmative vote of at least three-fourths of total votes of the shareholders attending the meeting and having the right to vote, excluding shareholders with a conflict of interest. The Company must also submit a notice of the shareholders' meeting, accompanied by opinion of an independent financial advisor, to the shareholders at least 14 days ahead of the date of the shareholders' meeting. The meeting of the Board of Directors of the Company resolved to propose the Extraordinary General Meeting of Shareholders No. 1/2013, scheduled for October 22, 2013, to consider and approve the above-mentioned transactions.

7. Value of assets being acquired or disposed of

Value of the lease of a partial area and public utilities systems and the sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund has been appraised by two independent valuers, Grand Asset Advisory Co., Ltd. and TAP Valuation Co., Ltd., by the income approach, details of which can be summed up as follows:

Unit: Baht million

Property item	Appraised value		Sale and purchase value
	Grand Asset Advisory Co., Ltd.	TAP Valuation Co., Ltd.	
Lease of a partial area and public utilities systems and sale of movable properties to the Property Fund	4,274	4,270	Not less than Baht 4,060 million

8. Expected benefits

8.1. Lease of a partial area and public utilities systems and sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund

The Company can use proceeds obtainable from the lease of a partial area and public utilities systems and the sale of movable properties in Market Village Hua-Hin shopping center project for financing its business expansion and new project investment. This will help to enhance its ability to launch other investments in the future, thus benefiting the Company and its shareholders in the long term. Moreover, Market Village Co., Ltd. will generate management fee income from serving as property manager of Market Village Hua-Hin shopping center project.

8.2. Acquisition of investment units of the Property Fund

Investment in the Property Fund investment units will enable the Property Fund to successfully mobilize the desired amount of capital to be used for additional asset acquisition as planned. This will provide the Property Fund with a financing source to purchase assets and relatively enable the Company to gain benefit in the form of dividend receivable as a unitholder of the Property Fund.

9. Application of funds obtainable from the transactions

The Company plans to use proceeds receivable from the lease of a partial area and public utilities systems and the sale of movable properties in Market Village Hua-Hin shopping center project to the Property

Fund, totaling not less than Baht 4,060 million (before deduction of withholding tax and other related expenses), for the following purposes:

- 9.1. Acquisition of investment units of the Property Fund in an amount not more than Baht 1,420 million;
- 9.2. The remaining Baht 2,640 million to be used for future business development and expansion of the Company, as well as for payment of expenses and taxes related to the above-mentioned transactions.

10. Other information relating to the Company

For other information of the Company that is required to be disclosed in the Information Memorandum in accordance with the Acquisition and Disposition Notification and the Connected Transaction Notification, as listed below, please refer to Part 2 Information on the Company.

- 10.1. Profile of the Company and its business operation (Part 2, pages 23 - 27)
- 10.2. List of executives and top 10 major shareholders as of the latest register book closing date (Part 2, pages 27 - 28)
- 10.3. Related party transactions in previous years up to the latest quarter (Part 2, pages 28-30)
- 10.4. Table summarizing financial statements and discussion and analysis of financial position and operating results in previous years up to the latest quarter (Part 2, pages 30-44)
- 10.5. Other information that may have material impacts on investors' decision (Part 2, page 44)
Responsibility of the Board of Directors for the Information Memorandum (Part 2, page 45)

11. Details of persons with a possible conflict of interest

As of September 11, 2013, parties deemed as the Company's connected persons in accordance with the Connected Transaction Notification and possibly having a conflict of interest include:

- 11.1. LH which is the Company's major shareholder owning 2,484,924,021 shares or 30.23% of the Company's paid-up capital;
- 11.2. Mr. Anant Asavabhokhin who owns 12,451,090 shares in the Company representing 0.15% of the Company's paid-up registered capital, and is a major shareholder of LH owning 2,382,639,623 shares or 23.76% of paid-up capital of LH, and also serves as authorized director of Land and Houses Bank Plc. ("LHBANK") and L&H Property Co., Ltd. ("LHPROP");

- 11.3. The Sunthornchitcharoen family which owns an aggregate of 100,000 shares in the Company representing 0.0012% of the Company's paid-up registered capital, with Mr. Naporn Sunthornchitcharoen serving as director of LH, LHBANK and the Company;
- 11.4. Mr. Rutt Phanijphand who serves as director of LHBANK and the Company;
- 11.5. Mrs. Suwanna Buddhaprasart who serves as director of LHBANK and the Company; and
- 11.6. The Thumpomkul family which owns an aggregate of 134,991,075 shares in the Company representing 1.64% of the Company's paid-up registered capital, with Mr. Khunawut Thumpomkul serving as director of LHBANK and the Company.

Note:

- 1/ Information on directors of the Company and the connected persons is based on affidavits and Form 56-1 for 2012 of the individual entities.
- 2/ Shareholder information of LH, LHBANK and the Company is derived from information on major shareholders declared to the SET as of the register book closing date of August 29, 2013, April 30, 2013 and September 11, 2013, respectively.
- 3/ Shareholder information of LHPROP is based on a copy of list of shareholders as of May 15, 2013.

Based on information from the register book closing as of September 11, 2013, shareholders who are connected persons and, thus, are not entitled to cast votes on the connected transactions at the Extraordinary General Meeting of Shareholders are as follows:

1.	Land and Houses Plc.	2,484,924,021	shares
2.	Mr. Anant Asavabhokhin	12,451,090	shares
3.	Mr. Khunawut Thumpomkul	118,451,075	shares
4.	Miss Ornnicha Thumpomkul	9,240,000	shares
5.	Mr. Thanat Thumpomkul	7,200,000	shares
6.	Mr. Pongsak Thumpomkul	100,000	shares
7.	Mr. Thitipol Sunthornchitcharoen	<u>100,000</u>	shares
	Total	<u>2,632,466,186</u>	shares

12. Participation in the meeting and voting by directors who are connected persons

There are five directors who may have a conflict of interest or who are representatives of persons who may have a conflict of interest, namely (1) Mr. Anant Asavabhokhin, (2) Mr. Naporn Sunthornchitcharoen, (3) Mr. Rutt Phanijphand, (4) Mrs. Suwanna Buddhaprasart and (5) Mr. Khunawut Thumpomkul, all of whom shall not be entitled to cast votes on the relevant agenda items.

At the meeting of the Company's Board of Directors No. 8/2013 held on August 27, 2013, when each agenda item seeking approval for the connected transaction was proposed for consideration, the said directors who may have a conflict of interest or who are representatives of persons who may have a conflict of interest neither participated in nor cast votes at the meeting.

13. Opinion of the Board of Directors of the Company

The Board of Directors is of the opinion that the lease of a partial area and public utilities systems and the sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund will provide the Company with a financing source for future business development and expansion. Moreover, Market Village Co., Ltd. will generate management fee income from serving as property manager of Market Village Hua-Hin shopping center project. The transactions are therefore considered appropriate and beneficial to the Company.

Moreover, the investment in the Property Fund investment units will enable the Property Fund to successfully mobilize the desired amount of capital to be used for asset acquisition as planned. This will provide the Property Fund with a financing source to purchase assets and relatively enable the Company to gain benefit in the form of dividend receivable as a unitholder of the Property Fund.

14. Opinion of the Audit Committee and/or the director which is different from the Board of Directors' opinion

- None -

15. Opinion of the Independent Financial Advisor

Please refer to a report on opinion of the Independent Financial Advisor, Advisory Plus Co., Ltd., which is enclosed herewith separately from this Information Memorandum.

Part 2

Information on the Company

1. Profile of the Company and its business operation

Company profile

Home Product Center Plc. was incorporated on June 27, 1995 with an initial registered capital of Baht 150,000,000, divided into 1,500,000 shares at a par value of Baht 100 per share. Using a trade name “HomePro,” the Company opened its first branch at Future Park Rangsit shopping center in September 1996, which served as its headquarters until June 2003 when the Company relocated the head office to Prachachuen Road (currently Prachachuen Branch). Significant changes and developments in the past three years can be briefed as follows:

July 2010 The SET added HMPRO to the SET 50 Index

October 2010 TRIS Rating Co., Ltd. upgraded the Company’s corporate credit rating from ‘A Stable Outlook’ to ‘A Positive Outlook.’

The Extraordinary General Meeting of Shareholders No. 1/2010 resolved to decrease and increase the registered capital as follows:

Decrease of the registered capital by 1,574 shares from 3,794,213,851 shares to 3,794,212,277 shares by the way of eliminating the ordinary shares remaining from allocation of stock dividend pursuant to resolution of the Extraordinary General Meeting of Shareholders No. 1/2009.

Increase of the registered capital by 632,393,250 shares of Baht 1 each to 4,426,605,527 shares to accommodate the payment of stock dividend and the exercise of warrants No. 4 by employees.

April 2011 The 2011 Annual General Meeting of Shareholders resolved to approve a decrease and increase of the registered capital as follows:

Decrease of the registered capital by 1,225,006 shares from 4,426,605,527 shares to 4,425,380,521 shares by the way of eliminating the ordinary shares remaining from allocation of stock dividend pursuant to resolution of the Extraordinary General Meeting of Shareholders No. 1/2010.

Increase of the registered capital by 726,415,310 shares of Baht 1 each to 5,151,795,831 shares to accommodate the payment of stock dividend.

- June 2011 The meeting of the Board of Directors resolved to establish a subsidiary, Home Product Center (Malaysia) Sdn. Bhd., to operate a retail business in Malaysia. The Company owns a 100% stake in this subsidiary.
- September 2011 The Extraordinary General Meeting of Shareholders No. 1/2011 resolved to approve a decrease and increase of the registered capital as follows:
- Decrease of the registered capital by 601,346 shares from 5,151,795,831 shares to 5,151,194,485 shares by the way of eliminating the ordinary shares remaining from allocation of stock dividend pursuant to resolution of the 2011 Annual General Meeting of Shareholders.
- Increase of the registered capital by 730,200,200 shares of Baht 1 each to 5,881,394,685 shares to accommodate the payment of stock dividend.
- November 2011 TRIS Rating Co., Ltd. upgraded the Company's corporate credit rating from 'A Positive Outlook' to 'A+ Stable Outlook.'
- April 2012 The 2012 Annual General Meeting of Shareholders resolved to approve a decrease of the registered capital by 823,450 shares from 5,881,394,685 shares to 5,880,571,235 shares by the way of eliminating the ordinary shares remaining from allocation of stock dividend pursuant to resolution of the Extraordinary General Meeting of Shareholders No. 1/2011.
- September 2012 The Extraordinary General Meeting of Shareholders No. 1/2012 resolved to approve an increase of the registered capital by 1,174,400,000 shares from 5,880,571,235 shares to 7,054,971,235 shares to accommodate the payment of stock dividend.
- February 2013 The Board of Directors resolved to propose to the 2013 Annual General Meeting of Shareholders to decrease and increase the registered capital as follows:
- Decrease of the registered capital by 1,387,5406 shares from 7,054,971,235 shares to 7,053,583,829 shares by the way of eliminating the ordinary shares remaining from allocation of stock dividend pursuant to resolution of the Extraordinary General Meeting of Shareholders No. 1/2012.
- Increase of the registered capital by 1,174,610,000 shares of Baht 1 each to 8,228,193,829 shares to accommodate the payment of stock dividend.

HMPRO has engaged in two core activities: 1) retail business and relating services and 2) space rental service for retail tenant stores. In 2012, revenues from retail business and relating

services accounted for 93.4% of total revenues and revenues from space rental service made up 6.6%.

Retail business and relating services

Retail business and relating services are the Company's main income source, which can be classified by type of revenues as follows:

1. Retail business: Divided into two major lines of products:
 - (a) Hard Line includes products such as construction materials, paints, home improvement, bathroom and sanitary ware, kitchenware, home appliances, electrical equipment, lighting, etc.
 - (b) Soft Line consists of items such as bedding, curtains and household decorative goods.
2. Services relating to retail business

Since most of the Company's products have instruction details and working process which customers need to understand, the Company has provided various kinds of related services by giving consultation and useful information for customers to make their buying decision on the products that best match the objectives of use.

Space rental service for retail tenant stores

The Company has arranged rental space in some branches for retail tenant shops. At the same time, the Company has developed the format of its branches, called "Market Village," which operates business in the form of full service shopping center. Inside the project, in addition to a HomePro branch, there is a shopping center area mainly occupied by tenants such as a supermarket, restaurants, bank branches, book stores, IT shops, etc.

As of December 31, 2012, the Company had a total of four HomePro Village branches: Suvarnabhumi branch, Hua Hin branch, Phuket-Chalong branch and Ratchaphruk branch.

Revenue structure of HMPRO group of companies

Revenues of the Company and its subsidiaries in 2010-2012 and 6M/2013 can be broken down as follows:

Unit: Baht million

Product	2010		2011		2012		6M/2013	
	Amount	%	Amount	%	Amount	%	Amount	%
1. Revenues from retailing								
- Hard Line ¹	19,850.6	76.6	23,187.7	76.0	28,049.1	75.9	15,571.7	76.4
- Soft Line ²	3,989.4	15.4	4,855.5	16.0	5,936.9	16.1	3,347.2	16.4
2. Revenues from project sales ³	232.7	0.9	320.2	1.0	555.6	1.4	255.3	1.2
Total sales revenues	24,072.8	92.9	28,363.4	93.0	34,541.6	93.4	19,174.2	94.0
3. Other revenues ⁴	1,842.1	7.1	2,139.0	7.0	2,427.7	6.6	1,217.6	6.0
Total	25,914.9	100.0	30,502.4	100.0	36,969.3	100.0	20,391.8	100.0

- Note
1. Hard Line consists of products such as construction materials, paints, home improvement, bathroom and sanitary ware, kitchenware, home appliances, electrical equipment, lighting, etc.
 2. Soft Line consists of items such as bedding, curtains and household decorative goods
 3. Revenues from project sales cannot be categorized by product lines.
 4. Other revenues include revenues from rental of space, in-store promotion fees, etc.

Business outlook

The Company has two major target groups, retail customers and contractors. Retail customers consist of new house segment and home improvement (old house) segment. The new house segment grows in line with economic condition. In buoyant economic times, customers in this group will have higher purchasing power to buy a new larger house. The old house segment apparently shows ongoing growth, driven by persistent demand for home refurbishment and maintenance, furnishing or expansion to cater to a larger family size. This segment has in recent years been on a rise. Consumers mostly favor the Buy-It-Yourself ("BIY") behavior, which requires assembling or installation services, rather than the Do-It-Yourself ("DIY") behavior. The Company therefore offers a complete range of services to facilitate these customers.

A majority of the Company's customers are retail clients, none of whom exceeds 30% of its total sales. Thus, the Company is not exposed to risk of losing bargaining power to its customers.

The Company's marketing aims to reach the target groups with utmost effectiveness by way of advertising and public relations through various media such as direct mail, publication, radio, television and billboard, in a bid to gain wide recognition of its product image and quality services.

Moreover, the Company has developed a customer relation management (CRM) program used for compiling customer data through the Home Card and Professional Card in order to offer products and services that could best match their requirements. Customers who hold these member cards will be eligible for a discount for purchasing products or services. Every purchase made with the card will accumulate points to redeem either cash for use on the next purchase or other

privileges such as joining the DIY workshop, redeeming points for a discount coupon, etc. At the end of 2012, the Company had more than 1,300,000 registered members.

On the side of distribution channels, the Company has expanded its branch network to cover the major residential areas in Bangkok and its vicinities, and plans to continuously open new outlets in the upcountry. As of June 30, 2013, the Company had a total of 57 branches in operation, of which 20 are located in Greater Bangkok and 37 are in the provinces. It also offers an online distribution channel via the Company's website at <http://www.directtoshop.com/>.

2. List of executives and top 10 major shareholders

2.1 Board of Directors and management (as of August 27, 2013)

No.	Name	Position
1	Mr. Anant Asavabhokhin	Chairman
2	Mr. Manit Udomkunnatum	Chairman of Executive Directors/Director
3	Mr. Khunawut Thumpomkul	Managing Director
4	Mr. Joompol Meesuk	Director
5	Mr. Naporn Sunthornchitcharoen	Director
6	Mr. Rutt Phanijsaphand	Director
7	Mr. Apichat Natasilpa	Director
8	Mrs. Suwanna Buddhaprasart	Director
9	Mr. Apilas Osatananda	Independent Director/Chairman of the Audit Committee
10	Mr. Thaveevat Tatiyamaneeikul	Independent Director/Member of the Audit Committee
11	Mr. Chanin Roonsumrarn	Independent Director/Member of the Audit Committee
12	Mr. Pong Sarasin	Independent Director

- Note
1. The Independent Directors are independent from the management and major shareholders of the Company.
 2. Mr. Manit Udomkunnatum and Mr. Thaveevat Tatiyamaneeikul are non-management directors who have experience in retail business which is related to the Company's business.
 3. Mr. Khunawut Thumpomkul who is a management director does not hold directorship in more than two other SET-listed entities.
 4. In the past two years, none of the board members have been the employee or partner of Ernst & Young Office Ltd. which is the external audit firm of the Company.
 5. The company secretary is Miss Wannee Juntamongkol, Senior Vice President - Accounting, Treasury and Legal.

2.2 List of major shareholders as of September 11, 2013

As of September 11, 2013,^{1/} the Company had a registered capital of Baht 8,228 million and an issued and fully paid capital of Baht 8,219 million, divided into 8,219 million ordinary shares with a par value of Baht 1 per share.

As of September 11, 2013^{1/} the latest register book closing date, the Company's top 10 major shareholders were as follows:

Name	No. of shares	%
1. Land and Houses Plc.	2,484,924,021	30.23
2. Quality Houses Plc.	1,625,110,505	19.77
3. Mr. Niti Osathanuklor	388,384,853	4.73
4. Mr. Manit Udomkunnatum	253,120,000	3.08
5. AIA Company Limited-DI-LIFE	210,000,185	2.55
6. Thai NVDR Co., Ltd.	145,895,510	1.77
7. Chase Nominees Limited 1	127,633,780	1.55
8. Mr. Jun Wanawit	125,553,150	1.53
9. Mr. Khunawut Thumpomkul	118,451,075	1.44
10. State Street Bank and Trust Company	117,295,596	1.43

Source: ^{1/} Stock Exchange of Thailand (www.set.or.th)

3. Related party transactions in 2012 and 6M/2013

3.1 Related party transactions

The Company and its subsidiaries have entered into crucial business transactions with related parties (related by way of shareholding or having mutual shareholders and/or directors) on a fair and arm's length basis. None of the transactions involved financial assistance, whether provision of loan or loan guarantee for non-subsidiary companies.

As of December 31, 2012 and June 30, 2013, the Company's outstanding transactions with the related parties can be summed up as follows:

(Unit: Baht 000's)

Company name/Nature of relationship	Transaction	Dec 31, 2012	June 30, 2013
<u>1. Land and Houses Plc.</u>			
- Being the Company's major shareholder holding 30.11% of paid-up capital as at March 7, 2013	Sales of goods	61,962	20,233

(Unit: Baht 000's)

Company name/Nature of relationship	Transaction	Dec 31, 2012	June 30, 2013
- Having two mutual directors: 1. Mr. Anant Asavabhokhin 2. Mr. Naporn Sunthornchitcharoen	Trade account receivable	4,999	4,092
Opinion of the Audit Committee and the management	: The transaction value was based on a reasonable price which was equal to the market price at which the Company sold products to other customers.		
<u>2. Quality Houses Plc.</u> - Being the Company's major shareholder holding 19.78% of paid-up capital as at March 7, 2013 - Having three mutual directors: 1. Mr. Rutt Phanijphand 2. Mr. Anant Asavabhokhin 3. Mrs. Suwanna Buddhaprasart	Sales of goods Trade account receivable	2,713 252	115 81
Opinion of the Audit Committee and the management	: The transaction value was based on a reasonable price which was equal to the market price at which the Company sold products to other customers.		
<u>3. Land and Houses Bank Plc.</u> - Having mutual shareholders as follows: 1. Land and Houses Plc. 2. Quality Houses Plc. - Having mutual directors as follows: 1. Mr. Anant Asavabhokhin 2. Mr. Rutt Phanijphand 3. Mr. Naporn Sunthornchitcharoen 4. Mrs. Suwanna Buddhaprasart	Interest income Deposits at financial institutions Rental and service fee income	20,970 819,161 2,402	1,519 24,164 1,304
Opinion of the Audit Committee and the management	: The Company was charged with interest at the same rate as applicable to other customers of LH Bank, and such interest rate is equal to the regular interest rates of other banks or financial institutions.		

(Unit: Baht 000's)

Company name/Nature of relationship	Transaction	Dec 31, 2012	June 30, 2013
4. Quality Houses Leasehold Property			
Fund			
- Having mutual shareholders as follows:	Other receivables	39	42
1. Quality Houses Plc.	Rental and service		
2. Land and Houses Plc.	fees payable	19,418	11,086
	Lease guarantee		
	deposits	1,124	1,499
	Other payables	3,000	3,000
<i>Opinion of the Audit Committee and the management</i>	<i>: The transaction value came from rental and service fees for rented space at Wave Place Building. The Audit Committee viewed that these expenses were computed based on a reasonable rate.</i>		

The related party transactions conducted in the group are worth less than 25%. The Company did not perform any acts that were against or non-compliant with guidelines on related party transactions.

3.2 Necessity and reasonableness of the transactions

The related party transactions are considered necessary and reasonable as they aim to create the maximum benefit to the Company. The Audit Committee rendered opinion that the transactions were in conformity with the usual course of business and the Company paid and received a fair transaction value.

4. Table summarizing financial statements and discussion and analysis of financial position and operating results in previous years up to the latest quarter

HMPRO's financial information according to its audited consolidated financial statements for the years ended December 31, 2010-2012 and reviewed consolidated financial statement for the six-month period ended June 30, 2013 was as follows:

Statements of financial position

	2010 ^{/1,3}		2011 ^{/1,4}		2012 ^{/1,4}		Q2/2013 ^{/2}	
	Bt. 000's	%	Bt. 000's	%	Bt. 000's	%	Bt. 000's	%
<u>Assets</u>								
<u>Current assets</u>								
Cash and cash equivalents	1,417,245	8.54	1,977,324	9.53	1,290,619	4.99	491,697	1.71
Trade and other receivables	^{/3} 662,407	3.99	986,436	4.75	1,251,621	4.84	1,128,015	3.92
Inventories	3,714,232	22.39	4,382,496	21.11	5,352,538	20.69	5,391,626	18.75
Value added tax receivable	28,231	0.17	-	-	64,832	0.25	80,728	0.28
Other current assets	^{/3} 67,345	0.41	108,269	0.52	172,483	0.67	218,978	0.76
Total current assets	5,889,460	35.50	7,454,525	35.91	8,132,093	31.44	7,311,044	25.42
<u>Non-current assets</u>								
Investment properties	^{/3} 1,159,294	6.99	1,095,983	5.28	1,376,270	5.32	1,435,784	4.99
Property, plant and equipment	^{/3} 8,513,529	51.30	10,812,386	52.09	14,846,558	57.40	18,320,988	63.72
Computer software	130,201	0.78	189,548	0.91	189,829	0.73	203,587	0.71
Leasehold rights	831,392	5.01	1,059,396	5.10	1,180,659	4.56	1,337,277	4.65
Property foreclosed	4,174	0.03	3,230	0.02	3,230	0.01	3,230	0.01
Rental guarantee deposits	47,701	0.29	51,937	0.25	59,687	0.23	54,972	0.19
Deferred tax assets	-	-	80,805	0.39	67,376	0.26	76,497	0.27
Other non-current assets	16,238	0.10	10,999	0.05	12,672	0.05	12,862	0.04
Total non-current assets	10,702,529	64.50	13,304,284	64.09	17,736,281	68.56	21,445,197	74.58
Total assets	16,591,989	100.00	20,758,809	100.00	25,868,374	100.00	28,756,241	100.00
<u>Liabilities and shareholders' equity</u>								
<u>Current liabilities</u>								
Short-term loans from financial institutions							1,300,000	4.52
Trade and other payables	5,896,503	35.54	7,291,779	35.12	8,091,332	31.28	9,253,130	32.18
Current portion of liabilities under financial lease agreements	4,598	0.03	3,720	0.02	5,967	0.02	5,251	0.02
Current portion of long-term loan	-	-	-	-	300,000	1.16	500,000	1.74
Current portion of debentures	730,000	4.40	300,000	1.45	1,700,000	6.57	-	-
Income tax payable	313,025	1.89	438,008	2.11	362,382	1.40	308,583	1.07
Value added tax payable	526	0.00	41,642	0.20	567	0.00	563	0.00
Advances received from customers	471,439	2.84	768,901	3.70	721,318	2.79	684,684	2.38
Other current liabilities	218,079	1.31	271,849	1.31	406,287	1.57	445,462	1.55
Total current liabilities	7,634,170	46.01	9,115,899	43.91	11,587,853	44.79	12,497,673	43.46
<u>Non-current liabilities</u>								
Liabilities under financial lease agreements - net of current portion	6,905	0.04	8,420	0.04	16,824	0.07	14,155	0.05
Long-term loans - net of current portion	-	-	-	-	1,200,000	4.64	1,850,000	6.43

	2010 ^{/1,3}		2011 ^{/1,4}		2012 ^{/1,4}		Q2/2013 ^{/2}	
	Bt. 000's	%	Bt. 000's	%	Bt. 000's	%	Bt. 000's	%
Debentures - net of current portion	2,000,000	12.06	2,700,000	13.01	2,300,000	8.89	2,300,000	8.00
Provision for long-term employee benefits	76,786	0.46	91,352	0.44	80,958	0.31	86,939	0.30
Rental received in advance	499,498	3.01	477,850	2.30	456,203	1.76	445,379	1.55
Other non-current liabilities	136,421	0.82	163,187	0.79	299,260	1.16	339,334	1.18
Total non-current liabilities	2,719,610	16.39	3,440,809	16.58	4,353,245	16.83	5,035,807	17.51
Total liabilities	10,353,780	62.40	12,556,708	60.49	15,941,098	61.62	17,533,480	60.97
Shareholders' equity								
Share capital ^{/5}								
Registered share capital								
8,228,193,829 ordinary shares							8,228,194	
7,054,971,235 ordinary shares					7,054,971			
5,881,394,685 ordinary shares			5,881,394					
4,426,605,527 ordinary shares	4,426,605							
Issued and fully paid-up								
8,219,637,893 ordinary shares							8,219,638	28.59
7,041,430,018 ordinary shares					7,041,430	27.22		
5,836,721,415 ordinary shares			5,836,721	28.12				
4,352,991,862 ordinary shares	4,352,992	26.23						
Share premium	621,807	3.75	636,330	3.07	646,066	2.50	646,323	2.25
Retained earnings								
Appropriated								
Statutory reserve – The Company	316,800	1.91	417,700	2.01	550,800	2.13	622,360	2.16
Statutory reserve – Subsidiary	-	-	500.00	0.00	500.00	0.00	500.00	0.00
Unappropriated	946,606	5.71	1,310,945	6.32	1,688,635	6.53	1,734,194	6.03
Other components of shareholders' equity	-	-	(98.00)	(0.00)	(161.00)	(0.00)	(259.00)	(0.00)
Equity attributable to owners of the Company	6,238,205	37.60	8,202,098	39.51	9,927,270	38.38	11,222,756	39.03
Non-controlling interests of the subsidiary	4	(0.00)	3	(0.00)	6	(0.00)	5	(0.00)
Total shareholders' equity	6,238,209	37.60	8,202,101	39.51	9,927,276	38.38	11,222,761	39.03
Total liabilities and shareholders' equity	16,591,989	100.00	20,758,809	100.00	25,868,374	100.00	28,756,241	100.00

Note: /1 Financial statements for the years ended December 31, 2010-2012 were audited by Mrs. Gingkarn Atsawangsali, Certified Public Accountant (Thailand) No. 4496, of Ernst & Young Office Limited.

/2 Financial statement for the period ended June 30, 2013 was reviewed by Mrs. Gingkarn Atsawangsali, Certified Public Accountant (Thailand) No. 4496, of Ernst & Young Office Limited.

/3 Financial statement for 2010 was reclassified.

/4 Financial statements for 2011 and 2012 have been restated.

/5 Par value of Baht 1 per share

Statements of comprehensive income

	2010 ^{/1,3}		2011 ^{/1}		2012 ^{/1}		6M/2013 ^{/2}	
	Bat. 000's	%	Bat. 000's	%	Bat. 000's	%	Bat. 000's	%
Profit or loss								
Sales income	24,072,755	92.89	28,363,421	92.99	34,541,550	93.43	19,174,253	94.03
Rental and service income	767,698	2.96	813,450	2.67	893,418	2.42	481,602	2.36
Other income	1,074,448	4.15	1,325,559	4.35	1,534,329	4.15	735,988	3.61
Total revenues	25,914,901	100.00	30,502,430	100.00	36,969,297	100.00	20,391,843	100.00
Cost of sales	18,052,221	69.66	21,073,977	69.09	25,559,391	69.14	14,072,187	69.01
Selling expenses	4,493,710	17.34	5,385,685	17.66	6,790,995	18.37	3,808,144	18.67
Administrative expenses	915,743	3.53	919,860	3.02	965,428	2.61	600,727	2.95
Other expenses	46,721	0.18	78,719	0.26	24,715	0.07	10,126	0.05
Total expenses	23,508,394	90.71	27,458,241	90.02	33,340,529	90.18	18,491,184	90.68
Profit before finance cost and income tax expenses	2,406,507	9.29	3,044,189	9.98	3,628,767	9.82	1,900,659	9.32
Finance cost	(103,493)	(0.40)	(117,613)	(0.39)	(146,169)	(0.40)	(102,179)	(0.50)
Profit before income tax expenses	2,303,015	8.89	2,926,576	9.59	3,482,599	9.42	1,798,480	8.82
Income tax expenses	(664,584)	(2.56)	(921,213)	(3.02)	(803,130)	(2.17)	(376,770)	(1.85)
Profit for the year	1,638,431	6.32	2,005,363	6.57	2,679,469	7.25	1,421,710	6.97
Other comprehensive income								
Exchange differences on translation of financial statements in foreign currency	-	-	(98)	(0.00)	(63)	(0.00)	(98)	(0.00)
Actuarial gains	-	-	-	-	23,781	0.06	-	-
Other comprehensive income for the year	-	-	(98)	(0.00)	23,718	0.06	(98)	(0.00)
Total comprehensive income for the year	1,638,431	6.32	2,005,265	6.57	2,703,187	7.31	1,421,612	6.97
Profit attributable to:								
Equity holders of the Company	1,638,429	6.32	2,005,361	6.57	2,679,466	7.25	1,421,711	6.97
Non-controlling interests of the subsidiary	2	0.00	2	0.00	3	0.00	(1)	(0.00)
	1,638,431	6.32	2,005,363	6.57	2,679,469	7.25	1,421,710	6.97
Total comprehensive income attributable to:								
Equity holders of the Company	1,638,429	6.32	2,005,263	6.57	2,703,184	7.31	1,421,613	6.97
Non-controlling interests of the subsidiary	2	0.00	2	0.00	3	0.00	(1)	(0.00)
	1,638,431	6.32	2,005,265	6.57	2,703,187	7.31	1,421,612	6.97
Earnings per share:								
Basic earnings per share								
Profit attributable to equity holders of the Company	0.28		0.29		0.38		0.17	
Diluted earnings per share								
Profit attributable to equity holders of the Company	0.28		0.29		0.38		0.17	

Note: /1 Financial statements for the years ended December 31, 2010-2012 were audited by Mrs. Gingkarn Atsawarangsali, Certified Public Accountant (Thailand) No. 4496, of Ernst & Young Office Limited.

/2 Financial statement for the period ended June 30, 2013 was reviewed by Mrs. Gingkarn Atsawarangsali, Certified Public Accountant (Thailand) No. 4496, of Ernst & Young Office Limited.

/3 Financial statement for 2010 was reclassified.

Statements of cash flow

Unit: Baht 000's

Statements of cash flow	2010	2011	2012	6M/2013
Net cash flow provided by (used in) operating activities	2,624,555	3,830,461	3,434,514	2,842,620
Net cash flow provided by (used in) investing activities	(2,005,683)	(3,418,735)	(5,667,225)	(3,961,932)
Net cash flow provided by (used in) financing activities	(47,958)	148,451	1,546,069	320,488
Translation adjustments	-	(98)	(63)	(98)
Net increase (decrease) in cash and cash equivalents	570,914	560,079	(686,705)	(798,922)
Cash and cash equivalents at beginning of year	846,331	1,417,245	1,977,324	1,290,619
Cash and cash equivalents at end of year	1,417,245	1,977,324	1,290,619	491,697

Financial ratios

Financial ratios		Dec 31, 10	Dec 31, 11	Dec 31, 12	Q2/2013
Liquidity ratio					
Current ratio	(time)	0.77	0.82	0.70	0.58
Quick ratio	(time)	0.21	0.24	0.14	0.07
Cash flow liquidity ratio	(time)	0.37	0.46	0.33	0.47
Account receivable turnover ratio	(time)	152.05	147.40	129.80	114.33
Average collection period	(day)	2	2	3	3
Inventory turnover ratio	(time)	5.45	5.21	5.25	5.24
Average selling period	(day)	67	70	70	70
Account payable turnover ratio	(time)	3.94	3.87	4.04	3.97
Average repayment period	(day)	93	94	90	92
Cash cycle	(day)	(24)	(22)	(17)	(19)
Profitability ratio					
Gross profit margin	(%)	25.01	25.70	26.00	26.61
Operating profit margin	(%)	10.00	10.73	10.51	9.91
Other income to total revenues	(%)	7.11	7.01	6.57	5.97
Cash to earnings ratio	(%)	109.06	125.83	94.65	149.56
Net profit to total revenues	(%)	6.32	6.57	7.31	6.97
Return on equity	(%)	28.62	27.77	29.56	26.89
Efficiency ratio					
Return on assets	(%)	10.76	10.74	11.59	10.41
Return on fixed assets	(%)	24.82	25.52	25.71	22.26
Asset turnover	(time)	1.70	1.63	1.59	1.49
Financial policy ratio					
Debt to equity ratio	(time)	1.66	1.53	1.61	1.56
Interest coverage ratio	(time)	33.95	42.55	30.46	32.87
Commitment coverage ratio - cash basis	(time)	0.69	0.89	0.49	0.48
Dividend payout	(%)	^{1/} 91.76	^{2/} 84.08	^{3/} 96.52	-

Note: ^{1/} Dividend payment for 2010 was made from H1 results in an amount of Baht 693 million (consisting of stock dividend at a rate of 6 old shares/1 stock dividend and cash dividend at Baht 0.0193/share) and from H2 results of Baht 810 million (stock dividend at 6 old shares/1 stock dividend and cash dividend at Baht 0.0193/share), making up total dividend payment for 2010 of Baht 1,503 million.

^{2/} Dividend payment for 2011 was made from H1 results in an amount of Baht 810 million (consisting of stock dividend at a rate of 7 old shares/1 stock dividend and cash dividend at Baht 0.0159/share) and from H2 results of Baht 876 million (cash dividend at Baht 0.15/share), making up total dividend payment for 2011 of Baht 1,686 million.

^{3/} Dividend payment for 2012 was made from H1 results in an amount of Baht 1,303 million (consisting of stock dividend at a rate of 5 old shares/1 stock dividend and cash dividend at Baht 0.02223/share) and from H2 results of Baht 1,306 million (stock dividend at 6 old shares/1 stock dividend and cash dividend at Baht 0.1667/share), which was proposed for approval from the 2013 Annual General Meeting of Shareholders, making up total dividend payment for 2012 of Baht 2,609 million.

Discussion and analysis of operating results in 2010-2012 and Q2/2013

Operating results in 2010-2012

Overview of past performance

Thai economy in 2010 was threatened by several factors, including world economic uncertainties, local political unrest, fluctuations in baht value and capital flows, and natural disasters. Despite that, Thai GDP could grow by more than 7%, driven partly by the exports of goods and services that expanded in line with major trade partners' economic recovery and partly by the ongoing pick-up in domestic demand. Positive results of these contributing factors became more distinct in the latter half of the year.

Overall retail business in 2010 grew moderately, spurred by the economic improvement, stronger political stability, the government sector's implementation of economic stimulus policy, and salary increase by all government sectors which helped to boost consumers' purchasing power. In the second half of the year, the consumer confidence index picked up due to restoration of consumers' confidence in Thai economy, employment and future income.

In 2011, Thailand was hard hit by a massive flood crisis in the final quarter of the year which had had devastating impacts on the country's economy, notably manufacturing, exports and domestic consumption. As a consequence, the government sector had to revise down the GDP growth forecast from 4%-5% to just 0.1%.

In the first nine months of the year, retail business showed a positive outlook, helped by the government sector's consumption stimulus measures and salary increases for civil servants, thereby improving consumers' purchasing power. Then, the severe floods that took place in the fourth quarter prompted consumers who lived in the flood-hit areas, flood-prone areas and nearby areas to buy a large amount of consumer products both for own consumption and for donation, thus resulting in increasing sales volume of retail business.

2012 witnessed a recovery in Thai economy after weathering the worst floods in the final quarter of 2011. Overall Thai exports still could not perform well because the economy in the USA, Europe and Japan which are Thailand's main export markets had not yet fully recovered. However, local purchasing power quickly returned to normal, as evident from a dramatic increase in the Company's first-quarter sales. Thai GDP growth rate could reach 6.4%.

The Thai economic improvement in 2012 enabled the Company to achieve satisfactory business performance, with a surge of 21.8% in its total sales and 33.6% in profit.

All in all, the Company could report a year-on-year increase in sales, total revenues and net profit during 2010-2012, contributed by factors such as branch network expansion, same store sales

growth, sales of newly opened branches, inventory management efficiency, revenues from space rental business, etc. Growth in its business performance in 2010 and 2011 also was ascribed to income earning from the HomePro Expo event.

Sales income

In 2010-2012, the Company and its subsidiaries recorded total sales income of Baht 24,072.76 million, Baht 28,363.42 million and Baht 34,541.55 million respectively, growing year on year by Baht 4,209.67 million or 17.82% and Baht 6,178.13 million or 21.78% respectively. Such growth was driven by same store sales growth, sales of branches newly opened in each year, and sales derived from the HomePro Expo event organized in the first and the fourth quarters of 2012.

Other income

In 2010-2012, the Company and its subsidiaries generated other income totaling Baht 1,842.15 million, Baht 2,139.01 million and Baht 2,427.75 million respectively, increasing year on year by Baht 296.86 million or 16.12% in 2011 and Baht 288.74 million or 13.50% in 2012, and representing 7.65%, 7.54% and 7.03% of total sales respectively. Changes in other income items are as follows:

- Rental and service income rose year on year by Baht 45.75 million and Baht 79.97 million year on year, resulting from an increase in rental fees from tenant shops at HomePro outlets and rented space at Market Village Hua-Hin shopping center project.
- Other income grew by Baht 251.11 million and Baht 208.77 million year on year, coming from advertising income, support fee of promotional activities from business partners, and service fee related to sales of goods.

Cost of sales and gross profit margin

In 2010-2012, the Company and its subsidiaries recorded total cost of sales of Baht 18,052.22 million, Baht 21,073.98 million and Baht 25,559.39 million respectively, rising year on year by Baht 3,021.76 million or 16.74% in 2011 and Baht 4,485.41 million or 21.28% in 2012 in line with sales growth.

The Company reported a gross profit of Baht 6,020.53 million, Baht 7,289.44 million and Baht 8,982.16 million respectively, up year on year by Baht 1,268.91 million in 2011 and Baht 1,692.72 million in 2012, with gross profit margin continually edging up from 25.01% to 25.70% and 26.00% respectively.

The gross profit increase resulted from improvement of product mix, particularly an increase in sales of private brand products, and also from enhancement of inventory management efficiency and increase in volume discount of in a large quantity, thus leading cost of sales to increase at a slower rate.

Selling and administrative expenses

In 2010-2012, the Company and its subsidiaries recorded selling and administrative expenses of Baht 5,456.17 million, Baht 6,384.26 million and Baht 7,781.14 million respectively, increasing year on year by Baht 928.09 million or 17.01% in 2011 and Baht 1,396.87 million or 21.88% in 2012, and making up 22.67%, 22.51% and 22.53% of total sales respectively. Details of each expenses item during 2010-2012 are as follows:

- Selling expenses were Baht 4,493.71 million, Baht 5,385.69 million and Baht 6,790.99 million respectively, comprising expenses for branches, operation and distribution units, increasing year on year by Baht 891.98 million in 2011 and Baht 1,405.30 million in 2012 due to expenses incurred from salaries, transportation cost and service cost, utilities cost, and depreciation.
- Administrative expenses amounted to Baht 915.74 million, Baht 919.86 million and Baht 965.43 million respectively, chiefly coming from the headquarters, rising year on year by Baht 4.12 million and Baht 45.57 million due to expenses incurred from maintenance cost, consulting fee and other fees.

Finance cost

Finance cost was Baht 103.49 million, Baht 117.61 million and Baht 146.17 million in 2010-2012 respectively, up year on year by Baht 14.12 million or 13.64% in 2011 and Baht 28.56 million or 24.28% in 2012. Such increase was caused mainly by a rise in long-term liabilities from issuance of debentures and loans from financial institutions raised in Q3/2011 and 2012. Finance cost in percentage of total sales stayed in about the same level of 0.43%, 0.41% and 0.42% in 2010-2012 respectively.

Net profit

From the operation in 2010-2012, the Company and its subsidiaries posted a net profit of Baht 1,638.43 million, Baht 2,005.27 million and Baht 2,703.09 million respectively, growing year on year by Baht 366.84 million or 22.39% in 2011 and Baht 697.82 million or 34.80% in 2012.

Net profit growth in 2011 and 2012 resulted from an increase in sales and other income. Moreover, cost of sales rose at a slower rate than sales, leading to a higher gross profit. At the same time, the reduction in corporate income tax rate from 30% to 23% in 2012 caused the ratio of net profit to sales to edge up to 7.07% and 7.83% respectively.

Return on equity (ROE)

ROE stayed at 28.62%, 27.77% and 29.56% as of December 31, 2010-2012 respectively. A decline in ROE in 2011 stemmed from an increase in shareholders' equity due to issuance of stock

dividends. For 2012, the Company could operate business effectively and could accordingly increase the shareholder returns from their investment.

Operating results in 6M/2013

Overview of past performance

For the 6M/2013 period, the Company's sales, total revenues and net profit could grow from the same period of the previous year, driven by an increasing number of branches, same store sales growth, sales of newly opened branches, inventory management efficiency, revenues from space rental business, etc.

Sales income

For the 6M/2013 period, the Company and its subsidiaries achieved total sales income of Baht 19,174.25 million, up year on year by Baht 2,800.53 million or 17.10% due to same store sales growth and sales of newly opened branches.

Other income

In the 6M/2013 period, the Company and its subsidiaries generated other income totaling Baht 1,217.59 million, increasing year on year by Baht 140.12 million or 13.00% and making up 6.35% of total sales. Changes in other income items are as follows:

- Rental and service income rose year on year by Baht 51.44 million, resulting from an increase in rental fees from tenant shops at HomePro outlets and rented space at Market Village Hua-Hin shopping center project.
- Other income grew by Baht 88.68 million year on year, coming from advertising and sales promotion income, service fees from customers, and other income.

Cost of sales and gross profit margin

In 6M/2013, the Company and its subsidiaries recorded total cost of sales of Baht 14,072.19 million, rising year on year by Baht 1,898.95 million or 15.60% in line with sales growth.

The Company reported a gross profit of Baht 5,102.07 million, up year on year by Baht 901.59 million. It could post a gross profit margin of 26.61% due to improvement of product mix by increasing the proportion of high margin products.

Selling and administrative expenses

In 6M/2013, the Company and its subsidiaries recorded selling and administrative expenses of Baht 4,419.00 million, rising year on year by Baht 765.36 million or 20.95% and making up 23.05% of total sales due to increases in salaries, utilities cost, service cost, depreciation, marketing expenses, and expenses on preparation for new branch opening and new business launch.

Finance cost

In the 6M/2013 period, the Company and its subsidiaries recorded total finance cost of Baht 102.18 million, surging year on year by Baht 43.10 million or 72.94%. Such increase resulted from a rise in short-term liabilities, issuance of debentures in Q3/2012 and long-term loans from financial institutions raised in Q4/2012 and Q2/2013. Finance cost made up 0.53% of total sales.

Net profit

In the 6M/2013 period, the Company and its subsidiaries posted a net profit of Baht 1,421.61 million, growing year on year by Baht 220.34 million or 18.34% due to an increase in sales and other income. Moreover, cost of sales rose at a slower rate than sales, leading to a higher gross profit. At the same time, the reduction in corporate income tax rate from 23% to 20% in 2013 caused the ratio of net profit to sales to move up to 7.41%.

Return on equity (ROE)

ROE dropped to 26.89% as of June 30, 2013, stemming from growth in shareholders' equity due to issuance of stock dividends.

Discussion and analysis of financial position as of December 31, 2010-2012 and June 30, 2013

Net assets

As of December 31, 2010-2012, the Company and its subsidiaries had total assets of Baht 16,591.99 million, Baht 20,758.81 million and Baht 25,868.37 million respectively, increasing year on year by Baht 4,166.82 million or 25.11% and Baht 5,109.57 million or 24.61% respectively. Such asset growth was attributed to changes in the following major items:

- Cash and cash equivalents rose by Baht 560.08 million in 2011 due to bank deposits received from debenture issuance during the year and outstanding cash at branches at the year-end date, and then declined by Baht 686.71 million in 2012 as a result of a decrease in outstanding cash at branches at the year-end date.
- Trade accounts receivable grew by Baht 96.29 million in 2012 and other receivables increased by Baht 89.77 million in 2011 and Baht 347.57 million in 2012, comprising support fee of promotional activities, rental fees and other related service fees.
- Inventories-net increased by Baht 668.26 million in 2011 and Baht 970.04 million in 2012 in tandem with the increase in number of new branches.
- Property, plant and equipment-net, leasehold rights-net and computer software-net soared by Baht 2,586.21 million or 27.29% in 2011 and Baht 4,155.72 million or 34.45% in 2012, consisting of investments in new store expansion in 2011-2013.

- Investment properties in subsidiaries grew by Baht 280.23 million in 2012, ascribed to construction of a new car park building at Market Village Hua-Hin shopping center project.
- Other assets-net rose by Baht 138.47 million in 2012.

Liabilities

As of December 31, 2010-2012, the Company and its subsidiaries had total liabilities of Baht 10,353.78 million, Baht 12,556.71 million and Baht 15,941.10 million respectively, increasing year on year by Baht 2,202.93 million or 21.28% and Baht 3,384.39 million or 26.95% respectively due to changes in the following items:

- Trade accounts payable increased by Baht 1,007.88 million in 2011 and Baht 753.64 million in 2012, resulting from increased product orders in line with sales growth.
- Debentures-net rose by Baht 270 million in 2011 and Baht 1,000 million in 2012, while repayments were made in an amount of Baht 730 million and Baht 300 million during the year of 2011 and 2012 respectively and there was additional issuance of unsubordinated and unsecured debentures of Baht 1,000 million and Baht 1,300 million respectively.
- Long-term loans from financial institutions-net increased by Baht 1,500 million in 2012, of which Baht 300 million will mature in 2013.
- Other liabilities-net increased by Baht 537.65 million in 2011 and Baht 84.84 million in 2012.

Shareholders' equity

As of December 31, 2010-2012, shareholders' equity stood at Baht 6,238.21 million, Baht 8,202.10 million and Baht 9,927.28 million respectively, growing year on year by Baht 1,963.89 million or 31.48% and Baht 1,725.18 million or 21.03% respectively due to increases in the following items:

- Issued and fully paid-up ordinary shares increased by Baht 1,483.73 million in 2011 and Baht 1,204.71 million in 2012, resulting from a capital increase to accommodate payment of stock dividends in April and October 2011 totaling Baht 1,455.19 million and in October 2012 of Baht 1,173.01 million and also from exercise of warrants No. 4 by employees of Baht 28.54 million in 2011 and Baht 31.70 million in 2012.
- Share premium grew by Baht 14.52 million in 2011 and Baht 9.74 million in 2012.
- Retained earnings increased by Baht 384.93 million in 2011 and Baht 524.22 million in 2012, divided into appropriated retained earnings for statutory reserve of Baht 101.40 million and Baht 133.10 million and unappropriated retained earnings of Baht 364.34 million and Baht 377.69 million respectively.

Capital structure

As of December 31, 2010-2012, the Company had total liabilities of Baht 10,353.78 million, Baht 12,556.71 million and Baht 15,941.10 million respectively and shareholders' equity of Baht 6,238.21 million, Baht 8,202.10 million and Baht 9,927.27 million respectively, representing a total debt to equity ratio of 1.66 times, 1.53 times and 1.61 times respectively.

Financial position as of June 30, 2013

Net assets

As of June 30, 2013, the Company and its subsidiaries had total assets of Baht 28,756.24 million, growing year on year by Baht 2,887.87 million or 11.16%, due to an increase in property, plant and equipment-net of Baht 3,474.43 million or 23.40%. Capital expenditure was made primarily for new branches opening in 2013 and partly for branch network expansion in the following years.

Liabilities

As of June 30, 2013, the Company and its subsidiaries had total liabilities of Baht 17,533.48 million, rising year on year by Baht 1,592.38 million or 9.99% due to changes in the following crucial items:

- Short-term loans from financial institutions increased by Baht 1,300 million, of which Baht 1,000 million will mature in March 2014 and Baht 300 million is a call loan.
- Trade accounts payable increased by Baht 765.05 million, resulting from increased product orders in line with sales growth. Payables for purchases of properties increased by Baht 520.52 million due to branch expansion.
- Debentures-net decreased by Baht 1,700 million because of redemption of debentures due on January 8, 2013 in an amount of Baht 700 million and on June 25, 2013 of Baht 1,000 million.
- Long-term loans from financial institutions Tranche 1 decreased by Baht 150 million and Tranche 2 increased by Baht 1,000 million, with Baht 500 million maturing in 2013.

Shareholders' equity

As of June 30, 2013, shareholders' equity stood at Baht 11,222.76 million, growing year on year by Baht 1,295.49 million or 13.05% due to increases in the following items:

- Issued and fully paid-up ordinary shares increased by Baht 1,178.21 million, resulting from a capital increase to accommodate payment of stock dividends in April 2013 of Baht 1,173.61 million, and also from exercise of warrants No. 4 by employees of Baht 4.60 million.
- Share premium rose by Baht 0.26 million.

- Retained earnings increased by Baht 117.12 million, divided into appropriated retained earnings for statutory reserve of Baht 71.56 million and unappropriated retained earnings of Baht 45.56 million.

Capital structure

As of June 30, 2013, the Company had total liabilities of Baht 17,533.58 million and shareholders' equity of Baht 11,222.76 million, representing a total debt to equity ratio of 1.56 times.

According to the rights and duties in issuance of debentures, the Company is required to maintain an interest-bearing financial debt to equity ratio at not over 1.75 times. The Company has been able to meet this requirement, with such ratio during 2010-2012 and 6M/2013 shown as follows:

	2010	2011	2012	Q2/2013
Interest-bearing financial debt to equity ratio	0.44	0.37	0.56	0.53

Key financial ratios

Debt to equity ratio as of December 31, 2010-2012 and in the 6M/2013 period was rather stable, standing at 1.66, 1.53, 1.51 and 1.56 times respectively.

Return on equity as of December 31, 2010-2012 and in the 6M/2013 period was equal to 28.62%, 27.77%, 29.56% and 26.89% respectively. Such increase and decrease in ROE resulted from the Company's effective business operation and ability to increase the shareholder returns from their investment, and also from an increase in shareholders' equity due to issuance of stock dividends.

Return on total assets as of December 31, 2010-2012 and in the 6M/2013 period was 10.76%, 10.74%, 11.59% and 10.41%. Such increase and decrease were attributed to effective business operation and branch expansion.

Liquidity

As of December 31, 2010-2012, the Company and its subsidiaries had cash and cash equivalents of Baht 1,417.24 million, Baht 1,977.32 million and Baht 1,290.62 million respectively. Cash provided by and used in various activities in 2012 was described below:

- Net cash provided by operating activities amounted to Baht 3,434.51 million. It came from profit before changes in current assets and liabilities of Baht 4,953.60 million and an increase in working capital due to significant changes in operating assets and liabilities, comprising increases in trade and other receivables of Baht 257.78 million, inventories of

Baht 1,060.41 million, other current assets of Baht 138.47 million, trade and other payables of Baht 788.40 million and other current liabilities of Baht 160.21 million and payment of interest and income tax of Baht 1,011.02 million.

- Net cash used in investing activities amounted to Baht 5,667.23 million, consisting of acquisition of land and assets for branch expansion in 2012 and 2013 of Baht 5,643.03 million and computer software of Baht 24.19 million.
- Net cash provided by financing activities amounted to Baht 1,546.07 million. It came from long-term loans from financial institutions of Baht 1,510.65 million, debenture issuance of Baht 1,300.00 million and conversion of warrants to ordinary shares of Baht 41.43 million, repayment of debentures of Baht 300.00 million and dividends paid of Baht 1,006.01 million.

As of June 30, 2013, the Company and its subsidiaries had cash and cash equivalents of Baht 491.70 million. Cash provided by and used in various activities was as follows:

- Net cash provided by operating activities amounted to Baht 2,842.62 million. It came from profit before changes in current assets and liabilities of Baht 2,736.78 million and an increase in working capital due to significant changes in operating assets and liabilities, comprising an increase in trade and other receivables of Baht 123.61 million, a decrease in inventories of Baht 89.39 million, a decrease in other current assets of Baht 57.87 million, an increase in trade and other payables of Baht 644.48 million and in other current liabilities of Baht 31.03 million and payment of interest and income tax of Baht 546.63 million.
- Net cash used in investing activities amounted to Baht 3,961.93 million, consisting of acquisition of land and assets for branch expansion of Baht 3,942.43 million and computer software of Baht 19.50 million.
- Net cash provided by financing activities amounted to Baht 320.49 million. It came from short-term and long-term loans from financial institutions of Baht 1,300 million and Baht 1,000 million respectively, conversion of warrants to ordinary shares of Baht 4.86 million, repayment of liabilities under financial lease agreements of Baht 3.39 million, repayment of long-term loans and debentures of Baht 150 million and Baht 1,700.00 million respectively, and dividends paid of Baht 130.98 million.

5. Other information that may have material impacts on investors' decision

- None -

6. Responsibility of the Board of Directors for the Information Memorandum

The Board of Directors is responsible for the Information Memorandum. After consideration, the Board of Directors believes that the information is correct and complete in material aspect and sufficient for shareholders' decision.

Please be informed accordingly.

Yours sincerely,

Home Product Center Public Company Limited

Khunawut Thumpomkul

Mr. Khunawut Thumpomkul

Managing Director

Investor Relations Department

Tel. 02-832-1000 Ext. 1416, 1494

(Translation)
Opinion of the Independent Financial Advisor
Regarding Connected Transactions

of



Home Product Center Public Company Limited

Prepared by



Advisory Plus Company Limited

September 9, 2013

Contents

1. Characteristics and Details of the Transactions	7
1.1 Objectives of the transactions	7
1.2 Type and size of the transactions	7
1.2.1 Calculation of size of the acquisition and disposal transactions	7
1.2.2 Calculation of size of the connected transactions	8
1.3 Value of consideration	9
1.4 Details of connected persons	9
2. Details of the Connected Transactions	11
2.1 Lease of area and public utilities systems and sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund	11
2.1.1 Summary of Market Village Hua-Hin shopping center project	11
2.1.2 Details of area in Market Village Hua-Hin shopping center project to be leased by the Company to the Property Fund	14
2.1.3 Summary of draft agreements	18
2.2 Investment in the Property Fund	26
3. Profile of the Company	27
3.1 Background	27
3.2 Nature of business operation of the Company and its subsidiaries	28
3.2.1 Business operation of the Company	29
3.2.2 Nature of business operation of subsidiaries	29
3.3 Revenue structure of the Company and its subsidiaries	30
3.4 Shareholders	31
3.5 Board of Directors	31
3.6 Financial information	32
3.6.1 Financial statements	32
3.6.2 Analysis of past performance	36

3.6.3	Analysis of past financial position	41
3.6.4	Liquidity	44
3.6.5	Liquidity ratio	45
3.7	Industry situation relating to the Company's business	45
3.7.1	Description of products and services	45
3.7.2	Marketing and competition overview	46
4.	Reasonableness of the Transactions	51
4.1	Objectives and necessity of the transactions	51
4.2	Advantages and disadvantages of entering and not entering into the transactions	52
4.2.1	Lease of area and public utilities systems and sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund	52
4.2.2	Investment in the Property Fund	55
4.3	Comparison of advantages and disadvantages between entering into the transactions with a connected party and those with a third party, necessity for entering into the transactions with a connected party and reasons for not entering into the transactions with a third party	57
4.4	Impacts of the acquisition and disposal transactions and connected transactions on the Company's consolidated financial statements	57
4.5	Conditions and uncertainty of the transactions	58
5.	Fairness of Price and Conditions for the Transactions	59
5.1	Fairness of price	59
5.1.1	Lease of a partial area and sale of movable properties in Market Village Hua-Hin shopping center project	59
5.1.2	Investment in the Property Fund	74
5.2	Appropriateness of conditions for the transactions	75
5.2.1	Agreement on lease of a partial area and sale of movable properties in Market Village Hua-Hin shopping center project	75
5.2.2	Property management service agreement	75
5.2.3	Investment in the Property Fund	76
6.	Conclusion of the Independent Financial Advisor's Opinion	77

AP. 051/2556

September 9, 2013

To The Board of Directors and the Shareholders
Home Product Center Plc.

Subject Opinion of the Independent Financial Advisor regarding connected transactions of the Company

The meeting of the Board of Directors of Home Product Center Plc. (“the Company” or “HMPRO”) No. 8/2013 held on August 27, 2013 passed resolutions for the Company to enter into the transactions as follows:

Transaction 1 Approval for the Company to enter into an agreement to lease out a partial area of Market Village Hua-Hin shopping center, featuring a four-storied building with one basement covering a combined area of about 50,518 square meters, together with public utilities systems comprising electricity system, telephone system, lifts, escalators, air-conditioning system, engineering system, etc. and component parts, whether permanently fixed or not permanently fixed to the leased properties, including other facilities installed and utilized within Market Village Hua-Hin shopping center and any rights relate to or associated with such properties, for a lease term of approximately 27 years from the date of leasehold right registration or expiring on August 31st, 2040, and approval to sell movable properties used for decoration or provision of conveniences to visitors of Market Village Hua-Hin shopping center, to LH Shopping Center Leasehold Property Fund (“Property Fund”) at a total price before deduction of expenses of not less than Baht 4,060 million, together with approval for Market Village Co., Ltd. (“the Subsidiary” or “MV”), in which the Company owns a stake of 99.99%, to provide service as the properties manager of Market Village Hua-Hin shopping center project.

Nonetheless, at present the Company has leased out a partial area in Market Village Hua-Hin shopping center to a subsidiary under the Market Village Shopping Center Lease Agreement. Such area is the same area that the Company will lease out to the Property Fund. In addition, the subsidiary, as a lessee of the partial area in Market Village Hua-Hin shopping center, has engaged the Company to manage and operate Market Village shopping center under the Market Village Shopping Center Project Management Service Agreement. As a consequence, approval was also granted for the Company to terminate the Market Village Shopping Center Lease Agreement and the Market Village Shopping Center Project Management Service Agreement signed with the subsidiary, whereby the termination of such agreements shall

become valid only after the lease agreement between the Company and the Property Fund and the property management service agreement between the Property Fund and the subsidiary have taken full force and become effective.

Transaction 2 Approval for the Company to invest in the Property Fund investment units in an amount not exceeding one-third of the appraised value of the properties to be leased out and sold to the Property Fund, with value of such investment preliminarily expected at not more than Baht 1,420 million.

Total size of the disposal of assets in Transaction 1 is equal to 14.12% which is deemed as an asset disposal transaction with size not exceeding 15% of total assets. However, if a total price of the leasehold right and the sale of movable properties is greater than Baht 4,313.44 million, total size of the asset disposal transaction will then exceed 15% and such transaction will relatively be deemed as a Type 2 asset disposal transaction in accordance with Notification of the Capital Market Supervisory Board No. ThorChor. 20/2551 Re: “Rules on Entering into Material Transactions Deemed as Acquisition or Disposition of Assets” and Notification of the Stock Exchange of Thailand (“SET”) Re: “Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547” (hereinafter collectively called “the Acquisition or Disposition Notification”). If the transaction size is higher than 15% but less than 50%, the Company is obligated to disclose information on such transaction to the SET and to submit a circular letter to inform the shareholders within 21 days from the date of disclosure of the transaction to the SET. As for Transaction 2, it is an acquisition of assets with total size equal to 4.94%, which is lower than 15%. As such, the transaction is subject to approval authority of the Board of Directors’ meeting of the Company and the Company accordingly is not required to prepare a report and disclose information on the transaction to the SET, nor to seek approval from the shareholders’ meeting of the Company.

Nonetheless, although the two transactions are deemed as asset acquisition and disposal transactions with total size lower than 15% of total assets of the Company, they are considered as connected transactions in accordance with Notification of the Capital Market Supervisory Board No. ThorChor. 21/2551 Re: “Rules for Connected Transactions” and Notification of the SET Board of Governors Re: “Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546” (hereinafter collectively called “the Connected Transaction Notification”) because:

(1) After completion of the establishment of the Property Fund, Land and Houses Public Company Limited. (“LH”), which is a major shareholder with shareholding of 30.21% of the Company’s paid-up and registered capital, may acquire investment units of the Property Fund, both directly and indirectly, in an amount greater than 10% of total number of issued and offered investment units; and

(2) Mr. Anant Asavabhokhin is a LH’s major shareholder with shareholding of 23.76% of LH’s paid-up and registered capital and is an authorized person of LH which is the Company’s major shareholder. Mr. Anant Asavabhokhin may hold investment units of the Property Fund through LH and/or a subsidiary and/or related company in an amount greater than 10% of total number of issued and offered investment units; and

(3) Land and Houses Fund Management Co., Ltd., which has LH as its major shareholder, will act as fund manager of the Property Fund and, thus, is deemed as a party having control power in the Property Fund.

The combined size of the connected transactions is equal to 50.08% of net tangible assets of the Company (as at June 30, 2013, the Company's net tangible assets were Baht 10,942.67 million), which is greater than 3% of the Company's net tangible assets. Therefore, the Company has duty to disclose information on such transactions to the SET and to seek approval from the shareholders' meeting with a required affirmative vote of at least three-fourths of total votes of the shareholders attending the meeting and having the right to vote, excluding shareholders with a conflict of interest. The Company must also submit a notice of the shareholders' meeting, accompanied by opinion of an independent financial advisor, to the shareholders at least 14 days ahead of the date of the shareholders' meeting. The meeting of the Board of Directors of the Company resolved to propose the Extraordinary General Meeting of Shareholders No. 1/2013, scheduled for October 22, 2013, to consider and approve the above-mentioned transactions.

The notice of the shareholders' meeting to be sent to the shareholders must be accompanied by opinion of an independent financial advisor on (1) reasonableness and benefits of the transactions to the listed company, (2) fairness of price and conditions for the transactions, and (3) recommendation as to whether the shareholders should vote for or against the transactions together with the rationales. In this respect, the Company has appointed Advisory Plus Co., Ltd. as the independent financial advisor ("IFA") to provide an opinion to the Company's shareholders regarding the transactions.

In rendering an opinion on the connected transactions, we have studied and analyzed information obtained from the Company's management such as resolutions of the Board of Directors' meeting No. 8/2013 held on August 27, 2013, information notified to the SET on August 27, 2013, the Company's audited consolidated financial statement for the year ended December 31, 2012 and reviewed consolidated financial statement for the six-month period ended June 30, 2013, MV's audited financial statement for the year ended December 31, 2012, MV's financial projection, the Company's annual registration statement 2012 (Form 56-1), summary of the draft agreement on lease of area in Market Village Hua-Hin shopping center project between the Company and the Property Fund, draft prospectus of the Property Fund, information available on websites of the SET and the Office of the Securities and Exchange Commission ("SEC"), other related information and documents obtained from the Company, as well as information derived from interviews with the Company's management and publicly available information.

The opinion provided herein is based on the assumption that all information and documents available from the Company and the information derived from interviews with its management are true and correct. The IFA has considered such information with due care and reasonableness according to professional standards.

Moreover, the IFA's opinion has been rendered under assumptions that are prepared based on the economic environment and the information prevailing at the time of preparing this study only. As such, if there is any significant change in these factors, it will likely have an impact on our opinion provided herein.

We would like to sum up the details of our opinion on the connected transactions of the Company as follows:

Executive Summary

HMPRO has a policy to continuously expand its branch network in Bangkok and the upcountry under brand “Home Pro” as well as a policy to operate business under a new brand “Mega Home”. Therefore, the Company intends to acquire a funding source for business expansion. The Company’s Board of Directors has accordingly granted approval for the following transactions:

1. Approval for the Company to enter into an agreement to lease out a partial area of about 50,518 square meters in Market Village Hua-Hin shopping center building and public utilities systems for a lease term of approximately 27 years and approval to sell movable properties to the Property Fund, involving a total price before deduction of expenses of not less than Baht 4,060 million, together with approval for MV to provide service as the properties manager of Market Village Hua-Hin shopping center project; and
2. Approval for the Company to invest in the Property Fund in an amount not exceeding one-third of the appraised value of the properties to be leased out and sold to the Property Fund, with value of such investment preliminarily expected at not more than Baht 1,420 million.

Total value of the transaction in granting of leasehold right and sale of movable properties as in 1 is not less than Baht 4,060 million, before deduction of expenses, and, thus, it is considered as an asset disposal transaction with total size equal to 14.12% of the Company’s assets shown in its consolidated financial statement as of June 30, 2013. However, if value of the leasehold right is greater than Baht 4,313.44 million, total size of the transaction will then exceed 15% but not exceed 50%, in which case the Company will be required to disclose information to the SET and submit a circular letter to notify its shareholders.

As for the transaction on investment in the Property Fund investment units as in 2 in an amount not more than Baht 1,420 million, it is deemed as an acquisition of assets with total transaction size not exceeding 4.94% of the Company’s total assets shown in its consolidated financial statement as of June 30, 2013, which is lower than 15%. As such, the Company is not required to prepare a report and disclose information on the transaction to the SET, nor to seek approval from the shareholders’ meeting of the Company.

However, the above transactions are considered as connected transactions because:

1. After completion of the establishment of the Property Fund, Land and Houses Plc. (“LH”), which is a major shareholder with shareholding of 30.21% of the Company’s paid-up and registered capital, may acquire investment units of the Property Fund, both directly and indirectly, in an amount greater than 10% of total number of issued and offered investment units.
2. Mr. Anant Asavabhokhin is LH’s major shareholder with shareholding 23.76% of LH’s paid-up and registered capital and is an authorized person of LH which is the Company’s major shareholder. Mr. Anant Asavabhokhin may hold investment units of the Property Fund through LH and/or a subsidiary and/or related company in an amount greater than 10% of total number of issued and offered investment units.

3. Land and Houses Fund Management Co., Ltd., which has LH as its major shareholder, will act as fund manager of the Property Fund and, thus, is deemed as a party having control power in the Property Fund.

Since the combined size of the connected transactions is equal to 50.08% of net tangible assets of the Company, the Company has duty to disclose information on such transactions to the SET and to seek approval from the shareholders' meeting with a required affirmative vote of at least three-fourths of total votes of the shareholders attending the meeting and having the right to vote, excluding shareholders with a conflict of interest. The Company must also submit a notice of the shareholders' meeting, accompanied by opinion of an independent financial advisor, to the shareholders at least 14 days ahead of the date of the shareholders' meeting. The meeting of the Board of Directors of the Company resolved to propose the Extraordinary General Meeting of Shareholders No. 1/2013, scheduled for October 22, 2013, to consider and approve the above-mentioned transactions.

The Company will enter into the transactions, comprising execution of an agreement to lease out a partial area of 50,518 square meters and public utilities systems and an agreement to sell movable properties in Market Village Hua-Hin shopping center project to the Property Fund, which will be established by Land and Houses Fund Management Co., Ltd. as a management company, for a lease term of approximately 27 years with a total agreement value before deduction of expenses of not less than Baht 4,060 million, together with approval for Market Village Co., Ltd. to manage properties of Market Village Hua-Hin shopping center project, and acquisition of investment units of the Property Fund in an amount not exceeding one-third of the appraised value of the properties to be leased and sold to the Property Fund, with value of such investment preliminarily expected at not more than Baht 1,420 million. The IFA is of the opinion that these transactions are appropriate and reasonable.

The Company has a policy to continuously expand its branch network in Bangkok and the upcountry. Over the past three years and the first half of 2013, the Company opened five new branches in 2010, five branches in 2011, eight branches in 2012 and three branches in H1/2013. The Company also has a policy to operate business under a new brand "Mega Home". Therefore, to lease out a partial area of Market Village Hua-Hin shopping center will provide the Company with a funding source for its future business expansion. By entering into this transaction, the Company will instantly receive additional cash (before deduction of relevant expenses on the transaction) in an amount not less than Baht 4,060 million or a net amount, after relevant expenses in an approximate amount not more than Baht 100 million, of not lower than Baht 3,960 million. After investment in the Property Fund in an amount not more than Baht 1,420 million, the Company will then have net cash available of not less than Baht 2,540 million, thereby providing it with a financing source for business expansion in replacement of borrowing and accordingly helping to relieve its interest burden.

Moreover, the consideration for the lease out of a partial area and sale of movable properties to the Property Fund set by the Company in an amount, before deduction of expenses, of not less than Baht 4,060 million is deemed appropriate. This is because, in appraising the said leasehold right and sale of movable properties, we have measured value of consideration obtainable by the Company in the case where it continues to manage the leasehold property and does not enter into this transaction with the Property Fund and then compared it with value of consideration for the leasehold right receivable by the Company from the Property Fund plus management fee receivable by MV from serving

as property manager of such project. We have found that the value of consideration obtainable by the Company in the case where it continues to manage the said leasehold property and does not enter into the transaction with the Property Fund is in a range of Baht 4,215.40 million – Baht 4,540.23 million, which is about Baht 22.31 million – Baht 319.40 million lower than the value of consideration for the leasehold right receivable by the Company from the Property Fund plus management fee receivable by MV from serving as property manager of such project which is equal to Baht 4,534.80 million – Baht 4,562.54 million. Therefore, we are of the opinion that the consideration for the lease of a partial area and sale of movable properties to the Property Fund in an amount, before deduction of expenses, of not less than Baht 4,060 million is an appropriate price.

In view of the investment in investment units of the Property Fund of not more than Baht 1,420 million, as of the date of preparing this report, the establishment of the Property Fund has not yet been completed and thus we still do not know the offer price of the investment units and the rate of return on such investment. However, since the offer price of the investment units and total value of the Property Fund will be determined by a book building process, the price at which the Company will acquire or invest in the investment units will be the same price as that of general investors. Considering that Company will receive dividend from such investment, we have researched in historical data on dividend yields of three other SET-listed property funds similarly investing in leasehold properties at shopping centers, namely CPNRF, FUTUREPF and MJLF, during 2010-2012 and up to August 26, 2013 (before the date of HMPRO Board of Directors' meeting on August 27, 2013) and found that their dividend yields were in a range of 5.23% – 8.73%, which are higher than the average long-term loan rate of the Company of 3.70% p.a. (according to its consolidated financial statement as at June 30, 2013).

In our opinion, the lease out of a partial area and sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund in a combined amount, before deduction of expenses, of not less than Baht 4,060 million is an appropriate price and the investment in the Property Fund in an amount not exceeding Baht 1,420 million is an appropriate transaction. Based on these reasons, we recommend that the shareholders resolve to grant approval for the Company to enter into the said transactions. Nonetheless, the final decision primarily rests at the shareholders' discretion.

We hereby certify that we have rendered opinion on the connected transactions of HMPRO with due care and under professional standards by paying regard to the benefit of the shareholders.

1. Characteristics and Details of the Transactions

1.1 Objectives of the transactions

The Company has an intention to enter into the asset acquisition and disposal transactions and the connected transactions pursuant to resolutions of the Board of Directors' meeting No. 8/2013 held on August 27, 2013, as follows:

1.1.1 The Company will lease out to the Property Fund a partial area in Market Village Hua-Hin shopping center project, comprising rented space and common area covering a combined area of about 50,518 square meters, including public utilities systems and other facilities, for a term of approximately 27 years and will sell movable properties to be used for decoration or provision of convenience to visitors of Market Village Hua-Hin shopping center to the Property Fund, at a combined price before deduction of expenses of not less than Baht 4,060 million. In addition, Market Village Co., Ltd., a 99.99% owned subsidiary of the Company, will provide service as a property manager of Market Village Hua-Hin shopping center project for the Property Fund.

1.1.2 The Company will invest in the Property Fund in an amount not exceeding one-third of the appraised value of the properties to be leased out and sold to the Property Fund, with total value of such investment preliminarily expected at not more than Baht 1,420 million.

1.2 Type and size of the transactions

1.2.1 *Calculation of size of the acquisition and disposal transactions*

Size of the disposal transaction from lease out of a partial area and sale of movable properties to the Property Fund at a combined price before deduction of expenses of not less than Baht 4,060 million and the acquisition transaction from investment in the Property Fund with total value of not more than Baht 1,420 million, calculated in accordance with the Acquisition or Disposition Notification by four methods, are as follows:

Basis of calculation	Disposal transaction	Acquisition transaction
	Lease of partial area and public utilities systems and sale of movable properties to the Property Fund	Investment in the Property Fund
1. Asset value method	N/A	N/A
2. Net profit method	N/A	N/A
3. Total value of consideration method	14.12%	4.94%
4. Securities value method	N/A	N/A

Details of the above calculation of the acquisition transaction size are as follows:

(1) The total size of asset disposal transaction from lease out of a partial area and public utilities systems and sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund is equal to 14.12%, which is deemed a small-sized disposal transaction that is lower than 15% of total assets. However, if the combined value of the leasehold right to the assets and the sale of movable properties is greater than Baht 4,313.44 million, the total size of the asset disposal transaction will then exceed 15% and such transaction will relatively be deemed as a Type 2 asset disposal transaction in accordance with the Acquisition or Disposition Notification. If the transaction size is higher than 15% but less than 50%, the Company is obligated to disclose information on such transaction to the SET and to submit a circular letter to inform the shareholders within 21 days from the date of disclosure of the transaction to the SET.

(2) The size of asset acquisition transaction from investment in the Property Fund is equal to 4.94%, which is lower than 15%. As such, it is subject to approval authority of the Board of Directors' meeting of the Company and the Company accordingly is not required to prepare a report and disclose information on the transaction to the SET, nor to seek approval from the shareholders' meeting of the Company.

1.2.2 Calculation of size of the connected transactions

Size of the two transactions above, calculated in accordance with the Connected Transaction Notification based on HMPRO's consolidated financial statement as of June 30, 2013, is as follows:

Unit: Baht million

	Lease of partial area and public utilities systems and sale of movable properties to the Property Fund	Investment in the Property Fund	Total
HMPRO's net tangible assets (NTA)	10,942.67	10,942.67	10,942.67
3% of NTA	328.28	328.28	328.28
Value of connected transaction	4,060	1,420	5,480
Size of connected transaction as % of NTA	37.10%	12.98%	50.08%

A combined size of the transaction in lease out of a partial area and public utilities systems and sale of movable properties and the transaction in investment in the Property Fund is equal to 50.08% of net tangible assets of the Company, which is greater than 3% of the Company's net tangible assets. Therefore, the Company has duty to disclose information on such transactions to the SET and to seek approval from the shareholders' meeting with a required affirmative vote of at least three-fourths of total votes of the shareholders attending the meeting and having the right to vote, excluding shareholders with a conflict of interest. The Company must also submit a notice of the shareholders' meeting, accompanied by opinion of

an independent financial advisor, to the shareholders at least 14 days ahead of the date of the shareholders' meeting. The meeting of the Board of Directors of the Company resolved to propose the Extraordinary General Meeting of Shareholders No. 1/2013, scheduled for October 22, 2013, to consider and approve the above-mentioned transactions.

1.3 Value of consideration

1.3.1 The Company will receive consideration for the lease out of a partial area and the sale of movable properties in cash amount before deduction of expenses of not less than Baht 4,060 million. Moreover, MV, a 99.99% owned subsidiary of the Company, will earn additional income from property management service which will vary with MV's ability to manage those properties. The Company will determine the management fee obtainable by MV from management of properties for the Property Fund in alignment with the management fee charged by property managers of other property funds that are of similar nature to the Company.

1.3.2 The Company will invest in the Property Fund in an amount not exceeding Baht 1,420 million.

1.4 Details of connected persons

As of September 11, 2013, parties deemed as the Company's connected persons in accordance with the Connected Transaction Notification and possibly having a conflict of interest include:

1.4.1 LH which is the Company's major shareholder owning 2,484,924,021 shares or 30.23% of the Company's paid-up capital;

1.4.2 Mr. Anant Asavabhokhin who owns 12,451,090 shares in the Company representing 0.15% of the Company's paid-up and registered capital, and is a major shareholder of LH owning 2,382,639,623 shares or 23.76% of LH's paid-up capital, and also serves as authorized director of Land and Houses Bank Plc. ("LHBANK") and L&H Property Co., Ltd. ("LHPROP");

1.4.3 The Sunthornchitcharoen family which owns an aggregate of 100,000 shares in the Company representing 0.0012% of the Company's paid-up and registered capital, with Mr. Naporn Sunthornchitcharoen serving as director of LH, LHBANK and the Company;

1.4.4 Mr. Rutt Phaniijphand who serves as director of LHBANK and the Company;

1.4.5 Mrs. Suwanna Buddhaprasart who serves as director of LHBANK and the Company; and

1.4.6 The Thumpomkul family which owns an aggregate of 134,991,075 shares in the Company representing 1.64% of the Company's paid-up and registered capital, with Mr. Khunawut Thumpomkul serving as director of LHBANK and the Company.

Note: 1/ Information on directors of the Company and the connected persons are based on affidavits and Form 56-1 for 2012 of the individual entities.

2/ Shareholder information of LH, LHBANK and the Company is derived from information on major shareholders declared to the SET as of the register book closing date of August 29, 2013, April 30, 2013 and September 11, 2013, respectively.

3/ Shareholder information of LHPROP is based on a copy of list of shareholders as of May 15, 2013.

Based on information from the register book closing as of September 11, 2013, shareholders who are connected persons and, thus, are not entitled to cast votes are as follows:

1.	Land and Houses Public Company Limited.	2,484,924,021	shares
2.	Mr. Anant Asavabhokhin	12,451,090	shares
3.	Mr. Khunawut Thumpomkul	118,451,075	shares
4.	Miss Ornnicha Thumpomkul	9,240,000	shares
5.	Mr. Thanat Thumpomkul	7,200,000	shares
6.	Mr. Pongsak Thumpomkul	100,000	shares
7.	Mr. Thitipol Sunthornchitcharoen	<u>100,000</u>	shares
	Total	<u>2,632,466,186</u>	shares

There are five directors who may have a conflict of interest or who are representatives of persons with a possible conflict of interest, namely (1) Mr. Anant Asavabhokhin, (2) Mr. Naporn Sunthornchitcharoen, (3) Mr. Rutt Phanijphand, (4) Mrs. Suwanna Buddhaprasart and (5) Mr. Khunawut Thumpomkul, all of whom shall not be entitled to cast votes on the relevant agenda items.

At the meeting of the Company's Board of Directors No. 8/2013 held on August 27, 2013, when each agenda item seeking approval for the connected transaction was proposed for consideration, the said directors who may have a conflict of interest or who are representatives of persons with a possible conflict of interest neither participated in nor cast votes at the meeting.

2. Details of the Connected Transactions

2.1 Lease out of partial area and public utilities systems and sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund

2.1.1 *Summary of Market Village Hua-Hin shopping center project*

(a) General information on Market Village Hua-Hin shopping center project

- Project location

Market Village Hua-Hin shopping center project is located at No. 234/1 Phet Kasem Road, Hua Hin Sub-district, Hua Hin District, Prachuap Khiri Khan Province 77110. It is in the heart of Hua Hin District, close to Chatchai Market, Bangkok Hospital Hua Hin, and Hua Hin railway station. The area is a center of tourism, transportation, residential and commercial zones surrounded by a number of hotels, residential condominiums and housing estates. In particular, a contributing factor lies in the changing property owner behavior with preference for second home ownership in seaside areas. Hua Hin thus has become a popular destination for affluent visitors, driven by its proximity to Bangkok, convenient transportation and beautiful scenery. Therefore, the district has currently become highly crowded with high purchasing power.

- Map of project location



- Characteristics of buildings, constructions and public utilities systems

Market Village Hua-Hin shopping center project features a four-storied building with one basement. It is located on a land area of about 26 rai 1 ngan 65.6 square wah. The project was completed and became operational in February 2006, under ownership of the Company.

Public utilities systems consists of electricity, air-conditioning, sanitation, lifts, moving walks, escalators, telephones, fire alarm and automatic fire extinguishers. There are five passenger lifts, two service lifts, four moving walks and 17 escalators.

(b) Property Management

Presently, MV, a 99.99% owned subsidiary of the Company, has managed Market Village Hua-Hin shopping center project, excluding rented areas of anchor tenants such as HomePro, Tesco Lotus, Major Cineplex, and SB Furniture, and has also taken care of the public utilities systems and other general services.

(c) Details of rented space and use of rented space of the whole project

Rented space at Market Village Hua-Hin shopping center can be broken down as follows:

Details of rented space	Area (square meters)
Rented space	44,965
Common area (including promotion area)	24,657
New car park building	51,877
Total area	121,499

(d) Tenant profile of the whole project

Tenant profile, classified by type of tenant, is as follows :

- Anchor tenants refer to tenants with large-sized rented space of 1,000 square meters or larger, comprising Home Product Center Plc., Ek Chai Distribution System Co., Ltd. (“Tesco Lotus”), Major Cineplex Group Plc., SB Furniture Co., Ltd., etc.
- Retail tenants refer to tenants with medium and small-sized rented space less than 1,000 square meters, consisting of retail product and service shops, shops in fashion zone, shops in IT zone, food and beverage shops, commercial banks, ATMs, etc.
- Promotion area refers to common area for organizing fairs, exhibitions and events such as seasonal and trendy product promotion. This is an area in addition to the regular rented space.

Details of tenants of the entire Market Village Hua-Hin shopping center project, classified by type of tenants, as of June 30, 2013 are as follows:

Type of tenants	Area (square meters)
Anchor tenants	19,104
Retail tenants	19,905
Unoccupied space	634
Basement area under refurbishment	5,322
Total rented space	44,965
Occupancy rate ^{1/} (%)	98
Average rental and service fee (Baht/sq.m./month) ^{2/}	429

Note 1/ Occupancy rate and average rental and service fee are calculated by excluding rented area on basement floor that is under refurbishment.

2/ Average rental and service fee per sq.m. per month comprises rental fee and service fee for tenant shops with permanent booths, excluding monthly utilities service fee and rental and service fees.

(e) Status and occupancy rate of the whole project

As of June 30, 2013, the entire Market Village Hua-Hin shopping center project has an average occupancy rate of 98% of total rented space excluding promotion area, with an average rental and service fee of Baht 429 per square meter.

Details	2010	2011	2012	Q2/2013
Rental and service revenues (Baht million) ^{1/}	172	186	196	101
Total revenues (Baht million)	334	355	373	202
No. of tenants (tenants)	150	158	162	165
Rented space (sq.m.) ^{2/}	38,166	38,666	39,643	39,643
Occupancy rate (%)	96	98	98	98
Average rental and service fee (Baht/sq.m./month)	369	393	399	429

Note: ^{1/} Rental and service revenues consist of rental and service fees collected from tenants with permanent shops, excluding booths, kiosks and promotion areas.

^{2/} Rented space for 2013 does not include rented area on basement floor that is under refurbishment.

(f) Strengths of Market Village Hua-Hin shopping center project

- Strategic project site

Market Village Hua-Hin shopping center project is situated in the center of Hua Hin District, Prachuap Khiri Khan Province, which has today become a popular tourist destination and seaside

residential area. The project itself is in the shopping arcade zone ideal for a shopping spree, with convenient transportation and surrounded by numerous hotels, residential condominiums and housing estates. Therefore, the area has currently become highly crowded with high purchasing power.

- Comprehensive shopping center

Market Village Hua-Hin shopping center project has four anchor tenants, namely Home Product Center Plc., Ek Chai Distribution System Co., Ltd. (“Tesco Lotus”), Major Cineplex Group Plc., and SB Furniture Co., Ltd. (together called “Four Anchor Tenants”), which serve as a magnet drawing in clients to buy goods and services at this comprehensive shopping mall.

- Property manager’s experience

Having managed the project’s properties for more than seven years, the project manager is a pioneer operator of shopping mall in Hua Hin, fully acquainted with local culture, way of life and consumer demand. The shopping center’s past performance could bear testimony to its expertise and success in rented area management.

2.1.2 Details of area in Market Village Hua-Hin shopping center project to be leased out by the Company to the Property Fund

The Company will grant right to the Property Fund to invest in leasehold properties in Market Village Hua-Hin shopping center project only at some part of the shopping center area, consisting of rented area and common area including public utilities systems and other facilities relating to Market Village Hua-Hin shopping center project, for a term of about 27 years from the Company, excluding rented space of the Four Anchor Tenants and the new car park building. The Company will also sell and/or transfer ownership over movable properties such as furniture, facility tools and equipment relating to and used for the operation of Market Village Hua-Hin shopping center project to the Property Fund. Details are as follows :

- (a) Leasehold right to some properties at Market Village Hua-Hin shopping center

The Company will grant right to the Property Fund to lease some part of Market Village Hua-Hin shopping center, consisting of a four-storied building with one basement located at No. 234/1 Phet Kasem Road, Hua Hin Sub-district, Hua Hin District, Prachuap Khiri Khan Province, currently operated as a shopping mall with a total leased area of about 50,518 square meters, together with public utilities systems and other facilities relating to Market Village Hua-Hin shopping center project such as electricity system, public utilities system, telephone system, lifts, escalators, air-conditioning system, and engineering system that are installed and used at Market Village Hua-Hin shopping center project, for a term of about 27 years, excluding the following areas :

- Rented space of about 19,104 square meters of the Four Anchor Tenants, comprising (1) Home Product Center Plc., (2) Ek Chai Distribution System Co., Ltd. (“Tesco Lotus”), (3) Major Cineplex Group Plc., and (4) SB Furniture Co., Ltd.; and
- New car park building space of around 44,468 square meters

The Company will not lease out the above areas to the Property Fund because the Four Anchor Tenants have signed a long-term rental contract with the Company and the Company intends to use the car park area for providing services and convenience for visitors of Market Village Hua-Hin shopping center project.

Presently, parking area at the basement of Market Village Hua-Hin shopping center project is being refurbished into space for rent, expected to be completed by December 2013. It will cover a space for rent of approximately 5,322 square meters and common area of around 4,538 square meters.

- (b) Ownership over movable properties which are furniture, fittings and fixtures, whether permanently fixed or not fixed, including any other equipment used for decoration or provision of convenience to visitors of Market Village Hua-Hin shopping center project

This refers to ownership over movable properties (by way of disposal and/or transfer) which are furniture, fittings and fixtures, whether permanently fixed or not fixed, including any other equipment used for decoration or provision of convenience to visitors of Market Village Hua-Hin shopping center project installed and/or fixed outside or inside Market Village Hua-Hin shopping center project or on the area in Market Village Hua-Hin shopping center project building and/or in rented space of tenants in Market Village Hua-Hin shopping center project building, including any rights pertaining or relating to such properties (as the case may be), which however shall not be the properties deemed as a component part of Market Village Hua-Hin shopping center project building.

The movable properties to be sold to the Property Fund are non-core assets and consist of equipment to provide convenience for visitors of Market Village Hua-Hin shopping center project such as stage equipment, stools for an organized event, emergency lights, benches at different spots, trash bins, sound system, fire extinguishers, television screens, etc. As of July 31, 2013, these assets had a total book value of around Baht 3.8 million.

- (c) Right to use parking space

As regards the right to use parking space at Market Village Hua-Hin shopping center project which has a total parking capacity of about 1,300 cars and about 700 motorcycles, the Company will not lease such area to the Property Fund, but will grant right to the Property Fund to use a parking space for 500 cars and 270 motorcycles, calculated based on percentage of occupied area of tenant shops with permanent booths.

Presently, MV does not collect any parking fees. However, if MV charges parking fees in the future, the Property Fund and MV will mutually agree upon sharing of the said fee income. It is initially agreed that they will share the parking fee income, after deduction of car park expenses (net income), according to proportion of the area not invested in by the Property Fund and the area invested in by the Property Fund.

(d) Details of leased area and use of the area to be leased to the Property Fund

The particular area in Market Village Hua-Hin shopping center project to be leased to the Property Fund, as at June 30, 2013, can be described as follows :

Type of tenants	Total project area (square meters) ^{1/}	Area to be leased to the Property Fund (square meters) ^{1/}
Rented space	44,965	25,861
Common area (including promotion area and common area on basement floor)	24,657	24,657
Car park area	51,877	-
Total shopping center area	121,499	50,518

Note ^{1/} Area to be leased to the Property Fund, including basement area that is under refurbishment, comprises rented area of about 5,322 square meters and common area of about 4,538 square meters.

(e) Details of tenants in the area to be leased to the Property Fund

Details of tenants in the area to be leased to the Property Fund in Market Village Hua-Hin shopping center project, classified by type of tenants as of June 30, 2013, are as follows:

Type of tenants	Area (square meters)	As % of total rented space
Retail tenants ^{1/}	19,905	77
Unoccupied area	634	2
Basement area that is under refurbishment	5,322	21
Total rented space	25,861	100

Note ^{1/} As of June 30, 2013, actual occupancy rate was 98% (excluding basement area that is under refurbishment) and average rental and service fee was Baht 734/sq.m./month (excluding basement area that is under refurbishment).

- (f) Details of tenants in the area to be leased to the Property Fund in Market Village Hua-Hin shopping center project, classified by type of business as of June 30, 2013, are as follows:

Type of business	Rented area as % of total leasable area
Fashion, health & aesthetic, and accessories	34
Food and beverages	21
Services, IT, equipment and souvenirs	13
Entertainment products and children products	9
Vacant space awaiting tenants	2
Rented area on basement floor that is under refurbishment	21
Total	100

- (g) Expired period of the area to be leased to the Property Fund as of June 30, 2013 are as follows:

Year of expiry	Rented area (square meters)	As % of total rented space
2013	6,293	24
2014	3,376	13
2015	8,787	34
After 2015	1,449	6
Vacant area	634	2
Basement area that is under refurbishment	5,322	21
Total	25,861	100

- (h) Status and occupancy rate in the area to be leased to the Property Fund

Details	2010	2011	2012	Q2/2013
Rental and service revenues (Baht million) ^{1/}	120	133	144	76
Total revenues (Baht million)	210	223	237	125
No. of tenants (tenants)	146	154	158	161
Rented space (sq.m.) ^{2/}	19,011	19,562	20,514	20,539
Occupancy rate (%)	96	98	98	98
Average rental and service fee (Baht/sq.m./month)	621	637	690	734 ^{3/}

Note: 1/ Rental and service revenues are calculated from rental and service fees collected from tenant shops only, excluding booths, kiosks and promotion areas.

2/ Rented space for 2013 does not include rented area on basement floor that is under refurbishment.

- 3/ Average rental and service fee for 6M/2013 was higher because most tenancy contracts expired in 2012 and when the contracts were renewed with existing tenants or signed with new tenants the Company has revised up the rental and service fee.

2.1.3 Summary of draft agreements

- (a) Lease of a partial area and public utilities systems in Market Village Hua-Hin shopping center project to the Property Fund

Counterparties	Lessor : Home Product Center Plc. Lessee : LH Shopping Center Leasehold Property Fund ("Property Fund")	
Leased properties	<p>(a) A partial area of Market Village Hua-Hin shopping center project, featuring a four-storied building with one basement, located at No. 234/1 Phet Kasem Road, Hua Hin Sub-district, Hua Hin District, Prachuap Khiri Khan Province, currently used as a shopping mall comprises of rented space to tenants of about 25,861 square meters and common area of about 24,657 square meters, representing a total space to be leased by the Property Fund of about 50,518 square meters, excluding the areas rented by anchor tenants and the new car park building; and</p> <p>(b) Public utilities systems comprising electricity system, water supply system, telephone system, lifts, escalators, air-conditioning system, engineering system, waste water treatment system, etc. and component parts, whether permanently fixed or not fixed to the leased properties, including all facilities installed and utilized within Market Village Hua-Hin shopping center project and any rights pertaining or relating to such properties in their as-is condition as of the date of registration of the leasehold right under this agreement.</p>	
Lease term	About 27 years from the date of registration of the leasehold right under this agreement, or expiring August 31, 2040	
Rental payment	The Property Fund agrees to pay rental in full for the leased properties throughout the lease period on the date of registration of the leasehold right.	
Lessor's duties	If there are any benefits and guarantee deposits against lease and services which the Property Fund is entitled to and the Lessor has received in advance from tenants, the Lessor shall so notify the Property Fund and shall hand over such benefits to the Property Fund as follows:	
	Date of receiving the benefits	Handover of the benefits
	<ul style="list-style-type: none"> Before or on the registration date 	<ul style="list-style-type: none"> Within 90 days from the date of registration of the leasehold right

	<ul style="list-style-type: none"> ● After the registration date 	<ul style="list-style-type: none"> ● Within 30 days
Lessee's duties	<ul style="list-style-type: none"> ● The Property Fund shall maintain, repair and improve the leased properties or take all acts to ensure the leased properties are in good condition and suited with objectives of use specified in this agreement throughout the lease term. ● The Property Fund shall not build any construction or component part in the leased properties, nor modify any part of the leased properties in such a way that will cause damage to the leased properties, nor materially change the leased properties without prior written consent from the Lessor and shall be responsible for all expenses incurred thereon, whereby the Lessor shall consider whether to give such consent without delay and shall not refuse to give the consent without a reasonable ground. Where a regulatory permission is required, the Property Fund may not proceed to build any construction or component part or modify any part of the leased properties until it has duly obtained such permission from the authority concerned. The said constructed, extended, modified or adapted portion and construction shall be deemed as a component part of the leased properties. <p>In the event that the construction or component part or modified portion in the leased properties as contemplated in the first paragraph causes damage to any other party or building or violates the applicable law or any other rules, regulations or requirements of the authority concerned, the Property Fund agrees to be held liable and indemnify for such damage. In the event that the Lessor has paid for any damage incurred thereon in advance, the Property Fund shall reimburse for such damage to the Lessor in full within 30 days from the date of receiving a written notice thereof from the Lessor.</p> <ul style="list-style-type: none"> ● In the event that there are expenses arising from any actions taken by the Lessor in order to protect the leased properties against damage from any accidents or perils that are or are not predictable such as floods, storms, etc., the Property Fund agrees to be jointly responsible for such expenses with the Lessor in a proportion to be mutually agreed upon. If the Lessor needs to take an immediate action to prevent against any loss, the Property Fund agrees to reimburse the relevant expenses to the Lessor in the said proportion. 	
Common area management	<ul style="list-style-type: none"> ● Throughout the period that this agreement remains in full force, the Property Fund shall allow the Lessor, including customers and counterparties of the Lessor and other tenants in Market Village Hua-Hin shopping center project who have rented the space that is under possessory right of the Lessor, to use the common area and the areas relating to the leased properties of the Property Fund, 	

	<p>whereby these areas shall be deemed as areas for common use primarily to benefit the operation of the shopping center.</p> <ul style="list-style-type: none">● If the Lessor, as the property manager, and/or person or juristic person designated by the Lessor to act as the property manager on its behalf has collected any benefit from utilization of the common area as described above, the parties hereto mutually agree that the Property Fund shall be entitled to collect service revenues and such person shall be entitled to collect utilities service fees (and be responsible for all expenses relevant to such utilities services) at a rate as specified in the respective agreements entered into by the Property Fund and the property manager with the tenants in the leased properties of the Property Fund.● Throughout the period that this agreement remains in full force, the Lessor shall allow the Property Fund, counterparties of the Property Fund and other tenants in the leased properties of the Property Fund, including customers of those tenants, to use the road around the building and the entrance/exit way of Market Village Hua-Hin shopping center project, the common area, parking areas for automobiles and motorcycles, and the areas relating to the properties in which the Property Fund has not invested, whereby these areas shall be deemed as areas for common use primarily to benefit the operation of the shopping center. <p>The Property Fund shall have the right to use the said parking areas for automobiles and motorcycles in the proportion calculated according to the shopping center area under its possession.</p> <ul style="list-style-type: none">● If the Lessor collects benefits from the use of parking areas in the future, the parties hereto agree to further negotiate about right to such revenue collection.
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Public utilities system management	<ul style="list-style-type: none"> ● Throughout the period that this agreement remains in full force, the Property Fund shall allow the Lessor to use the public utilities systems for servicing its customers and counterparties of the Lessor and other tenants in Market Village Hua-Hin shopping center project who have rented the space that is under possessory right of the Lessor, in order for the Lessor to continue operating its business as usual. If there are expenses arising as a result of the management, repair or maintenance of the said system, the parties hereto agree to be jointly responsible for such expenses in the proportion specified herein. ● The Property Fund shall grant right to the property manager and/or a natural or juristic person designated by the Lessor to act as the property manager on its behalf to manage the public utilities systems, whereby such person shall collect utilities service fees from the tenants and shall be responsible for all expenses relevant to the utilities services. Such person shall pay a consideration for the right to public utilities system management to the Property Fund in the form of remuneration that shall vary with revenues from utilities service fees. In the event that there is a change in costs of public utilities system management, the Property Fund and such person shall mutually agree to determine the revenue proportion so as to cover the said costs that are actually incurred.
Appropriation of expenses	<p>The Property Fund and the Lessor mutually agree to a sharing of capital expenditure (CAPEX) such as repair and maintenance expenses, corporate image improvement expenses, etc. and operating expenses (OPEX) such as expenses on repair and maintenance of common area, parking area, road around the building, and public utilities systems, marketing expenses, etc., as mutually agreed upon between the parties hereto.</p> <p>The Company and the Property Fund have agreed to set forth a preliminary guideline on cost sharing as follows: (1) CAPEX shall be shared according to proportion of the area not invested in by the Property Fund and the area invested in by the Property Fund; (2) OPEX shall be shared according to revenues proportion from the area not invested in by the Property Fund and the area invested in by the Property Fund.</p>
Insurance	<ul style="list-style-type: none"> ● The two parties agree to the provision of insurance coverage throughout the lease agreement period and the use of monies received as insurance claims from an insurance company for covering costs of construction and/or renovation of Market Village Hua-Hin shopping center project under this agreement, as follows: <ul style="list-style-type: none"> - Property All Risks Insurance to protect Market Village Hua-Hin shopping

	<p>center project, whereby the Lessor and the Property Fund shall be named the co-beneficiaries and shall share the payment of insurance premiums according to proportion of the area not invested in by the Property Fund and the area invested in by the Property Fund. In this respect, the Property Fund shall pay insurance premiums which shall be calculated based on a ratio of the area invested in by the Property Fund (excluding service area^{1/}) to the area not invested in by the Property Fund (excluding service area^{1/} and parking area for automobiles and motorcycles).</p> <ul style="list-style-type: none"> - Public Liabilities Insurance to cover bodily injury or death and property damage possibly incurred to a third party, whereby the Lessor and the Property Fund agree to share the payment of insurance premiums according to proportion of the area not invested in by the Property Fund and the area invested in by the Property Fund. In this respect, the Property Fund shall pay insurance premiums which shall be calculated based on a ratio of the area invested in by the Property Fund (excluding service area) to the area not invested in by the Property Fund (excluding service area and parking area for automobiles and motorcycles). - Business Interruption Insurance, whereby the Lessor and the Property Fund agree to share the payment of insurance premiums and shall be named the co-beneficiaries to receive benefits in proportion to revenues from rentals and services from the area. In this respect, the Property Fund shall pay insurance premiums and receive benefits in proportion to revenues from rentals and services from the area invested in by the Property Fund. <p>The ratio of insurance premium payment specified above shall be subject to change as to be mutually agreed upon between the two parties.</p> <ul style="list-style-type: none"> ● In the event that the leased properties become partially damaged, this agreement shall remain in full force and applicable to only the undamaged parts of the leased properties that are still in a usable condition, whereby such undamaged properties shall be deemed as the leased properties under this agreement.
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Note: 1/ Service area refers to the area which is location of an office of service support sections and various systems such as cooling system, water pumps, system control room, etc.

(b) Sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund

Counterparties	<p>Seller: Home Product Center Plc.</p> <p>Purchaser: LH Shopping Center Leasehold Property Fund (“Property Fund”)</p>
Sold and purchased properties	<p>Furniture, fittings and fixtures, whether permanently fixed or not fixed, including any other equipment used for decoration or provision of convenience to visitors of Market Village Hua-Hin shopping center project, which do not form any part of the public utilities systems and are not deemed as a component part of Market Village Hua-Hin shopping center project building, installed and/or fixed outside or inside Market Village Hua-Hin shopping center building with respect to only the properties to be invested in by the Property Fund under the lease agreement, or installed and/or fixed on the area in Market Village Hua-Hin shopping center project building with respect to only the properties to be invested in by the Property Fund under the lease agreement and/or in rented space of tenants in Market Village Hua-Hin shopping center project building with respect to only the properties to be invested in by the Property Fund under the lease agreement, including any rights pertaining or relating to such properties, in the said properties’ as-is condition as of the ownership transfer date. In this respect, the Seller shall not be liable for any damage or defect to the properties to be sold and purchased, irrespective of whether such damage or defect is evident on the ownership transfer date, except where such damage or defect causes the Property Fund to be unable to use the said properties according to the objectives of use of any such properties.</p>
Payment	<p>The Property Fund shall pay for the sale and purchase price in full on the date of registration of the leasehold properties of Market Village Hua-Hin shopping center project.</p>
Ownership transfer	<p>Ownership transfer shall be valid on the date of registration of the leasehold right and after payment is duly made as agreed.</p>
The Property Fund’s representation	<p>The Property Fund agrees to grant rights to the Seller, customers and counterparties of the Sellers, and other tenants in Market Village Hua-Hin shopping center who have not rented space in Market Village Hua-Hin shopping center from the Property Fund to use the properties in the usual course of business subject to the obligations prevailing or as agreed upon between the counterparties.</p>

The movable properties to be sold to the Property Fund are non-core assets and consist of equipment to provide convenience for visitors of Market Village Hua-Hin shopping center project such as stage equipment, stools for an organized event, emergency lights, benches at different spots, trash bins, sound system, fire extinguishers, television screens, etc. As of July 31, 2013, these assets had a total book value of around Baht 3.8 million.

- (c) Appointment of Market Village Co., Ltd. to act as property manager of Market Village Hua-Hin shopping center project

Counterparties	<p>Service Provider: Market Village Co., Ltd. as property manager of Market Village Hua-Hin shopping center project</p> <p>Service Recipient: LH Shopping Center Leasehold Property Fund (“Property Fund”) by Land and Houses Fund Management Co., Ltd. as a management company of the Property Fund</p>
Properties under management	Properties invested in by the Property Fund in Market Village Hua-Hin shopping center project
Agreement term	10 years and to be automatically renewable for consecutive terms of 10 years each unless otherwise agreed by the counterparties or unless the agreement is prematurely terminated in accordance with the terms and conditions under the agreement.
Public utilities system management	<ol style="list-style-type: none"> 1. The Property Fund shall grant right to the property manager to manage the public utilities systems, whereby the property manager shall collect utilities service fees from the tenants and shall be responsible for all expenses relevant to the utilities services. The property manager shall pay a consideration for the right to public utilities system management to the Property Fund in the form of remuneration that shall vary with revenues from utilities service fees. In the event that there is a change in costs of public utilities system management, the Property Fund and the property manager shall mutually agree to determine the revenue proportion so as to cover the said costs that are actually incurred. 2. If the property manager collects benefits from the use of common area and areas relating to the leased properties of the Property Fund, the Property Fund shall be entitled to collect revenues from service fees and the property manager shall have the right to collect utilities service fees (and be responsible for all expenses relevant to such utilities services) at a rate as specified in the respective agreements entered into by the Property Fund and the property manager with the tenants in the leased properties of the Property Fund.

Remuneration for property management	Type of fee	Fee rate	Unit
	1. Rental collection fee in the name of the Property Fund	Up to 3.00%	of net rental revenues of the Property Fund
	2. Commission fee		
	● Tenants with contract renewal	Up to 0.5	month
	● Tenants with contract term less than 1 year	Up to 0.5	month
	● Tenants with contract term from 1 year to less than 3 years	Up to 1.0	month
	● Tenants with contract term of 3 years or more	Up to 1.5	months
	3. Property management fee	Up to 0.50%	of net value of the Property Fund
	4. Incentive fee	Up to 3.00%	of net revenues from the properties
	5. Property sale and purchase fee		
	● Purchase fee	Up to 1.50%	of value of property to be additionally invested
	● Selling fee	Up to 0.75%	of value of property to be sold
	6. Fee for project improvement and/or development supervision	Up to 2.00%	of value of project improvement or development

The Company will receive a consideration for lease of a partial area and public utilities systems according to (a) and sale of movable properties according to (b) in a combined amount before deduction of expenses of not less than Baht 4,060 million.

2.2 Investment in the Property Fund

The Company will invest in the Property Fund in an amount not exceeding one-third of the appraised value of the properties, with total value of such investment preliminarily expected at not more than Baht 1,420 million.

General characteristics of the Property Fund can initially be described as follows:

Name of project	LH Shopping Center Leasehold Property Fund ("Property Fund")
Type of project	A closed-end fund; fund manager to apply for listing of investment units on the SET
Nature of project	Exclusively specified
Project life	Not determined
Initial investment policy	To invest in leasehold right of properties and/or leasehold right of movable properties and/or to lease or accept transfer of rights to movable properties under two shopping center projects: Terminal 21 shopping center and Market Village Hua-Hin shopping center
Par value per investment unit	Baht 10 per unit
Offering price	To be determined afterwards by a book building process
Total investment value	Not more than Baht 1,420 million
Trustee	Siam Commercial Bank Plc.

3. Profile of the Company

3.1 Background

Home Product Center Plc. was incorporated on June 27, 1995 with a start-up registered capital of Baht 150,000,000, divided into 1,500,000 shares at a par value of Baht 100 per share. Using a trade name “HomePro,” the Company opened its first branch at Future Park Rangsit shopping center in September 1996, which served as its headquarters until June 2003 when the Company relocated the head office to Prachachuen Road (currently Prachachuen Branch). Significant changes and developments in the past three years can be briefed as follows:

July 2010	The SET added HMPRO to the SET 50 Index.
October 2010	TRIS Rating Co., Ltd. upgraded the Company’s corporate credit rating from ‘A/Stable Outlook’ to ‘A/Positive Outlook.’
October 2010	<p>The Extraordinary General Meeting of Shareholders No. 1/2010 resolved to decrease and increase the registered capital as follows:</p> <p>Decrease of the registered capital by 1,574 shares from 3,794,213,851 shares to 3,794,212,277 shares by cancelling the ordinary shares remaining from allocation of stock dividend pursuant to resolution of the Extraordinary General Meeting of Shareholders No. 1/2009.</p> <p>Increase of the registered capital by 632,393,250 shares of Baht 1 each to 4,426,605,527 shares to accommodate the payment of stock dividend and the exercise of warrants No. 4 by employees.</p>
April 2011	<p>The 2011 Annual General Meeting of Shareholders resolved to approve a decrease and increase of the registered capital as follows:</p> <p>Decrease of the registered capital by 1,225,006 shares from 4,426,605,527 shares to 4,425,380,521 shares by cancelling the ordinary shares remaining from allocation of stock dividend pursuant to resolution of the Extraordinary General Meeting of Shareholders No. 1/2010.</p> <p>Increase of the registered capital by 726,415,310 shares of Baht 1 each to 5,151,795,831 shares to accommodate the payment of stock dividend.</p>
June 2011	The meeting of the Board of Directors resolved to establish a subsidiary, Home Product Center (Malaysia) Sdn. Bhd., to operate a retail business in Malaysia. The Company owns a 100% stake in this subsidiary.
September 2011	<p>The Extraordinary General Meeting of Shareholders No. 1/2011 resolved to approve a decrease and increase of the registered capital as follows:</p> <p>Decrease of the registered capital by 601,346 shares from 5,151,795,831 shares to 5,151,194,485 shares by cancelling the ordinary shares remaining from allocation of stock dividend pursuant to resolution of the 2011 Annual General Meeting of Shareholders.</p>

Increase of the registered capital by 730,200,200 shares of Baht 1 each to 5,881,394,685 shares to accommodate the payment of stock dividend.

November 2011 TRIS Rating Co., Ltd. upgraded the Company's corporate credit rating from 'A/Positive Outlook' to 'A+/ Stable Outlook.'

April 2012 The 2012 Annual General Meeting of Shareholders resolved to approve a decrease of the registered capital by 823,450 shares from 5,881,394,685 shares to 5,880,571,235 shares by cancelling the ordinary shares remaining from allocation of stock dividend pursuant to resolution of the Extraordinary General Meeting of Shareholders No. 1/2011.

September 2012 The Extraordinary General Meeting of Shareholders No. 1/2012 resolved to approve an increase of the registered capital by 1,174,400,000 shares from 5,880,571,235 shares to 7,054,971,235 shares to accommodate the payment of stock dividend.

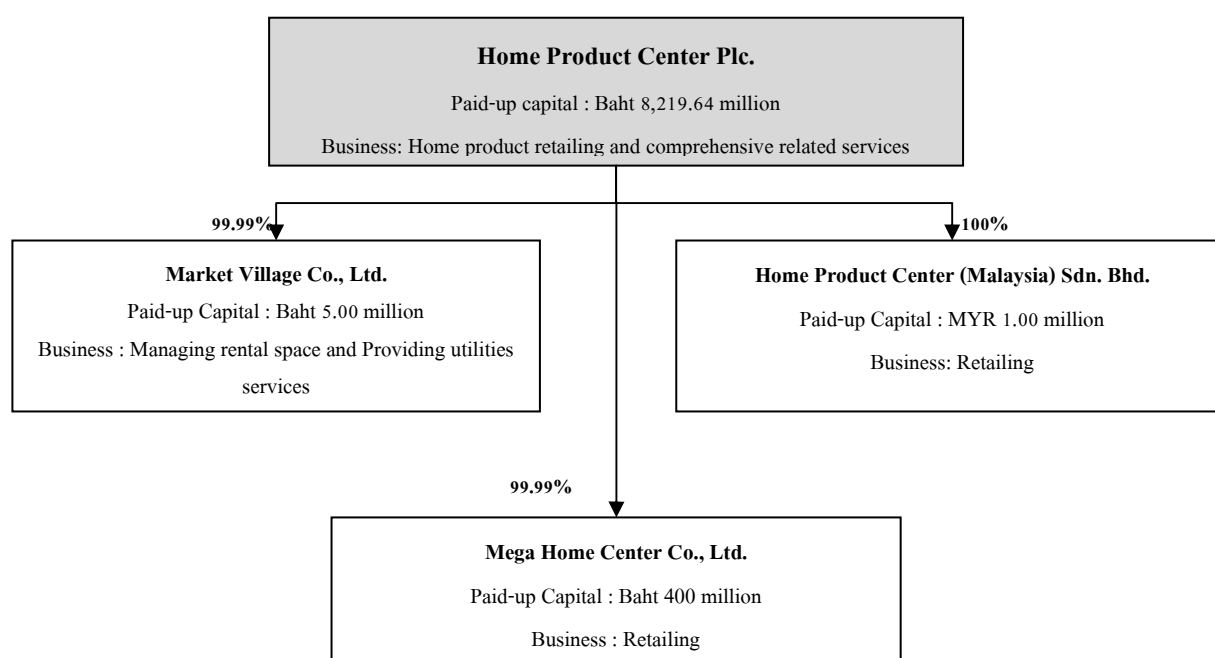
February 2013 The Board of Directors resolved to propose to the 2013 Annual General Meeting of Shareholders to decrease and increase the registered capital as follows:

Decrease of the registered capital by 1,387,406 shares from 7,054,971,235 shares to 7,053,583,829 shares by cancelling the ordinary shares remaining from allocation of stock dividend pursuant to resolution of the Extraordinary General Meeting of Shareholders No. 1/2012.

Increase of the registered capital by 1,174,610,000 shares of Baht 1 each to 8,228,193,829 shares to accommodate the payment of stock dividend.

3.2 Nature of business operation of the Company and its subsidiaries

HMPRO's shareholding in its subsidiaries is shown in the chart below:



3.2.1 Business operation of the Company

The Company was established with objective to operate a retail business in home improvement segment by selling goods and providing a complete range of services relating to construction, modification, refurbishment, renovation and improvement of buildings, houses and residential places through One Stop Shopping Home Center under the trade name of “HomePro” which is the Company’s trademark.



The Company opened the first branch at Future Park Rangsit shopping center in September 1996, and has continued expanding its branch network. As of June 30, 2013, it had a total of 56 branches, of which 20 branches are located in Greater Bangkok and another 36 branches in the provinces, as follows:

Location	No.	Branch
Greater Bangkok	20	Rangsit, Rattana Thibet, Fashion Island, Future Mart, Paradise Park (Seri Center), The Mall Bang Khae, Ratchadaphisek, Phloenchit, Ram Khamhaeng, Phra Ram 2, Prachachuen, Lat Phrao, Chaeng Watthana, Ratchaphruk, Suvarnabhumi, Phet Kasem, Ram Inthra, Lam Lukka, Sukhaphiban 3 and Mega Bangna
Upcountry	36	The Mall Khorat, Phuket, Chiang Mai, Pattaya, Hat Yai, Hua Hin, Samui, Phitsanulok, Khon Kaen, Udon Thani, Surat Thani, Chon Buri, Rayong, Ayutthaya, Chiang Mai- Hang Dong, Krabi, Phuket-Chalong, Khao Yai, Nakhon Pathom, Nakhon Ratchasima, Nakhon Si Thammarat, Chachoengsao, Roi Et, Suphan Buri, Lop Buri, Sakon Nakhon, Trang, Buri Ram, Hat Yai-Kanchanawarit, Nakhon Sawan, Mahachai, Ubon Ratchathani, Ratchaburi, Chanthaburi, Chumphon, and Prachin Buri

3.2.2 Nature of business operation of subsidiaries

- (a) Market Village Co., Ltd. (“MV”) was incorporated on May 26, 2005, located at 231/1 Phet Kasem Road, Hua Hin Sub-district, Hua Hin District, Prachaup Khiri Khan Province. Presently, its registered capital is Baht 5.00 million. The Company holds 99.99% of MV’s total shares.

MV was founded with objectives to manage rental space and to provide utilities services to tenants in Market Village Hua-Hin shopping center project, which is located on Phet Kasem

Road, Hua Hin District, Prachuap Khiri Khan Province, and commenced operation in the first quarter of 2006.

MV has been granted the right to manage areas in “Market Village Hua-Hin” shopping center project of approximately 40,000 square meters, of which about 20,000 square meters are allocated as retail space for rent. As of June 30, 2013, more than 98% of the total space has been rented to tenants.



- (b) Home Product Center (Malaysia) Sdn. Bhd. was incorporated on July 28, 2011, located in Kuala Lumpur, Malaysia. It currently has a registered capital of MYR 1.00 million. The Company holds 100% of its total shares.

Home Product Center (Malaysia) Sdn. Bhd. was founded with objective to operate a retail business in home improvement segment in Malaysia. Presently, it is still not operational.

- (c) Mega Home Center Co., Ltd. was established on July 4, 2012, located at 96/27 Moo 9, Bang Khen Sub-district, Mueang Nonthaburi District, Nonthaburi Province. It has a registered capital of Baht 500 million, with a paid-up capital of Baht 300 million. The Company holds 99.99% of its total capital.

3.3 Revenue structure of the Company and its subsidiaries

Revenues of the Company and its subsidiaries consist of sales revenues and other revenues. The structure of revenues during 2010-Q2/2013 can be broken down as follows:

Product	6M/2013		2012		2011		2010	
	Bt. million	%	Bt. million	%	Bt. million	%	Bt. million	%
1. Revenues from retailing								
- Hard Line ^{1/}	15,571.7	76.4	28,049.1	75.9	23,187.7	76.0	19,850.6	76.6
- Soft Line ^{2/}	3,347.2	16.4	5,936.9	16.1	4,855.5	16.0	3,989.4	15.4
2. Revenues from project sales ^{3/}	255.3	1.2	555.6	1.4	320.2	1.0	232.7	0.9
Total sales revenues	19,174.2	94.0	34,541.6	93.4	28,363.4	93.0	24,072.8	92.9
3. Other revenues ^{4/}	1,217.6	6.0	2,427.7	6.6	2,139.0	7.0	1,842.1	7.1
Total	20,391.8	100.0	36,969.3	100.0	30,502.4	100.0	25,914.9	100.0

Note 1. Hard Line consists of products such as construction materials, paints, home improvement, bathroom and sanitaryware, kitchenware, home appliances, electrical equipment and lighting.

2. Soft Line consists of items such as bedding, curtains and household decorative goods.
3. Revenues from project sales cannot be categorized by product lines.
4. Other revenues include revenues from rental of space, in-store promotion fees, etc.

3.4 Shareholders

As of September 11, 2013^{1/}, the Company had a registered capital of Baht 8,228,193,829, divided into 8,228,193,829 ordinary shares with a par value of Baht 1.00 per share, and a paid-up registered capital of Baht 8,219,637,893, divided into 8,219,637,893 ordinary shares with a par value of Baht 1.00 per share.

As of September 11, 2013^{1/} the latest register book closing date, the Company's top 10 major shareholders were as follows:

	Name	No. of shares	%
1.	Land and Houses Plc.	2,484,924,021	30.23
2.	Quality Houses Plc.	1,625,110,505	19.77
3.	Mr. Niti Osathanuklor	388,384,853	4.73
4.	Mr. Manit Udomkunnatum	253,120,000	3.08
5.	AIA Company Limited-DI-LIFE	210,000,185	2.55
6.	Thai NVDR Co., Ltd.	145,895,510	1.77
7.	Chase Nominees Limited 1	127,633,780	1.55
8.	Mr. Jun Wanawit	125,553,150	1.53
9.	Mr. Khunawut Thumpomkul	118,451,075	1.44
10.	State Street Bank and Trust Company	117,295,596	1.43

Source: 1/ Stock Exchange of Thailand (www.set.or.th)

3.5 Board of Directors

As of August 27, 2013, the Company's Board of Directors was composed of 12 members, as follows:

No.	Name	Position
1	Mr. Anant Asavabhokhin	Chairman
2	Mr. Manit Udomkunnatum	Chairman of Executive Directors/Director
3	Mr. Khunawut Thumpomkul	Managing Director
4	Mr. Joopool Meesuk	Director
5	Mr. Naporn Sunthornchitcharoen	Director
6	Mr. Rutt Phaniijphand	Director
7	Mr. Apichat Natasilpa	Director
8	Mrs. Suwanna Buddhaprasart	Director
9	Mr. Apilas Osatananda	Independent Director/Chairman of the Audit Committee
10	Mr. Thaveevat Tatiyamaneeekul	Independent Director/Member of the Audit Committee
11	Mr. Chanin Roonsumrarn	Independent Director/Member of the Audit Committee
12	Mr. Pong Sarasin	Independent Director

3.6 Financial information

3.6.1 Financial statements

HMPRO's financial information according to its audited consolidated financial statements for the years ended December 31, 2010-2012 and reviewed consolidated financial statement for the six-month period ended June 30, 2013 was as follows:

(a) Statements of financial position

	2010 ^{1/3/}		2011 ^{1/4/}		2012 ^{1/4/}		Q2/2013 ^{2/}	
	Bt. 000's	%	Bt. 000's	%	Bt. 000's	%	Bt. 000's	%
Assets								
Current assets								
Cash and cash equivalents	1,417,245	8.54	1,977,324	9.53	1,290,619	4.99	491,697	1.71
Trade and other receivables	662,407	3.99	986,436	4.75	1,251,621	4.84	1,128,015	3.92
Inventories	3,714,232	22.39	4,382,496	21.11	5,352,538	20.69	5,391,626	18.75
Value added tax receivable	28,231	0.17	-	-	64,832	0.25	80,728	0.28
Other current assets	67,345	0.41	108,269	0.52	172,483	0.67	218,978	0.76
Total current assets	5,889,460	35.50	7,454,525	35.91	8,132,093	31.44	7,311,044	25.42
Non-current assets								
Investment properties	1,159,294	6.99	1,095,983	5.28	1,376,270	5.32	1,435,784	4.99
Property, plant and equipment	8,513,529	51.30	10,812,386	52.09	14,846,558	57.40	18,320,988	63.72
Computer software	130,201	0.78	189,548	0.91	189,829	0.73	203,587	0.71
Leasehold rights	831,392	5.01	1,059,396	5.10	1,180,659	4.56	1,337,277	4.65
Property foreclosed	4,174	0.03	3,230	0.02	3,230	0.01	3,230	0.01
Rental guarantee deposits	47,701	0.29	51,937	0.25	59,687	0.23	54,972	0.19
Deferred tax assets	-	-	80,805	0.39	67,376	0.26	76,497	0.27
Other non-current assets	16,238	0.10	10,999	0.05	12,672	0.05	12,862	0.04
Total non-current assets	10,702,529	64.50	13,304,284	64.09	17,736,281	68.56	21,445,197	74.58
Total assets	16,591,989	100.00	20,758,809	100.00	25,868,374	100.00	28,756,241	100.00
Liabilities and shareholders' equity								
Current liabilities								
Short-term loans from financial institutions							1,300,000	4.52
Trade and other payables	5,896,503	35.54	7,291,779	35.12	8,091,332	31.28	9,253,130	32.18
Current portion of liabilities under financial lease agreements	4,598	0.03	3,720	0.02	5,967	0.02	5,251	0.02
Current portion of long-term loan	-	-	-	-	300,000	1.16	500,000	1.74
Current portion of debentures	730,000	4.40	300,000	1.45	1,700,000	6.57	-	-
Income tax payable	313,025	1.89	438,008	2.11	362,382	1.40	308,583	1.07
Value added tax payable	526	0.00	41,642	0.20	567	0.00	563	-
Advances received from customers	471,439	2.84	768,901	3.70	721,318	2.79	684,684	2.38
Other current liabilities	218,079	1.31	271,849	1.31	406,287	1.57	445,462	1.55
Total current liabilities	7,634,170	46.01	9,115,899	43.91	11,587,853	44.79	12,497,673	43.46

	2010 ^{1/3/}		2011 ^{1/4/}		2012 ^{1/4/}		Q2/2013 ^{2/}	
	Bt. 000's	%	Bt. 000's	%	Bt. 000's	%	Bt. 000's	%
Non-current liabilities								
Liabilities under financial lease agreements - net of current portion	6,905	0.04	8,420	0.04	16,824	0.07	14,155	0.05
Long-term loans - net of current portion	-	-	-	-	1,200,000	4.64	1,850,000	6.43
Debentures - net of current portion	2,000,000	12.06	2,700,000	13.01	2,300,000	8.89	2,300,000	8.00
Provision for long-term employee benefits	76,786	0.46	91,352	0.44	80,958	0.31	86,939	0.30
Rental received in advance	499,498	3.01	477,850	2.30	456,203	1.76	445,379	1.55
Other non-current liabilities	136,421	0.82	163,187	0.79	299,260	1.16	339,334	1.18
Total non-current liabilities	2,719,610	16.39	3,440,809	16.58	4,353,245	16.83	5,035,807	17.51
Total liabilities	10,353,780	62.40	12,556,708	60.49	15,941,098	61.62	17,533,480	60.97
Shareholders' equity								
Share capital ⁵								
Registered share capital								
8,228,193,829 ordinary shares							8,228,194	
7,054,971,235 ordinary shares					7,054,971			
5,881,394,685 ordinary shares			5,881,394					
4,426,605,527 ordinary shares	4,426,605							
Issued and fully paid-up								
8,219,637,893 ordinary shares							8,219,638	28.59
7,041,430,018 ordinary shares					7,041,430	27.22		
5,836,721,415 ordinary shares			5,836,721	28.12				
4,352,991,862 ordinary shares	4,352,992	26.23						
Share premium	621,807	3.75	636,330	3.07	646,066	2.50	646,323	2.25
Retained earnings								
Appropriated								
Statutory reserve – The Company	316,800	1.91	417,700	2.01	550,800	2.13	622,360	2.16
Statutory reserve – Subsidiary	-	-	500.00	0.00	500.00	0.00	500.00	-
Unappropriated	946,606	5.71	1,310,945	6.32	1,688,635	6.53	1,734,194	6.03
Other components of shareholders' equity	-	-	(98.00)	(0.00)	(161.00)	(0.00)	(259.00)	-
Equity attributable to owners of the Company	6,238,205	37.60	8,202,098	39.51	9,927,270	38.38	11,222,756	39.03
Non-controlling interests of the subsidiary	4	-	3	-	6	-	5	-
Total shareholders' equity	6,238,209	37.60	8,202,101	39.51	9,927,276	38.38	11,222,761	39.03
Total liabilities and shareholders' equity	16,591,989	100.00	20,758,809	100.00	25,868,374	100.00	28,756,241	100.00

Note: 1/ Financial statements for the years ended December 31, 2010-2012 were audited by Mrs. Gingkam Atsawangsali, Certified Public Accountant (Thailand) No. 4496, of Ernst & Young Office Limited.

2/ Financial statement for the period ended June 30, 2013 was reviewed by Mrs. Gingkam Atsawangsali, Certified Public Accountant (Thailand) No. 4496, of Ernst & Young Office Limited.

3/ Financial statement for 2010 was reclassified.

4/ Financial statements for 2011 and 2012 have been restated.

5/ Par value of Baht 1 per share.

(b) Statements of comprehensive income

	2010 ^{1,3/}		2011 ^{1/}		2012 ^{1/}		6M/2013 ^{2/}	
	Bt. 000's	%	Bt. 000's	%	Bt. 000's	%	Bt. 000's	%
Profit or loss								
Sales income	24,072,755	92.89	28,363,421	92.99	34,541,550	93.43	19,174,253	94.03
Rental and service income	767,698	2.96	813,450	2.67	893,418	2.42	481,602	2.36
Other income	1,074,448	4.15	1,325,559	4.35	1,534,329	4.15	735,988	3.61
Total revenues	25,914,901	100.00	30,502,430	100.00	36,969,297	100.00	20,391,843	100.00
Cost of sales	18,052,221	69.66	21,073,977	69.09	25,559,391	69.14	14,072,187	69.01
Selling expenses	4,493,710	17.34	5,385,685	17.66	6,790,995	18.37	3,808,144	18.67
Administrative expenses	915,743	3.53	919,860	3.02	965,428	2.61	600,727	2.95
Other expenses	46,721	0.18	78,719	0.26	24,715	0.07	10,126	0.05
Total expenses	23,508,394	90.71	27,458,241	90.02	33,340,529	90.18	18,491,184	90.68
Profit before finance cost and income tax expenses	2,406,507	9.29	3,044,189	9.98	3,628,767	9.82	1,900,659	9.32
Finance cost	(103,493)	(0.40)	(117,613)	(0.39)	(146,169)	(0.40)	(102,179)	(0.50)
Profit before income tax expenses	2,303,015	8.89	2,926,576	9.59	3,482,599	9.42	1,798,480	8.82
Income tax expenses	(664,584)	(2.56)	(921,213)	(3.02)	(803,130)	(2.17)	(376,770)	(1.85)
Profit for the year	1,638,431	6.32	2,005,363	6.57	2,679,469	7.25	1,421,710	6.97
Other comprehensive income								
Exchange differences on translation of financial statements in foreign currency	-	-	(98)	(0.00)	(63)	(0.00)	(98)	(0.00)
Actuarial gains	-	-	-	-	23,781	0.06	-	-
Other comprehensive income for the year	-	-	(98)	-	23,718	0.06	(98)	(0.00)
Total comprehensive income for the year	1,638,431	6.32	2,005,265	6.57	2,703,187	7.31	1,421,612	6.97
Profit attributable to:								
Equity holders of the Company	1,638,429	6.32	2,005,361	6.57	2,679,466	7.25	1,421,711	6.97
Non-controlling interests of the subsidiary	2	-	2	-	3	-	(1)	-
	1,638,431	6.32	2,005,363	6.57	2,679,469	7.25	1,421,710	6.97
Total comprehensive income attributable to:								
Equity holders of the Company	1,638,429	6.32	2,005,263	6.57	2,703,184	7.31	1,421,613	6.97
Non-controlling interests of the subsidiary	2	-	2	-	3	-	(1)	-
	1,638,431	6.32	2,005,265	6.57	2,703,187	7.31	1,421,612	6.97

	2010 ^{1/3/}		2011 ^{1/}		2012 ^{1/}		6M/2013 ^{2/}	
	Bt. 000's	%	Bt. 000's	%	Bt. 000's	%	Bt. 000's	%
Earnings per share:								
Basic earnings per share								
Profit attributable to equity holders of the Company	0.28		0.29		0.38		0.17	
Diluted earnings per share								
Profit attributable to equity holders of the Company	0.28		0.29		0.38		0.17	

Note: 1/ Financial statements for the years ended December 31, 2010-2012 were audited by Mrs. Gingkarn Atsawarangsalit, Certified Public Accountant (Thailand) No. 4496, of Ernst & Young Office Limited.

2/ Financial statement for the period ended June 30, 2013 was reviewed by Mrs. Gingkarn Atsawarangsalit, Certified Public Accountant (Thailand) No. 4496, of Ernst & Young Office Limited.

3/ Financial statement for 2010 was reclassified.

(c) Statements of cash flow

Unit: Baht 000's

Statements of cash flow	2010	2011	2012	6M/2013
Net cash flow provided by (used in) operating activities	2,624,555	3,830,461	3,434,514	2,842,620
Net cash flow provided by (used in) investing activities	(2,005,683)	(3,418,735)	(5,667,225)	(3,961,932)
Net cash flow provided by (used in) financing activities	(47,958)	148,451	1,546,069	320,488
Translation adjustments	-	(98)	(63)	(98)
Net increase (decrease) in cash and cash equivalents	570,914	560,079	(686,705)	(798,922)
Cash and cash equivalents at beginning of year	846,331	1,417,245	1,977,324	1,290,619
Cash and cash equivalents at end of year	1,417,245	1,977,324	1,290,619	491,697

(d) Key financial ratios

Financial ratios		Dec 31, 10	Dec 31, 11	Dec 31, 12	Q2/2013
Liquidity ratio					
Current ratio	(time)	0.77	0.82	0.70	0.58
Quick ratio	(time)	0.21	0.24	0.14	0.07
Cash flow liquidity ratio	(time)	0.37	0.46	0.33	0.47
Account receivable turnover ratio	(time)	152.05	147.40	129.80	114.33
Average collection period	(day)	2	2	3	3
Inventory turnover ratio	(time)	5.45	5.21	5.25	5.24
Average selling period	(day)	67	70	70	70
Account payable turnover ratio	(time)	3.94	3.87	4.04	3.97
Average repayment period	(day)	93	94	90	92
Cash cycle	(day)	(24)	(22)	(17)	(19)

Financial ratios		Dec 31, 10	Dec 31, 11	Dec 31, 12	Q2/2013
(Profitability ratio)					
Gross profit margin	(%)	25.01	25.70	26.00	26.61
Operating profit margin	(%)	10.00	10.73	10.51	9.91
Other income to total revenues	(%)	7.11	7.01	6.57	5.97
Cash to earnings ratio	(%)	109.06	125.83	94.65	149.56
Net profit to total revenues	(%)	6.32	6.57	7.31	6.97
Return on equity	(%)	28.62	27.77	29.56	26.89
(Efficiency ratio)					
Return on assets	(%)	10.76	10.74	11.59	10.41
Return on fixed assets	(%)	24.82	25.52	25.71	22.26
Asset turnover	(time)	1.70	1.63	1.59	1.49
Financial policy ratio					
Debt to equity ratio	(time)	1.66	1.53	1.61	1.56
Interest coverage ratio	(time)	33.95	42.55	30.46	32.87
Commitment coverage ratio - cash basis	(time)	0.69	0.89	0.49	0.48
Dividend payout	(%)	^{1/} 91.76	^{2/} 84.08	^{3/} 96.52	-

- Note:**
- 1/ Dividend payment for 2010 was made from H1 results in an amount of Baht 693 million (consisting of stock dividend at a rate of 6 old shares/1 stock dividend and cash dividend at Baht 0.0193/share) and from H2 results of Baht 810 million (stock dividend at 6 old shares/1 stock dividend and cash dividend at Baht 0.0193/share), making up total dividend payment for 2010 of Baht 1,503 million.
 - 2/ Dividend payment for 2011 was made from H1 results in an amount of Baht 810 million (consisting of stock dividend at a rate of 7 old shares/1 stock dividend and cash dividend at Baht 0.0159/share) and from H2 results of Baht 876 million (cash dividend at Baht 0.15/share), making up total dividend payment for 2011 of Baht 1,686 million.
 - 3/ Dividend payment for 2012 was made from H1 results in an amount of Baht 1,303 million (consisting of stock dividend at a rate of 5 old shares/1 stock dividend and cash dividend at Baht 0.022223/share) and from H2 results of Baht 1,306 million (stock dividend at 6 old shares/1 stock dividend and cash dividend at Baht 0.1667/share), which was proposed for approval from the 2013 Annual General Meeting of Shareholders, making up total dividend payment for 2012 of Baht 2,609 million.

3.6.2 Analysis of past performance

Operating results in 2010-2012

(a) Overview of past performance

Thai economy in 2010 was threatened by several factors, including world economic uncertainties, local political unrest, fluctuations in baht value and capital flows, and natural disasters. Despite that, Thai GDP could grow by more than 7%, driven partly by the exports of goods and services that expanded in line

with major trade partners' economic recovery and partly by the ongoing pick-up in domestic demand. Positive results of these contributing factors became more distinct in the latter half of the year.

Overall retail business in 2010 grew moderately, spurred by the economic improvement, stronger political stability, the government sector's implementation of economic stimulus policy, and salary increase by all government sectors which helped to boost consumers' purchasing power. In the second half of the year, the consumer confidence index picked up due to restoration of consumers' confidence in Thai economy, employment and future income.

In 2011, Thailand was hard hit by a massive flood crisis in the final quarter of the year which had had devastating impacts on the country's economy, notably manufacturing, exports and domestic consumption. As a consequence, the government sector had to revise down the GDP growth forecast from 4%-5% to just 0.1%.

In the first nine months of the year, retail business showed a positive outlook, helped by the government sector's consumption stimulus measures and salary increases for civil servants, thereby improving consumers' purchasing power. Then, the severe floods that took place in the fourth quarter prompted consumers who lived in the flood-hit areas, flood-prone areas and nearby areas to buy a large amount of consumer products both for own consumption and for donation, thus resulting in increasing sales volume of retail business.

2012 witnessed a recovery in Thai economy after weathering the worst floods in the final quarter of 2011. Overall Thai exports still could not perform well because the economy in the USA, Europe and Japan which are Thailand's main export markets had not yet fully recovered. However, local purchasing power quickly returned to normal, as evident from a dramatic increase in the Company's first-quarter sales. Thai GDP growth rate could reach 6.4%.

The Thai economic improvement in 2012 enabled the Company to achieve satisfactory business performance, with a surge of 21.8% in its total sales and 33.6% in profit.

All in all, the Company could report a year-on-year increase in sales, total revenues and net profit during 2010-2012, contributed by factors such as branch network expansion, same store sales growth, sales of newly opened branches, inventory management efficiency, revenues from space rental business, etc. Growth in its business performance in 2010 and 2011 also was ascribed to income earning from the HomePro Expo event.

(b) Sales income

In 2010-2012, the Company and its subsidiaries recorded total sales income of Baht 24,072.76 million, Baht 28,363.42 million and Baht 34,541.55 million respectively, growing year on year by Baht 4,209.67 million or 17.82% and Baht 6,178.13 million or 21.78% respectively. Such growth was driven by same store sales growth, sales of branches newly opened in each year, and sales derived from the HomePro Expo event organized in the first and the fourth quarters of 2012.

(c) Other income

In 2010-2012, the Company and its subsidiaries generated other income totaling Baht 1,842.15 million, Baht 2,139.01 million and Baht 2,427.75 million respectively, increasing year on year by Baht 296.86 million or 16.12% in 2011 and Baht 288.74 million or 13.50% in 2012, and representing 7.65%, 7.54% and 7.03% of total sales respectively. Changes in other income items are as follows:

- Rental and service income rose year on year by Baht 45.75 million and Baht 79.97 million, resulting from an increase in rental fees from tenant shops at HomePro outlets and rented space at Market Village shopping center.
- Other income grew by Baht 251.11 million and Baht 208.77 million year on year, coming from advertising income, support fee of promotional activities from business partners, and service fee related to sales of goods.

(d) Cost of sales and gross profit margin

In 2010-2012, the Company and its subsidiaries recorded total cost of sales of Baht 18,052.22 million, Baht 21,073.98 million and Baht 25,559.39 million respectively, rising year on year by Baht 3,021.76 million or 16.74% in 2011 and Baht 4,485.41 million or 21.28% in 2012 in line with sales growth.

The Company reported a gross profit of Baht 6,020.53 million, Baht 7,289.44 million and Baht 8,982.16 million respectively, up year on year by Baht 1,268.91 million in 2011 and Baht 1,692.72 million in 2012, with gross profit margin continually edging up from 25.01% to 25.70% and 26.00% respectively.

The gross profit increase resulted from improvement of product mix, particularly an increase in sales of private brand products, and also from enhancement of inventory management efficiency and increase in volume discount of in a large quantity, thus leading cost of sales to increase at a slower rate.

(e) Selling and administrative expenses

In 2010-2012, the Company and its subsidiaries recorded selling and administrative expenses of Baht 5,456.17 million, Baht 6,384.26 million and Baht 7,781.14 million respectively, increasing year on year by Baht 928.09 million or 17.01% in 2011 and Baht 1,396.87 million or 21.88% in 2012, and making up 22.67%, 22.51% and 22.53% of total sales respectively. Details of each expenses item during 2010-2012 are as follows:

- Selling expenses were Baht 4,493.71 million, Baht 5,385.69 million and Baht 6,790.99 million respectively, comprising expenses for branches, operation and distribution units, increasing year on year by Baht 891.98 million in 2011 and Baht 1,405.30 million in 2012 due to expenses incurred from salaries, transportation cost and service cost, utilities cost, and depreciation.
- Administrative expenses amounted to Baht 915.74 million, Baht 919.86 million and Baht 965.43 million respectively, chiefly coming from the headquarters, rising year on year by Baht

4.12 million and Baht 45.57 million due to expenses incurred from maintenance cost, consulting fee and other fees.

(f) Finance cost

Finance cost was Baht 103.49 million, Baht 117.61 million and Baht 146.17 million in 2010-2012 respectively, up year on year by Baht 14.12 million or 13.64% in 2011 and Baht 28.56 million or 24.28% in 2012. Such increase was caused mainly by a rise in long-term liabilities from issuance of debentures and loans from financial institutions raised in Q3/2011 and 2012. Finance cost in percentage of total sales stayed in about the same level of 0.43%, 0.41% and 0.42% in 2010-2012 respectively.

(g) Net profit

From the operation in 2010-2012, the Company and its subsidiaries posted a net profit of Baht 1,638.43 million, Baht 2,005.27 million and Baht 2,703.09 million respectively, growing year on year by Baht 366.84 million or 22.39% in 2011 and Baht 697.82 million or 34.80% in 2012.

Net profit growth in 2011 and 2012 resulted from an increase in sales and other income. Moreover, cost of sales rose at a slower rate than sales, leading to a higher gross profit. At the same time, the reduction in corporate income tax rate from 30% to 23% in 2012 caused the ratio of net profit to sales to edge up to 7.07% and 7.83% respectively.

(h) Return on equity (ROE)

ROE stayed at 28.62%, 27.77% and 29.56% as of December 31, 2010-2012 respectively. A decline in ROE in 2011 stemmed from an increase in shareholders' equity due to issuance of stock dividends. For 2012, the Company could operate business effectively and could accordingly increase the shareholder returns from their investment.

Operating results in 6M/2013

(i) Overview of past performance

For the 6M/2013 period, the Company's sales, total revenues and net profit could grow from the same period of the previous year, driven by an increasing number of branches, same store sales growth, sales of newly opened branches, inventory management efficiency, revenues from space rental business, etc.

(j) Sales income

For the 6M/2013 period, the Company and its subsidiaries achieved total sales income of Baht 19,174.25 million, up year on year by Baht 2,800.53 million or 17.10% due to same store sales growth and sales of newly opened branches.

(k) Other income

In the 6M/2013 period, the Company and its subsidiaries generated other income totaling Baht 1,217.59 million, increasing year on year by Baht 140.12 million or 13.00% and making up 6.35% of total sales. Changes in other income items are as follows:

- Rental and service income rose year on year by Baht 51.44 million, resulting from an increase in rental fees from tenant shops at HomePro outlets and rented space at Market Village shopping center.
- Other income grew by Baht 88.68 million year on year, coming from advertising and sales promotion income, service fees from customers, and other income.

(l) Cost of sales and gross profit margin

In 6M/2013, the Company and its subsidiaries recorded total cost of sales of Baht 14,072.19 million, rising year on year by Baht 1,898.95 million or 15.60% in line with sales growth.

The Company reported a gross profit of Baht 5,102.07 million, up year on year by Baht 901.59 million. It could post a gross profit margin of 26.61% due to improvement of product mix by increasing the proportion of high margin products.

(m) Selling and administrative expenses

In 6M/2013, the Company and its subsidiaries recorded selling and administrative expenses of Baht 4,419.00 million, rising year on year by Baht 765.36 million or 20.95% and making up 23.05% of total sales due to increases in salaries, utilities cost, service cost, depreciation, marketing expenses, and expenses on preparation for new branch opening and new business launch.

(n) Finance cost

In the 6M/2013 period, the Company and its subsidiaries recorded total finance cost of Baht 102.18 million, surging year on year by Baht 43.10 million or 72.94%. Such increase resulted from a rise in short-term liabilities, issuance of debentures in Q3/2012 and long-term loans from financial institutions raised in Q4/2012 and Q2/2013. Finance cost made up 0.53% of total sales.

(o) Net profit

In the 6M/2013 period, the Company and its subsidiaries posted a net profit of Baht 1,421.61 million, growing year on year by Baht 220.34 million or 18.34% due to an increase in sales and other income. Moreover, cost of sales rose at a slower rate than sales, leading to a higher gross profit. At the same time, the reduction in corporate income tax rate from 23% to 20% in 2013 caused the ratio of net profit to sales to move up to 7.41%.

(p) Return on equity (ROE)

ROE dropped to 26.89% as of June 30, 2013, stemming from growth in shareholders' equity due to issuance of stock dividends.

3.6.3 *Analysis of past financial position*

Financial position in 2010-2012

(a) Net assets

As of December 31, 2010-2012, the Company and its subsidiaries had total assets of Baht 16,591.99 million, Baht 20,758.81 million and Baht 25,868.37 million respectively, increasing year on year by Baht 4,166.82 million or 25.11% and Baht 5,109.57 million or 24.61% respectively. Such asset growth was attributed to changes in the following major items:

- Cash and cash equivalents rose by Baht 560.08 million in 2011 due to bank deposits received from debenture issuance during the year and outstanding cash at branches at the year-end date, and then declined by Baht 686.71 million in 2012 as a result of a decrease in outstanding cash at branches at the year-end date.
- Trade accounts receivable grew by Baht 96.29 million in 2012 and other receivables increased by Baht 89.77 million in 2011 and Baht 347.57 million in 2012, comprising support fee of promotional activities, rental fees and other related service fees.
- Inventories-net increased by Baht 668.26 million in 2011 and Baht 970.04 million in 2012 in tandem with the increase in number of new branches.
- Property, plant and equipment-net, leasehold rights-net and computer software-net soared by Baht 2,586.21 million or 27.29% in 2011 and Baht 4,155.72 million or 34.45% in 2012, consisting of investments in new store expansion in 2011-2013.
- Investment properties in subsidiaries grew by Baht 280.23 million in 2012, ascribed to construction of a new car park building at Market Village Hua-Hin shopping center.
- Other assets-net rose by Baht 138.47 million in 2012.

(b) Liabilities

As of December 31, 2010-2012, the Company and its subsidiaries had total liabilities of Baht 10,353.78 million, Baht 12,556.71 million and Baht 15,941.10 million respectively, increasing year on year by Baht 2,202.93 million or 21.28% and Baht 3,384.39 million or 26.95% respectively due to changes in the following items:

- Trade accounts payable increased by Baht 1,007.88 million in 2011 and Baht 753.64 million in 2012, resulting from increased product orders in line with sales growth.
- Debentures-net rose by Baht 270 million in 2011 and Baht 1,000 million in 2012, while repayments were made in an amount of Baht 730 million and Baht 300 million during the year

of 2011 and 2012 respectively and there was additional issuance of unsubordinated and unsecured debentures of Baht 1,000 million and Baht 1,300 million respectively.

- Long-term loans from financial institutions-net increased by Baht 1,500 million in 2012, of which Baht 300 million will mature in 2013.
- Other liabilities-net increased by Baht 537.65 million in 2011 and Baht 84.84 million in 2012.

(c) Shareholders' equity

As of December 31, 2010-2012, shareholders' equity stood at Baht 6,238.21 million, Baht 8,202.10 million and Baht 9,927.28 million respectively, growing year on year by Baht 1,963.89 million or 31.48% and Baht 1,725.18 million or 21.03% respectively due to increases in the following items:

- Issued and fully paid-up ordinary shares increased by Baht 1,483.73 million in 2011 and Baht 1,204.71 million in 2012, resulting from a capital increase to accommodate payment of stock dividends in April and October 2011 totaling Baht 1,455.19 million and in October 2012 of Baht 1,173.01 million and also from exercise of warrants No. 4 by employees of Baht 28.54 million in 2011 and Baht 31.70 million in 2012.
- Share premium grew by Baht 14.52 million in 2011 and Baht 9.74 million in 2012.
- Retained earnings increased by Baht 384.93 million in 2011 and Baht 524.22 million in 2012, divided into appropriated retained earnings for statutory reserve of Baht 101.40 million and Baht 133.10 million and unappropriated retained earnings of Baht 364.34 million and Baht 377.69 million respectively.

(d) Capital structure

As of December 31, 2010-2012, the Company had total liabilities of Baht 10,353.78 million, Baht 12,556.71 million and Baht 15,941.10 million respectively and shareholders' equity of Baht 6,238.21 million, Baht 8,202.10 million and Baht 9,927.27 million respectively, representing a total debt to equity ratio of 1.66 times, 1.53 times and 1.61 times respectively.

Financial position as of June 30, 2013

(e) Net assets

As of June 30, 2013, the Company and its subsidiaries had total assets of Baht 28,756.24 million, growing year on year by Baht 2,887.87 million or 11.16%, due to an increase in property, plant and equipment-net of Baht 3,474.43 million or 23.40%. Capital expenditure was made primarily for new branch opening in 2013 and partly for branch network expansion in the following years.

(f) Liabilities

As of June 30, 2013, the Company and its subsidiaries had total liabilities of Baht 17,533.48 million, rising year on year by Baht 1,592.38 million or 9.99% due to changes in the following crucial items:

- Short-term loans from financial institutions increased by Baht 1,300 million, of which Baht 1,000 million will mature in March 2014 and Baht 300 million is a call loan.
- Trade accounts payable increased by Baht 765.05 million, resulting from increased product orders in line with sales growth. Payables for purchases of properties increased by Baht 520.52 million due to branch expansion.
- Debentures-net decreased by Baht 1,700 million because of redemption of debentures due on January 8, 2013 in an amount of Baht 700 million and on June 25, 2013 of Baht 1,000 million.
- Long-term loans from financial institutions Tranche 1 decreased by Baht 150 million and Tranche 2 increased by Baht 1,000 million, with Baht 500 million maturing in 2013.

(g) Shareholders' equity

As of June 30, 2013, shareholders' equity stood at Baht 11,222.76 million, growing year on year by Baht 1,295.49 million or 13.05% due to increases in the following items:

- Issued and fully paid-up ordinary shares increased by Baht 1,178.21 million, resulting from a capital increase to accommodate payment of stock dividends in April 2013 of Baht 1,173.61 million, and also from exercise of warrants No. 4 by employees of Baht 4.60 million.
- Share premium rose by Baht 0.26 million.
- Retained earnings increased by Baht 117.12 million, divided into appropriated retained earnings for statutory reserve of Baht 71.56 million and unappropriated retained earnings of Baht 45.56 million.

(h) Capital structure

As of June 30, 2013, the Company had total liabilities of Baht 17,533.48 million and shareholders' equity of Baht 11,222.76 million, representing a total debt to equity ratio of 1.56 times.

According to the rights and duties in issuance of debentures, the Company is required to maintain an interest-bearing financial debt to equity ratio at not over 1.75 times. The Company has been able to meet this requirement, with such ratio during 2010-2012 and 6M/2013 shown as follows:

	2010	2011	2012	Q2/2013
Interest-bearing financial debt to equity ratio	0.44	0.37	0.56	0.53

3.6.4 Liquidity

(Unit: Baht million)

Item	Consolidated financial statements			
	Q2/2013	2012	2011	2010
Cash flow from operating activities	2,842.62	3,434.51	3,830.46	2,624.55
Cash flow from investing activities	(3,961.93)	(5,667.23)	(3,418.73)	(2,005.68)
Cash flow from financing activities	320.49	1,546.07	148.45	(47.96)
Translation adjustments	(0.10)	(0.06)	(0.10)	-
Net increase (decrease) in cash	(798.92)	(686.71)	560.08	570.91

As of December 31, 2010-2012, the Company and its subsidiaries had cash and cash equivalents of Baht 1,417.24 million, Baht 1,977.32 million and Baht 1,290.62 million respectively. Cash provided by and used in various activities in 2012 was described below:

- Net cash provided by operating activities amounted to Baht 3,434.51 million. It came from profit before changes in current assets and liabilities of Baht 4,953.60 million and an increase in working capital due to significant changes in operating assets and liabilities, comprising increases in trade and other receivables of Baht 257.78 million, inventories of Baht 1,060.41 million, other current assets of Baht 138.47 million, trade and other payables of Baht 788.40 million and other current liabilities of Baht 160.21 million and payment of interest and income tax of Baht 1,011.02 million.
- Net cash used in investing activities amounted to Baht 5,667.23 million, consisting of acquisition of land and assets for branch expansion in 2012 and 2013 of Baht 5,643.03 million and computer software of Baht 24.19 million.
- Net cash provided by financing activities amounted to Baht 1,546.07 million. It came from long-term loans from financial institutions of Baht 1,510.65 million, debenture issuance of Baht 1,300.00 million and conversion of warrants to ordinary shares of Baht 41.43 million, repayment of debentures of Baht 300.00 million and dividends paid of Baht 1,006.01 million.

As of June 30, 2013, the Company and its subsidiaries had cash and cash equivalents of Baht 491.70 million. Cash provided by and used in various activities was as follows:

- Net cash provided by operating activities amounted to Baht 2,842.62 million. It came from profit before changes in current assets and liabilities of Baht 2,736.78 million and an increase in working capital due to significant changes in operating assets and liabilities, comprising an increase in trade and other receivables of Baht 123.61 million, a decrease in inventories of Baht 89.39 million, a decrease in other current assets of Baht 57.87 million, an increase in trade and other payables of Baht 644.48 million and in other current liabilities of Baht 31.03 million and payment of interest and income tax of Baht 546.63 million.

- Net cash used in investing activities amounted to Baht 3,961.93 million, consisting of acquisition of land and assets for branch expansion of Baht 3,942.43 million and computer software of Baht 19.50 million.
- Net cash provided by financing activities amounted to Baht 320.49 million. It came from short-term and long-term loans from financial institutions of Baht 1,300 million and Baht 1,000 million respectively, conversion of warrants to ordinary shares of Baht 4.86 million, repayment of liabilities under financial lease agreements of Baht 3.39 million, repayment of long-term loans and debentures of Baht 150 million and Baht 1,700.00 million respectively, and dividends paid of Baht 130.98 million.

3.6.5 Liquidity ratio

As of December 31, 2010-2012, the Company and its subsidiaries had current assets of Baht 5,889.46 million, Baht 7,454.52 million and Baht 8,132.09 million respectively and current liabilities of Baht 7,634.17 million, Baht 9,115.90 million and Baht 11,587.85 million respectively, representing a liquidity ratio of 0.77 times, 0.82 times and 0.70 times respectively.

As of June 30, 2013, the Company and its subsidiaries had current assets of Baht 7,311.04 million and current liabilities of Baht 12,497.67 million, representing a liquidity ratio of 0.58 times.

3.7 Industry situation relating to the Company's business

3.7.1 Description of products and services

(a) Retail business

- The Company's line of products can be divided into two groups of merchandise categories as follows:
 - Hard Line includes products such as construction materials, paints, home improvement, bathroom and sanitaryware, kitchenware, home appliances, electrical equipment, lighting, etc.
 - Soft Line consists of items such as bedding, curtains and household decorative goods.
- Services relating to retail business

Since most of the Company's products have instruction details and working process which customers need to understand, the Company has provided various kinds of related services by giving consultation and useful information for customers to make their buying decision on the products that best match the objectives of use.

(b) Space rental service for retail tenant stores

The Company has arranged rental space in some branches for retail tenant shops. At the same time, the Company has developed the format of its branches, called “HomePro Market Village,” which operates business in the form of full service shopping center. Inside the project, in addition to a HomePro branch, there is a shopping center zone mainly occupied by tenants such as a supermarket, restaurants, bank branches, bookstores, IT shops, etc.

As of December 31, 2012, the Company had a total of four HomePro Market Village branches: Suvarnabhumi branch, Hua Hin branch, Phuket-Chalong branch and Ratchaphruk branch.

3.7.2 *Marketing and competition overview*

(a) Target groups

The Company has two major target groups, retail customers and contractors. Retail customers consist of new house segment and renovation (old house) segment. The new house segment grows in line with economic condition. In buoyant economic times, customers in this group will have higher purchasing power to buy a new larger house. The renovation (old house) segment apparently shows ongoing growth, driven by persistent demand for home refurbishment and maintenance, furnishing or expansion to cater to a larger family size. This segment has in recent years been on a rise. Consumers mostly favor the Buy-It-Yourself (“BIY”) behavior, which requires assembling or installation services, rather than the Do-It-Yourself (“DIY”) behavior. The Company therefore offers a complete range of services to facilitate these customers.

A majority of the Company’s customers are retail clients, none of whom exceeds 30% of its total sales. Thus, the Company is not exposed to risk of losing bargaining power to its customers.

(b) Competition

The Company has classified other operators by a similar type of products as follows:

- Operators of home center business:
 - HomeWorks is a retail business unit of home products by Central Retail Corporation Group of Companies. As of year-end 2012, it had seven branches in operation.
 - Thai Watsadu is a retail business unit of construction materials by Central Retail Corporation Group of Companies. It operates in form of warehouse store to sell construction materials, home improvement goods and equipment. As of the end of 2012, it had 23 branches in operation.

- Global House operates the business of selling products in the form of warehouse store. Products include construction materials, decorative goods, tools, equipment to be used for construction, modification and furnishing of houses and gardens. It is managed by the Siam Global House Plc. As of the end of 2012, there were 19 branches in operation.

However, the Company believes that this business still has plenty of potentials and marketing opportunities and that the increase in number of such business operators will help stimulate consumers to familiarize themselves with and more rapidly change their behavior to purchase products from modern trade home centers.

- Specialty stores: Comprising retail businesses that focus on selling specific goods, which might compete with some of the Company's product lines, as follows:
 - Ceramic, sanitaryware, and kitchenware stores include Sukapan Center, Boonthavorn, Decor Mart, Grand Home Mart, and Inter Sanitary, offering products such as ceramics, sanitaryware and kitchenware with selling prices close to those of the Company.
 - Furniture and home decoration stores include Index Living Mall and IKEA, which are home improvement retailers especially offering decorative goods, furniture, bedding, living room furniture, and kitchenware and targeting high-end markets.
 - Home appliances stores include Power Buy which is a retail business unit of electrical appliances by Central Retail Corporation Group of Companies.
 - Retail stores offering only construction materials include Cement Thai Home Mart, which primarily sells products of SCG Group and rarely offers other products such as ceramics, sanitaryware, paints, electrical equipment, and water supply equipment.
 - Other specialty stores sell only a particular type of goods such as paints, water supply equipment, hardware, etc. These stores do not offer a broad variety of products, with their shop display still in the traditional trade format, hence a lack of independence in shopping decision.
- Operators of large retail business in the group of hypermarket: These businesses mainly aim at selling of consumer goods and edible products, not home products. While some types of products sold may overlap, their main target groups are different.

- (c) Competition strategies: The Company has implemented competition strategies in four aspects as follows:

- Products



The Company sells more than 60,000 product categories for construction, furnishing, modification and refurbishment of houses and residential places. It has also developed certain product items under its private brands in order to offer a selection of alternative products for customers who prefer to buy quality products at economical prices. The Company currently has over 1,000 product items under 36 private brands.

- Services

The Company has continuously studied and developed service formats so as to offer a comprehensive range of solutions and services to its customers. In addition to the pre- and post-sales services, the Company has provided “Home Services” that include 3D system design and the following services:

- Installation service includes services on installation, moving and solving problems.
- Maintenance service includes checking and cleaning of electrical appliances.
- Home improvement service includes home renovation and furnishing.

Furthermore, the Company also provides technician and contractor selection and placement service and products exchange service, as well as arranging DIY demonstration (Do It Yourself) and homecare workshop for customers.

- Location and number of branches

The Company opts to open branches in conveniently accessible locations. As of June 30, 2013, it had 56 branches in total. The Company plans to consistently expand its branch network in Greater Bangkok and the provinces.

- Management

The Company's management team has had experience in retail business and construction materials-related businesses and could therefore combine and exchange their knowledge in products and retail business pattern. The Company itself gives priority to development of IT system and automation of all operational processes, ranging from product procurement, acceptance, distribution to inventory control, thereby enabling it to cut down operating costs.

(d) Marketing and distribution

The Company's marketing aims to reach the target groups with utmost effectiveness by way of advertising and public relations through various media such as direct mail, publication, radio, television and billboard, in a bid to gain wide recognition of its product image and quality services.

Moreover, the Company has developed a customer relation management (CRM) program used for compiling customer data through the Home Card and Professional Card in order to offer products and services that could best match their requirements. Customers who hold these member cards will be eligible for a discount for purchasing products or services. Every purchase made with the card will accumulate points to redeem either cash for use on the next purchase or other privileges such as joining the DIY workshop, redeeming points for a discount coupon, etc. At the end of 2012, the Company had more than 1,300,000 registered members.

On the side of distribution channels, the Company has expanded its branch network to cover the major residential areas in Bangkok and its vicinities, and plans to continuously open new outlets in the upcountry. It also offers an online distribution channel via the Company's website at <http://www.directtoshop.com/>.

For sales promotion, the Company has joined hands with business partners, including public agencies, private organizations, trade partners and financial institutions, in arranging an array of marketing activities which will help to increase its distribution channels, expand customer base and strengthen the Company's business leadership.

(e) Product procurement

- Products ordering: The Company places orders for products, based on product lines and classified by group of products, from producers or selling agents at home and overseas by focusing on quality and diversity of products. Currently, the Company procures products from more than 700 producers or selling agents all of whom have given support to and very well cooperated with the Company in activities such as advertisements, public relations, sales campaigns, sales plans, as well as support of and participation in newly opened branches.

- Hire of production: The Company hires both local and overseas producers to produce its private brand products. Selection of such producers is made based on certification of their manufacturing standards, reputation, service quality, and compatibility of their operational pattern with the Company's. The Company also makes a plant visit and product inspection to evaluate the overall quality.

4. Reasonableness of the Transactions

4.1 Objectives and necessity of the transactions

Home Product Center Plc. operates a retail business in home improvement segment by selling goods and providing a complete range of services relating to construction, modification and refurbishment of buildings, houses and residential places under the trade name of “HomePro” which is the Company’s trademark. Presently, the Company has three subsidiaries, as follows:

1. Market Village Co., Ltd. (“MV”)

The Company holds 99.99% of MV’s current paid-up registered capital of Baht 5,000,000. MV was founded with objective to manage rental space of the Company and to provide utilities services to tenants at Market Village Hua-Hin shopping center project in Hua Hin District, Prachuap Khiri Khan Province.

2. Home Product Center (Malaysia) Sdn. Bhd.

The Company owns 100% of Home Product Center (Malaysia) Sdn. Bhd.’s current paid-up registered capital of MYR 1,000,000. It operates a retail business in home improvement segment in Malaysia.

3. Mega Home Center Co., Ltd.

The Company owns 99.99% of Mega Home Center Co., Ltd.’s current paid-up registered capital of Baht 300,000,000 million. It operates a retail business in Mueang District, Nonthaburi Province.

The Company’s core activity is a retail business in home improvement segment. One of its competition strategies is to continuously launch new branches in order to cover a broader service area and ensure customers’ convenient access to its branches. Apparently, the Company has consistently expanded its branch network in Greater Bangkok and the provinces, with five new branches opened in 2010, five branches in 2011, eight branches in 2012 and three branches in the first half of 2013. The Company also has a policy to operate business under a new brand “Mega Home”.

Therefore, the Company desires to raise funds to finance the business expansion and launch of new branches as described above by way of leasing out a partial area in Market Village Hua-Hin shopping center project for a term of about 27 years and selling movable properties in Market Village Hua-Hin shopping center project to the Property Fund. At present, the application of the Property Fund’s establishment is still under the approval process of the SEC.

By leasing out of partial area in Market Village Hua-Hin shopping center project for a term of about 27 years and selling movable properties to the Property Fund, the Company will receive cash, before deduction of expenses, of not less than Baht 4,060 million which will be used as a funding source for launch of new branches and investment in new projects or used as working capital. This will enable the Company to generate higher income and strengthen its performance, which will benefit the Company and its shareholders in the long run.

At the same time, the Company will invest in the Property Fund investment units in an amount not exceeding one-third of the appraised value of the properties that the Company will lease and sell to the Property Fund. Value of such investment is preliminarily expected at not more than Baht 1,420 million. The said investment will enable the Property Fund to successfully mobilize the desired amount of fund, while the Company will gain benefits in the form of dividend from such investment and revenues from providing property management service for the Property Fund.

4.2 Advantages and disadvantages of entering and not entering into the transactions

4.2.1 *Lease out of partial area and public utilities systems and sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund*

(a) Advantages and disadvantages of entering into the transaction in 4.2.1

4.2.1.1 Advantages of entering into the transaction

(1) Increase in cash and funding for new branch opening and business expansion under the Company's investment plan

The Company has engaged in a core activity of retail business in home improvement segment. One of its competition strategies is to continuously launch new branches in order to cover a broader service area and ensure customers' convenient access to its branches. It will need a large amount of fund each year for branch expansion, which requires purchases of land, construction of buildings and working capital used for business operation. As such, the lease out of a partial area of 50,518 square meters in Market Village Hua-Hin shopping center project and sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund will enable the Company to receive fund, before deduction of expenses, of not less than Baht 4,060 million, which will serve as a financing source for its future business development and expansion and for use as working capital in its business operation.

(2) A funding source for business expansion in replacement of borrowing and saving of future interest expenses

Given that the Company does not enter into the transaction, it will not obtain fund (after deduction of relevant expenses of not over Baht 100 million approximately and investment in the Property Fund for not over Baht 1,420 million) of not less than Baht 2,540 million. The Company may have to raise fund for business expansion or use as working capital by way of borrowing from financial institutions and, hence, will incur additional debt in an amount not less than Baht 2,540 million and have to bear additional interest expenses of at least Baht 94 million per year, calculated from an interest rate of 3.70% p.a. (based on the effective long-term loan rate of the Company as presented in Note 15 of its consolidated financial statement as at June 30, 2013).

(3) Ownership held by the Company over the area to be leased to the Property Fund

Under the transaction, the Company will lease out only a partial area of about 50,518 square meters (including common area of 24,657 square meters) in Market Village Hua-Hin shopping center project to the

Property Fund for a period of about 27 years. Thus, the Company still possesses the remaining area of about 70,981 square meters (including car park area of 51,877 square meters), which it can continue to utilize for business operation to generate rental and service income. Moreover, after completion of the lease term of 27 years, the Company will still own the area leased out to the Property Fund and can use it for further business operation.

(4) Mitigation of risk concerned with future performance

The consideration for the leasehold right, before deduction of expenses, of not less than Baht 4,060 million receivable from this transaction could be deemed as the entire future rental revenue promptly obtained by the Company at a present value while the Company will not have to wait for the future yearly performance over a period as long as 27 years. Besides, the Company will not be exposed to risk from uncertainty in business operation and impacts from future competition.

(5) Saving of expenses on common area and public utilities systems

The Company will grant leasehold rights to the common area and public utilities systems, including electricity system, lifts, air-conditioning system, etc., to the Property Fund. As the said area will be for common use, expenses incurred thereon will be partly borne by the Property Fund, thus enabling the Company to save some expenses to be incurred in the future.

(6) Increase in income for Market Village Co., Ltd., the Company's subsidiary

Market Village Co., Ltd., a subsidiary of the Company, will generate additional income from management of the leased area for the Property Fund. After completion of the transaction, the Property Fund will hire MV to manage the area leased from the Company because MV is the existing property manager of Market Village Hua-Hin shopping center and, thus, has experience and expertise in rented space management. Income earned by MV will vary with rental revenues from the rented space and also with operating performance of the Property Fund. However, management fee obtainable by MV, as the property manager, is close to those charged by property managers of other similar property funds such as CPN Retail Growth Leasehold Property Fund (CPNRF), Future Park Leasehold Property Fund (FUTUREPF) and Major Cineplex Lifestyle Leasehold Property Fund (MJLF). (See more details in Item 5.1.1 (b) Valuation of the property management service agreement with the Property Fund.)

4.2.1.2 Disadvantages of entering into the transaction

(1) Decrease in revenues received by the Company from space rental in Market Village Hua-Hin shopping center

Once the Company has leased out a partial area to the Property Fund, the rental income and revenues from services relating to the rented areas that the Company and its subsidiary used to receive from tenants will decrease accordingly because those revenues will thereafter belong to the Property Fund. Assuming that

the Company grants the leasehold right to the Property Fund from 2011 onwards, the rental and service income after deduction of operating expenses, which the Company used to receive, will decrease by Baht 173 million in 2011, Baht 183 million in 2012 and Baht 96 million in 6M/2013. However, after it has leased out a partial area and sold movable properties to the Property Fund, the Company will receive a consideration in an amount, before deduction of expenses, of not less than Baht 4,060 million. The Company will gradually recognize such amount as income in yearly statements of income in an approximate amount not less than Baht 150 million per year (calculated from the consideration for leasehold right of not less than Baht 4,060 million divided by the lease term of about 27 years).

Therefore, when compared such reduced revenues with the gradual recognition of income from leasehold right as yearly income, the net decrease in the Company's revenues will be Baht 23 million in 2011, Baht 33 million in 2012 and Baht 21 million in 6M/2013.

(2) An increase in the debt to equity ratio

After entering into the transaction, the Company will receive cash, before deduction of expenses, of not less than Baht 4,060 million, which will be recorded as 'rental and service income received in advance' under the liabilities caption in the statement of financial position. This amount will decrease annually because it will be gradually recognized as income in the Company's statement of income in an amount not less than Baht 150 million per year (Baht 4,060 million divided by lease term of 27 years). In this respect, the debt to equity ratio will increase, calculated based on the statement of financial position as at June 30, 2013, as follows:

	As of June 30, 2013 before the transaction (Baht million)	As of June 30, 2013 after the transaction (Baht million)
Total liabilities	17,533.48	17,533.48
<i>Add: Rental and service income received in advance</i>	-	4,060
Total liabilities (after the transaction)		21,813.48
Shareholders' equity	11,222.76	11,222.76
Debt to equity ratio	1.56	1.94

Nonetheless, since the increase in total liabilities comes from rental and service income received in advance which is simply an accounting item and is not an actual debt incurred from borrowing, thus, it will neither incur any interest expenses nor affect the Company's cash flow or ability to maintain the interest-bearing financial debt to equity ratio according to the rights and duties in issuance of debentures, which stipulate that the Company must maintain the ratio at not over 1.75 times. As of June 30, 2013, its interest-bearing financial debt to equity ratio stood at 0.53 time. After completion of the transaction, such ratio will be unchanged accordingly.

(3) Relevant expenses arising from the transaction

In entering into the transaction, the Company will bear expenses relating to the long-term leasehold rights granted to the Property Fund, including leasehold right registration fee, stamp duty, investment unit underwriting fee, etc., totaling approximately Baht 100 million.

- (b) Advantages and disadvantages of not entering into the transaction in 4.2.1

4.2.1.3 Advantages of not entering into the transaction

- (1) The Company will still own the area in Market Village Hua-Hin shopping center project to be leased to the Property Fund and can continually operate and manage this property and earn revenues from such business operation. Market Village Hua-Hin shopping center project is located in the area that is a center of tourism, communication, hotels and accommodations of Hua Hin District, which is a popular seaside tourist destination not far from Bangkok. Therefore, the leasable space at this property has a high potential to generate income for the Company in the future. To possess the property will allow the Company to manage business and/or change business pattern in a prompt and flexible manner.
- (2) The Company will earn rental income and revenues from related services and can flexibly use the said area without obligation to abide by the terms and conditions committed with the Property Fund.

4.2.1.4 Disadvantages of not entering into the transaction

- (1) The Company will lose the opportunity to receive cash, before deduction of expenses, of not less than Baht 4,060 million which can be used for its business expansion and used as working capital.
- (2) If the Company needs fund for business expansion and new business launch and for use as working capital, it may have to raise such fund from borrowing and will then bear additional interest expenses in an amount not less than Baht 150 million a year.

4.2.2 Investment in the Property Fund

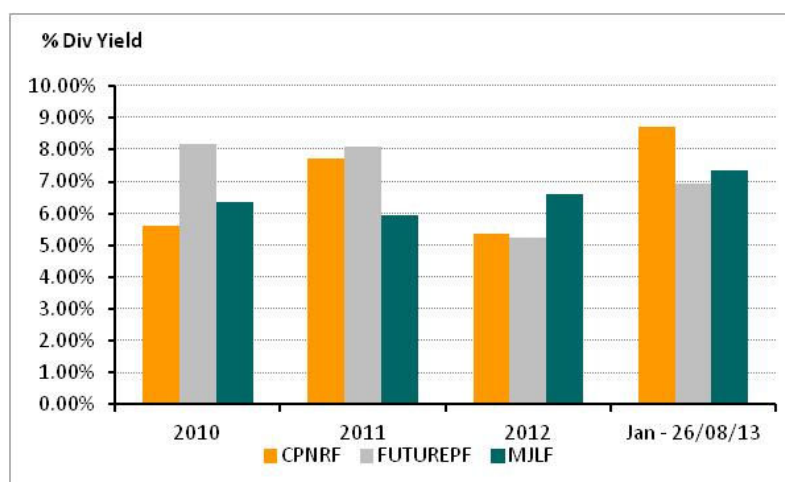
- (a) Advantages and disadvantages of entering into the transaction in 4.2.2

4.2.2.1 Advantages of entering into the transaction

- (1) The Company will gain dividend from the Property Fund. Aside from investment in the leasehold properties at Market Village Hua-Hin shopping center project, the Property Fund will invest in leasehold right at another well-known shopping center, Terminal 21, in Bangkok. It has a policy to pay dividend to unitholders at not less than 90% of net profit after adjustment in a fiscal year. As of the date of preparing this report, the establishment of the Property Fund has not yet been completed and approved by the SEC. Thus, the required rate of return on such investment is still unknown.

However, we have researched in historical data on dividend yields of other SET-listed property funds similarly investing in leasehold properties at shopping centers, and found that their dividend yields were in a range of 5.23% – 8.73% per year, as shown below:

	CPNRF	FUTUREPF	MJLF
Name	CPN Retail Growth Leasehold Property Fund	Future Park Leasehold Property Fund	Major Cineplex Lifestyle Leasehold Property Fund
Type	Leasehold	Leasehold	Leasehold
Invested assets	Sub-lease of land and leasehold right to part of Central Plaza Rama II, Rama III and Central Plaza Pinklao buildings	Leasehold right to part of Future Park Rangsit building	Leasehold right to Major Cineplex Ratchayothin, Major Cineplex Rangsit and Suzuki Avenue Ratchayothin buildings
Dividend yield			
- 2010	5.61%	8.17%	6.34%
- 2011	7.74%	8.08%	5.95%
- 2012	5.38%	5.23%	6.60%
- Jan – Aug 26, 2013	8.73%	6.92%	7.37%



(Source: www.setsmart.co.th)

- (2) The Company will have an opportunity to receive capital gain if, in the future, the trading price of the Property Fund investment units on the SET is higher than its investment cost. When the Company sells the investment units, it will enjoy such capital gain. There is no limitation to the Company regarding the holding period of the investment units.
- 4.2.2.2 Disadvantages of entering into the transaction**

The Company will have to pay for such investment in the Property Fund in an amount not more than Baht 1,420 million. Therefore, total fund receivable from the acquisition transaction will decrease by such amount and the Company will have net amount available for business expansion and for use as working capital of not less than Baht 2,540 million only.

- (b) Advantages and disadvantages of not entering into the transaction in 4.2.2

4.2.2.3 Advantages of not entering into the transaction

The Company will receive total fund, before deduction of expenses, of not less than Baht 4,060 million from lease of a partial area and sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund, and will not have to spend an amount up to Baht 1,420 million on investment in the

Property Fund. As such, it will have additional fund available for business expansion and for use as working capital.

4.2.2.4 Disadvantages of not entering into the transaction

If the Company does not invest in the Property Fund, it may lose the opportunity to receive dividend from such investment and to enjoy capital gain from difference between the market price and its investment cost.

4.3 Comparison of advantages and disadvantages between entering into the transactions with a connected party and those with a third party, necessity for entering into the transactions with a connected party and reasons for not entering into the transactions with a third party

The Company will lease out a partial area for 27 years to the Property Fund and at the same time will invest in the Property Fund investment units. After completion of the Property Fund establishment, LH or a member of LH group and Khun Anant Asavabhokhin, the Company's connected parties, will likely hold the Property Fund investment units in an aggregate amount higher than 10% of total number of issued and offered investment units. Market Village Hua-Hin shopping center project is a modern shopping mall offering a wide variety of restaurants and retail shops and occupying the largest area in Hua Hin District. However, if the Company sets up a property fund to invest solely in leasehold property of Market Village Hua-Hin shopping center, such property fund will have a size of only about Baht 4,000 million, which is not large enough to attract investors in general.

The Company has therefore decided to enter into this transaction with the Property Fund in which its connected parties may acquire investment units in a combined amount higher than 10% of total number of issued and offered investment units. The Property Fund has a policy to invest in leasehold right at another well-known shopping center, Terminal 21, in Bangkok. Taking into account the size of this property combined with Market Village Hua-Hin shopping center project, it can ensure strong income generation for the Property Fund and the two projects can cover the central area of Bangkok as well as a seaside tourist location where there is high purchasing power. The fund size will be larger and, hence, more attractive to investors. In addition, the connected parties also own shares both directly and indirectly in other shopping center businesses and have already been well acquainted with the nature of this business. Therefore, to establish the Property Fund will be more beneficial to the Company and its shareholders than to enter into the transaction with a third party.

4.4 Impacts of the acquisition and disposal transactions and connected transactions on the Company's consolidated financial statements

4.4.1 On the assets side, the Company will bring in cash (before deduction of expenses arising from the transactions) receivable from the long-term leasehold right granted to the Property Fund and the investment in the Property Fund investment units as follows:

(Unit: Baht million)

Assets

Cash

Cash receivable from leasehold right	Not less than	4,060
Less: Estimated relevant expenses	Not over	100
Less: Investment in Property Fund	Not over	1,420
Net increase in cash		Not less than 2,540

Investment in Property Fund	Not over	1,420
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Thus, after completion of the above transactions, the Company's net cash will increase by not less than Baht 2,540 million.

4.4.2 Cash receivable from the leasehold right in an amount, before deduction of expenses, of not less than Baht 4,060 million will be recorded as 'rental income received in advance' under the liabilities caption and will be gradually recognized as income throughout the lease period in an amount not less than Baht 150 million per year (Baht 4,060 million divided by the lease term of 27 years).

4.4.3 After completion of the transactions, the Company's rental and service revenues from the leased area after deduction of relevant operating expenses will decrease. Assuming that the Company grants the leasehold right to the Property Fund from 2011 onwards, the rental and service income after deduction of operating expenses will decline by Baht 173 million in 2011, Baht 183 million in 2012 and Baht 96 million in 6M/2013.

4.4.4 After completion of the transactions, Market Village Co., Ltd., a subsidiary of the Company, will generate additional income from serving as property manager of Market Village Hua-Hin shopping center project. The management fee obtainable by MV will vary with rental revenues from the rented space and also with net asset value of the Property Fund. Moreover, the said property to be managed by MV is merely a part of the property that the Property Fund will invest in under the above transactions. At the time of preparing this opinion report on the connected transactions, the IFA could not find any reliable source of publicly available information on Terminal 21 shopping center projects that can be adopted as a basis for measuring a total value of the Property Fund. As a consequence, we could not yet identify an appropriate value of MV's income from such property management service.

4.5 Conditions and uncertainty of the transactions

In entering into the transactions, the Company will receive cash from the leasehold right granted to the Property Fund only after the Property Fund is successfully established. As at the date of preparing this report, the Property Fund's establishment has not yet been completed and the application for approval of the fund establishment from the SEC is still underway. As such, it remains uncertain as to whether the establishment of the Property Fund will be approved by the SEC.

5. Fairness of Price and Conditions for the Transactions

5.1 Fairness of price

The IFA has determined fairness of price of the two transactions based on resolutions of the Board of Directors' meeting No. 8/2013 on August 27, 2013 passed for the following transactions:

1. Approval for the Company to lease a partial area and sell movable properties in Market Village Hua-Hin shopping center project to the Property Fund at a combined price before deduction of expenses of not less than Baht 4,060 million, and approval for MV, a subsidiary of the Company, to serve as property manager of such project for the Property Fund.

The movable properties to be sold to the Property Fund are non-core assets and consist of equipment to provide convenience for visitors of Market Village Hua-Hin shopping center project such as stage equipment, stools for an organized event, emergency lights, benches at different spots, trash bins, sound system, fire extinguishers, television screens, etc. As of July 31, 2013, these assets had a total book value of around Baht 3.8 million.

2. Approval for the Company to invest in the Property Fund in an amount not exceeding one-third of the appraised value of the properties to be leased and sold to the Property Fund, with total value of such investment preliminarily expected at not more than Baht 1,420 million.

We have identified appropriateness of the above two transactions, details of which are as follows:

5.1.1 Lease out of a partial area and sale of movable properties in Market Village Hua-Hin shopping center project

In entering into the transaction to lease out a partial area and sell movable properties in Market Village Hua-Hin shopping center project to the Property Fund with approval for MV, a subsidiary of the Company, to serve as property manager of such project for the Property Fund, the Company will receive consideration from the Property Fund, comprising (1) consideration for the lease out of a partial area and sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund in a combined amount, before deduction of expenses, not less than Baht 4,060 million and (2) consideration receivable by MV, a subsidiary of the Company, from serving as property manager of such project for the Property Fund.

Thus, in identifying appropriateness of price of this transaction, the IFA has compared total consideration obtainable by the Company from entering into the transaction with the Property Fund in (1) and (2) with consideration expected to be obtained by the Company in the case where it continues to manage such leasehold area without entering into the transaction with the Property Fund.

Value of the said transaction with the Property Fund will be deemed appropriate under the following assumption:

Consideration expected in the case where the Company does not enter into the transaction with the Property Fund	\leq	Consideration for leasehold right received from the Property Fund + Property management fee
or		
Consideration expected in the case where the Company does not enter into the transaction with the Property Fund	\leq	Baht 4,060 million + Property management fee

- (a) Valuation of leased property in the case where the Company continues to manage the leasehold area without leasing the area to the Property Fund (“Value of Property under Own Management”)

We apply the discounted cash flow method to measure value of the leasehold property in the case where the Company continues to manage such property because this method reflects future operational performance of the said leasehold property. We estimate present value of expected free cash flow from operation to be obtained in the future according to the Company’s financial projection. The estimation is made on a going concern basis, assuming that there is no material change taking place, and is also based on the existing economic situation and present circumstances where the business operation is under administration of the current management team, while taking no account of business plan or change that might be determined by the Company in the future.

The financial projection and assumptions used for such projection have been prepared by the IFA. Cash flow projection is made based on estimation of future performance of the assets to be leased and sold by the Company to the Property Fund and under management by the Company. The projection period is about 26 years and 10 months (assuming that the Company successfully signs the agreement on lease of area and sale and purchase of properties with the Property Fund by October 31, 2013 and such agreement will expire on August 31, 2040). It is also based upon historical financial data or ratios which are publicly available information from, among others, the auditor’s report and financial statements, including information obtained from the Company and MV and from interviews with the management of the Company and MV, etc.

The assumptions used for the projection are set out under the present economic condition. If there is a material change from the assumptions in the economic condition and other external factors that have impacts on the operation of the Company and MV, as well as in the Company’s and MV’s situation, value of the lease of a partial area and sale of movable properties appraised by this method will change as well.

Key assumptions used for preparing the financial projection to measure value of the leasehold property in the case where the Company continues to manage the property without leasing it to the Property Fund are as follows:

1. Rental revenues from the leasehold area only

The leasehold area can be divided into two parts: 1) existing rented area and 2) area on basement floor that is under refurbishment into rentable area. Assumptions for rental revenues of each area are as follows:

Rental revenues from the existing rented area (excluding promotion area)

For the existing rented area, it is assumed that the existing tenants will continuously renew the rental contracts from 2013 until the end of the projection period. Over 2013-2018, rental fees under the three contracts of tenants with less than one year contract term are set to increase by 6% per year, which is close to the average growth rate of total rental fees in 2011 and 2012. Meanwhile, rental fees under the three contracts of tenants with three-year and four-year contract term are set to increase by 18% (6% per year \times 3 years) and 24% (6% per year \times 4 years) per renewal respectively. The growth rate of rental fees is rather high during such period because, when compared with rental fees of new competitors, the current rental fee of the leased property is still lower than those of new competitors due to higher land and construction costs borne by the new competitors when compared with the Company's. Besides, having been in operation long before them, the Company's project is well-known and already has an existing customer base. In an immediate term, it is therefore expected that the Company will be able to increase the rental fees of its existing tenants by the rate mentioned above.

From 2019 onwards, rental fees under the three contracts of tenants with less than one year contract term are set to increase by 3.5% per year, whereas the rental fees under the three contracts of tenants with three-year and four-year contract term are set to increase by 10.5% (3.5% per year \times 3 years) and 14% (3.5% per year \times 4 years) per renewal respectively.

	Contract term (year)	Rented area (sq.m.)	Rental fee under contracts in 2013 (Baht/sq.m./month)			Rental fee increase rate	
			Space rental and rented area service	Common service	Total	2014 - 2018	2019 onwards
Shop	\leq 1 year and 3-4 years.	13,531	558 - 690	126 - 198	684 - 888	1. \leq 1 yr term : 6 % per year 2. 3 yrs term : 18 % per renewal	1. \leq 1 year term : 3.5 % per year 2. 3 yrs term : 10.5 % per renewal
Minishop, Kiosk, Corridor, ATM, Take-home, Consign Shop ^{1/}	\leq 1 year and 1-3 years.	7,007	684 - 8,039	76 - 893	760 - 8,932	3. 4 yrs. term : 24 % per renewal	3. 4 yrs. term : 14 % per renewal

Note: 1/ Rentals are currently collected from these tenants on a lump-sum basis and are not divided according to the three contracts, unlike rentals collected from shops which are divided based on the three contracts. After the lease of area to the Property Fund, such rentals will be divided into two portions: (1) rental fee and rented area service fee representing 90% of total rental fees and (2) common utilities service fee representing 10% of total rental fees.

Rental revenues from the basement area that is under refurbishment (excluding promotion area)

Area on basement floor that is still under refurbishment is expected to be complete and ready for rent by late 2013. It will consist of three sections: (1) market, (2) shop and (3) minishop. Rental fees for shop and minishop are projected based primarily on rental fees of the existing rented area. At present, the Company has already sold some part of the refurbished basement area, particularly the market and minishop sections which have been booked by 85% and 96% of their total area respectively. For the shop section, potential area reservations and price quotations are underway. In view of the project's reputation and existing number of visitors to the shopping center, the Company believes that by the opening date of the basement floor it will likely be able to sign rental contracts with all types of tenants for an average 95% of rentable basement area as targeted.

	Contract term (year)	Rented area (sq.m.)	Occupancy rate throughout projection life	Projected rental fee for 2014 (Baht/sq.m./month)			Rental increase rate	
				Space rental and rented area service	Common service	Total	2015-2018	2019 onwards
Market, Shop, Mini Shop	≤ 1	4,691	95.0%	640 - 1,430	160 - 260	900 - 1,590	6 % per year	3.5 % per year

Revenues from promotion area

In 2010-2012, the Company generated revenues from existing promotion area totaling Baht 39.97 million, Baht 38.49 million and Baht 37.01 million respectively. For 2013, revenues from existing promotion area are estimated at Baht 38 million, close to the average of total revenues from existing promotion area in the past three years. Total revenues from existing promotion area are projected to grow by 6% annually over 2014-2018 and by 3.5% per year from 2019 until the end of the projection period, which is in line with the increase rate of other space rental revenues described above.

From 2014 onwards, the Company will have additional promotion area after completion of the refurbishment of basement space into rentable area. Hence, revenues from promotion area are projected to increase by about Baht 0.8 million per month in 2014. Total revenues from existing promotion area are projected to grow by 6% annually over 2015-2018 and by 3.5% per year from 2019 until the end of the projection period, which is in line with the increase rate of other space rental revenues described above.

	Historical data ^{1/}			Projection			
	2010	2011	2012	2013	2014	2015-2018	2019 onwards
Rental fee income						6% per year	3.5% per year
Existing promotion area	35.97	34.64	33.31	34.20	36.25		
New promotion area on basement floor	-	-	-	-	8.64		
Total rental fee income	35.97	34.64	33.31	34.20	44.89		
Income from common utilities service fees							
Existing promotion area	4.00	3.85	3.70	3.80	4.03		
New promotion area on basement floor	-	-	-	-	0.96		
Total income from common utilities service fees	4.00	3.85	3.70	3.80	4.99		
Total rental revenues	39.97	38.49	37.01	38.00	49.88		

Note: ^{1/} Promotion area rentals are currently collected on a lump-sum basis and are not divided according to the three contracts, unlike rentals collected from shops which are divided based on the three contracts. After the lease of area to the Property Fund, such rentals will be divided into two portions: (1) rental fee and rented area service fee representing 90% of total rental fees and (2) common utilities service fee representing 10% of total rental fees.

Based on the above assumptions, total rental revenues during 2013-2040 are projected to be as follows:

Projected rental revenues from the leasehold area only for 2013-2019

Unit: Baht million	Historical data			Projection						
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Projected rental revenues from the leasehold area only										
Rental fee income										
Existing rentable area	202.79	214.31	225.98	227.27	237.56	253.02	267.69	281.92	300.78	315.50
New rentable area on basement floor	-	-	-	-	59.85	63.44	67.25	71.29	75.56	78.21
Total rental fee income	202.79	214.31	225.98	227.27	297.41	316.46	334.94	353.21	376.34	393.71
Income from common utilities service fees										
Existing rentable area	33.28	37.17	38.42	45.95	47.35	50.43	53.28	55.99	59.83	62.94
New rentable area on basement floor	-	-	-	-	12.61	12.35	13.09	13.87	14.71	15.22
Total income from common utilities service fees	33.28	37.17	38.42	45.95	59.96	62.78	66.37	69.86	74.54	78.16
Total rental revenues	236.07	251.48	264.40	273.22	357.37	379.24	401.31	423.07	450.88	471.87

Projected rental revenues from the leasehold area only for 2020 – 2029

Unit: Baht million	Projection									
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Projected rental revenues from the leasehold area only										
Rental fee income										
Existing rentable area	326.09	338.73	350.39	361.45	375.46	388.26	400.44	416.16	430.35	443.72
New rentable area on basement floor	80.94	83.78	86.71	89.75	92.89	96.14	99.50	102.98	106.59	110.32
Total rental fee income	407.03	422.51	437.10	451.20	468.35	484.40	499.94	519.14	536.94	554.04
Income from common utilities service fees										
Existing rentable area	65.03	67.62	69.91	72.08	74.94	77.46	79.78	83.07	85.85	88.40
New rentable area on basement floor	15.75	16.31	16.88	17.47	18.08	18.71	19.37	20.04	20.75	21.47
Total income from common utilities service fees	80.78	83.93	86.79	89.55	93.02	96.17	99.15	103.11	106.60	109.87
Total rental revenues	487.81	506.44	523.89	540.75	561.37	580.57	599.09	622.25	643.54	663.91

Projected rental revenues from the leasehold area only for 2030 - 2040

Unit: Baht million	Projection										
	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Projected rental revenues from the leasehold area only											
Rental fee income											
Existing rentable area	461.06	477.01	491.83	510.88	528.47	545.16	566.27	585.58	603.99	627.67	645.07
New rentable area on basement floor	114.18	118.18	122.31	126.59	131.03	135.61	140.36	145.27	150.35	155.62	161.06
Total rental fee income	575.24	595.19	614.14	637.47	659.50	680.77	706.63	730.85	754.34	783.29	806.13
Income from common utilities service fees											
Existing rentable area	91.95	95.15	97.98	101.87	105.33	108.60	112.91	116.70	120.21	125.15	128.62
New rentable area on basement floor	22.22	23.00	23.81	24.64	25.50	26.39	27.32	28.27	29.26	30.29	31.35
Total income from common utilities service fees	114.17	118.15	121.79	126.51	130.83	134.99	140.23	144.97	149.47	155.44	159.97
Total rental revenues	689.41	713.34	735.93	763.98	790.33	815.76	846.86	875.82	903.81	938.73	966.10

2. Service revenues from the leasehold area only

Service revenues consist of (1) fee income from public utilities services such as water supply fee, electricity fee, and other utilities service fees; (2) income from insurance premiums, property tax, and signboard tax collected from tenants separately from rental fees; and (3) other income such as income from other services for the rented areas including income from marketing and sales promotion, etc.

Based on historical data, the proportion of service revenues earned from the leasehold area to total rental revenues has been rather stable. Hence, we assume that the said proportion is equal to average value of the past three years and remains constant until the end of the projection life.

	Historical data			Projection
	2010	2011	2012	2013 onwards
Total rental revenues from the leasehold area only	236.06	251.48	264.40	
Service revenues from the leasehold area only (Baht million)				
Fee income from public utilities services	31.52	33.75	38.14	
Income from insurance and tax	11.25	12.36	13.92	
Other income	3.95	8.39	6.03	
Proportion of service revenues from the leasehold area (as % of total rental revenues from the leasehold area)				
Fee income from other utilities services	13.4%	13.4%	14.4%	13.7%
Income from insurance and tax	4.8%	4.9%	5.3%	5.0%
Other income	1.7%	3.3%	2.3%	2.4%

3. Costs and Expenses of the leasehold area only

Variable costs and expenses

Variable costs and expenses of the leasehold area only are composed of (1) public utilities costs, (2) property tax, signboard tax and insurance, (3) repair & maintenance and supplies, (4) marketing expenses, and (5) other costs and expenses. Based on historical data in 2010-2012, the proportion of variable costs of the leasehold area only to total rental revenues from the leasehold area only has been rather steady. Therefore, we assume that the proportion of each type of such costs is equal to the average value of the past three years and remains constant throughout the projection period.

Fixed costs

Fixed costs consist of (1) staff salary and welfare, which from 2013 onwards are estimated to increase 6% per year, close to the average increase rate of the past three years; and (2) expenses relating to security guards and cleaning staff, which are set to increase by 5% in 2013 from those in 2012. In 2014, the Company will additionally open to service the newly refurbished basement area, which is preliminarily expected to result in an increase in security guard and cleaning staff expenses of 20% from 2013. From 2015 onwards, security guard and cleaning staff expenses are assumed to increase at a normal rate of 5% per year until the end of the projection period.

Assumptions for projection of costs of the leasehold area only can be summed up as follows:

	Historical data			Projection
	2010	2011	2012	2013 onwards
Total rental revenues from the leasehold area only	236.06	251.48	264.40	
Costs and expenses of the leasehold area only (Baht million)				
Public utilities costs	45.89	47.31	52.85	
Property tax, signboard tax and insurance	8.45	8.48	9.30	
Repair & maintenance and supplies	14.28	15.29	15.74	
Marketing expenses	5.30	4.77	5.02	
Other costs	3.43	3.34	4.41	
Staff salary and welfare	18.19	19.21	20.69	
Security guards	5.66	5.46	8.25	
Cleaning staff	5.44	5.93	6.98	
Proportion of costs and expenses of the leasehold area only (as % of total rental revenues)				
Public utilities costs	19.4%	18.8%	20.0%	19.4%
Property tax, signboard tax and insurance	3.6%	3.4%	3.5%	3.5%
Repair & maintenance and supplies	6.0%	6.1%	6.0%	6.0%
Marketing expenses	2.2%	1.9%	1.9%	2.0%
Other costs	1.5%	1.3%	1.7%	1.5%
Staff salary and welfare	Increase rate 6% per year from 2013 onwards			
Security guards	(1) Increase rate 5% in 2013; (2) increase rate 20% in 2014; and			
Cleaning staff	(3) increase rate 5% per year from 2015 onwards			

Based on the above assumptions for financial projection, we have estimated present value of free cash flow derived from projection of performance of the leasehold property in the case where the Company continues to manage the property without leasing it to the Property Fund over a period of 26 years and 10 months (from November 1, 2013 to August 31, 2040). In such estimation, we use a discount rate which is calculated from the weighted average cost of capital (WACC), or equal to 8.00%, with the following formula:

$$WACC = K_e(E/V) + K_d(1-t)(D/V)$$

Where:

K_e = Cost of equity of the Company, equal to 10.79%

K_d = Average loan interest rate of the Company in 2012 and 6M/2013, equal to 3.50%

t = Average corporate income tax of the Company in 2012 and 6M/2013, equal to 22.00%

E = Total shareholders' equity of the Company as of June 30, 2013, amounting to Baht 11,222.76 million

D = Interest-bearing debt of the Company as of June 30, 2013, amounting to Baht 5,969.41 million

$$V = D + E$$

$$E/V = 65.28\% \text{ based on shareholders' equity structure in the consolidated financial statement as of June 30, 2013}$$

$$D/V = 34.72\% \text{ based on interest-bearing debt in the consolidated financial statement as of June 30, 2013}$$

Calculation of Ke:

$K_e = R_f + b(R_m - R_f)$

Where:

Risk-free rate (Rf) Risk-free rate is derived from the average bid yield on the government bond with a maturity of 20 years, which as of August 26, 2013 was 4.84% per year. We have selected bond with such long maturity period because it could reflect investment condition in different time periods better than shorter term data. (Source: www.thaibma.or.th)

Beta (b) Beta is the variance between market return and closing price of the Company. Here, we have compared the weekly rate of return of the SET and the Company's ordinary shares in the past three years up to August 26, 2013, equal to 1.05 (source: Bloomberg).

Rm Rm is based on the average rate of return on the SET over the past 20 years, a period that could reflect the investment condition in different time periods better than the shorter term data (source: SET data for August 1993-July 2013), equivalent to 10.51% per year.

Based on the above assumptions, we have estimated value of the leasehold property in the case where the Company continues to manage the property without leasing it to the Property Fund at Baht 4,350.18 million in the base case scenario, details of which are as follows:

Cash flow of the leasehold property in the case where the Company continues to manage the property without leasing it to the Property Fund during 2013-2021

(Unit: Baht million)	2013 ^{1/}	2014	2015	2016	2017	2018	2019	2020	2021
Discount period (year)	0.17	1.17	2.17	3.17	4.17	5.17	6.17	7.17	8.17
Net cash flow	33.63	271.11	287.94	304.82	321.29	342.92	358.40	369.31	382.38
Discount rate	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Discount factor (time)	0.9873	0.9141	0.8464	0.7837	0.7257	0.6719	0.6221	0.5761	0.5334
PV of cash flow	33.20	247.83	243.72	238.90	233.15	230.41	222.98	212.74	203.96
Leasehold value	4,350.18								

Cash flow of the leasehold property in the case where the Company continues to manage the property without leasing it to the Property Fund during 2022-2031

(Unit: Baht million)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Discount period (year)	9.17	10.17	11.17	12.17	13.17	14.17	15.17	16.17	17.17	18.17
Net cash flow	394.25	405.39	419.64	432.42	444.40	460.19	474.07	486.89	503.93	519.29
Discount rate	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Discount factor (time)	0.4939	0.4573	0.4234	0.3921	0.3630	0.3361	0.3112	0.2882	0.2668	0.2471
PV of cash flow	194.71	185.38	177.68	169.53	161.32	154.68	147.54	140.31	134.46	128.29

Cash flow of the leasehold property in the case where the Company continues to manage the property without leasing it to the Property Fund during 2032-2040

(Unit: Baht million)	2032	2033	2034	2035	2036	2037	2038	2039	2040 ^{2/}
Discount period (year)	19.17	20.17	21.17	22.17	23.17	24.17	25.17	26.17	26.83
Net cash flow	533.15	551.48	567.94	583.24	603.11	620.69	636.97	658.85	449.09
Discount rate	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Discount factor (time)	0.2288	0.2118	0.1961	0.1816	0.1681	0.1557	0.1442	0.1335	0.1236
PV of cash flow	121.96	116.81	111.39	105.91	101.41	96.63	91.82	87.94	55.50

Note ^{1/} It is assumed that the Company successfully enters into the lease agreement with the Property Fund by October 31, 2013 and, hence, it is deemed that the Company will transfer its revenues and expenses to the Property Fund for two months in 2013.

^{2/} The lease agreement will expire August 31, 2040 and, hence, it is deemed that the Company will transfer its revenues and expenses to the Property Fund for eight months in 2040.

We have additionally conducted a sensitivity analysis on the leasehold value estimation in the case where the Company continues to manage the property without leasing it to the Property Fund to see the potential effect of a 5% increase/decrease in K_e from the base case. The outcome is as follows:

	-5.00%	Base Case	5.00%
K_e	10.25%	10.79%	11.33%
Value of the leasehold property	4,540.23	4,350.18	4,215.40
(Baht million)			

From the above sensitivity analysis with a changing K_e , the Value of Property under Own Management is estimated in a range of Baht 4,215.40 million – Baht 4,540.23 million.

(b) Valuation of the property management service agreement with the Property Fund

After completion of the transaction under which the Company grants right to the Property Fund to lease a partial area and purchase movable properties in Market Village Hua-Hin shopping center project, MV which is the Company's subsidiary will enter into the property management service agreement with the Property Fund for a period of 10 years, renewable automatically for consecutive terms of 10 years each. In this respect, MV will be responsible for management of public utilities systems in the said leasehold property of the Property Fund.

Under such agreement, MV will accept a transfer of revenues from public utilities service fees and services income from the leasehold property only that are receivable from the Property Fund. At the same

time, MV will be responsible for the entire expenses relating to such public utilities system management, including electricity fee, water supply fee, expenses relating to security guards, expenses relating to cleaning staff, expenses relating to shopping center management staff, etc. At the time of preparing this opinion report on the connected transactions, the IFA could not find any reliable source of publicly available information of Terminal 21 shopping center project that can be adopted as a basis for measuring a total value of the Property Fund.

However, in order to provide information as a basis for the shareholders' consideration, we apply the minimum value of the property to be leased and sold to the Property Fund of Baht 4,060 million in estimation of property management fee, and gradually amortize such leasehold right over a period until the end of the lease agreement, covering 26 years and 10 months. Thus, the transfer of revenues and expenses from the Property Fund to MV can be summed up as follows:

Item	Details
<u>Revenues earned by MV from property management</u>	
Rental collection fee for the Property Fund	3% of rental revenues collected for the Property Fund, excluding common utilities service fees
Revenues from common utilities service fees	100% of revenues from common utilities service fees collected from retail tenants from the leasehold property only
Water supply, electricity, gas and other public utilities fees	100% of revenues from each type of public utilities service fees collected from retail tenants from the leasehold property only
Other income	100% of other income
Commission fee	0.5 – 1.5 months depending on contact term, representing an average throughout the agreement term of 2.8% of rental revenues collected for the Property Fund, excluding common utilities service fees
Incentive fee	3% of net rental revenues from the leasehold property only
Property management fee	0.5% of net asset value per year of the Property Fund
<u>Expenses borne by MV from property management</u>	
Water supply, electricity, gas and other public utilities fees	100% of costs of each type of public utilities services collected from retail tenants from the leasehold property only
Staff salary and welfare	100% of salary and welfare
Security guard expenses	100% of costs of security guards for the leasehold property only
Cleaning staff expenses	100% of cleaning staff costs for the leasehold property only

Item	Details
Other expenses	100% of other expenses
System leasing fee	3% of revenues from common utilities service fees collected from retail tenants from the leasehold property only

Based on the above assumptions, we have estimated present value of free cash flow receivable by MV from the Property Fund from such property management over a period of 26 years and 10 months (from November 1, 2013 to August 31, 2040). In such estimation, we use a discount rate which is calculated from the weighted average cost of capital (WACC), or equal to 8.00% (see the calculation of WACC in Item 5.1.1 (a)). The estimated value of the property management service agreement is equal to Baht 486.38 million, as shown in the table below:

Cash flow of property management service for the Property Fund during 2013-2021

	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues earned by MV from management of leasehold property									
Rental collection fee for the Property Fund	1.14	8.92	9.49	10.05	10.60	11.29	11.81	12.21	12.68
Revenues from public utilities service fees									
Revenues from common utilities service fees	7.66	59.96	62.77	66.37	69.86	74.54	78.16	80.78	83.92
Water supply, electricity, gas and other public utilities fees	6.24	48.96	51.95	54.98	57.96	61.77	64.65	66.83	69.38
Other income	1.09	8.58	9.10	9.63	10.15	10.82	11.32	11.71	12.15
Commission fee	1.06	8.33	8.86	9.38	9.89	10.54	11.02	11.40	11.83
Incentive fee	1.01	8.13	8.64	9.14	9.64	10.29	10.75	11.08	11.47
Property management fee	0.56	19.80	19.04	18.28	17.53	16.77	16.01	15.26	14.50
Total revenues	18.76	162.67	169.86	177.83	185.63	196.01	203.73	209.27	215.94
Expenses borne by MV from management of leasehold property									
Water supply, electricity, gas and other public utilities fees	8.86	69.51	73.76	78.05	82.29	87.70	91.78	94.88	98.50
Staff salary and welfare	3.16	20.10	21.31	22.59	23.94	25.38	26.90	28.51	30.22
Security guard expenses	1.44	10.40	10.92	11.46	12.04	12.64	13.27	13.93	14.63
Cleaning staff expenses	1.22	8.80	9.23	9.70	10.18	10.69	11.22	11.79	12.38
Other expenses	0.68	5.36	5.69	6.02	6.35	6.76	7.08	7.32	7.60
System leasing fee	0.23	1.80	1.88	1.99	2.10	2.24	2.34	2.42	2.52
Total expenses	15.60	115.96	122.79	129.81	136.89	145.40	152.59	158.85	165.85
Net cash flow	3.16	46.71	47.07	48.02	48.74	50.61	51.13	50.41	50.09
Discount period	0.17	1.17	2.17	3.17	4.17	5.17	6.17	7.17	8.17
Discount rate	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Discount factor	0.9873	0.9141	0.8464	0.7837	0.7257	0.6719	0.6221	0.5761	0.5334
PV of cash flow	3.12	42.70	39.84	37.64	35.37	34.01	31.81	29.04	26.72
NPV of property management service agreement	486.38								

Cash flow of property management service for the Property Fund during 2022-2030

	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenues earned by MV from management of leasehold property									
Rental collection fee for the Property Fund	13.11	13.54	14.05	14.53	15.00	15.57	16.11	16.62	17.26
Revenues from public utilities service fees									
Revenues from common utilities service fees	86.79	89.54	93.02	96.17	99.15	103.11	106.59	109.87	114.17
Water supply, electricity, gas and other public utilities fees	71.77	74.08	76.91	79.54	82.08	85.25	88.16	90.96	94.45
Other income	12.57	12.98	13.47	13.93	14.38	14.93	15.44	15.93	16.55
Commission fee	12.24	12.63	13.11	13.56	14.00	14.54	15.03	15.51	16.11
Incentive fee	11.83	12.16	12.59	12.97	13.33	13.81	14.22	14.61	15.12
Property management fee	13.74	12.99	12.23	11.47	10.72	9.96	9.20	8.45	7.69
Total revenues	222.05	227.92	235.39	242.18	248.65	257.17	264.77	271.95	281.34
Expenses borne by MV from management of leasehold property									
Water supply, electricity, gas and other public utilities fees	101.90	105.17	109.19	112.92	116.52	121.03	125.17	129.13	134.09
Staff salary and welfare	32.04	33.96	36.00	38.16	40.45	42.87	45.45	48.17	51.06
Security guard expenses	15.36	16.13	16.94	17.78	18.67	19.61	20.59	21.61	22.70
Cleaning staff expenses	12.99	13.64	14.33	15.04	15.79	16.58	17.41	18.28	19.20
Other expenses	7.86	8.11	8.42	8.71	8.99	9.33	9.65	9.96	10.34
System leasing fee	2.60	2.69	2.79	2.89	2.97	3.09	3.20	3.30	3.43
Total expenses	172.75	179.70	187.66	195.50	203.40	212.52	221.46	230.46	240.82
Net cash flow	49.30	48.22	47.73	46.68	45.25	44.65	43.31	41.49	40.52
Discount period	9.17	10.17	11.17	12.17	13.17	14.17	15.17	16.17	17.17
Discount rate	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Discount factor	0.4939	0.4573	0.4234	0.3921	0.3630	0.3361	0.3112	0.2882	0.2668
PV of cash flow	24.35	22.05	20.21	18.30	16.43	15.01	13.48	11.96	10.81

Cash flow of property management service for the Property Fund during 2031-2040

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Revenues earned by MV from management of leasehold property										
Rental collection fee for the Property Fund	17.86	18.42	19.12	19.78	20.42	21.20	21.93	22.63	23.50	16.12
Revenues from public utilities service fees										-
Revenues from common utilities service fees	118.15	121.78	126.51	130.83	134.99	140.23	144.97	149.48	155.44	106.64
Water supply, electricity, gas and other public utilities fees	97.73	100.82	104.67	108.27	111.76	116.02	119.99	123.82	128.60	88.24
Other income	17.12	17.66	18.34	18.97	19.58	20.32	21.02	21.69	22.53	15.46
Commission fee	16.67	17.20	17.85	18.47	19.06	19.79	20.46	21.12	21.93	15.05
Incentive fee	15.58	15.99	16.54	17.04	17.50	18.09	18.62	19.11	19.77	13.47
Property management fee	6.93	6.18	5.42	4.67	3.91	3.15	2.40	1.64	0.88	0.11
Total revenues	290.04	298.06	308.46	318.03	327.22	338.81	349.39	359.49	372.65	255.09

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Expenses borne by MV from management of leasehold property										
Water supply, electricity, gas and other public utilities fees	138.75	143.14	148.60	153.72	158.67	164.72	170.35	175.79	182.58	125.27
Staff salary and welfare	54.13	57.38	60.82	64.47	68.34	72.44	76.78	81.39	86.27	60.97
Security guard expenses	23.83	25.02	26.27	27.59	28.97	30.41	31.93	33.53	35.21	24.65
Cleaning staff expenses	20.16	21.17	22.22	23.34	24.50	25.73	27.01	28.36	29.78	20.85
Other expenses	10.70	11.04	11.46	11.85	12.24	12.70	13.14	13.56	14.08	9.66
System leasing fee	3.54	3.65	3.80	3.92	4.05	4.21	4.35	4.48	4.66	3.20
Total expenses	251.11	261.40	273.17	284.89	296.76	310.20	323.57	337.12	352.59	244.59
Net cash flow	38.93	36.67	35.29	33.14	30.46	28.60	25.82	22.37	20.06	10.50
Discount period	18.17	19.17	20.17	21.17	22.17	23.17	24.17	25.17	26.17	26.83
Discount rate	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Discount factor	0.2471	0.2288	0.2118	0.1961	0.1816	0.1681	0.1557	0.1442	0.1335	0.1236
PV of cash flow	9.62	8.39	7.47	6.50	5.53	4.81	4.02	3.23	2.68	1.30

We have additionally conducted a sensitivity analysis on the said property management service for the Property Fund to see the potential effect of a 5% increase/decrease in Ke from the base case. The outcome is as follows:

Ke	-5.00%	Base Case	5.00%
	10.25%	10.79%	11.33%
Value of property management service agreement (Baht million)	502.54	486.38	474.80

From the above sensitivity analysis with a changing Ke, the value of property management service agreement is estimated in a range of Baht 474.80 million – Baht 502.54 million.

Summary of the appropriateness of value of transaction in lease of a partial area and sale of movable properties in Market Village Hua-Hin shopping center project and approval of MV, the Company's subsidiary, to serve as property manager of such project for the Property Fund

From the valuation in Items 5.1.1 (a) and 5.1.1 (b) by comparing value of consideration in the case where the Company continues to manage the leasehold property and does not enter into this transaction with the Property Fund with value of consideration in case the Company enters into the transaction with the Property Fund, we have found that the value of consideration in case the Company enters into the transaction with the Property Fund is in a range of Baht 4,534.80 million – Baht 4,562.54 million, which is about Baht 22.31 million – Baht 319.40 million higher than the value of consideration in the case where it continues to manage the said leasehold property and does not enter into the transaction with the Property Fund, which is in a range of Baht 4,215.40 million – Baht 4,540.23 million. Therefore, we are of the opinion that the value of consideration for the lease of a partial area and sale of movable properties in Market Village Hua-Hin shopping center project and approval of MV, the Company's subsidiary, to serve as property manager of such project for the Property Fund is reasonable.

In case the Company continues to manage the property without entering into the transaction with the Property Fund	In case the Company enters into the transaction with the Property Fund
Baht 4,215.40 million – Baht 4,540.23 million	Consideration for leasehold right received from Property Fund + Property management service fee = Baht 4,060 million + (Baht 474.80 million – Baht 502.54 million) = Baht 4,534.80 million – Baht 4,562.54 million

In addition, we have compared terms and conditions in property management service agreements of three other similar property funds, namely (1) CPN Retail Growth Leasehold Property Fund (“CPNRF”), (2) Future Park Leasehold Property Fund (“FUTUREPF”), and (3) Major Cineplex Lifestyle Leasehold Property Fund (“MJLF”), details of which are as tabulated below:

Property management fees	Fees				
	Market Village Hua-Hin	CPNRF	MJLF	FUTUREPF	Unit
1. Rental collection fee in the name of the property fund	Up to 3.00%	Up to 3.00%	Up to 3.00%	Up to 3.00%	Of net rental revenues of the property fund
2. Commission fee					
▪ Existing tenants with contract renewal	Up to 0.5	Up to 0.5	0.5	Up to 0.5	Month
▪ Tenants with contract term less than 1 year	Up to 0.5	Up to 0.5	0.5	Up to 0.5	Month
▪ Tenants with contract term from 1 year to less than 3 years	Up to 1.0	Up to 1.0	1.0	Up to 1.0	Month
▪ Tenants with contract term of 3 years or more	Up to 1.5	Up to 1.5	1.5	Up to 1.5	Month
3. Property management fee	Up to 0.50%	Up to 0.30%	Up to 0.30%	Up to 0.30%	Of net value of the property fund
4. Incentive fee	Up to 3.00%	Up to 2.35%	Up to 2.35%	Up to 2.35%	Of net revenues from the properties
5. Property sale and purchase fee					
▪ Purchase fee	Up to 1.50%	Up to 1.50%	Up to 3%	N/A	Of value of property to be additionally invested
▪ Selling fee	Up to 0.75%	Up to 0.75%			Of value of property to be sold
6. Fee for project improvement and/or development supervision	Up to 2.00%	Up to 2.00%	Based on actual payment	N/A	Of value of project improvement or development

From the above table, we deem that the property management fees are appropriate because all fees receivable by MV as the property manager for the Property Fund are at about the same rate as those charged by property managers of other similar property funds.

5.1.2 Investment in the Property Fund

The meeting of the Company's Board of Directors No. 8/2013 held on August 27, 2013 resolved to grant approval for the Company to invest in the Property Fund in an amount not exceeding one-third of the appraised value of the properties to be leased and sold to the Property Fund, with value of such investment preliminarily expected at not more than Baht 1,420 million.

We deem that the investment in the newly established Property Fund is to be made together with the lease of a partial area and sale of movable properties in Market Village Hua-Hin shopping center project to the Property Fund. This is because a success in the lease of a partial area and sale of movable properties to the Property Fund, which will serve as one of the Company's funding sources, is contingent upon a success of the Property Fund in mobilizing capital for entering into such transaction with the Company. The Company's acquisition of the Property Fund investment units will likely enable the Property Fund to successfully raise the desired amount of funds for the lease of area and purchase of movable properties from the Company.

Moreover, the investment in the Property Fund will give the Company an opportunity to receive dividend income. At present, we are still unable to determine the required rate of return on such investment because the Property Fund plans to invest in two projects, Terminal 21 and Market Village Hua-Hin shopping center projects. We could not find any reliable source of publicly available information on financial performance of the Property Fund in Terminal 21 project that can be adopted as a basis for estimating the required rate of return on investment in the Property Fund. However, we have researched in historical data on dividend yields of three other SET-listed property funds similarly investing in leasehold properties at shopping centers, namely CPNRF, FUTUREPF and MJLF, during 2010-2012 and up to August 26, 2013 (before the date of HMPRO Board of Directors' meeting on August 27, 2013), and found that their dividend yields were in a range of 5.23% – 8.73% per year.

The offering price of the Property Fund investment units will be determined by a book building process, which will be influenced by several factors such as trading prices on the SET of other similar property funds during the time of issuance and offering of the Property Fund investment units, appraised value of the leasehold properties to be invested in by the Property Fund, overall market condition, response from investors, etc. Thus, to ensure success in fund mobilization by the Property Fund, the rate of return obtainable by general investors including institutional investors and the Company should be in the range close to or comparable with prices and rates of return of other similar property funds.

Besides, the unit price at which the Company will invest in the investment units will be the same price at which the Property Fund will sell investment units to general investors and institutional investors. The said price will be determined by a book building process, which is one of the methods used for determining a market price pursuant to the definition of securities issuance and offering set forth by the SEC.

In view of all reasons mentioned above, we are of the opinion that the investment in the Property Fund in an amount not exceeding one-third of the appraised value of the properties to be leased and sold to the Property Fund, with value of such investment preliminarily expected at not more than Baht 1,420 million, is appropriate.

5.2 Appropriateness of conditions for the transactions

In entering into the two transactions described above, the Company and its subsidiary will sign agreements with the Property Fund. The terms and conditions of these agreements can be summarized as follows:

5.2.1 *Agreement on lease out of a partial area and sale of movable properties in Market Village Hua-Hin shopping center project*

The Company will lease out a partial area and sell movable properties in Market Village Hua-Hin shopping center project to the Property Fund for a term of about 27 years with agreement value, before deduction of expenses, of not less than Baht 4,060 million which the Property Fund will pay to the Company entirely in one lump sum on the date of leasehold right registration. In this respect, we have considered terms and conditions for the said transaction as specified in the draft agreement proposed by the Company to the Board of Directors' meeting No. 8/2013 on August 27, 2013 (including the subsequent amendments thereto obtained before the date of this report) and are of the opinion that crucial conditions, such as payment terms, duties of each party, right to grant sub-lease, events of default or termination of agreement, and consequences of such default or termination of agreement, are in conformity with general practices in lease and/or sale and purchase of assets and are therefore deemed reasonable.

5.2.2 *Property management service agreement*

After completion of the lease of a partial area and purchase of movable properties in Market Village Hua-Hin shopping center project from the Company by the Property Fund, MV which is the Company's subsidiary will enter into the property management service agreement with the Property Fund for a period of 10 years. In this respect, MV will be responsible for management of public utilities systems in the said leasehold property of the Property Fund and will bear the entire expenses relating to the public utilities system management, including electricity fees, water supply fees, gas expenses, etc.

We have considered terms and conditions for the said transaction as specified in the draft agreement proposed by the Company to the Board of Directors' meeting No. 8/2013 on August 27, 2013 (including the subsequent amendments thereto obtained before the date of this report) and are of the opinion that crucial conditions, such as payment terms, duties of each party, events of default or termination of agreement, and consequences of such default or termination of agreement, are in conformity with general practices in lease and/or sale and purchase of assets and are therefore deemed reasonable.

5.2.3 Investment in the Property Fund

The Company will invest in the Property Fund investment units in an amount not exceeding one-third of the appraised value of the properties to be leased and sold to the Property Fund, with value of such investment preliminarily expected at not more than Baht 1,420 million.

In our opinion, the conditions for the said investment are appropriate because the investment units will be issued and offered for sale to institutional investors and general investors (including the Company) under the same terms and conditions. Moreover, all conditions pertaining to subscription, rights and duties of unitholders, and other covenants will accord with the prospectus to be approved in line with guidelines on issuance and offering of property funds under the SEC's notification before investment by the Company.

6. Conclusion of the Independent Financial Advisor's Opinion

The Company will enter into the transactions, comprising execution of an agreement to lease out a partial area of 50,518 square meters and public utilities systems and an agreement to sell and to buy movable properties in Market Village Hua-Hin shopping center project to the Property Fund, which will be established by Land and Houses Fund Management Co., Ltd. as a management company, for a lease term of approximately 27 years with a total agreement value before deduction of expenses of not less than Baht 4,060 million, together with approval for Market Village Co., Ltd. to manage properties of Market Village Hua-Hin shopping center project, and acquisition of the Property Fund investment units in an amount not exceeding one-third of the appraised value of the properties to be leased and sold to the Property Fund, with value of such investment preliminarily expected at not more than Baht 1,420 million. The IFA is of the opinion that these transactions are appropriate and reasonable.

The Company has a policy to continuously expand its branch network in Bangkok and the upcountry. Over the past three years and the first half of 2013, the Company opened five new branches in 2010, five branches in 2011, eight branches in 2012 and three branches in H1/2013. The Company also has a policy to operate business under a new brand "Mega Home". Therefore, to lease out a partial area of Market Village Hua-Hin shopping center will provide the Company with a funding source for its future business expansion. By entering into this transaction, the Company will instantly receive additional cash (before deduction of relevant expenses on the transaction) in an amount not less than Baht 4,060 million or a net amount, after relevant expenses in an approximate amount not more than Baht 100 million, of not lower than Baht 3,960 million. After investment in the Property Fund of not more than Baht 1,420 million, the Company will then have net cash available of not less than Baht 2,540 million, thereby providing it with a financing source for business expansion in replacement of borrowing and accordingly helping to relieve its interest burden.

Moreover, the consideration for the lease of a partial area and sale of movable properties to the Property Fund set by the Company in an amount, before deduction of expenses, of not less than Baht 4,060 million is deemed appropriate. This is because, in appraising the said leasehold right and sale of movable properties, we have measured value of consideration obtainable by the Company in the case where it continues to manage the leasehold property and does not enter into this transaction with the Property Fund and then compared it with value of consideration for the leasehold right receivable by the Company from the Property Fund plus management fee receivable by MV from serving as property manager of such project. We have found that the value of consideration obtainable by the Company in the case where it continues to manage the said leasehold property and does not enter into the transaction with the Property Fund is in a range of Baht 4,215.40 million – Baht 4,540.23 million, which is about Baht 22.31 million – Baht 319.40 million lower than the value of consideration for the leasehold right receivable by the Company from the Property Fund plus management fee receivable by MV from serving as property manager of such project which is equal to Baht 4,534.80 million – Baht 4,562.54 million. Therefore, we are of the opinion that the consideration for the lease of a partial area and sale of movable properties to the Property Fund in an amount, before deduction of expenses, of not less than Baht 4,060 million is an appropriate price.

Such management fee obtainable by MV as the property manager is at a rate comparable with those charged by property managers of other similar property funds such as CPNRF, FUTUREPF and MJLF. At the same time,

investment by the Company in the Property Fund in an amount not more than Baht 1,420 million will enable the Property Fund to successfully mobilize the desired amount of capital for further acquisition of assets, which will in turn enable the Company to gain benefits in the form of dividend from such investment and revenues from provision of property management service for the Property Fund. Therefore, we are of the opinion that the said transaction is appropriate and reasonable.

In view of the investment in the Property Fund investment units of not more than Baht 1,420 million, as of the date of preparing this report, the establishment of the Property Fund has not yet been completed and thus we still do not know the offer price of the investment units and the required rate of return on such investment. However, since the offer price of the investment units and total value of the Property Fund will be determined by a book building process, the price at which the Company will acquire or invest in the investment units will be the same price as that of general investors. Considering that Company will receive dividend from such investment, we have researched in historical data on dividend yields of three other SET-listed property funds similarly investing in leasehold properties at shopping centers, namely CPNRF, FUTUREPF and MJLF, during 2010-2012 and up to August 26, 2013 (before the date of HMPRO Board of Directors' meeting on August 27, 2013) and found that their dividend yields were in a range of 5.23% – 8.73%, which are higher than the average long-term loan rate of the Company of 3.70% p.a. (according to its consolidated financial statement as at June 30, 2013). Therefore, we deem that the investment in the Property Fund investment units is appropriate.

In our opinion, the lease out of a partial area and sale of movable properties in Market Village Hua-Hin shopping center to the Property Fund in a combined amount, before deduction of expenses, of not less than Baht 4,060 million is an appropriate price and the investment in the Property Fund in an amount not exceeding Baht 1,420 million is an appropriate transaction. Based on these reasons, we recommend that the shareholders resolve to grant approval for the Company to enter into the said transactions. Nonetheless, the final decision primarily rests at the shareholders' discretion.

We hereby certify that we have rendered opinion on the asset acquisition and disposal transactions and the connected transactions of HMPRO with due care and under professional standards by paying regard to the benefit of the shareholders.

Yours sincerely,

Advisory Plus Company Limited

Prasert Patradhilok

.....
(Prasert Patradhilok)

President

Vatcharin Lerdsuvankul

.....
(Vatcharin Lerdsuvankul)

Supervisor

Attachment 6

Articles of Association Relating to Shareholders Meeting

No. 27 The shareholder may attend and vote by proxy in the shareholders meeting. The proxy must be dated and signed by the shareholder and shall be in form prescribed by the registrar.

This proxy must be submitted to the chairman or the person designated by the chairman at the venue prior to the proxy attending the meeting.

No. 28 In the shareholders meeting, there must be shareholders and proxies (if any) attending at the meeting not less than twenty-five person or shareholders and proxies attending at the meeting not less than half of the total shareholders and in any case the shareholders shall hold shares not less than one-third of the total shares subscribed to constitute a quorum.

The chairman shall preside over the shareholders meeting. In the case where the chairman is not present at a meeting or is unable to perform his/her duty, if there is a vice-chairman, the vice-chairman shall preside over the meeting. If there is no vice-chairman or there is a vice-chairman, but such vice-chairman is unable to perform his/her duty, the shareholders shall elect one among themselves to preside over the meeting.

No. 29 Voting in the shareholders meeting, one share is entitled to one vote.

Voting shall be made openly, unless at least five shareholders request a secret vote and the meeting resolves accordingly. The method for the secret vote shall be stipulated by the chairman of the meeting.

Resolution of the Shareholders Meeting

No. 29 3rd paragraph

The resolution of shareholders' meeting shall consist of votes as follow:

- (1) The majority votes of shareholders present and vote in the meeting, for such normal case. In the case of equality of votes, the chairman of the meeting shall be entitled to a second or casting vote
- (2) In following cases, voting shall be not less than three fourth of the votes of the shareholders present and have rights to vote in the meeting.
 - (1) Divestiture or transfer of whole or substantial parts of business to the third party
 - (2) Purchase or acquired businesses from other companies or private company belong to the Company.
 - (3) Executing, amending or terminating agreement that relating to lease of whole or substantial part of business, assigning others to enter into the business management of the Company or business mergers with other person or juristic person with objectives of profit and loss sharing.
 - (4) Amendment of the Memorandum of Associations or the Article of Associations.
 - (5) Increase or Decrease capital of the Company or issuance of debenture.
 - (6) Amalgamation or Dissolution of the Company

Definition of Independent Director

“Independent Director” means the director who is independent in expressing his opinion to the operation of the Company, must be a person who has no involvement or interest to the result of operation either directly or indirectly. The qualifications of the Independent Director are as follows:

1. Hold share not more than 1% of paid up capital of the Company, affiliates company, joint company, associated company, including the shares held by the related person.
2. Being independent either directly or indirectly of both financial and management of the Company or joint company or major shareholders of the Company, and having no benefit or interest in such manner within 2 years before being appointed as the Independent Director, unless the Board of Director has carefully considered and see that such participation in having benefit or interest will not affect the duty performing and the independence in giving an opinion.
3. Being independent from the executives and major shareholders of the Company. Must not be the Director who has been appointed as the representative to maintain the interest of the Director of the Company, major shareholders, or shareholders who are related to the major shareholders of the Company.
4. Must not participate in management and must not be employee, staff or consultant who receives regular salary in the Company, affiliate company, joint company, company or major shareholder of the Company.
5. Must not be related person or relatives of the executive or major shareholders of the Company.
6. Capable to perform his duty and express opinion or report result of duty performing independently as assigned by the Board of Directors, and not under the control of the Executive or major shareholders of the Company, including related person or close relatives of such person.
7. No other character that causes the inability to give opinion to operation of the Company independently.

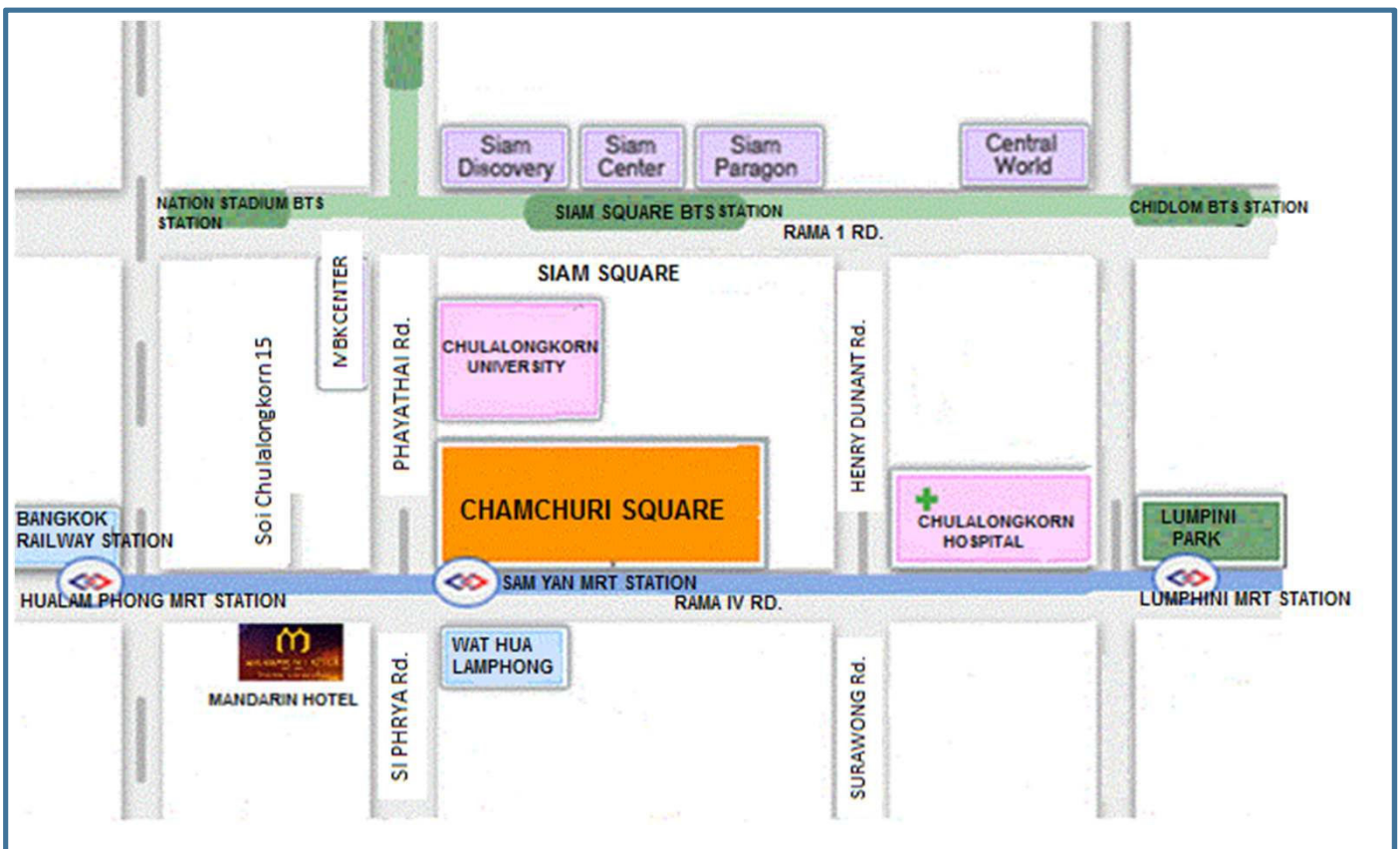
All the definition above has complied with the rules and regulations stipulated by Securities and Exchange Commission and the Stock Exchange of Thailand.

Attachment 7

Map of Extraordinary General Shareholder Meeting's venue

Grand Ballroom, 1st Floor, Mandarin Hotel Managed by Centre Point

Address : 622 Rama IV Road, Bangrak Sub District, Bangrak District, Bangkok 10500



Access to hotel by

1. **MRT : Sam Yan Station** : Exit 1 to Wat Hua Lamphong and across Si Phaya Rd. distance of about 0.2km. to the hotel
2. **The Bus number** : 4,21,25,29,34,40,46, 67,109,113,159,172,501