



Summary of questions and comments of the 2020 Annual General Meeting of Shareholders
that have not been addressed due to time limit

1. How do you have negative operating cash flow?

Answer: Singha Estate PCL has still been in a growth mode with actively investing in all 3 businesses; namely residential, commercial and hospitality business, at 42% 4-Yr CAGR. Like other growth companies, operating cash flow essentially is on a negative side.

2. How do you have higher sales growth % than COGS %?

Answer: A decline in gross profit margin, slower pace of sales growth relative to an increase in cost of goods sold, essentially attributed to revenue mix among the 3 businesses as well as contribution from 2 new hotels in CROSSROADS project starting operation in September 2019 of which gross profit margin relative low due to tactical campaign rate during an initial stage. The profit margin of such 2 hotels will gradually increase when the hotel become well-known and quality of service is realized by market in general.

2.1 Can you adopt more variable expenses than fixed expenses, to reduce COGS growth%?

Answer: In 2019, portion of fixed cost was relatively high due to one-time expense items, namely pre-operating expense of CROSSROADS project launched in September 2019 together with expenses related to IPO of S Hotels and Resorts Public Company Limited or "SHR", one of the Company's subsidiary.

2.2 Can you capitalize more expenses?

Answer: Capitalization of expenses must be complied with Accounting standard.

3. Can you re-borrow Long-term loan to lock in lowest interest rate?

Answer: To ensure sustainable growth, the Company kept exploring new sources of financing and new instruments, not limited to perpetual bond, and always maintain our capital structure at an optimal level.

4. Can you pay dividends twice a year?

Answer: Dividend payment is subject to operating performance and required capital in accordance with investment plan.

5. Can you revalue your fixed assets to have revaluation-gain?

Answer: All assets, including investment property, are recorded in accordance with Accounting principal.

6. Can you introduce new ratios such as income bearing assets?

Answer: Thank you for your suggestion.

7. How do you decrease average inventory period in days.?

Answer: This ratio might not be applicable to the business the Company operates.

8. Can you update sales and transference progress of The ESSE Asoke, The ESSE at Singha Complex, The ESSE Sukhumvit 36, EYSE Sukhumvit 43 and The EXTRO as of 30 June 2020?

Answer: Sales and transference progress of each project as of 30 June 2020 will be released once the release of 2Q20 financial result in August 2020. The below table included progress of each project as of 31 March 2020.

	The ESSE Asoke	The ESSE at Singha Complex	The ESSE Sukhumvit 36	EYSE Sukhumvit 43	The EXTRO
Project value	THB 5,011 mil	THB 4,394 mil	THB 6,473 mil	THB 1,936 mil	THB 4,066 mil
Accumulated presales (%)	83	90	60	38	12
Accumulated transfer (%)	72	65	n/a	n/a	n/a

9. Who is the major anchor of Metropolis building? What is the occupancy rate? and how many % of lease contract expiring in the next 1-2 years?

Answer: Metropolis building offers 13,677 square meter leasable area with 98.5% occupancy rate. Major tenants of the building are in technology, communication, hospitality, and airline business. Moreover, the Company has already renewed the lease with some tenants whose lease contract expired during 2020-2021. Essentially, the Company realized that most of the tenants at Metropolis are SME and startup which was considered optimal once acquiring the property as this would diversify the Company's tenant portfolio in general. Nevertheless, SME and startup are suspected to be most sensitive sector and suffer more from economic crisis, consequently, the Company has already prepared a new business model as a contingency plan to any space becoming vacant in the near future.

10. What is the Company's strategy on retail space for rent business after COVID-19? Did any of retail space tenants early terminate lease agreement and how large of the vacant space due to the early termination?

Answer: After the relax of lockdown measure, the Company has still heightened hygiene measures to reduce the risk of spreading COVID-19 and boost confidence among customers and visitors.



The hygiene measures include sanitizing all public areas, daily temperature check for everyone entering the Company's properties as well as adopting new technology such as touchless technology and UV sanitizer in our existing properties and that under construction, S Oasis. For S Oasis, the Company plans to relocate certain amount of construction budget to installation of building systems reducing risk of spreading disease.

Since the release of social distancing campaign to contain the spread of COVID-19, a few tenants of our retail space decided to terminate lease agreement while majority of our tenants still opt to keep their business and stores at the Company's property. Nevertheless, the Company has also been on a negotiation progress of letting the vacant retail space with several potential clients and believed that the occupancy of the retail space will increase in the near future because of prime location of the building.

11. What should be the breakeven point of our hotels in Thailand and oversea market?

Answer: Breakeven point of occupancy in normal situation would stand around 30-40%. However, the Company foresees that the breakeven point of occupancy will increase by approximately 10-20% after the ease of lockdown because of tactical campaign rate.

12. Have any of our hotels provide national services to support local government during COVID-19? How much is the rate charged to the government?

Answer: 7 hotels in UK portfolio hotel have been in operation to host health personnel and support governmental business and personnel from other essential sectors. Additionally, with limited service provided and for the sake of supporting local government, the Company proposed a rate charged to the government well below our normal rate.

13. The Company should propose to the shareholders' meeting to approve the annual dividend payment

Answer: The Public Limited Companies Act, B.E. 2535 (A.D. 1992) (as amended) ("the PLC Act"), Section 115, stated that the dividend payment must be approved at the annual general meeting of shareholders. However, the PLC Act and the Articles of Association of the Company did not specify the case of dividend omission whether it had to be approved by the shareholders. Therefore, if there was no specific law, directors could consider and approve which was not against the PLC Act.