

TOWARDS SUSTAINABLE CENTER OF LIFE

CENTER OF
COMMUNITY

CENTER OF HAPPINESS

CENTER OF
ALL LIFESTYLES

CENTER OF ACTIVITIES



Central Pattana Public Company Limited (CPN)

Investor Presentation

Discussion material on the company's latest information

August 2019



CPN Head Office



**PROPERTY
DEVELOPMENT
& INVESTMENT**

A Member of Central Group



Disclaimer

Please read before you proceed!

DASHBOARD



OVERVIEW



STRATEGY



UPDATES



G LAND
GLAND



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Agenda

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Company Overview



CPN Strategic Direction



Business Updates



GLAND Progress



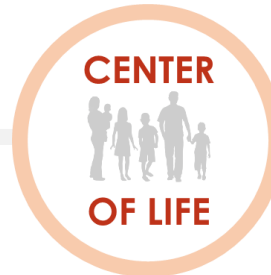
CPN at a Glance

The most glorified property developer in Thailand

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Diversified asset base led by world-class retail project development

33

Retail Projects

7

Office Buildings

2

Hotels Projects

9

Residential Projects

Signature Retail Properties

centralplaza

centralfestival

centralwOrld

CENTRAL
PHUKET



Hotel Brands



Residential Brands

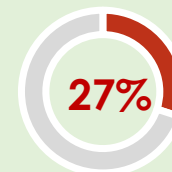
ESCENT

ESCENT
VILLE

Phyll
PHAHOL 34

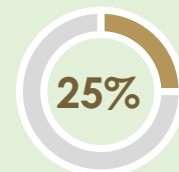
NIYHAM
BOKOMRATCHACHONNANI

Strategic investments in REIT and Prop. Fund



CPNREIT

8 Retail, Office and Hospitality Projects



CPNCG

CPN Commercial Growth Leasehold Property Fund

The Offices at CentralWorld

Major owners of GLAND and its underlying high potential assets

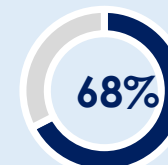
3 Office and 1 Residential Projects

G TOWER



THE
TOWERS
GRAND RAMA 9

BELLE
GRAND RAMA 9



15% investment in

GLANDRT
GLAND Office Leasehold Real Estate Investment Trust

Strategic land bank in Bangkok at Rama 9 and Phaholyothin

* Market capitalization as of July 31, 2019

** Includes areas owned by CPN and CPNREIT for a total of 32 domestic retail properties as of 2Q19

Distinguished Retail Formats

Focused on a wide range of lifestyle-oriented customers

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Target Segment
High-Luxury
Mid-High
Mid-mass



Mainly Locals Blended Mainly Tourists
Target Customer Group

Superior Locations in Thailand

Iconic and highly accessible in both Bangkok and provinces

32 retail-centric projects in 16 provinces: 14 within and 18 outside of BMA

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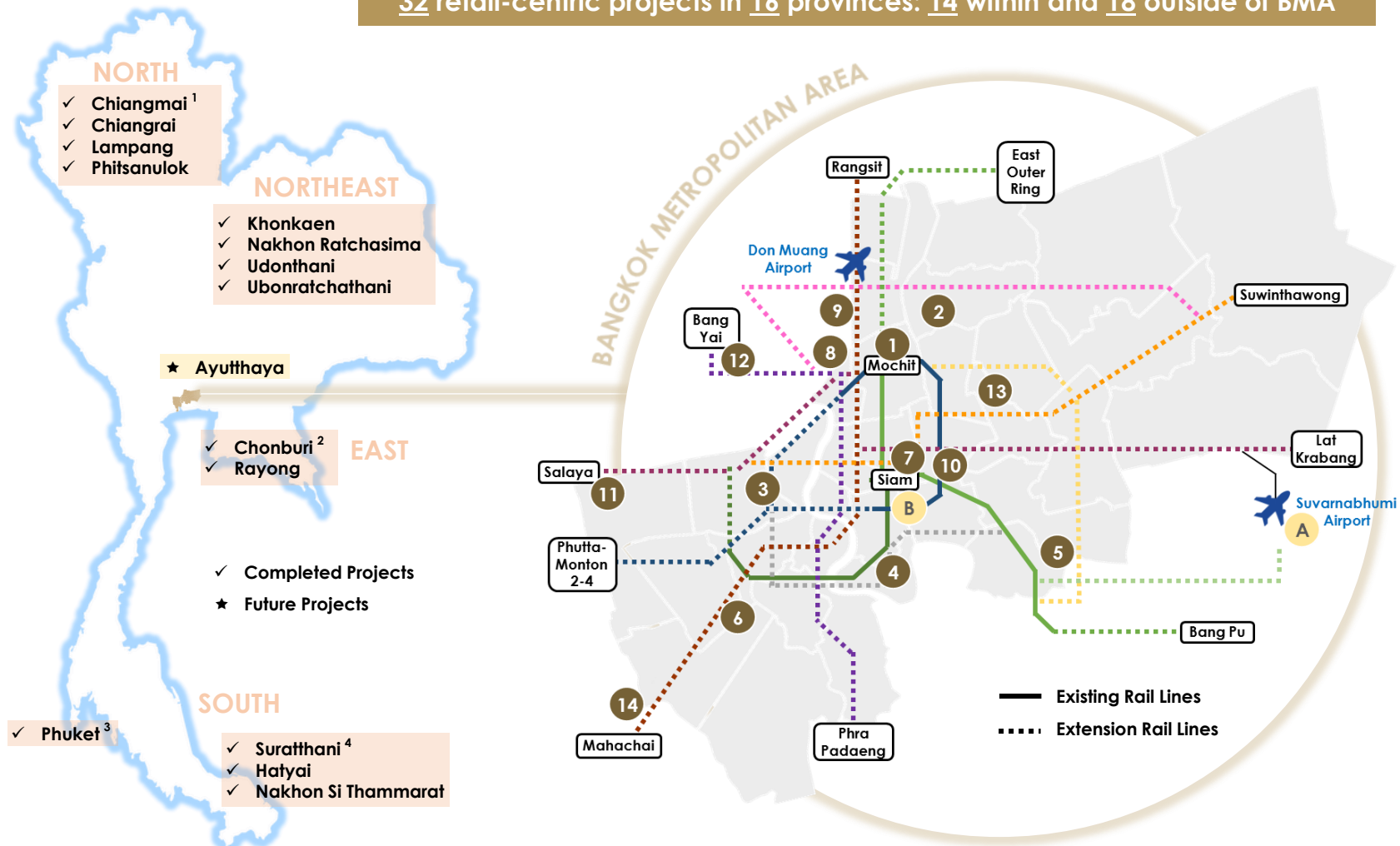
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Note:

Bangkok Metropolitan Area include operational shopping malls, namely at 1) Lardprao; 2) Ramindra; 3) Pinklao; 4) Rama 3; 5) Bangna; 6) Rama 2; 7) CentralWorld; 8) Rattana Thibet; 9) Chaengwattana; 10) Grand Rama 9; 11) Salaya; 12) WestGate; 13) EastVille; 14) Mahachai, and announced future projects, namely at A) Central Village and B) Dusit Central Park

1. Chiangmai includes 2 shopping malls: Central Plaza Chiangmai Airport and Central Festival Chiangmai
2. Chonburi includes 3 shopping malls: Central Marina, Central Festival Pattaya Beach and Central Plaza Chonburi
3. Phuket includes 2 shopping malls: Central Phuket Floresta and Central Phuket Festival (both under the same complex "Central Phuket")
4. Suratthani includes 2 shopping malls: Central Plaza Suratthani and Central Festival Samui



Leader in Major Cities of Thailand

CPN retail properties reign in face of considerable competition

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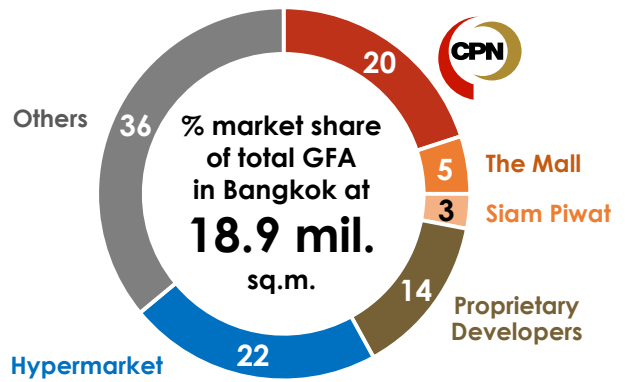


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Competition in Bangkok Metropolitan Area



The Mall Group

Mostly mid-market
Only one high-end

Emporium / EmQuartier



Siam Piwat

Mostly high-end / luxury
Tourists-oriented

Icon Siam / Siam Paragon



Other notable malls in Bangkok Metro. Area

Siam Future Dev.

Mega City Bangna



Siam Retail Dev.

Terminal 21



Robinson PCL

Robinson Lifestyle



Rangsit Plaza Group

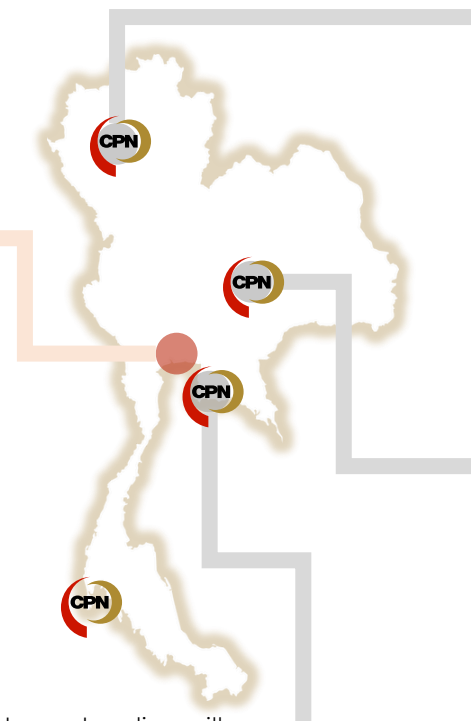
Future Park Rangsit

Seacon Group

Seacon Square

MBK PCL

MBK Center



Logo = Locations with CPN's presence

Key malls in Chiang Mai

Maya Chiangmai



Promenada Chiangmai



Key malls in Nakhon Ratchasima

The Mall Korat



Terminal 21 Korat



Key malls in Pattaya-Chonburi

Terminal 21 Pattaya



Harbor Mall Pattaya



Source: Company information as of December 31, 2018 (GFA excludes area for parking lot)
Others include traditional retail shops and houses in formats not specified in figure.



Strong Support from Major Shareholders

Central Group's leadership in retail and lifestyle experiences

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CENTRAL Group

Retail Brands



Fashion & Specialty Retail
(over 400 shops and 1,800 sales counters)



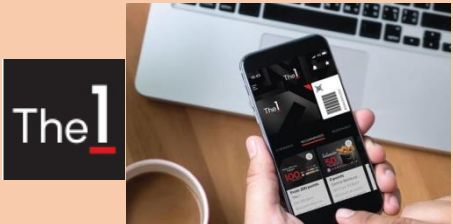
Food Retail (over 1,300 stores)



Hardline Retail (over 200 stores)
Restaurant Group (over 900 branches)

The leader in multi-format, multi-category retailing in Thailand

Loyalty Program



The largest and most popular CRM program in Thailand with over 13 million members

Digital / New Economy



The most complete digital lifestyle platform that enables seamless connection between offline and online experiences



centralwOrld

centralplaza

centralfestival

CENTRAL PHUKET



Serve as effective traffic magnets into CPN's properties through widely recognized brands with over 7 decades presence in Thailand.



Utilize customer data shared across business units and the new economy space to create unique, personalized experience for every customer.

Development & Management Structure

Viable structure to maximize economic value

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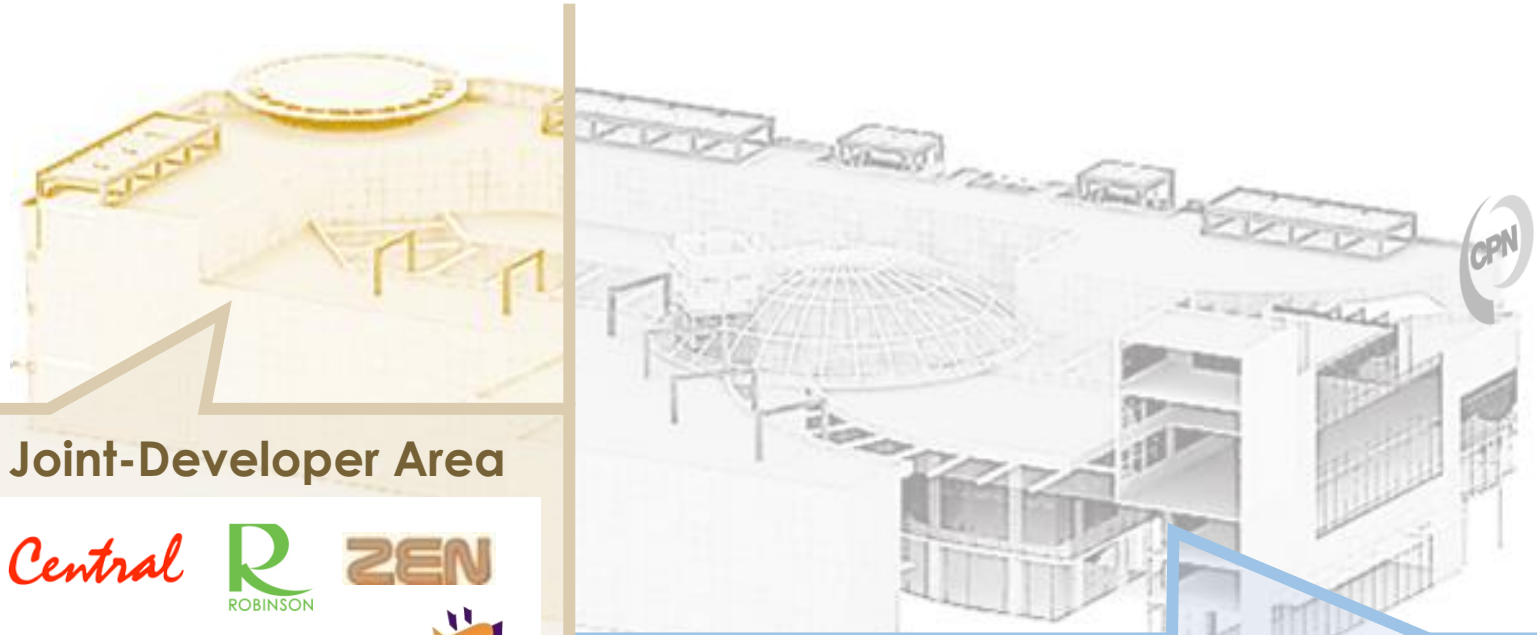
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Joint-Developer Area



- ★ Comprises Central Group dept. store and BUs
- ★ Shares cost of landscaping and surrounding facilities
- ★ Invests in its own assets where CPN is not a beneficiary

CPN Developed & Managed Area



12% CRG & CMG



88% Third Party Tenants

- ★ Comprises anchor and assorted tenants
- ★ Standard contractual and pricing terms
- ★ Enables optimum tenant mix at each location

Sustainable Development (1/2)

Not limited to the well-being of customers and tenants...

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HIGHLY SATISFIED
CUSTOMERS



EDUCATED
TENANTS

Creating destinations for every customer with unique lifestyle and interests



Food Destination



Family Destination



Fashion Destination



Sports Destination

Customer and tenant experience fulfillment through digitalized engagement



Utilize data analytics to enhance
customer experience



central
Life



Convenience through mobile applications

Forge & reinforce tenant relationship



Exclusive campaigns and TIC offers



Tenant and Local SMEs development



CPN Lead & SME marketplace

Sustainable Development (2/2)

...but also towards communities and environment

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**COLLABORATION
WITH
BUSINESS
PARTNERS**



**TRANSPARENT
AND INTEGRITY
TOWARDS
GENERAL PUBLIC**

Deliver new
experiences
and value
with capable
business leaders



New formats



New economy



New attractions

**Corporate governance and
sustainable development**



The only Thai real estate
company selected to DJSI



MEMBER OF
**Dow Jones
Sustainability Indexes**
In Collaboration with RobecoSAM



**Environmentally friendly
business operator**



Platinum LEED certification for
foodWorld at CentralWorld



Energy conservation initiatives
(e.g., solar rooftop, LED lighting)

Local community engagement



Building community wealth



Engagement
through CSV



Social media integration



Green area within CPN properties



CPN Growth Strategy towards 2023

Become a top 5 diversified regional developer

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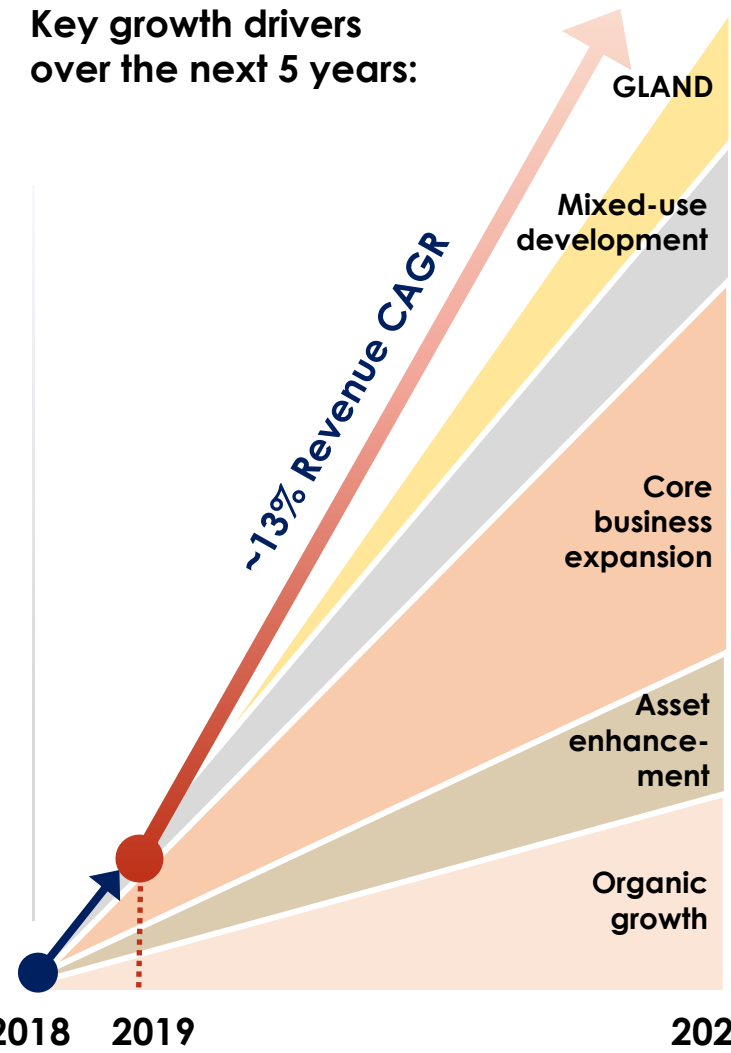
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Key Drivers

Key growth drivers over the next 5 years:



Optimize performance of existing GLAND assets

- Increase occupancy rates in retail areas
- Enhance connectivity with surrounding assets

Residential: 3-5 projects / year primarily on existing land bank
Hotel and Offices: under study at prospective locations
Business Collaborations with strategic partners

	Domestic	Overseas
2019	Central Village	Central i-City (Malaysia) Ongoing preparation to invest in Vietnam
2020-'23	up to 15 new retail projects + M&A opportunities Large-scale mixed-use development projects (Dusit Central Park, GLAND)	

Ongoing renovation program
2-3 existing projects / year
to optimize design, format, tenant mix, thus occ. rate and NLA

Maintain leadership position as "Center of Life"

- Roll out "destination" concepts
- Integration of digitalized features to promote O2O interactivity and customer engagement
- Space utilization

Sustain growth beyond next 5 years

Long-term growth to come from international expansion

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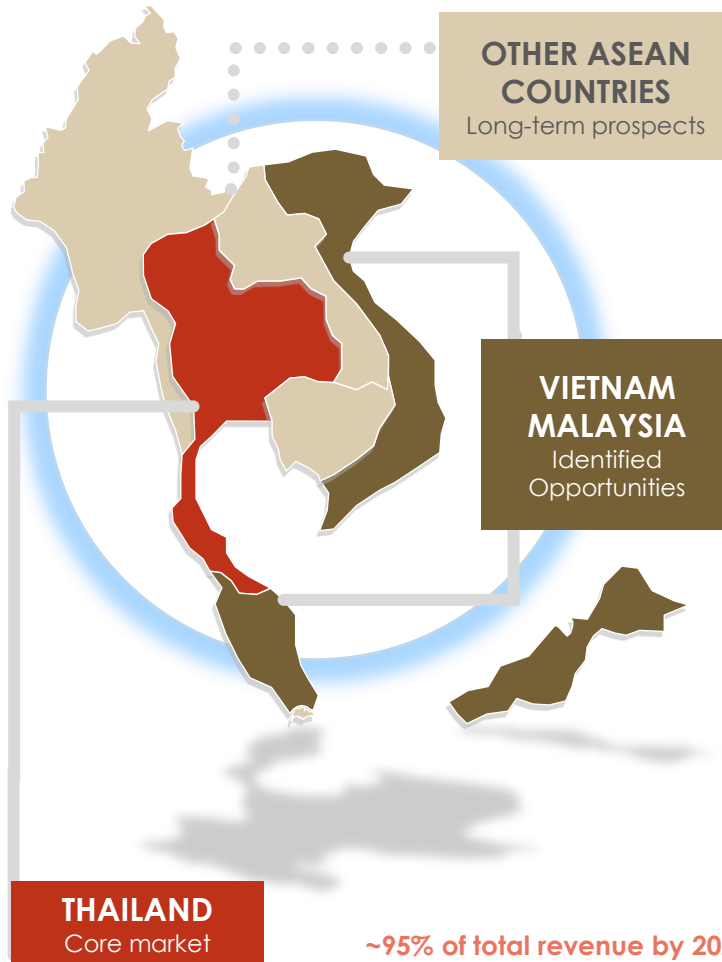


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Growth opportunities beyond Thailand



Next 5 Years

~13% CAGR mainly from domestic

Long-term

Double-digit growth from domestic & international

Potential growth driver in next 10+ years

Increase scalability of projects in long-run

International projects as the next growth lever

~ 5% of revenue by 2023 (based on ~3 locations)

Domestic growth flattens as business becomes larger

Sustained domestic growth through:

New mall expansion
Existing mall enhancement
Mixed-use project development

Vietnam: the next overseas destination

The gem of ASEAN retail market for long-term growth

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Vietnam at a glance

Growing young generation

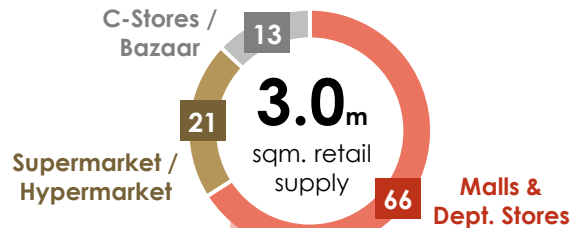


96.1 million people

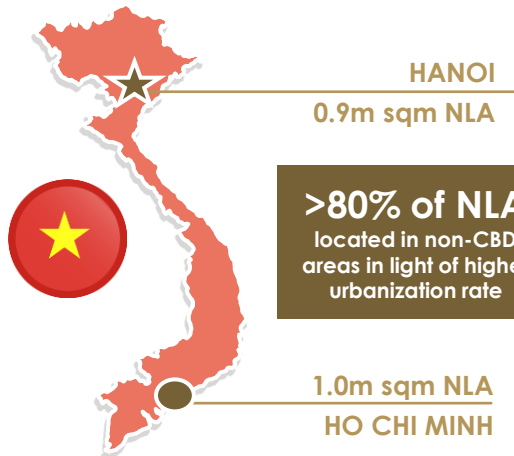
39.8 % population under age 24

Malls are influencing the retail supply

% by format; in HCMC and Hanoi only



Shopping centers growing around cities



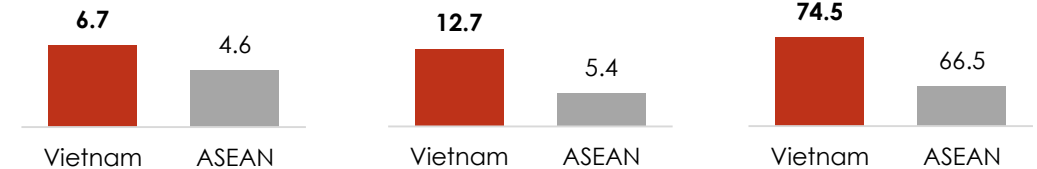
Key advantages for CPN to enter Vietnam

High potential market with exceptional growth driven by consumer spending

% forecasted annual GDP growth during 2019-2021

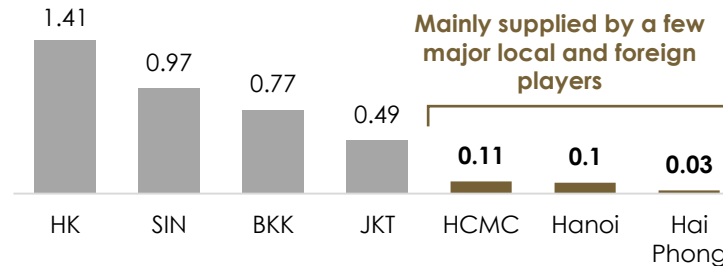
% retail sales YoY growth in 2017

% final consumption to GDP in 2017



Ample room to grow retail space per capita with low direct competition

Retail NLA (sqm.) per capita



Abundance of tenant network through strong presence of the Central Group



Over 250 retail outlets nationwide since 2011 comprising supermarkets, electronic retail, department stores, as well as many international fashion and lifestyle brands

Expanding Net Leasable Area

Supported by strong rental contract foundation

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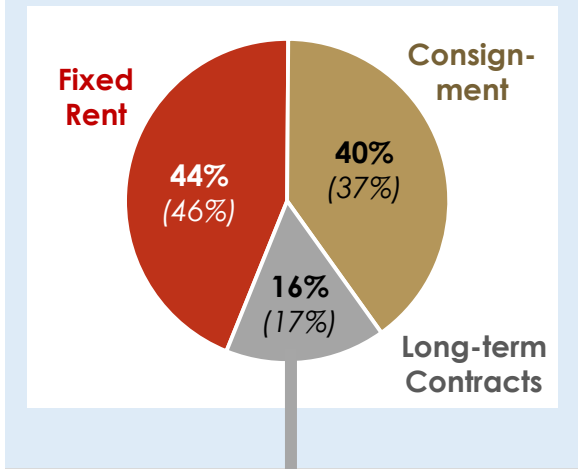
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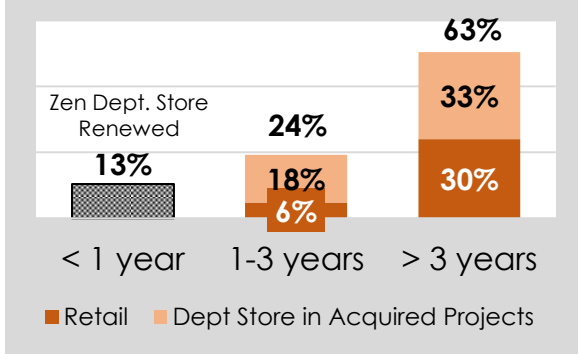
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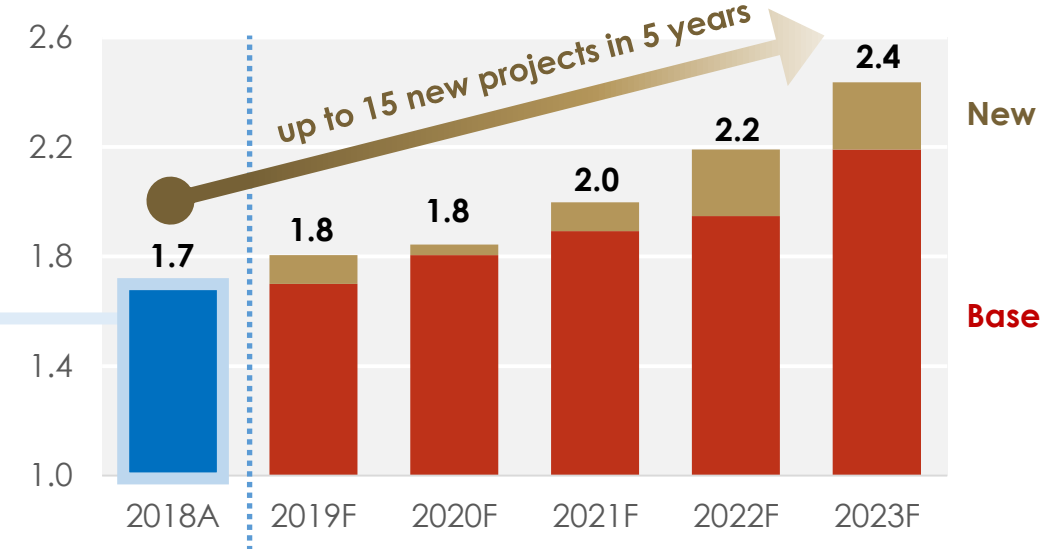
Robust contract structure with potential upside from expiring long-term leases



% Long-term lease expiration schedule



Total Retail NLA (mil. sq.m.)



Number of retail projects operated and managed by CPN						
Base	32	32	~34	~35	~38	~42
New	1*	2	~1	~3	~4	~5
Total	32	~34	~35	~38	~42	~47

Number of mixed-use projects operated and/or developed by CPN			
Resi. HR	3	~7	3-5 additional / year
Resi. LR	1	~2	
Offices	7	7	1-3 additional / year
Hotels	2	2	

Source: Company estimate as of June 30, 2019

(1) Percentage based on occupied area.

(%) 2Q18 figure

(2) Based on total long-term lease area of 132,071 sq.m. with less than 5% rental income contribution.

* Central Phuket counted as 1 project after the opening of Central Phuket Floresta in 2018

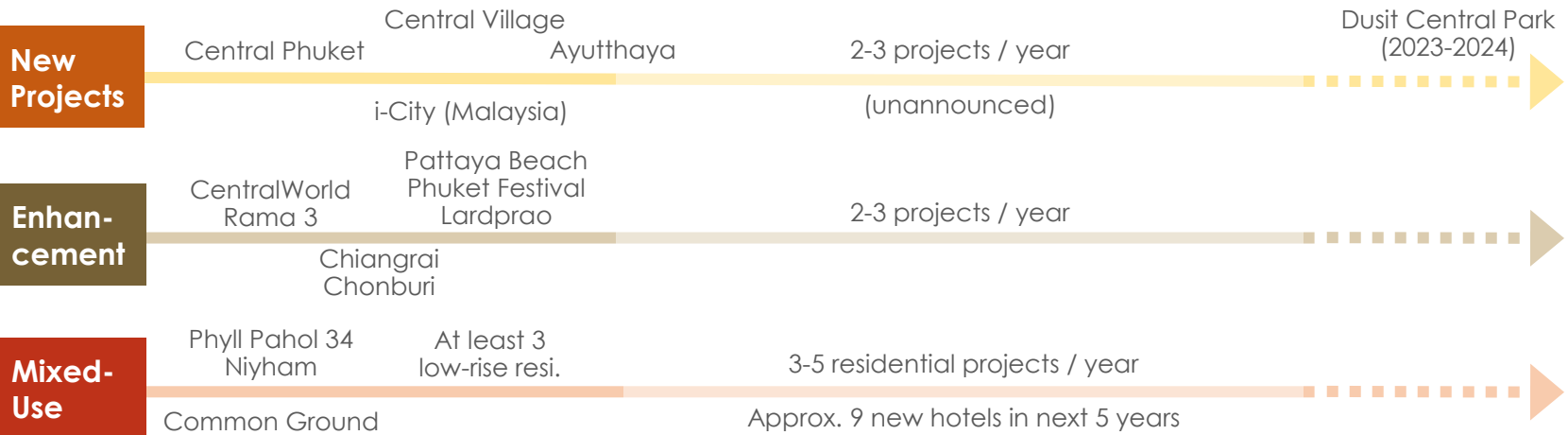
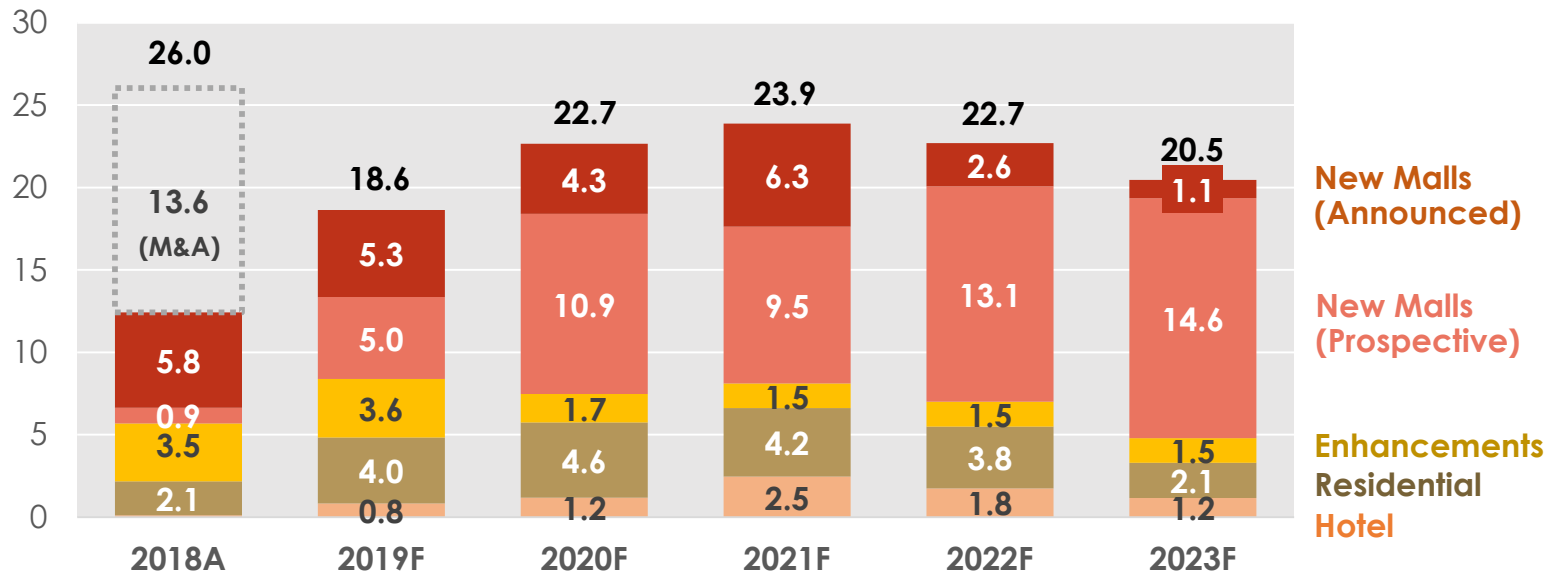
HR: high-rise projects

LR: low-rise projects incl. single-detached houses

Capital Expenditure (CAPEX)

Focused on development of malls and GLAND properties

Unit: billion THB



Prospective new malls include preliminary CAPEX for GLAND's future projects and two projects in Vietnam, subject to revision
Excludes investments related to M&A, land lease acquisition / renewal and other non-business related investments

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New Projects Roadmap

~10 unannounced locations currently under development

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New Development in Pipeline

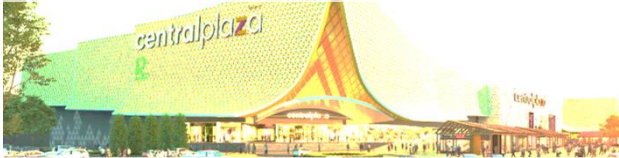
Central i-City (Malaysia)



Central Village



CentraPlaza Ayutthaya



Unannounced locations with land secured



Dusit Central Park



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Operational projects in Thailand



M&As

2019

2020-21

2022-23



Open

March 23 (partial)
June 15 (full)



Open
August 31 (Phase 1)



Under planning & development

exp. opening
2020/21



Under planning &
development

Up to 3 projects



Up to 7 projects



Under planning & development

Dusit GLAND
2023-2024



Studying new opportunities

to acquire
~1 project/year





Dusit Central Park

The new era for one of Bangkok's most endearing heritages

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Dusit Thani
HOTELS & RESORTS

**DUSIT
CENTRAL
PARK**



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Hotel: Dusit Thani Bangkok

Total rooms:	~250
Total floors:	39
Open date:	1H 2023
CPN own'ship:	40%

Retail: Central Park

Total area:	~80,000 sqm.
Total floors:	7+UG
Open date:	2H 2023
CPN own'ship:	85%

Residential: 2 brands

Total units:	~389
Total floors:	69
Open date:	1H 2024
CPN own'ship:	40%

Dusit Residences

Total units:	~159
Size/unit (sqm.):	120-600

Dusit Parkside

Total units:	~230
Size/unit (sqm.):	60-260

Office: Central Park Offices

Total area:	~90,000 sqm.
Total floors:	43
Bldg. format:	Grade A
Open date:	2H 2023
CPN own'ship:	100%

23 rai land | >60 years Leasehold (extended in 2017) | 36.7 bn THB total investment | 440,000 sqm. total area

Sources: Dusit Thani PLC presentation; Dusit Central Park project announcement on April 1, 2019 ; CPN ownership represents ultimate ownership in each project

Residential Development

At least 3 new launches per year to complement core business

Dashboard		High Rise Projects				Low Rise Projects	
<div>OVERVIEW</div> <div>STRATEGY</div> <div>UPDATES</div> <div>GLAND</div> <div>APPENDICES</div>	Ready for Transfer	Own Land	<div>2016</div> <div>COMPLETE</div> <div>Escent Chiangmai</div>	<div>2016</div> <div>COMPLETE</div> <div>Escent Rayong</div>	<div>2016</div> <div>COMPLETE</div> <div>Escent Khonkaen</div>	<div>2017</div> <div>Escent Ville Chiangmai</div>	<div>2018</div> <div>Niyham Borommratchachonni (Initial phases)</div>
	Announced & Under development	Own Land	<div>2017</div> <div>Escent Nakhon Ratchasima</div>	<div>2017</div> <div>Escent Ubonratchathani</div>	<div>2019</div> <div>Escent Parkville Chiangmai</div>		
		Acquired Land	<div>2018</div> <div>Phyll Pahol 34</div>	<div>Note: Year denotes year of launch COMPLETE = Transfer at 100%</div>			<div>2019-20</div> <div>Niyham Borommratchachonni (Future phases)</div>

Explore high potential stand-alone development in locations backed by strong demand

Asset Enhancement Initiatives

Activities completed in 2018 and planned for 2019

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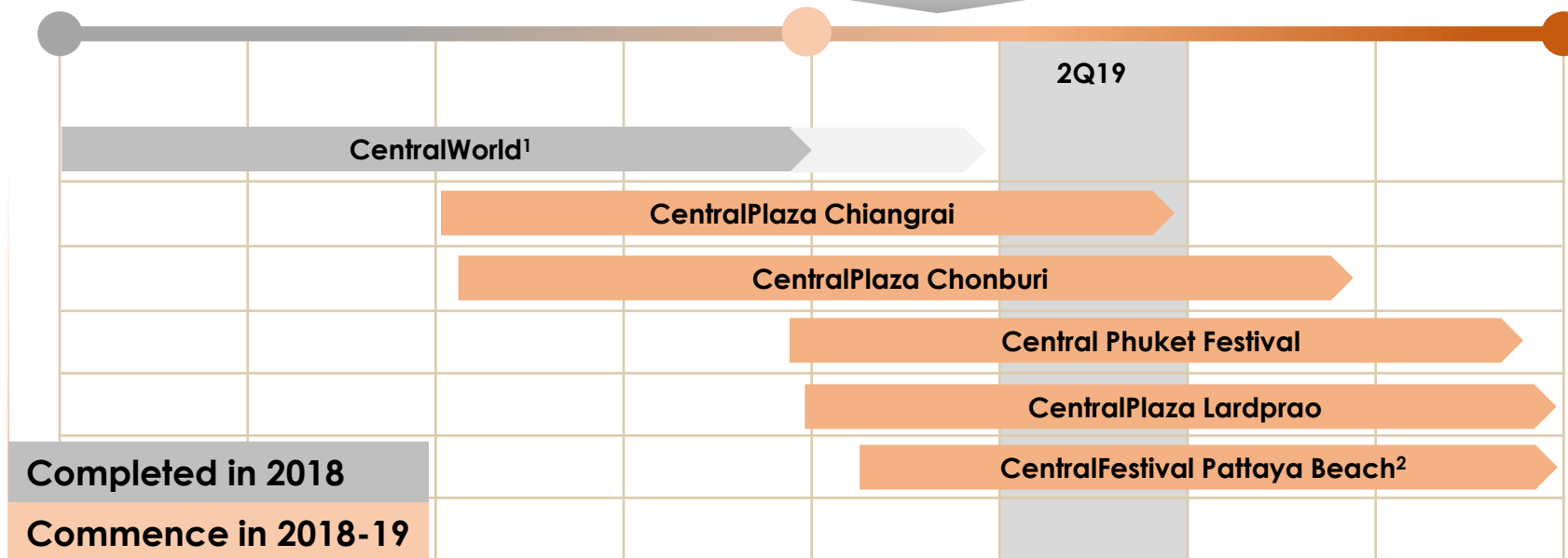
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Key activities in 2Q19

The new "Northern Village" destination at CentralPlaza Chiangrai



New stores opened at CentralWorld, ranging from popular F&B brands to renowned fashion brands with flagship stores



Note 1: Major renovation program for CentralWorld mostly completed by 4Q18 ; Minor workover still ongoing until full completion by 1Q19

Note 2: Renovation program not including area transferred to CPNREIT

2019 Guidance Reiteration

Maintain double-digit top-line growth target

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	1H19 Actual	2019 Full Year Guidance
<u>Rental & Service Business*</u> <ul style="list-style-type: none"> - YoY revenue growth - Same-store revenue growth - Gross profit margin - Same-store gross profit margin 	12% ~3.3% 49% 53%	11-12% 3-4% ≥ 2018 level > 2018 level
<u>Food Center Services Business</u> <ul style="list-style-type: none"> - YoY revenue growth - Gross profit margin 	22% 56%	20% > 2018 level
<u>Hotel Business</u> <ul style="list-style-type: none"> - YoY revenue growth/(decline) - Gross profit margin 	0% 67%	(10%) < 2018 level
<u>Residential Business*</u> <ul style="list-style-type: none"> - YoY revenue growth/(decline) - Gross profit margin (own land) - Gross profit margin (standalone) 	(60%) >40% >32%	15-20% ≥40% ≥32%
Total revenue** growth	4.5%	11-12%
SG&A to total revenue ratio	17.4%	17-18%
<u>Financing cost</u> <ul style="list-style-type: none"> - Net D/E ratio - Average cost of debt 	0.47x 3.20%	< 1.0x ~3.10%

* Includes consolidation of GLAND's lettable office and retail area, as well as remaining residential units

** Includes other income

GLAND Acquisition Update

Assumes controlling stake; now reviewing investment plan

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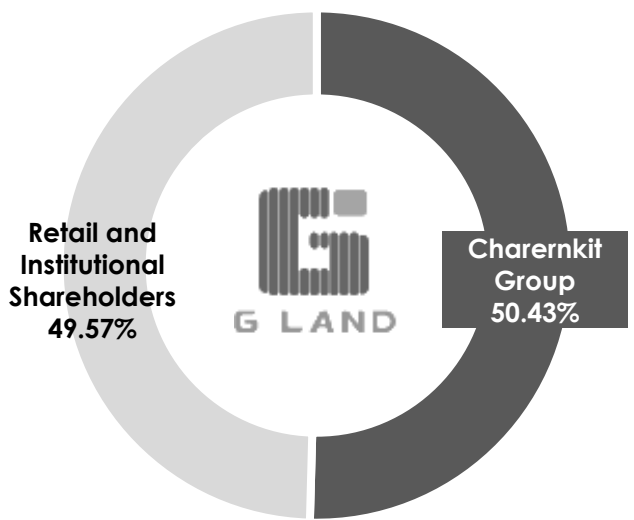


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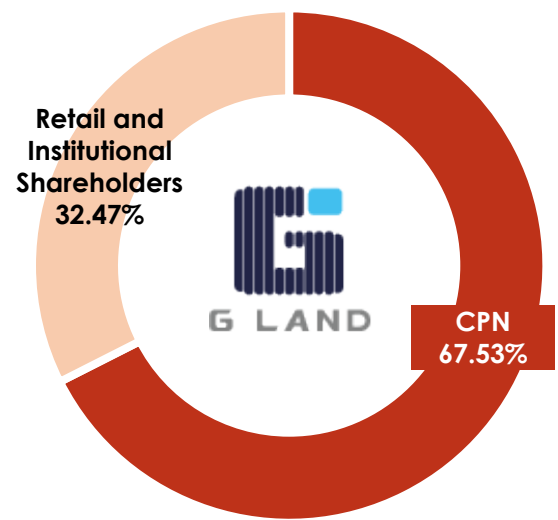


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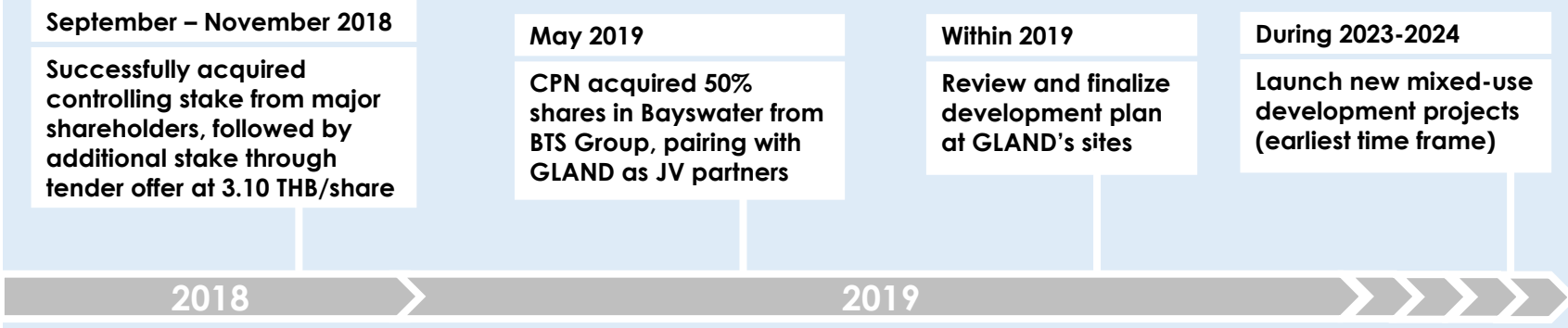
Before Shares Acquisition



After Shares Acquisition



Timeline of events and approximated development and investment plan:



GLAND's Portfolio

Ample room to improve performance of existing assets

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Trnf. to REIT

Operational

Undeveloped

Office Buildings

Residential

Mixed-use

The Ninth Tower



NLA (sqm.)	62,699
Occ. Rate	94%
Retail NLA	5,692
Retail OR	49%

Unilever House



NLA (sqm.)	18,527
Occ. Rate	100%
Retail NLA	3,717
Retail OR	61%

G Tower



NLA (sqm.)	67,440
Occ. Rate	91%
Retail NLA	6,247
Retail OR	80%

Bell Grand Rama 9



Total Units	1,991
% Transf.	98%
Retail NLA	10,288
Retail OR	70%

23-rai land at Rama 9



25-rai land on Kampangpetch Rd.

85-rai land at Don Muang

48-rai land at Paholyothin

Bayswater Co., Ltd.

(50-50 JV with BTS Group)



End of Presentation

Thank you for your kind attention!

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<http://www.cpn.co.th>





Property Development Portfolio (1/2)

Retail and mixed-use properties in BMA

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Retail Property Name	Open	Land (Expire)	Invest. (MTHB)	NLA (sqm)	Transferred to CPNREIT		Other developed or managed projects in same area by CPN				
					% of area	Lease expire	Food Center	Office	Hotel	Resid.	Conv. Hall
CentraPlaza Lardprao	1982	L(2028)	4,509	45,518				✓			✓
CentralPlaza Ramindra	1993	L(2023)	664	17,190							
CentralPlaza Pinklao	1995	L(2027)	3,045	63,093	42%	2027	✓	✓			
CentralPlaza Rama 3	1997	F	2,035	54,390	81%	2045	✓				
CentralPlaza Bangna ^{/A}	2001	F	5,782	64,161			✓	✓		✓	
CentralPlaza Rama 2	2002	L(2055)	9,121	91,853	96%	2025	✓				✓
CentralWorld ^{/A}	2002	L(2040)	14,350	200,194			✓	✓			
CentralPlaza Rattanaibet ^{/A}	2003	F&L (2034)	2,368	77,220			✓				
CentralPlaza Chaengwattana	2008	F	5,409	65,665			✓	✓			✓
CentralPlaza Grand Rama 9	2011	L(2040)	5,172	59,261				✓			
CentralPlaza Salaya	2014	F&L (2044)	2,609	38,738			✓				
CentralPlaza WestGate	2015	L(2043)	7,052	78,517			✓				✓
CentralFestival EastVille	2015	F&L (2045)	3,880	36,049			✓				
CentralPlaza Mahachai	2017	F	2,803	24,363			✓				

Source: CPN Annual Report 2018 ; Information as of December 31, 2018

^{/A} = acquired projects

Land: F = Freehold, L = Leasehold, F&L = both ; Investment of each project is reported at cost

Net leasable area (NLA) excludes area invested by joint developer and convention hall



Property Development Portfolio (2/2)

Retail and mixed-use properties in provinces

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Retail Property Name	Open	Land (Expire)	Invest. (MTHB)	NLA (sqm)	Transferred to CPNREIT		Other developed or managed projects in same area by CPN				
					% of area	Lease expire	Food Center	Office	Hotel	Resid.	Conv. Hall
CentralMarina	1995	L(2035)	1,442	17,432			✓				
CentralPlaza Chiangmai Airport ^{/A}	1996	F	2,421	76,665	49%	2044	✓				✓
CentralFestival Pattaya Beach	2009	F&L (2038)	4,500	63,093	50%	2037	✓		✓		
CentralPlaza Udonthani ^{/A}	2009	F	4,614	71,716			✓		✓		✓
CentralPlaza Chonburi	2009	F&L (2027)	3,131	38,391			✓				
CentralPlaza Khonkaen	2009	F	3,951	47,318			✓			✓	✓
CentralPlaza Chiangrai	2011	F	2,016	23,996			✓			✓	
CentralPlaza Phitsanulok	2011	F	1,590	26,474			✓				
CentralPlaza Suratthani	2012	F	2,245	31,262			✓				✓
CentralPlaza Lampang	2012	L(2041)	1,145	21,977			✓				
CentralPlaza Ubonratchathani	2013	F	1,835	32,182			✓				
CentralFestival Chiangmai	2013	F	4,300	68,020			✓			✓	
CentralFestival Hatyai	2013	F	4,917	66,802			✓				✓
CentralFestival Samui	2014	L(2043)	1,875	31,648			✓				
CentralPlaza Rayong	2015	F	2,685	29,466			✓			✓	✓
Central Phuket											
- Festival ^{/A}	2015	L(2056)	8,152	40,151			✓				
- Floresta	2018	L(2056)	5,499	32,468			✓				
CentralPlaza Nakhon Si Tham.	2016	F	1,833	21,329			✓				
CentralPlaza Nakhon Ratchasima	2017	F	4,560	49,094			✓			✓	✓



CPN's Asset Performance Summary

High occupancy rates sustained for domestic malls

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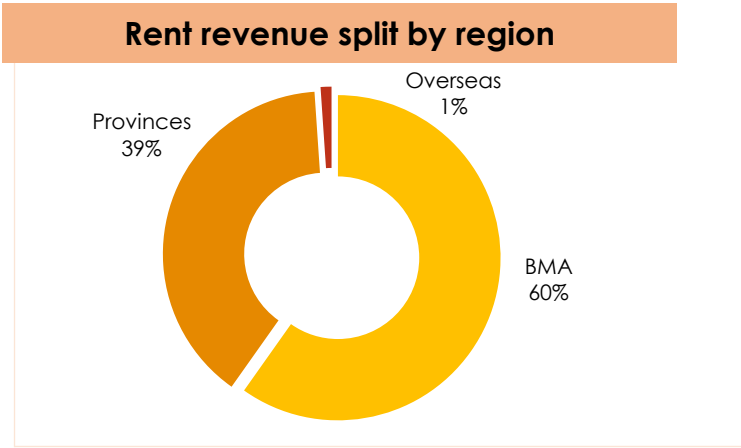
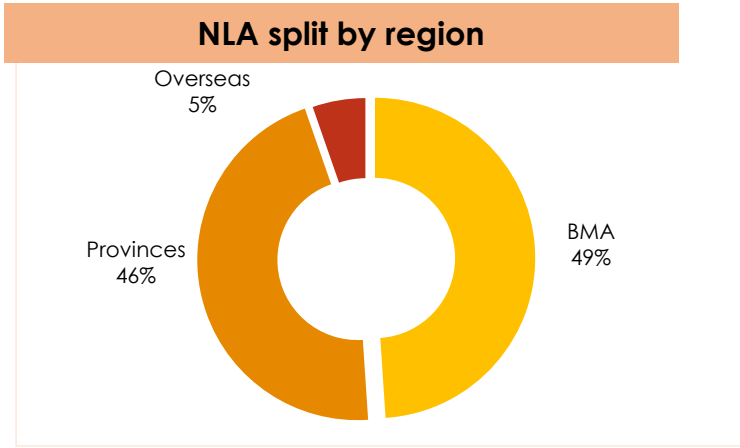


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Retail Properties	No. of Projects	Land			NLA ⁽¹⁾⁽²⁾ (mn sqm)			Occupancy Rate ⁽¹⁾		
		Freehold	Leasehold	Freehold & Leasehold	Retail	Department Store	Total	2Q18	1Q19	2Q19
BMA	14	4	7	3	0.71	0.06	0.77	91%	93%	93%
Provinces	18	12	4	2	0.66	0.06	0.72	92%	90%	89%
Thailand	32	16	11	5	1.37	0.12	1.49	91%	92%	91%
Overseas	1	1			0.08	0.00	0.08	n/a	50%	73%
Total⁽¹⁾	33	17	11	5	1.45	0.12	1.57	91%	90%	90%



Non-core Properties	No. of Projects	NLA (sqm)	Occupancy Rate ⁽¹⁾ (%)		
			2Q18	1Q19	2Q19
Office in BMA ⁽¹⁾⁽²⁾	5	56,174	94%	93%	92%
Residential in BMA	1	1,568	21%	21%	27%
Hotel in provincial area	2	561 rooms	83%	86%	80%

(1) Counts Central Phuket (Floresta + Festival) as one project ; Excludes area transferred to CPNREIT, CPNCG and area under GLAND

(2) Excludes rental agreements < 1 year, such as kiosk, carts, ATMs and coin machines.



CPN's Financial Performance

Consistently growing revenue and core profit

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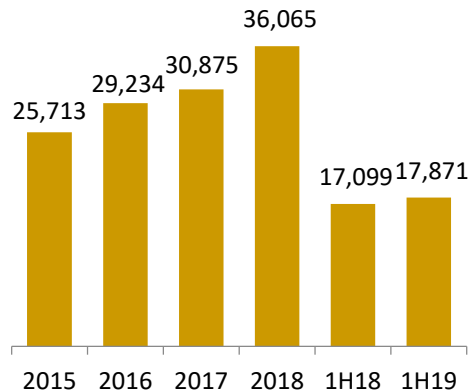
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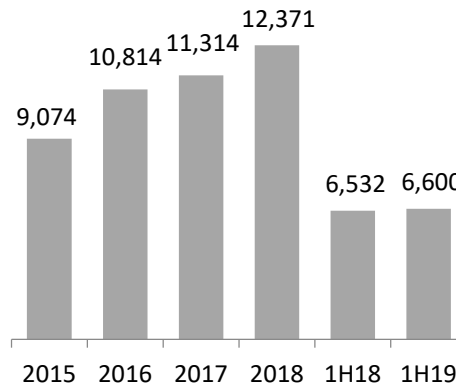
Total Revenue

MTHB



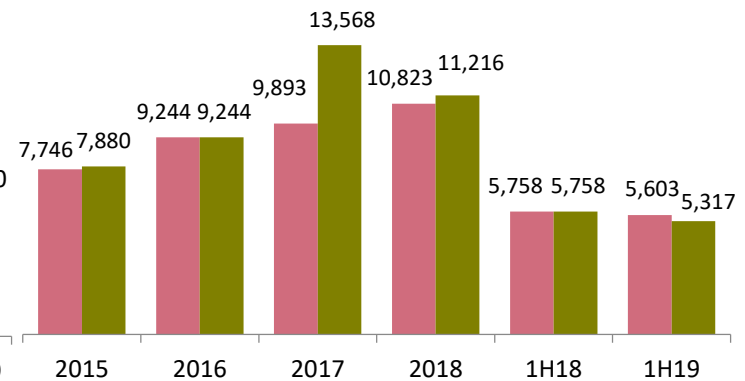
Operating Profit

MTHB



Normalized (LHS) and Net (RHS) Profit

MTHB



% YoY Growth	2015	2016	2017	2018	1H18 ^{/3}	1H19 ^{/3}
Total revenues (Exc. non-recurring items) ^{/1}	9%	14%	6%	17%	11%	5%
Operating profit (Exc. non-recurring items)	7%	19%	5%	9%	8%	1%
Normalized Net profit	7%	19%	7%	9%	9%	(3%)
Net profit	8%	17%	47%	(17%)	9%	(8%)
Same store revenue growth	2%	2%	4%	3%	3%	3% ^{/2}
Gross Profit Margin (Exc. Other Income)(%)	48%	49%	50%	48%	51%	50%
EBITDA Margin (%)	53%	54%	54%	51%	54%	54%

^{/1} Includes rental & services, hotel operation, food & beverages, real estate sales and other income. Excludes interest income and share of profit from joint ventures and associated companies

^{/2} Excludes Central Phuket Floresta, Central i-City, CentralWorld, CentralPlaza Lardprao, CentralPlaza Chonburi and CentralPlaza Chiangrai, Central Phuket Festival, and CentralFestival Pattaya Beach.

^{/3} Due to the adoption of TFRS 15 on January 1, 2019 onwards, total revenue, gross profit margin and EBITDA margin for the current and comparison periods have been adjusted to reflect the nature of the food center services business.

Total Revenue

Strong growth achieved despite residential cooldown

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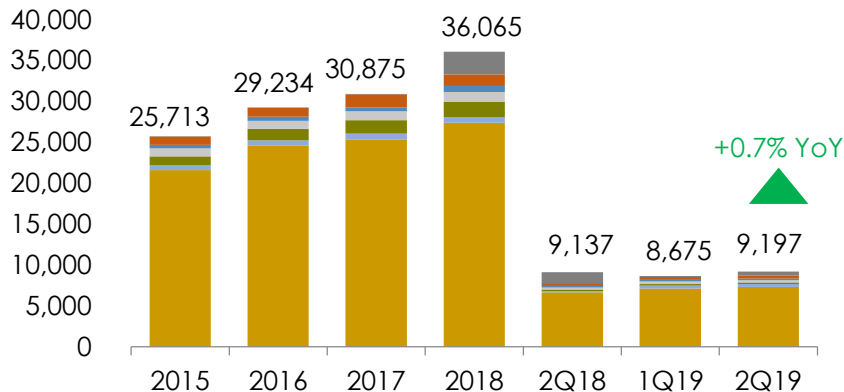


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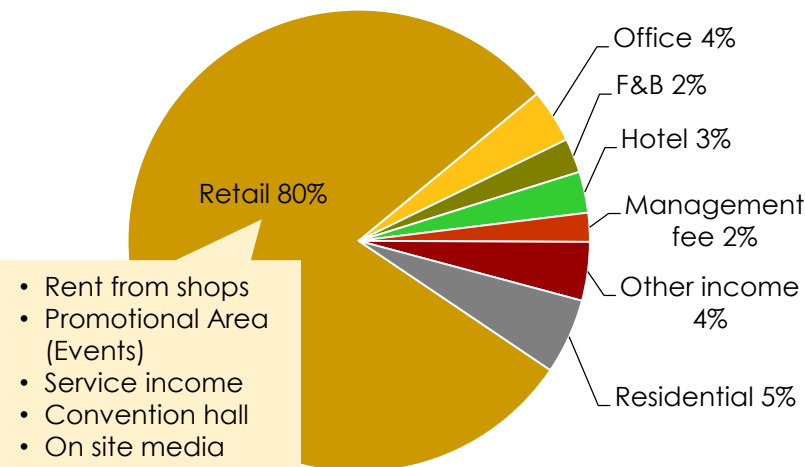


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(THB mn)



2Q19 Breakdown



Note: /1 Includes revenues from residential projects and water & amusement park, and property management fees from CPNREIT & CPNCG. Excludes non-recurring items.

/2 Changed from "Revenue from food and beverages sales" due to the adoption of TFRS 15 from January 1, 2019 onwards to better reflect the nature of business of food center services.

2Q19 total revenues ^{/1} **+0.7% YoY** mainly contributed by **Rent and services +12.4% YoY**

- Contributions from new shopping malls in 2018 and 2019: Central Phuket Floresta and Central i-City
- Improved performances at malls under renovation: CentralWorld and CentralPlaza Rama 3
- Strong performances of existing shopping malls, both in Bangkok Metropolitan Area and Provinces.

Food center services ^{/2} **+24.1% YoY**

- New food centers opened in 2018 at Central Phuket Floresta, as well as renovated food court opened in 2018 at CentralWorld, CentralPlaza Rama 3 and Chonburi.
- Strong performances of existing food centers from continuous roll-out of Food Destinations.

Hotel operations +0.5% YoY

- Lower overall occupancy rate associated with lower tourists according to overall market decelerated.

Real estate sales -64.1% YoY

- Lower number of unit transferred comparing to 2Q18 as most units have been transferred since 2018.

Active marketing and promotional events throughout the year

Collaboration with business partners, holding promotional campaigns to encourage more spending from local customers and cater for expanding foreign tourists visiting Thailand, are vital to the strong rental and services revenue performance throughout the year.

Cost of Operation

Closely aligned with revenue growth

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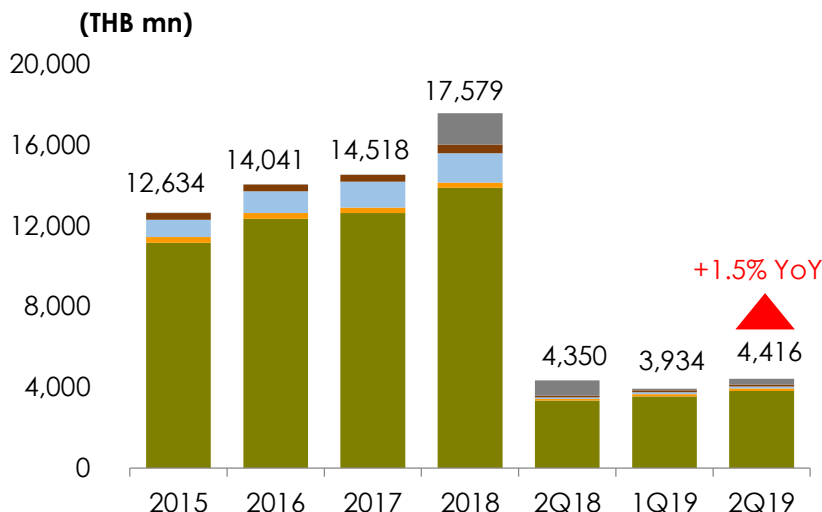
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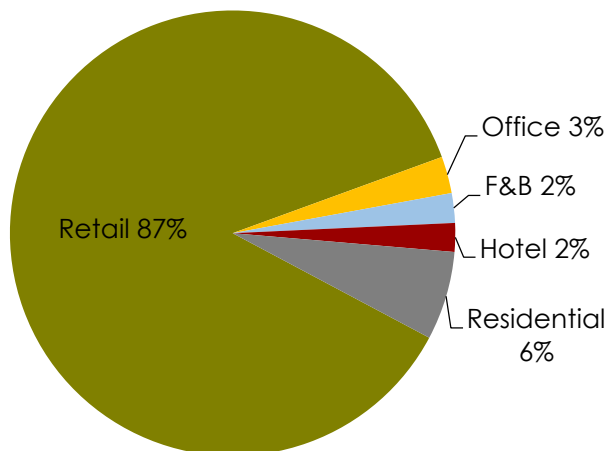
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2Q19 Breakdown



Note: /1 Excludes non-recurring items.

/2 Changed from "Cost of food and beverages sales" due to the adoption of TFRS 15 from January 1, 2019 onwards to better reflect the nature of business of food center services.

2Q19 total costs ^{/1} +1.5% YoY mainly contributed by

Cost of rent and services +15.4% YoY

- Higher operating and depreciation costs of newly opened malls in 2018 and 2019, namely Central Phuket Floresta and Central i-City as well as renovated projects which are CentralWorld and CentralPlaza Rama 3.
- Higher maintenance, repair and personnel expenses to support the expansion of new shopping malls.
- Higher utility cost, increased from the same period a year earlier amidst the continuous rise in electricity Ft rate from 2018.

Cost of food center services ^{/2} +22% YoY

- Better cost management at existing food courts despite higher cost from newly opened food courts in 2018 and 2019.

Cost of hotel operations +14.7% YoY

- Mainly driven by adopting new accounting method of revenue recognition and increased in marketing expenses to stimulate revenue generating.

Cost of real estate sales -63.3% YoY

- Consistent with the lower number of unit transfers with gross profit margin maintained above target.

Continued focus on efficient cost management

Implementation of energy conservation initiatives at shopping malls to yield lower electricity unit consumption, in face of rising unit cost, is actively carried out to maintain or increase overall gross profit margin.

SG&A Expenses Breakdown

Higher cost base amidst business expansion

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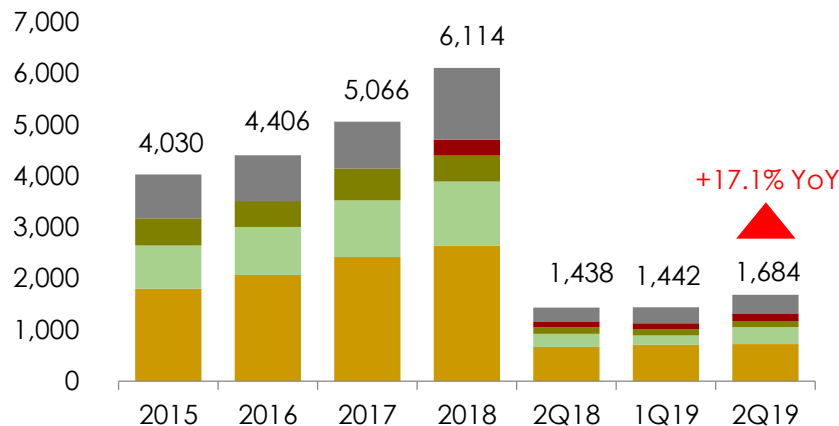


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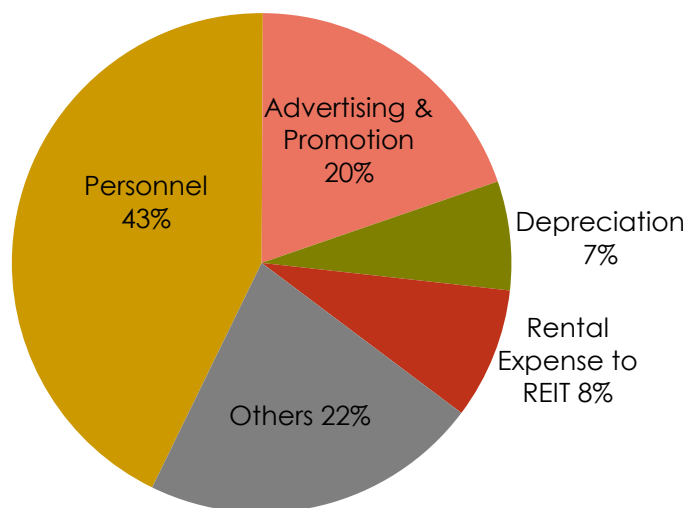


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(THB mn)



2Q19 Breakdown



2Q19 SG&A expenses +17.1% YoY mainly contributed by

- Higher personnel expenses to support business expansion, higher marketing and promotional expenses in-line with more marketing activities in malls, including grand opening events at Central i-City and Central Phuket's luxury zone.
- Increase in various administrative expenses due to the larger business size, as well as to support future business expansion.
- The amount also includes administrative expenses associated with GLAND's operations.

Balancing overhead expenses with business plan

Close monitoring of operating performance and maintain optimal SG&A expenses level according to business requirements with potential incremental savings from 1) synergy with Central Group in marketing activities and supply chain management 2) preparing organizational readiness for future growth 3) value added from business collaboration with partners.

Debt Analysis

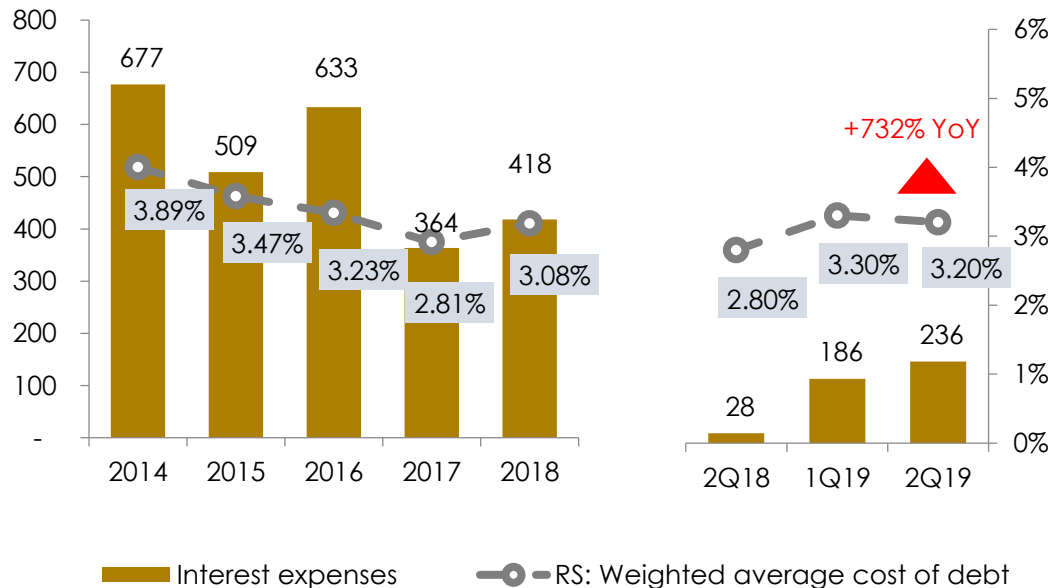
Lower cost of debt due to soften rate from new loan

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Finance cost and average cost of debt

2Q19 Debt Breakdown

(THB mn)



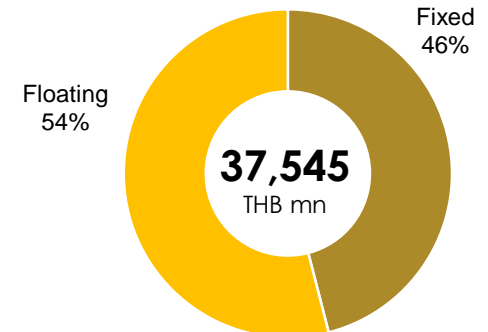
Long-term loan
29%

Short-term loan
29%

37,545
THB mn

Long-term
bond
39%

Short-term
bond
3%



TRIS
RATING

AA

Credit Rating

➤ Corporate credit
➤ Senior unsecured
debenture

Stable

Rating Outlook

Note: Weighted average interest rate was derived from interest expenses including interest capitalization for projects under development.
All borrowings at denominated in THB. Includes consolidation of GLAND's debt at THB 8,102 mn

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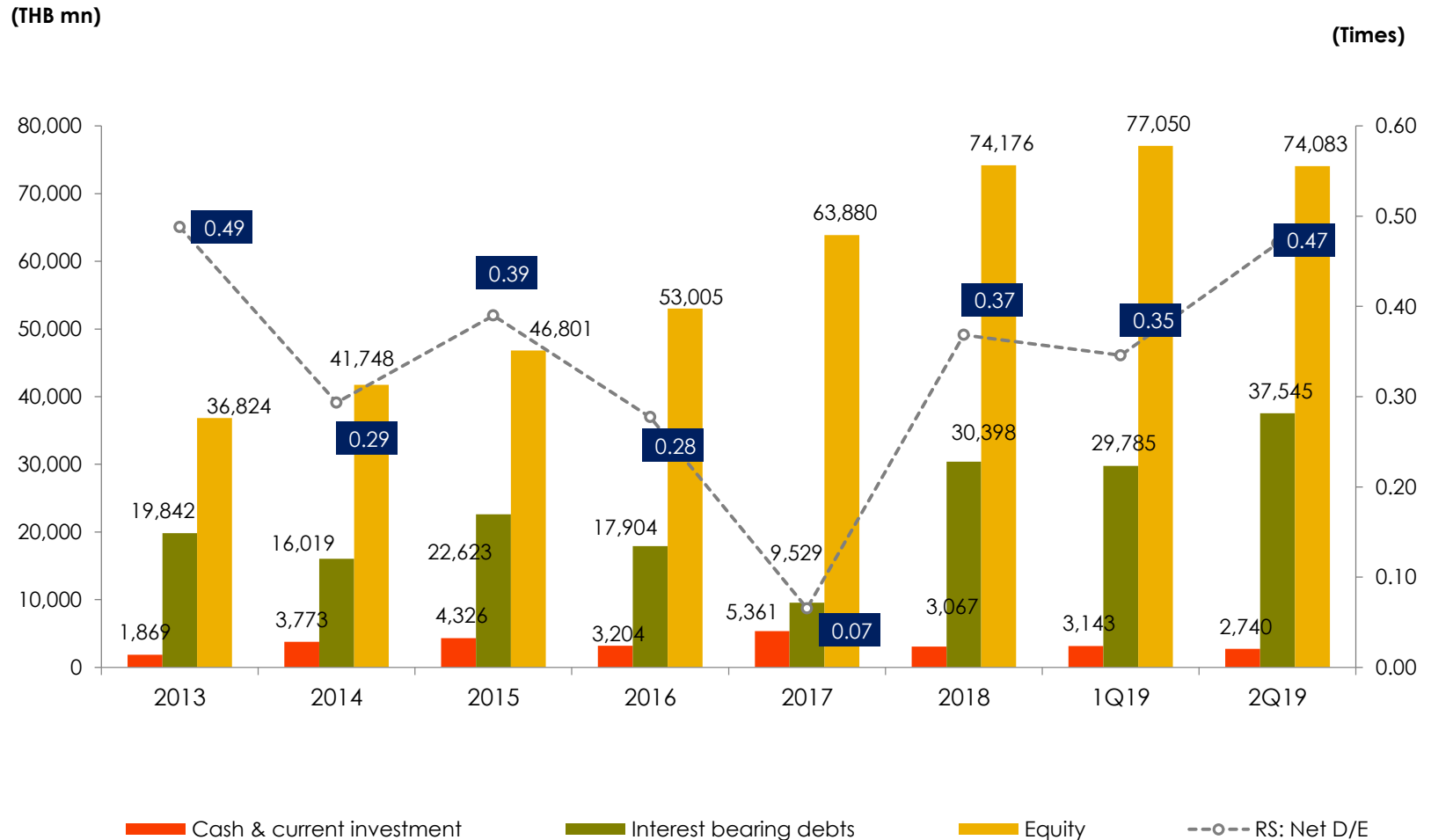
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Capital Structure

Net D/E trends higher but still at comfortable level

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CPN's net D/E ratios are historically below its debt covenant of 1.75x



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Impact of TFRS 15

Amendment to the recognition of F&B revenue and costs

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Under TFRS 15, revenue and cost of food center services is determined by whether or not the company acts as an agent or the principal in the transaction

AMOUNT FOR EXAMPLE ONLY	BEFORE	ADJUSTMENT	AFTER
REVENUE FROM FOOD & BEVERAGES SALES (AGENT) 	120	(70)	50
REVENUE FROM FOOD CENTER SERVICES (PRINCIPAL) 	30	-	30
REVENUE FROM FOOD & BEVERAGES BUSINESS	150	(70)	80
COST OF FOOD & BEVERAGES SALES (AGENT) 	70	(70)	-
COST OF FOOD CENTER SERVICES (PRINCIPAL) 	10	-	10
COST OF FOOD & BEVERAGES BUSINESS	80	(70)	10
GROSS PROFIT FROM F&B (FOOD CENTER SERVICES)	70	-	70

Note: The adoption of TFRS 15 : Revenue from Contracts with Customers, effective for the fiscal period starting January 1, 2019 onwards, replaced TAS 18 : Revenue, which the company assumes significant risk and reward of ownership of the goods.

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Statement of Comprehensive Income

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Unit: million THB	2Q 2018	1Q 2019	2Q 2019	YoY (%)	QoQ (%)	6M 2018	6M 2019	YoY (%)
Revenue from rent and services	6,819	7,488	7,664	12%	2%	13,594	15,152	11%
Retail	6,645	7,135	7,319	10%	3%	13,248	14,454	9%
Office	174	353	345	99%	(2%)	347	698	101%
Revenue from hotel operations	263	309	264	1%	(15%)	573	573	0%
Revenue from food center services	178	204	221	24%	8%	346	424	22%
Revenue from real estate sales	1,351	142	485	(64%)	242%	1,567	627	(60%)
Other income	527	577	563	7%	(2%)	1,019	1,140	12%
Total revenues	9,137	8,719	9,197	1%	5%	17,099	17,917	5%
<i>Excluding non-recurring items</i>	<i>9,137</i>	<i>8,674</i>	<i>9,197</i>	<i>1%</i>	<i>6%</i>	<i>17,099</i>	<i>17,871</i>	<i>5%</i>
Cost of rent and services	3,418	3,769	4,045	18%	7%	6,717	7,814	16%
Retail	3,352	3,656	3,927	17%	7%	6,586	7,583	15%
Office	66	113	118	79%	5%	131	231	76%
Cost of hotel operations	80	99	92	15%	(7%)	167	191	15%
Cost of food center services	78	91	95	22%	4%	149	186	25%
Cost of real estate sales	774	75	284	(63%)	278%	909	359	(61%)
Total cost of operations	4,350	4,034	4,516	4%	12%	7,942	8,550	8%
<i>Excluding non-recurring items</i>	<i>4,350</i>	<i>3,934</i>	<i>4,416</i>	<i>2%</i>	<i>12%</i>	<i>7,942</i>	<i>8,350</i>	<i>5%</i>
Selling, general and admin expense	1,438	1,442	1,815	26%	26%	2,641	3,258	23%
Operating profits	3,349	3,243	2,866	(14%)	(12%)	6,516	6,109	(6%)
<i>Excluding non-recurring items</i>	<i>3,349</i>	<i>3,298</i>	<i>3,097</i>	<i>(8%)</i>	<i>(6%)</i>	<i>6,516</i>	<i>6,395</i>	<i>(2%)</i>
Net finance cost/income tax/others	413	396	396	(4%)	0%	759	792	4%
Net profit	2,935	2,847	2,470	(16%)	(13%)	5,758	5,317	(8%)
<i>Excluding non-recurring items</i>	<i>2,935</i>	<i>2,902</i>	<i>2,701</i>	<i>(8%)</i>	<i>(7%)</i>	<i>5,758</i>	<i>5,603</i>	<i>(3%)</i>
Earnings per basic share (THB)	0.65	0.63	0.55	(16%)	(13%)	1.28	1.18	(8%)
<i>Excluding non-recurring items</i>	<i>0.65</i>	<i>0.65</i>	<i>0.60</i>	<i>(8%)</i>	<i>(7%)</i>	<i>1.28</i>	<i>1.25</i>	<i>(3%)</i>

Note: Due to the adoption of TFRS 15 on January 1, 2019 onwards, revenue and cost of food center services for the current and comparison periods have been adjusted to reflect the nature of the food center services business (previously reported as revenue and costs of food and beverages).

Financial Statements

Statement of Financial Position

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Unit: million THB	End of 2Q 2018	End of FY 2018	End of 2Q 2019	YoY (%)	YTD (%)
Current assets					
Cash and current investments	2,593	3,067	2,736	6%	(11%)
Other current assets	8,071	12,235	12,920	60%	6%
Total current assets	10,664	15,301	15,656	47%	2%
Non-current assets					
Investment properties ⁽¹⁾	84,343	108,412	103,064	22%	(5%)
Leasehold rights	13,881	14,086	21,323	54%	51%
Property & equipment (PP&E)	1,552	1,646	1,590	2%	(3%)
Other non-current assets	12,566	22,262	26,592	112%	19%
Total non-current assets	112,342	146,407	152,570	36%	4%
Total assets	123,006	161,708	168,226	37%	4%
Current liabilities					
Interest-bearing debt - 1 year	5,634	10,876	12,093	115%	11%
Other current liabilities	11,174	13,737	12,869	15%	(6%)
Total current liabilities	16,807	24,613	24,962	49%	1%
Non-current liabilities					
Interest-bearing debt	7,088	19,522	25,452	259%	30%
Other non-current liabilities	35,198	43,397	43,729	24%	1%
Total non-current liabilities	42,286	62,919	69,181	64%	10%
Total liabilities	59,093	87,532	94,143	59%	8%
Shareholders' equity					
Retained earnings - unappropriated	50,257	55,094	55,009	9%	(0%)
Other shareholders' equity	13,656	19,082	19,074	40%	(0%)
Total shareholders' equity	63,912	74,176	74,083	16%	(0%)

⁽¹⁾ Investment Properties are booked at cost and depreciated with the straight-line basis over the life of the assets. The estimated fair value is THB 219,161 mn as of December 31, 2018 (stated in the disclosure notes to the audited 2017 financial statements no. 14 under "Investment Properties").



Awards and Accolades

Globally recognized for outstanding achievements

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MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM

5 consec.
years
(2014-18)

Member of Dow Jones Sustainability Indices (DJSI) in 2018 showcases a track record of excellence in performance, governance, social and environmental development

4 consec.
years
(2015-18)

SET THSI
The Stock Exchange of Thailand
THAILAND SUSTAINABILITY INVESTMENT 2017

SET Thailand Sustainability Investment 2018 listing confirms CPN's commitment towards sustainable growth and focus on environmental, social and governance (ESG) factors

5 consec.
years
(2014-18)

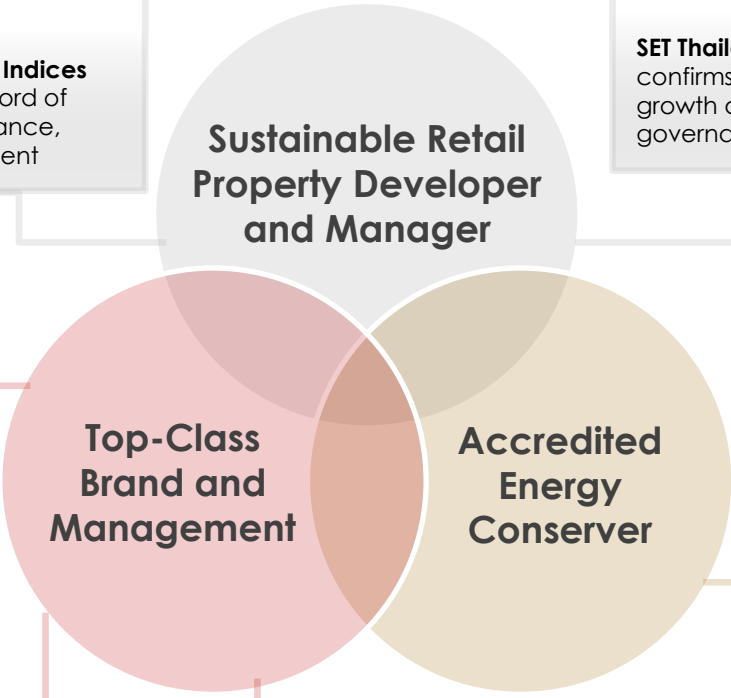
Thailand's Top Corporate Brands 2018 for property development sector in recognition of the most widely regarded brand amongst customers, investors and the general public.



CentralPlaza Khonkaen

CentralFestival Chiangmai

Thailand Energy Awards 2018 honors CPN on developing and promoting energy conservation retail facilities at 2 shopping centers.



Best CEO – SET Awards 2018
Mr. Preecha Ekkunagul, President & CEO of CPN was awarded the “Best CEO 2018” at the SET Awards 2018, in recognition for having demonstrated outstanding performances in the company's business, strategic vision and sustainable development



Drive Award 2018 – Finance Excellence
Sponsored by Chulalongkorn University, was given to the top Thai company that demonstrated excellence in financial leadership, performance, strategy and management.





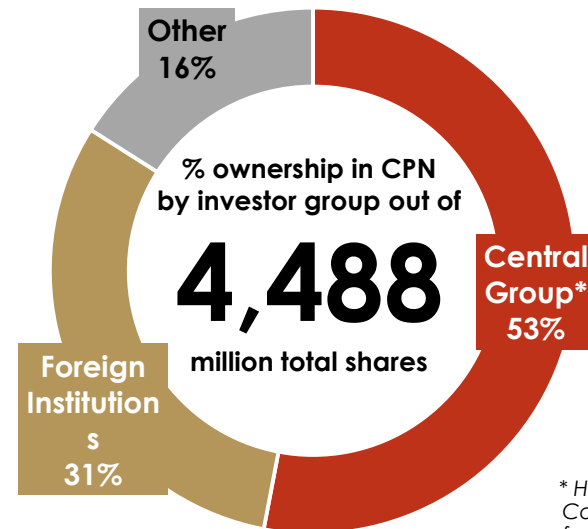
CPN Shares Trading Statistics

As at end of 2Q19

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CPN Ownership Structure

Top ten shareholders	% own
Central Holding Co. Ltd.	26.21
Thai NVDR Co. Ltd.	6.08
SOUTH EAST ASIA UK (TYPE C) NOMINEES	3.21
STATE STREET EUROPE LIMITED	3.03
Social Security Office	2.14
BBHISL NOMINEES LIMITED	2.10
BANK OF SINGAPORE LIMITED-SEG	1.77
CREDIT SUISSE AG, HONG KONG BRANCH	1.67
UBS AG SINGAPORE BRANCH	1.47
BANK OF SINGAPORE LIMITED-THB SEG AC	1.29



* Held by Central Holding Co. (26%) and Chirathivat family members (27%)

Key Trading Statistics as of 2Q19

Key Metrics	THB
Par Value	0.50
Share Price (THB)	75.00
Earnings per Diluted Share (THB)	0.55
P/E (x)	29.95
P/BV (x)	4.91
Dividend Yield ⁽³⁾ (%)	1.47%
Market Capitalization (THB bn)	336.60
Authorized Share Capital (mn shares)	4,488

Dividend History

Key Metrics	2018	2017	2016	2015	2014	2013
Par Value (THB)	0.50	0.50	0.50	0.50	0.50	0.50 ⁽¹⁾
Dividend (THB/Share)	1.10	1.40	0.83	0.70	0.65	0.55
Dividend Paid (THB mn)	4,937	6,283	3,725	3,142	2,917	2,468
Dividend Payout Ratio	44%	46%	40%	40%	40%	39%

Dividend policy: paid annually approximately 40% of net profit (unless there is compelling reason against this).

Note 1: Par split from THB 1.00 to THB 0.50 per share effective on May 7, 2013



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CPNREIT and CPNCG

Asset performance summary

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APPENDICES

On December 1, 2017, CPNRF was converted into CPNREIT, which also leased additional assets in CentralFestival Pattaya Beach and Hilton Pattaya. At the end of 4Q17, CPNREIT has five retail properties and two office towers in its portfolio, with CPN REIT Management Co., Ltd., as the REIT manager and CPN as the property manager.

CPNCG was established in September 2012 and currently owns one office with SCB Asset Management Co., Ltd. as the fund manager and CPN as the property manager.

CPNREIT Properties	Remaining Life (years)	Leasable Area ⁽¹⁾ (sq.m.)	Occupancy Rate (%) ⁽²⁾		
			2Q18	1Q19	2Q19
Rama 3 (Retail)	76 Yr & 1 M	36,528	90	94	97
Rama 2 (Retail)	6 Yr & 1 M	82,572	95	95	95
Pinklao (Retail)	5 Yr & 6 M	27,656	99	98	96
Chiangmai Airport (Retail)	27 Yr & 10 M	37,820	93	94	95
Pattaya Beach (Retail)	18 Yr & 1 M	29,404	96	98	98
Pinklao Tower A & B (Office)	5 Yr & 6 M	34,320	88	90	90
Total NLA and Occupancy Rate for Retail and Office		248,300	94	95	95
Hilton Pattaya (Hotel)	18 Yr & 1 M	302 rooms	92	93	90

CPNCG Office Property	Remaining Life (years)	Leasable Area ⁽¹⁾ (sq.m.)	Occupancy Rate (%) ⁽²⁾		
			2Q18	1Q19	2Q19
CentralWorld (Office)	14 Yr & 3 M	81,490	100	98	99

Note 1: Includes rental agreements < 1 year such as kiosk, carts, ATMs and coin machines and CPN acts as the property manager.

Note 2: Percentage based on leasable area.

GLAND Office Leasehold REIT (GLANDRT)

Asset performance summary

DASHBOARD



OVERVIEW



STRATEGY



UPDATES



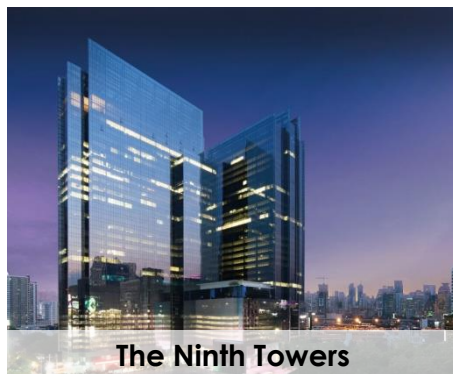
GLAND
GLAND



APPENDICES

On April 19, 2017, GLAND Office Leasehold REIT (GLANDRT) was established to invest in the leasehold of office buildings, namely The Ninth Towers and Unilever House, located in the Grand Rama 9 area of Bangkok. The total investment size was approximately 6 billion THB and GLAND, the lessor of the properties, owns approximately 15% of GLANDRT.

GLAND and its subsidiary, Sterling Equity Co., Ltd., are the property managers. GLAND is also the REIT manager through its wholly-owned subsidiary, GLAND REIT Management Co., Ltd. Following the acquisition of 67.53% of shares in GLAND in 2018, CPN ultimately assumes the roles of the property manager and REIT manager through its direct and indirect subsidiaries.



The Ninth Towers



Unilever House

GLANDRT Office Properties	Remaining Life (years)	Leasable Area ⁽¹⁾ (sq.m.)	Occupancy Rate (%) ⁽²⁾		
			4Q18	1Q19	2Q19
The Ninth Towers (A&B)	28 Yr & 1 M	62,950	93	95	94
Unilever House	15 Yr & 9 M	18,527	100	100	100
Total NLA and Occupancy Rate for Offices		81,477	95	96	95

Note 1: Office space only (excludes area of retail podium) ; Includes rental agreements < 1 year such as kiosk, carts, ATMs and coin machines.
Note 2: Occupancy rate reported from 3Q18 onwards following CPN's majority ownership in GLAND during the period.