

(Translation)

No. GL/2020/011

10 August 2020

Re : Management Discussion and Analysis for the Second Quarter of 2020

To : President
The Stock Exchange of Thailand

Grand Canal Land Public Company Limited and its subsidiaries (“the Company”) would like to inform the financial performance for the three-month and six-month periods ending 30 June 2020 as follows.

Key Highlights for the Second Quarter of 2020

As a result of the COVID-19 outbreak and the lockdown measures announced by the government to control the situation, which impacted the overall Thai economy, various business sectors, and the way of life amongst the general public, the Company established a set of policies aid tenants and businesses located within the Company-managed projects to alleviate the impact caused by the situation. The policies include rent discounts to affected tenants as deemed appropriate, implementation of safety and hygiene measures across all projects to retain confidence of the customers and visitors at the premises, and carry out cost saving initiatives to reduce the impact to the financial performance based on the challenging business environment. During the lockdown period, the Company's office projects, its core business, remains operational to accommodate the tenants and visitors. Following the easing of lockdown measures, the number of office workers and visitors at the Company's projects have progressively recovered.

Summary of Financial Performance for the Second Quarter of 2020

For the three-month period

The Company reported net profit of 203 million Baht, an increase of 55 million Baht or 37% from the same period in the previous year. Excluding the non-recurring items, which includes change to the fair value of investment properties, net profit decreased by 13 million Baht or 9% from the same period in the previous year. The decrease mainly comes from a decrease in revenue, primarily due to the situation outlined above, and a decrease in interest revenue. At the same time, the Company successfully carried out its cost saving

initiatives to reduce operating costs in all businesses. Hence, the gross profit margin stood at 83.3%, higher than that of the same period in the previous year at 69.6%.

For the six-month period

The Company reported net profit of 481 million Baht, an increase of 166 million Baht or 53% from the same period in the previous year. Excluding the non-recurring items, which includes 1) change to the fair value of investment properties and 2) gain on disposal of units invested in GLAND Office Leasehold REIT (GLANDRT) amounting to 200 million Baht, net profit decreased by 11 million Baht or 4% from the same period in the previous year. Whilst the decrease mainly comes from a decrease in interest revenue, the Company's core operating performance have improved from the previous year courtesy of effective cost management program. Hence, the gross profit margin stood at 80.1%, higher than that of the same period in the previous year at 70.5%.

Please be informed accordingly.

Sincerely,

-Surakit Thantananont-

(Mr. Surakit Thantananont)

Senior Assistant Managing Director Accounting & Finance Group

Authorized Persons to Disclose Information