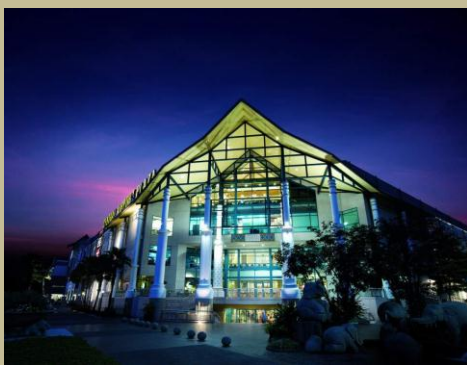


CPNrf 3Q 2017 Investor Newsletter

CPN Retail Growth Leasehold Property Fund

Prepared by Central Pattana Public Company Limited, CPNRF Property Manager

14 November 2017



Net investment income for 3Q17 decreased 8.4% yoy. Net investment income was Baht 664.3 million, decreased from Baht 725.2 million. Occupancy rate dropped to 86.0% at the end of 3Q17. This was mainly due to a major renovation at CentralPlaza Rama 3 starting from June to December 2017, and minor renovations at CentralPlaza Rama 2 and CentralPlaza Pinklao, leading to 6.6% yoy lower rental and service income, while total expense increased 3.6% yoy.

Total income decreased by 6.2% yoy. In 3Q17, total income was Baht 832.3 million, decreased from Baht 888.4 million in 3Q16. This was mainly due to shopping malls renovation, while total expense was Baht 169.1 million, slightly increased from 3Q16.

Distribution per unit from 3Q17 performance decreased 7.1% yoy. CPNRF announced 3Q17 distribution of Baht 637.0 million or 0.2879 Baht per unit, equivalent to annualized distribution yield of 5.3%, at the price of Baht 21.60 per unit as at 30 September 2017.

SHARE INFO: As of 13 November 2017

Unit Price (Bt)	21.9
Shares Outstanding (mln)	2,212.5
Market Capital (Bt mln)	48,453.2
NAV (Bt mln) ^{/1}	30,139.5
NAV per Unit (Bt) ^{/1}	13.6225
Premium/ (Discount) ^{/1}	60.7%

Note:
^{/1} NAV as of 30 September 2017

CONTENTS

MD&A	2
Financial Summary	4
Operations Summary	5
Fund Information	6

Request for additional information should be directed to:
Customer Relations – Fund Manager

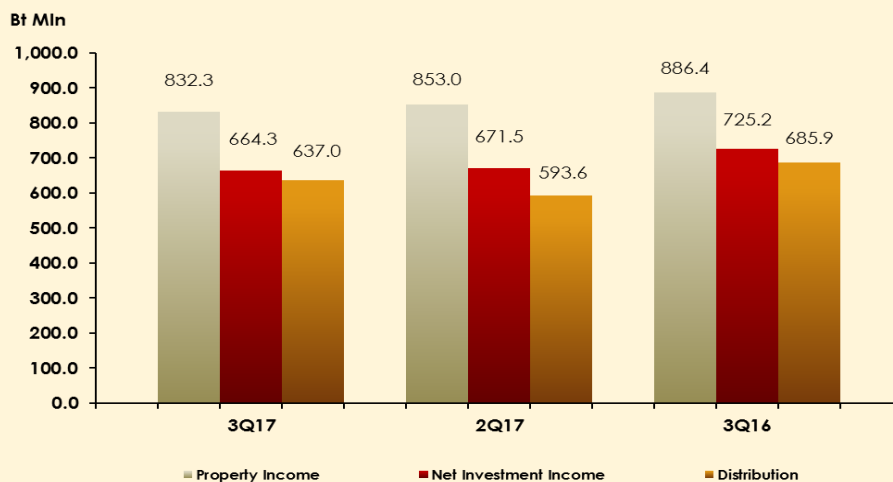
www.scbam.com

(66) 2949-1500

CPNRF Investor Relations

www.cpnrf.com

(66) 2667-5555



Source: CPNRF. Based on (reviewed/audited) financial statements and reports of Certified Public Accountant for each quarter

MANAGEMENT DISCUSSION AND ANALYSIS

Statement of Income

3Q17 total income was Baht 833.4 million, decreased 6.2% yoy.

Total Income

CPNRF reported total income for 3Q17 of Baht 833.4 million, decreased by 6.2% yoy from Baht 888.4 mn in 3Q16. This was attributable to a decrease of 6.6% in rental and service income to Baht 804.8 million, mainly from lower rental and service income due to a major renovation at CentralPlaza Rama 3, and minor renovation at CentralPlaza Pinklao, CentralPlaza Chiangmai Airport and CentralPlaza Rama 2. Therefore CPNRF's occupancy rate in September 2017 was at 86.0%

The major renovation project of CentralPlaza Rama 3 has been gradually implemented comprising of improvement of common area, façade, parking area, landscape, and building badge, re-merchandising mix, increasing rest area, play land and promotion area. The renovation plan started from June to December 2017, approximately 6 months.

The renovation project of CentralPlaza Rama 2 is approximately 25% of shopping complex, divided into 2 phase; phase 1 (an area of approximately 47% of the renovated project) is to prepare and apportion areas to accommodate retail tenants in the future, for approximately 6 months ended June 2017, and phase 2 (53% of the renovated area) is to improve common areas and facilities approximately 5 months from March to August 2017.

Total Expense

Total expense was Baht 169.1 million, increased 3.6% yoy

Total expense for 3Q17 was Baht 169.1 million, increased 3.6% from 3Q16. Property expenses were increased from 3Q16 5.2% yoy i.e. cost of rental and service increased 11.1% yoy, selling and administrative expenses increased 182.2% yoy - from advertising expenses, while property management fee decreased 7.4% yoy following rental and service income and leasing commission.

Net Investment Income and Distribution

A distribution from 3Q17 operation period was Baht 0.2879 per unit.

Net investment income for 3Q17 totaled Baht 664.3 million, decreased by 8.4% yoy. The Fund announced the distribution for 3Q17 performance of Baht 0.2879 per unit. This was equivalent to 5.3% annualized yield at the price of Baht 21.60 per unit as at 30 September 2017. The XD Date was on 9 November 2017, followed by the book closing date on 14 November 2017, and distribution payment was 27 November 2017.

Profitability

3Q17, Net property income margin and net investment income margin were 83.1% and 79.8%, respectively.

Net property income margin for 3Q17 was 83.1%, decreased by 1.8% yoy. Net investment income margin was 79.8%, decreased by 2.0% yoy. These were resulting from a decrease of income.

Statement of Financial Position Movement

NAV decreased to Baht 13.6225 per unit. Borrowing stood at Baht 1,917.8 million.

As of 30 September 2017, total investment in properties was Baht 32,402.0 million, increased from Baht 32,309.0 million from asset revaluation. Net Asset Value ("NAV") was recorded at Baht 30,139.5 million or Baht 13.6225 per unit, increase from Baht 13.5561 per unit at the end of 2016. Total borrowings amount was Baht 1,971.8 million, increase from Baht 1,874.6 million at the end of 2016.

The Conversion of CPNRF into CPNREIT

SCB Asset Management Co., Ltd. (the "Management Company") would like to inform you that the Management Company and Central Pattana Public Company Limited ("CPN"), as a unitholder of CPNRF, recognize the overall interests of all CPNRF unitholders, and thus are desirous of converting CPNRF into CPN Retail Growth Leasehold REIT ("CPNREIT"), as well as the additional investment in the CentralFestival Pattaya Beach Project (partial) and Hilton Pattaya Hotel with total net asset value of Baht 11,908 million.

Resolution the CPNRF's Unitholders' Meeting No. 1/2017 on 28 August 2017, unitholders of CPNRF had approved the conversion CPNRF into CPNREIT and additional investment in CentralFestival Pattaya Beach Project (partial) and Hilton Pattaya Hotel. Lease period of new assets investment is 20 years until 31 August 2037, with total asset value of Baht 11,908 million.

Upon the approval, CPNREIT Management Co., Ltd. (a subsidiary of CPN shall act as the REIT Manager when CPNREIT is completely established and SCB Asset Management Co., Ltd., will be the trustee of CPNREIT.

Currently, CPN REIT Management Company Limited is in the process of seeking an approval from the Office of the Securities and Exchange Commission (SEC) and the conversion process of CPNRF into CPNREIT is expected to be completed by the end of 2017.

FINANCIAL SUMMARY

Income Statement

Unit: Baht Million	3Q17	2Q17	Change QoQ	3Q16	Change YoY
Property income	832.3	853.0	(2.4%)	886.4	(6.1%)
Rental and service income	804.8	826.0	(2.6%)	861.9	(6.6%)
Other income	27.5	27.0	1.7%	24.4	12.5%
Interest income	1.2	0.5	139.9%	2.0	(43.0%)
Total income	833.4	853.4	(2.3%)	888.4	(6.2%)
Property expenses	140.9	153.7	(8.3%)	133.9	5.2%
Cost of rental and service	32.7	40.4	(19.0%)	29.5	11.1%
Selling and administrative expenses	17.1	16.6	2.7%	6.1	182.2%
Property management fee	91.0	96.7	(5.8%)	98.4	(7.4%)
Other expenses	0.0	0.0	300.0%	0.0	(5.9%)
Interest expense	17.5	17.7	(1.3%)	18.2	(4.1%)
Other management fees and expenses	10.7	10.5	1.9%	11.1	(3.0%)
Total expense	169.1	182.0	(7.1%)	163.2	3.6%
Net investment income	664.3	671.5	(1.1%)	725.2	(8.4%)
Net realised gain (loss) from changes in investment value	0.2	0.5	(66.6%)	(2.4)	(107.3%)
Net unrealised gain (loss) from changes in investment value	(35.8)	559.4	(106.4%)	124.2	(128.8%)
Net increase in net assets from operations	628.7	1,231.4	(48.9%)	847.1	(25.8%)
Income available for distribution	664.3	671.5	(1.1%)	725.2	(8.4%)
Distribution	637.0	593.6	7.3%	685.9	(7.1%)
Distribution per unit (in Baht)	0.2879	0.2683	7.3%	0.3100	(7.1%)
Net property income margin	83.1%	82.0%	1.1%	84.9%	(1.8%)
Net investment income margin	79.8%	78.7%	1.1%	81.8%	(2.0%)

Source: CPNRF. Based on (reviewed/audited) financial statements and reports of Certified Public Accountant for each quarter and year.

Statement of Financial Position

Unit: Baht Million	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17
Investment at fair value	32,391.8	32,799.8	33,053.0	32,971.9	32,616.8	33,299.0	33,343.0
Central Rama II	6,591.0	6,622.0	6,711.0	6,705.0	6,520.0	7,184.0	7,186.0
Central Rama III	8,798.0	8,835.0	8,917.0	9,156.0	9,540.0	9,192.0	9,179.0
Central Pinklao	5,520.0	5,546.0	5,593.0	5,495.0	5,180.0	5,495.0	5,543.0
Chiangmai Airport	11,005.0	11,075.0	10,992.0	10,953.0	10,580.0	10,531.0	10,494.0
Total investment in properties	31,914.0	32,078.0	32,213.0	32,309.0	31,820.0	32,402.0	32,402.0
Investment in securities	477.8	721.8	840.0	662.9	796.8	897.0	941.0
Cash on hand and at banks	526.6	259.2	287.6	464.6	339.7	236.5	273.4
Other assets	170.3	198.2	156.2	167.3	153.8	162.2	156.0
Total assets	33,088.7	33,257.1	33,496.8	33,603.8	33,110.2	33,697.6	33,772.4
Deposits received from customers	1,089.4	1,100.6	1,114.8	1,138.0	1,130.9	1,142.4	1,184.3
Borrowing	1,927.2	1,917.9	1,896.2	1,874.6	1,852.9	1,831.3	1,917.8
Other liabilities	554.5	496.9	496.6	598.6	605.1	619.6	530.8
Total liabilities	3,571.0	3,515.4	3,507.6	3,611.2	3,588.9	3,593.2	3,632.9
Net Asset	29,517.6	29,741.7	29,989.2	29,992.6	29,521.3	30,104.4	30,139.5
Capital received from unitholders	24,406.2	24,406.2	24,406.2	24,406.2	24,406.2	24,406.2	24,406.2
Retained earnings	5,111.4	5,335.5	5,583.0	5,586.4	5,115.1	5,698.2	5,733.3
NAV per unit (in Baht)	13.3414	13.4427	13.5545	13.5561	13.3431	13.6066	13.6225

Source: CPNRF. Based on interim financial statements and review reports of Certified Public Accountant for each quarter and year.

OPERATIONS SUMMARY

I. Leasable Area and Occupancy

	Area (sqm)		Occupancy Rate ^{/1}				
	Gross Area	Leasable Area	30 Sep 16	31 Dec 16	31 Mar 17	30 Jun 17	30 Sep 17
Rama II	251,182	82,427	87.2%	86.7%	84.8%	89.9%	91.7%
Rama III	169,740	37,143	89.9%	90.0%	86.9%	62.6%	58.6%
Pinklao (Plaza)	137,692	27,605	91.1%	95.7%	95.7%	95.7%	97.6%
Chiangmai Airport	122,991	37,480	94.0%	96.5%	94.0%	94.1%	93.1%
Pinklao Tower A & B	50,653	33,951	91.5%	90.0%	90.0%	90.0%	84.5%
CPNRF Portfolio	732,258	219,121	89.9%	90.5%	88.9%	86.7%	86.0%

Note: /1 Anchor and shop tenants only

Source: CPN

II. Renewals and New Leases

	From 1 July to 30 September 2017 ^{/1}		
	Renewals and New Leases		
	No. of Leases	Area (sqm)	% of Total ^{/2}
Rama II	4	1,047	1.3%
Rama III	10	1,355	3.7%
Pinklao (Plaza)	-	-	-
Chiangmai Airport	17	2,487	6.6%
Pinklao Tower A & B	23	2,950	8.7%
CPNRF Portfolio	54	7,839	3.6%

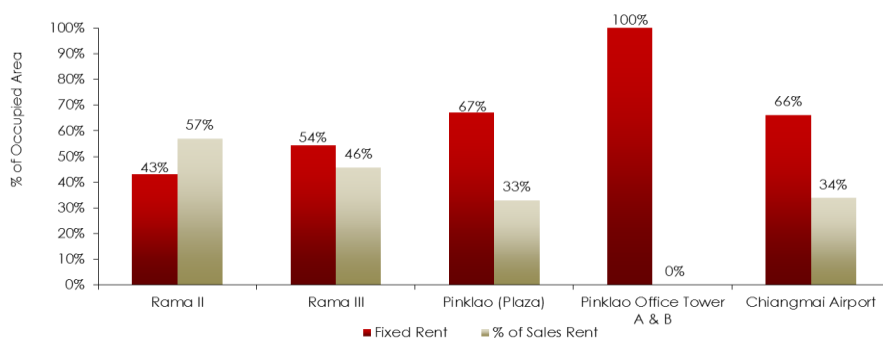
Note: /1 Exclude rental agreements < 1 year

/2 Percentage of leasable area as at 30 September 2017

/3 Exclude rental agreements with revenue sharing clause

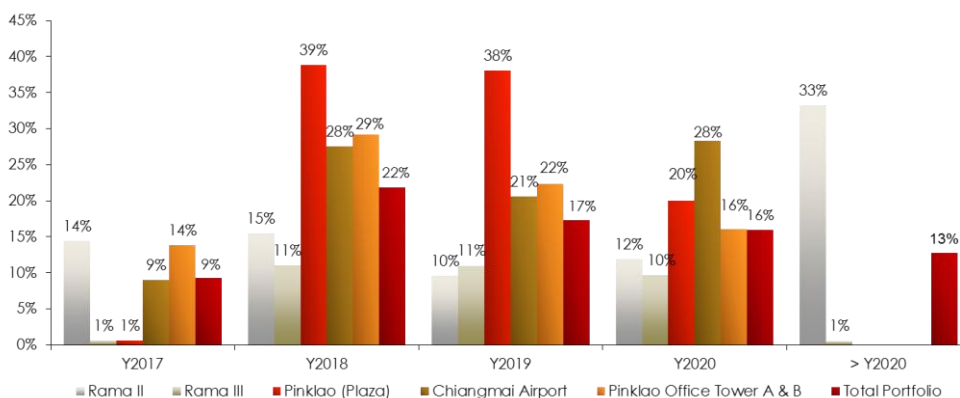
Source: CPN

III. Rental Structure



Source: CPN

IV. Lease Expiry Profile



Note:

1. Percentage of total occupied area as at 30 September 2017

2. Exclude rental agreements < 1 year

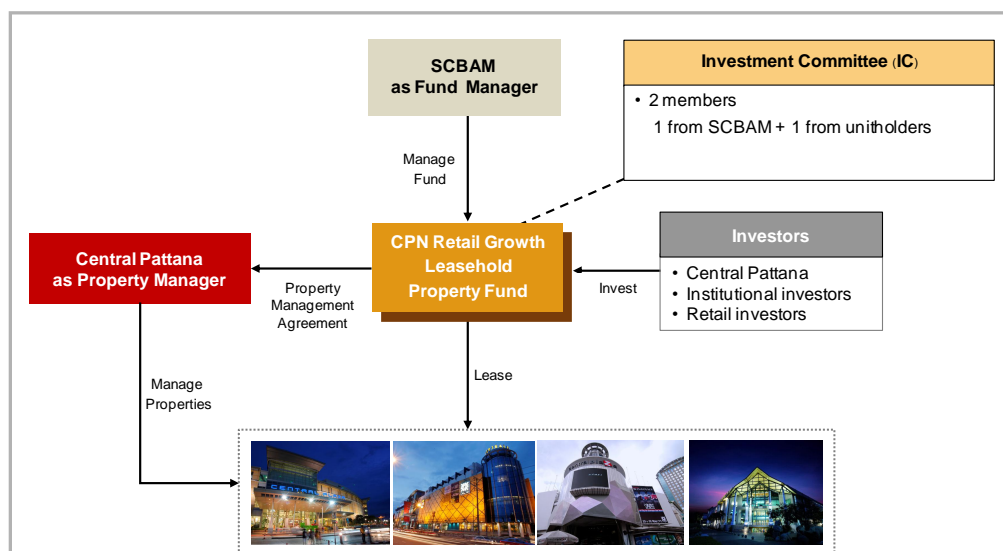
Source: CPN

ABOUT CPNRF

I. Fund Information

Name	CPN Retail Growth Leasehold Property Fund ("CPNRF")
Property Manager	Central Pattana Public Company Limited ("CPN")
Fund Manager	SCB Asset Management Company Limited
Trustee	Kasikorn Bank Public Company Limited
Registrar	Siam Commercial Bank Public Company Limited
Assets	CentralPlaza Rama II, CentralPlaza Ratchada-Rama III, CentralPlaza Pinklao, CentralPlaza Chiangmai Airport
Type	Property Fund Type I (Indefinite Life)
Total Fund Size	Baht 24,406.2 million
Fund Registered Date	11 August 2005
Fund Investing Date	15 August 2005 for CentralPlaza Rama II 16 August 2005 for CentralPlaza Ratchada-Rama III 4 November 2009 for CentralPlaza Pinklao 23 April 2014 for CentralPlaza Chiangmai Airport
Fund Listed Date	23 August 2005
Secondary Market	The Stock Exchange of Thailand ("SET")

II. Fund Structure



DISCLAIMERS

- The information contained in this document is for information purposes only and does not constitute an offer or invitation to sell or the solicitation of an offer or invitation to purchase or subscribe for units in CPN Retail Growth Leasehold Property Fund ("CPNRF" and units in CPNRF, "Units") in any jurisdiction nor should it or any part of it form the basis of, or be relied upon in any connection with, any contract or commitment whatsoever.
- This document may include information which is forward-looking in nature. Forward-looking information involves known and unknown risks, uncertainties and other factors which may impact on the actual outcomes, including economic conditions in the markets in which CPNRF operates and general achievement of CPNRF business forecasts, which will cause the actual results, performance or achievements of CPNRF to differ, perhaps materially, from the results, performance or achievements expressed or implied in this document.
- This document has been prepared by the CPNRF Property Manager. The information in this document has not been independently verified. No representation, warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information and opinions in this document. None of the CPNRF Property Manager or CPNRF Fund Manager or any of its agents or advisers, or any of their respective affiliates, advisers or representatives, shall have any liability (in negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this document.
- This document is made, furnished and distributed for information purposes only. No part of this document shall be relied upon directly or indirectly for any investment decision-making or for any other purposes.
- This document and all other information, materials or documents provided in connection therewith, shall not, either in whole or in part, be reproduced, redistributed or made available to any other person, save in strict compliance with all applicable laws.