

(Translation)

Opinion of the Independent Financial Advisor
on the Connected transactions

of



Thanulux Public Company Limited

Prepared by



Advisory Plus Company Limited

October 21, 2022

Table of Contents (Cont.)

Attachment 1	Information of Companies to Be Acquired from Investment Transaction in Financial Business
Attachment 2	Information of Companies to Be Acquired from Investment Transaction in Real Estate Business
Attachment 3	Share Valuation of Future Domain Co., Ltd.
Attachment 4	Share Valuation of Khu Khot Station Alliance Co., Ltd.
Attachment 5	Share Valuation of Majestic Park Co., Ltd.
Attachment 6	Share Valuation of Phraram 9 Alliance Co., Ltd.
Attachment 7	Share Valuation of Ratburana Alliance Co., Ltd.
Attachment 8	Share Valuation of Ratchada Alliance Co., Ltd.
Attachment 9	Share Valuation of Suksawat Alliance Co., Ltd.
Attachment 10	Summary of Terms and Conditions of Share Subscription Agreement
Attachment 11	Summary of Terms and Conditions of Share Purchase Agreement of OA
Attachment 12	Summary of Terms and Conditions of Share Purchase Agreement of Real Estate Companies

Definitions

The Company or TNL	Thanulux Plc.
SPI	Saha Pathana Inter-Holding Plc.
OA	Oxygen Asset Co., Ltd.
AMC	Oxygen Asset Management Co., Ltd.
U	U City Plc.
UGH	U Global Hospitality Co., Ltd.
U Group	U City Plc. and U Global Hospitality Co., Ltd.
BTS	BTS Group Holdings Plc.
BTS Group	BTS Group Holdings Plc. and/or its subsidiaries
FD	Future Domain Co., Ltd.
KK	Khu Khot Station Alliance Co., Ltd.
MJP	Majestic Park Co., Ltd.
R9A	Pharam 9 Alliance Co., Ltd.
RBA	Ratburana Alliance Co., Ltd.
RDA	Ratchada Alliance Co., Ltd.
SUK	Suksawat Alliance Co., Ltd.
SIMS or Independent Valuer	Sims Property Consultants Co., Ltd.
Financial and Tax Due Diligence Report	Financial and Tax Due Diligence Report dated September 30, 2022 by KPMG Phoomchai Business Advisory Co., Ltd.
IFA	Advisory Plus Co., Ltd.
SET	Stock Exchange of Thailand
SEC	Office of the Securities and Exchange Commission
Notifications on Acquisition or Disposal of Assets	The Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated August 31, 2008, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B. E. 2547, dated October 29, 2004, as amended
Notifications on Connected Transactions	The Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Entering into Connected Transactions, dated August 31, 2008, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the

	Connected Transactions B. E. 2546, dated November 19, 2003, as amended
Notification TorChor. 12/2554	The Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers, dated May 13, 2011 (as amended)
Issuance and Offering of PP Shares	The issuance and offering of not exceeding 87,237,766 newly issued ordinary shares with a par value of Baht 1.00 per share by way of a private placement to BTS Group Holdings Plc. and/or the subsidiary designated by BTS Group Holdings Plc. ("BTS") at an offering price of Baht 33.06 per share, totaling not exceeding Baht 2,884,080,543.96
Acquisition Transaction 1	The investment in 90% of the issued and paid-up shares in Oxygen Asset Co., Ltd. to be acquired from Saha Pathana Inter-Holding Plc. at a total value of Baht 835.70 million
Acquisition Transaction 2	The investment in 50% of the ordinary shares in seven companies operating real estate business, comprising: <ol style="list-style-type: none"> 1. Ratchada Alliance Co., Ltd., 2. Pharam 9 Alliance Co., Ltd., 3. Khu Khot Station Alliance Co., Ltd., 4. Majestic Park Co., Ltd., 5. Future Domain Co., Ltd., 6. Suksawat Alliance Co., Ltd., and 7. Ratburana Alliance Co., Ltd. to be acquired from U City Plc. and U Global Hospitality Co., Ltd. at a total value of Baht 531.92 million

AP. 024/2565

October 21, 2022

To The Board of Directors and Shareholders
Thanulux Plc.

Subject Opinion of the Independent Financial Advisor on the connected transactions

The Board of Directors' Meeting of Thanulux Plc. ("the Company" or "TNL") No. 8/2022 on September 30, 2022 resolved to propose the Extraordinary General Meeting of Shareholders No. 2/2022, to be held on November 30, 2022, to consider and approve the execution of three connected transactions as follows:

1. Issuance and Offering of PP Shares

The Company intends to issue and offer not exceeding 87,237,766 new ordinary shares with a par value of Baht 1.00 per share by way of a private placement to BTS Group Holdings Plc. and/or the subsidiary designated by BTS Group Holdings Plc. (collectively called "BTS") at an offering price of Baht 33.06 per share, totaling not exceeding Baht 2,884,080,543.96 ("Issuance and Offering of PP Shares").

Before seeking the shareholders' approval for the execution of this transaction, BTS neither is a connected person of nor has any connection with the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Entering into Connected Transactions (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B. E. 2546 (as amended), including Section 89/12 of the Securities and Exchange Act B.E. 2551 (hereinafter collectively called "Notifications on Connected transactions"). However, after completion of the Issuance and Offering of PP Shares, BTS will become a major shareholder holding 87,237,766 shares or 41.09% of the Company's issued and paid-up shares (calculated from the number of shares after the issuance and offering of new shares on this occasion). In addition, the said allocation of newly issued shares to BTS will result in BTS acquiring the ordinary shares in the Company in the amount that passes the trigger point requiring it to make a mandatory tender offer for all securities of the Company under the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers, dated May 13, 2011 (as amended) ("Notification TorChor. 12/2554"). As a result, BTS may receive additional ordinary shares from the Company's existing shareholders apart from the shares from the private placement allocation under the tender offer to the extent that BTS will become the



person with control power in the Company and, hence, will be regarded as the Company's connected person under the Notifications on Connected Transactions.

Therefore, the Issuance and Offering of PP Shares as described above constitutes a connected transaction in the category of an asset or service transaction, having the highest transaction value of 73.95% of the Company's net tangible assets (NTA) (according to its reviewed consolidated financial statements for the six-month period ended June 30, 2022, the Company's NTA amounts to Baht 3,900.11). After aggregating with Acquisition Transaction 2 ("to be described below"), which will also be proposed for approval from the Extraordinary General Meeting of Shareholders on this occasion and will be executed with a related person of BTS, the total transaction value is equal to 132.78% of the Company's NTA. Since the transaction size is greater than 3% of the Company's NTA and also higher than Baht 20 million, the Company is required to obtain approval from the Board of Directors and to prepare and disclose the information memorandum on the transaction to the SET according to the Notifications on Connected Transactions, as well as to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must submit a notice of the shareholders' meeting, accompanied by an independent financial advisor's opinion, to the shareholders at least 14 days ahead of the meeting date.

2. Acquisition Transaction 1: Investment in 90% of the issued and paid-up shares in Oxygen Asset Co., Ltd. to be acquired from Saha Pathana Inter-Holding Plc.

The Company intends to invest in Oxygen Asset Co., Ltd. ("OA"), which is a provider of secured loans, by purchasing 900,000 existing ordinary shares in OA, representing 90% of OA's issued and paid-up ordinary shares, from Saha Pathana Inter-Holding Plc. ("SPI") at a total sale and purchase price under the agreement of Baht 835.70 million or equal to approximately Baht 928.56 per share ("Acquisition Transaction 1"). Moreover, according to the share purchase agreement for OA's shares between the Company and SPI, the Company shall make a repayment of the outstanding debts owed by OA to SPI, which have been used for loan extension to OA's customers, in proportion to the Company's investment to SPI in the actual amount accrued as of the date of receiving the transfer of OA's shares, after the issuance of new shares for rights offering to all of the Company's existing shareholders, which is expected to be completed by the first quarter of 2023,¹ in a total amount of not exceeding Baht 3,933 million (calculated from the outstanding loan between

¹ The Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 resolved to propose for the shareholders' approval the issuance of not more than 92,309,898 new ordinary shares with a par value of Baht 1.00 per share for rights offering to the Company's existing shareholders at a ratio of 2.3 existing shares to 1 newly issued share (calculated from number of shares after the issuance and offering of new ordinary shares through a private placement), with any fraction of a share to be discarded, at the offering price of Baht 33.06 per share, whereby all existing shareholders may oversubscribe for the newly



SPI and OA as at September 30, 2022 of Baht 4,370 million,² multiplied by the investment proportion of 90% of OA's issued and paid-up shares), making up a total consideration for Acquisition Transaction 1 of not exceeding Baht 4,768.70 million.

The abovementioned transaction is regarded as a material asset acquisition of a listed company pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B.E. 2547 (hereinafter collectively called "Notifications on Acquisition or Disposal of Assets"). The transaction size, calculated under the total value of consideration basis from which the maximum transaction size is obtained, is equal to 104.96% of total assets according to the reviewed consolidated financial statements of the Company for the six-month period ended June 30, 2022. When including the acquisition of assets over the past six months, with the total transaction size of 3.57% calculated under the total value of consideration basis, and Acquisition Transaction 2, which has the transaction size of 55.06% as described in the following section, the total transaction size is equal to 163.59%, calculated under the total value of consideration basis from which the maximum transaction size is obtained. Therefore, this transaction is classified as a Class 1 Transaction³ under the Notifications on Acquisition or Disposal of Assets, i.e. transaction between the listed companies which has a transaction value equal to 50% or higher. The Company is accordingly required to prepare a report and disclose information on the transaction in accordance with the Notifications on Acquisition or Disposal of Assets, and to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must submit a notice of the shareholders' meeting, accompanied by an independent financial advisor's opinion, to the shareholders at least 14 days ahead of the meeting date.

issued shares at the said ratio subject to the conditions set out in Agenda 3 of the Notice of the Extraordinary General Meeting of Shareholders No. 2/2022 submitted by the Company together with this IFA opinion report ("Issuance and Offering of RO Shares").

The proceeds receivable from the Issuance and Offering of RO Shares will be used for repayment of the outstanding loan of OA, in which the Company will make an investment of 90%, to SPI in proportion to the shareholding and repayment of the outstanding loans of the seven residential real estate companies, in which the Company will make an investment of 50%, and also be used as working capital.

² As at September 30, 2022, the outstanding loan owed by OA to SPI stood at Baht 2,320 million out of the said maximum credit of Baht 4,370 million.

³ This transaction is not considered as a Class 4 Transaction, or back door listing, even though the transaction size exceeds 100% because the assets are not acquired from a non-listed company, but from SPI which is a listed company.



In addition, Acquisition Transaction 1 will be executed between the Company and SPI, which is the major shareholder holding 87,237,766 shares or 69.75% of the Company's issued and paid-up shares. Therefore, this transaction is regarded as a significant connected transaction pursuant to the Notifications on Connected Transactions, with the transaction size equal to 122.27% of the Company's NTA (according to its reviewed consolidated financial statements for the six-month period ended June 30, 2022, the Company's NTA amounts to Baht 3,900.11 million). The Company has not entered into any other connected transactions with SPI or the related persons of SPI during six months before the date it agrees to execute this transaction. Since the transaction size is greater than 3% of the Company's NTA and also higher than Baht 20 million, the Company is required to obtain approval from the Board of Directors and to prepare and disclose the information memorandum on the transaction to the SET according to the Notifications on Connected Transactions, as well as to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must submit a notice of the shareholders' meeting, accompanied by an independent financial advisor's opinion, to the shareholders at least 14 days ahead of the meeting date.

3. Acquisition Transaction 2: Investment in 50% of the ordinary shares in seven real estate companies

The Company intends to invest in 50% of the issued and paid-up ordinary shares of seven companies operating real estate business, comprising:

- (1) Future Domain Co., Ltd. ("FD"),
- (2) Khu Khot Station Alliance Co., Ltd. ("KK"),
- (3) Majestic Park Co., Ltd. ("MJP"),
- (4) Pharam 9 Alliance Co., Ltd. ("R9A"),
- (5) Ratburana Alliance Co., Ltd. ("RBA"),
- (6) Ratchada Alliance Co., Ltd. ("RDA"), and
- (7) Suksawat Alliance Co., Ltd. ("SUK").

The Company will acquire 50% of the issued and paid-up ordinary shares in FD, KK, MJP, R9A, RDA and SUK from U City Plc. ("U") and 50% of the issued and paid-up ordinary shares in RBA from U Global Hospitality Co., Ltd. ("UGH") at a total value under the share purchase agreement of Baht 531.92 million ("Acquisition Transaction 2"). Moreover, according to the share purchase agreement for shares of the seven real estate companies made by the Company with U and UGH, the Company shall make a repayment for the outstanding debts owed by these seven companies to U and UGH, which have been used for real estate project development of the seven companies, to U and UGH in a total amount of Baht 1,741.12 million (calculated from the estimated outstanding debts of each of the seven companies as at the end of 2022,



when the investment in real estate companies transaction is expected to be completed), and shall additionally make a payment for the investment in proportion to the shareholding structure for development of all projects of the said real estate companies until completion in the net amount of Baht 228.68 million, making up a total consideration for Acquisition Transaction 2 of Baht 2,501.72 million.

The abovementioned transaction is regarded as a material asset acquisition of a listed company pursuant to the Notifications on Acquisition or Disposal of Assets. The transaction size, calculated under the total value of consideration basis from which the maximum transaction size is obtained, is equal to 55.06% of total assets according to the reviewed consolidated financial statements of the Company for the six-month period ended June 30, 2022. When including the acquisition of assets over the past six months, comprising two transactions with a total size of 3.57%, and Acquisition Transaction 1, which has a transaction size of 104.96% under the total value of consideration basis as described in the previous section, the total transaction size is equal to 163.59%, calculated under the total value of consideration basis from which the maximum transaction size is obtained. Therefore, this transaction is classified as a Class 1 Transaction under the Notifications on Acquisition or Disposal of Assets, i.e. transaction between the listed companies which has a transaction value equal to 50% or higher. The Company is accordingly required to prepare a report and disclose information on the transaction in accordance with the Notifications on Acquisition or Disposal of Assets, and to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must submit a notice of the shareholders' meeting, accompanied by an independent financial advisor's opinion, to the shareholders at least 14 days ahead of the meeting date.

In addition, Acquisition Transaction 2 will be executed by the Company with U and UGH, which have BTS as their indirect major shareholder. Besides, after the allocation of the Company's newly issued ordinary shares by way of a private placement to BTS under the Issuance and Offering of PP Shares described in the earlier section, BTS will relatively become the major shareholder holding 87,237,766 shares or 41.09% of the Company's issued and paid-up shares (after the issuance and offering of new shares on this occasion). Moreover, the said allocation of newly issued shares to BTS will result in BTS acquiring the ordinary shares in the Company in the amount that passes the trigger point requiring it to make a mandatory tender offer for all securities of the Company under Notification TorChor. 12/2554. As a result, BTS may receive additional ordinary shares from the Company's existing shareholders apart from the shares from the private placement allocation under the tender offer to the extent that BTS will become the person with control power in the Company and, hence, will be regarded as the Company's connected person under the Notifications on Connected Transactions.



Therefore, Acquisition Transaction 2 is regarded as a significant connected transaction pursuant to the Notifications on Connected Transactions, with value of consideration for the connected transaction of Baht 2,294.35 million⁴ and the transaction size equal to 58.83% of the Company's NTA (according to its reviewed consolidated financial statements for the six-month period ended June 30, 2022, the Company's NTA amounts to Baht 3,900.11 million). The Company has not entered into any other connected transactions with U or UGH or the related persons of U or UGH during six months before the date it agrees to execute this transaction. Since the transaction size is greater than 3% of the Company's NTA and also higher than Baht 20 million, the Company is required to obtain approval from the Board of Directors and to prepare and disclose the information memorandum on the transaction to the SET according to the Notifications on Connected Transactions, as well as to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must submit a notice of the shareholders' meeting, accompanied by an independent financial advisor's opinion, to the shareholders at least 14 days ahead of the meeting date.

In expressing our opinion on the acquisition and disposal of assets and the three connected transactions, we have studied and analyzed the information obtained from the management of the Company, SPI, OA, U and UGH, consisting of resolutions of the Board of Directors' Meeting of the Company No. 8/2022 passed on September 30, 2022, information memorandum disclosed by the Company to the Stock Exchange of Thailand ("SET") on September 30, 2022 (as amended), the Company's annual registration statement (Form 56-1), consolidated financial statements of the Company and separate financial statements of OA and the seven real estate companies, audited by certified public accountants for the years ended December 31, 2019-2021 and March 31, 2020-2022, internal financial statements of OA and the seven real estate companies prepared by their respective management, property appraisal reports prepared by an independent valuer approved by the Office of the Securities and Exchange Commission ("SEC"), accounting and tax due diligence reports and legal due diligence reports of OA and the seven real estate companies,

⁴ Value of consideration for the connected transaction under Acquisition Transaction 2 is calculated from the sale and purchase price for 50% of ordinary shares of the six Target Companies, namely FD, KK, MJP, RBA, RDA and SUK, including the outstanding loans that the Company must repay to U and UGH, totaling Baht 2,076.36 million and the book value of R9A of Baht 217.99 million, making up a total amount of Baht 2,294.35 million. (Under the Notifications on Connected Transactions, the transaction size shall be calculated from the higher of the consideration value, the book value or the market value. In this case, the total consideration for the acquisition of 50% of R9A's shares is Baht 196.68 million, and its book value according to the investment proportion is Baht 217.99 million, while there is no market price since its shares are not listed on the SET. Therefore, its book value, which is the higher amount, is applied in the calculation of the transaction size.) The calculation of value of consideration does not include the investment to be additionally paid for by the Company in proportion to the shareholding structure for development of all projects of the said real estate companies until completion in the net amount of Baht 228.68 million because this is not classified as a consideration for the connected person.



agreements relating to the transactions such as the share subscription agreement between the Company and BTS, the share purchase agreement between the Company and SPI for the sale and purchase of OA's shares, and the share purchase agreements for shares of the seven real estate companies made by the Company with U and UGH, including the information available from websites of the SET and the SEC, the relevant information and documents obtained from the Company and from interviews with the executives of the Company, SPI, OA, U and UGH, and publicly available information.

The opinion given herein is based on the assumption that all information and documents received from the Company and from interviews with the executives of the Company, SPI, OA, U and UGH are true and correct. We have considered such information prudently and reasonably under professional standards.

The expression of our opinion is also based on the economic condition and information known at the time of conducting this study only. If there is any significant change to these factors, it may affect the opinion provided herein.

We hereby provide our opinion on the connected transactions to be executed by the Company as follows:



Executive Summary

The Board of Directors' Meeting of Thanulux Plc. ("the Company" or "TNL") No. 8/2022 on September 30, 2022 resolved to propose the Extraordinary General Meeting of Shareholders No. 2/2022, to be held on November 30, 2022, to consider and approve the execution of three connected transactions as follows:

1. Issuance and Offering of PP Shares

The Company intends to issue and offer not exceeding 87,237,766 new ordinary shares with a par value of Baht 1.00 per share by way of a private placement to BTS Group Holdings Plc. ("BTS") and/or the subsidiary designated by BTS Group Holdings Plc. (collectively called "BTS Group") at an offering price of Baht 33.06 per share, totaling not exceeding Baht 2,884,080,543.96 ("Issuance and Offering of PP Shares").

Before seeking the shareholders' approval for the execution of this transaction, BTS neither is a connected person of nor has any connection with the Company pursuant to the Notifications on Connected transactions. However, after completion of the Issuance and Offering of PP Shares, BTS will become a major shareholder holding 87,237,766 shares or 41.09% of the Company's issued and paid-up shares (calculated from the number of shares after the issuance and offering of new shares on this occasion). In addition, the said allocation of newly issued shares to BTS will result in BTS acquiring the ordinary shares in the Company in the amount that passes the trigger point requiring it to make a mandatory tender offer for all securities of the Company under Notification TorChor. 12/2554. As a result, BTS may receive additional ordinary shares from the Company's existing shareholders apart from the shares from the private placement allocation under the tender offer to the extent that BTS will become the person with control power in the Company and, hence, will be regarded as the Company's connected person under the Notifications on Connected Transactions.

Therefore, the Issuance and Offering of PP Shares as described above constitutes a connected transaction in the category of an asset or service transaction, having the highest transaction value of 73.95% of the Company's net tangible assets (NTA). After aggregating with Acquisition Transaction 2 ("to be described below"), which will also be proposed for approval from the Extraordinary General Meeting of Shareholders on this occasion and will be executed with a related person of BTS, the total transaction value is equal to 132.78% of NTA. Since the transaction size is greater than 3% of the Company's NTA and also higher than Baht 20 million, the Company is required to obtain approval from the Board of Directors and to prepare and disclose the information memorandum on the transaction to the SET according to the Notifications on Connected Transactions, as well as to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must submit a notice of the shareholders' meeting, accompanied by an independent financial advisor's opinion, to the shareholders at least 14 days ahead of the meeting date.



We are of the opinion that the execution of this transaction is reasonable and in line with the plan for expansion of business scope for risk diversification. The proceeds receivable from the Issuance and Offering of PP Shares will be used as part of the funding sources for investment in Acquisition Transaction 1: Asset Acquisition and Connected Transactions in the Financial Business and Acquisition Transaction 2: Investment in the Real Estate Business, which will be further described below. The advantages of this transaction are that (a) the Company will be able to raise the required amount of funds within a short period of time, (b) the Company will acquire a business partner to help enhance its capability in business operation, and (c) the burden on fund mobilization through debt financing can be reduced. However, the transaction will create the disadvantages in that (a) there will be dilution effects on the existing shareholders, (b) there will be a change to the Company's shareholder and management structures, (c) there will be risk from the offering price for the newly issued shares being lower than the market price as at the date such shares commence trading on the SET, and (d) business competition may occur between the Company and BTS.

Given that the Company does not enter into this transaction, the advantages are that (a) the existing shareholders will not be affected by the issuance and offering of new ordinary shares of the Company, (b) there will not be a change to the Company's shareholder and management structures, (c) there will not be risk from the offering price for the newly issued shares being lower than the market price as at the date such shares commence trading on the SET, and (d) there will be no concern about business competition between the Company and BTS. Meanwhile, the disadvantages of not entering into the transaction are that (a) the Company will not obtain proceeds from the issuance and offering of the PP shares and will lose the opportunity to acquire a new potential business partner, (b) the Company may lose the opportunity to invest in new businesses, and (c) fund raising may be more time-consuming and more costly.

In addition, the issuance and offering of new shares to its connected person will allow for the Company to have a strong partner such as BTS, which is one of the potential companies with expertise and experience in a wide variety of industries and on various platforms, both at home and overseas, and also with a solid financial position. Meanwhile, the disadvantages are that (a) business competition may occur between the Company and BTS, which is the connected person, and (b) extra costs will be incurred as the Company will be required to convene a shareholders' meeting and appoint an independent financial advisor to provide opinion on such connected transaction.

Nonetheless, if the Company executes the transaction with a third party instead of its connected person, the Company will have the opportunity to acquire a third-party partner, thereby allowing it to arrange the business structure in such a way that can eliminate a conflict of interest or reduce the chance of business competition between them. The disadvantage is that the Company may lose the opportunity to partner with BTS, which is one of the potential companies with expertise and experience in a wide variety of industries and on various platforms, both at home and overseas, and also with a solid financial position, which will help enhance the Company's capability in the new business operation.



As for the offering price of the PP shares, we view that the most suitable approach for valuing the Company's shares is the adjusted book value (ABV) approach. A fair value of the Company's shares appraised by the ABV approach is equal to Baht 44.77 per share, which is higher than the offering price to the connected person of Baht 33.06 per share by Baht 11.71 per share or 35.42%.

Since the offering price to the connected person of Baht 33.06 per share is lower than the fair value appraised by the IFA at Baht 44.77 per share, such offering price to the connected person is considered not reasonable. However, the approval of the issuance and offering of shares to a connected person (Issuance and Offering of PP Shares) and the approval of the asset acquisition transaction by acquisition of ordinary shares in seven real estate companies (Acquisition Transaction 2) are the conditions precedent to each other. If any of such transactions is not approved by the shareholders' meeting, the subsequent transaction will not be considered and the transaction earlier approved by the shareholders' meeting will be deemed canceled. Thus, the Issuance and Offering of PP Shares must be considered in conjunction with Acquisition Transaction 2 as a whole.

Items	Baht million
Amount receivable from issuance and offering of 87,237,766 shares to BTS at Baht 33.06/share - (1)	2,884.08
Total value of the issuance and offering of 87,237,766 shares to BTS at fair value appraised by IFA of Baht 44.77/share - (2)	3,905.63
Difference between the amount receivable from issuance and offering of shares to BTS and the total value of the issuance and offering of shares to BTS at fair value - (3) = (1) - (2)	(1,021.55)
Value of 50% of shares in seven real estate companies given all projects are completely developed and in line with financial projection ^{1/} - (4)	1,204.67 - 1,313.96
Total value of investment in 50% of shares in seven real estate companies according to the share purchase agreement - (5)	531.92
Profit from real estate project development until completion - (6) = (4) - (5)	672.75 - 782.04
Difference between the amount receivable from issuance and offering of shares to BTS and the profit from real estate project development until completion ("remaining difference") - (7) = (3) + (6)	(348.80) - (239.51)
Remaining difference as % of the total value of the issuance and offering of shares to BTS at fair value appraised by IFA (%) - (8) = (7)/(2)*100	(8.93) - (6.13)

Remark: 1/ Based on price appraised by the discounted cash flow approach of each company.

From the above table, the Company will earn a profit from development of real estate projects of the seven real estate companies until completion in the amount of Baht 672.75 million - Baht 782.04 million. By comparing with the difference between the amount receivable from issuance and offering of shares to BTS and the total value of the issuance and offering of shares to BTS at fair value (Baht 1,021.55 million), it is found that there is still the remaining difference of Baht (348.80) million - Baht (239.51) million.

Since the profit from development of the real estate projects being acquired under Acquisition Transaction 2, which is the condition precedent to the approval of the Issuance and Offering of PP Shares, amounting to Baht 672.75 million - Baht 782.04 million is less than the difference between the amount



receivable from issuance and offering of shares to BTS and the total value of the issuance and offering of shares to BTS at fair value (Baht 1,021.55 million), **we recommend that the shareholders should not approve the Issuance and Offering of PP Shares.**

Without affecting our opinion expressed in the above paragraph, in the case where the shareholders vote against the Issuance and Offering of PP Shares, this will result in the investment in ordinary shares of the seven real estate companies, to be described below, not being put forward for consideration. Therefore, for the benefit of the shareholders in making a decision whether to approve or disapprove the Issuance and Offering of PP Shares, we recommend that the shareholders take the following matters into account:

1. Over the past five years (up to September 29, 2022), the Company's shares were traded at the highest of Baht 30.25 per share as at September 27, 2022 and at the lowest of Baht 14.50 per share on April 4, 2018;
2. The price for the Issuance and Offering of PP Shares of Baht 33.06 per share is not lower than the book value as at June 30, 2022 of Baht 32.97 per share;
3. The price for the Issuance and Offering of PP Shares of Baht 33.06 per share is not lower than the average trading price on the SET during the previous one month, three months, six months, nine months and 12 months (up to September 29, 2022) of between Baht 21.55 and Baht 24.66 per share;
4. The difference between the amount receivable from issuance and offering of shares to BTS and the total value of the issuance and offering of shares to BTS at fair value, after deducting the profit from development of the real estate projects until completion, will remain at Baht (348.80) million – Baht (239.51) million, representing a discount of (8.93)% - (6.13)% of the total value of the issuance and offering of 87,237,766 shares to BTS at fair value appraised by the IFA of Baht 44.77 per share; and
5. The shareholders are recommended to carefully consider the advantages and disadvantages between entering and not entering into the said transaction, as described in this report.

However, the decision whether to approve or not approve the transaction depends mainly on the shareholders' individual judgment. Since the persons having an interest will not be entitled to cast votes on this agenda, the voting on the transaction will rest with all of the remaining shareholders.



2. Acquisition Transaction 1: Investment in 90% of the issued and paid-up shares in Oxygen Asset Co., Ltd. to be acquired from Saha Pathana Inter-Holding Plc.

The Company intends to invest in Oxygen Asset Co., Ltd. ("OA"), a provider of secured loans, by purchasing 90% of OA's issued and paid-up ordinary shares from Saha Pathana Inter-Holding Plc. ("SPI") at a total sale and purchase price under the agreement of Baht 835.70 million ("Acquisition Transaction 1"). Moreover, according to the share purchase agreement for OA's shares between the Company and SPI, the Company shall make a repayment of the outstanding debts owed by OA to SPI, which have been used for loan extension to OA's customers, in proportion to the Company's investment to SPI in the actual amount accrued as of the date of receiving the transfer of OA's shares, after the issuance of new shares for rights offering to all of the Company's existing shareholders, which is expected to be completed by the first quarter of 2023,⁵ in a total amount of not exceeding Baht 3,933 million (calculated from the outstanding loan between SPI and OA as at September 30, 2022 of Baht 4,370 million,⁶ multiplied by the investment proportion of 90% of OA's issued and paid-up shares), making up a total consideration for Acquisition Transaction 1 of not exceeding Baht 4,768.70 million.

The abovementioned transaction is regarded as a material asset acquisition of a listed company pursuant to the Notifications on Acquisition or Disposal of Assets. The transaction size, calculated under the total value of consideration basis from which the maximum transaction size is obtained, is equal to 104.96% of total assets according to the reviewed consolidated financial statements of the Company for the six-month period ended June 30, 2022. When including the acquisition of assets over the past six months and Acquisition Transaction 2, which is described in the following section, the total transaction size is equal to 163.59%, calculated under the total value of consideration basis from which the maximum transaction size is obtained. Therefore, this transaction is classified as a Class 1 Transaction under the Notifications on

⁵ The Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 resolved to propose for the shareholders' approval the issuance of not more than 92,309,898 new ordinary shares with a par value of Baht 1.00 per share for rights offering to the Company's existing shareholders at a ratio of 2.3 existing shares to 1 newly issued share (calculated from number of shares after the issuance and offering of new ordinary shares through a private placement), with any fraction of a share to be discarded, at the offering price of Baht 33.06 per share, whereby all existing shareholders may oversubscribe for the newly issued shares at the said ratio subject to the conditions set out in Agenda 3 of the Notice of the Extraordinary General Meeting of Shareholders No. 2/2022 submitted by the Company together with this IFA opinion report ("Issuance and Offering of RO Shares").

The proceeds receivable from the Issuance and Offering of RO Shares will be used for repayment of the outstanding loan of OA, in which the Company will make an investment of 90%, to SPI in proportion to the shareholding and repayment of the outstanding loans of the seven residential real estate companies, in which the Company will make an investment of 50%, and also be used as working capital.

⁶ As at September 30, 2022, the outstanding loan owed by OA to SPI stood at Baht 2,320 million out of the said maximum credit of Baht 4,370 million.



Acquisition or Disposal of Assets, i.e. transaction between the listed companies which has a transaction value equal to 50% or higher. The Company is accordingly required to prepare a report and disclose information on the transaction in accordance with the Notifications on Acquisition or Disposal of Assets, and to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must submit a notice of the shareholders' meeting, accompanied by an independent financial advisor's opinion, to the shareholders at least 14 days ahead of the meeting date.

In addition, Acquisition Transaction 1 will be executed between the Company and SPI, which is the major shareholder holding 87,237,766 shares or 69.75% of the Company's issued and paid-up shares. Therefore, this transaction is regarded as a significant connected transaction pursuant to the Notifications on Connected Transactions, with the transaction size equal to 122.27% of the Company's NTA (according to its reviewed consolidated financial statements for the six-month period ended June 30, 2022, the Company's NTA amounts to Baht 3,900.11 million). The Company has not entered into any other connected transactions with SPI or the related persons of SPI during six months before the date it agrees to execute this transaction. Since the transaction size is greater than 3% of the Company's NTA and also higher than Baht 20 million, the Company is required to obtain approval from the Board of Directors and to prepare and disclose the information memorandum on the transaction to the SET according to the Notifications on Connected Transactions, as well as to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must submit a notice of the shareholders' meeting, accompanied by an independent financial advisor's opinion, to the shareholders at least 14 days ahead of the meeting date.

We are of the opinion that the execution of this transaction is reasonable and in line with the plan for expansion of business scope for risk diversification. The advantages of this transaction are that (a) the Company will have the opportunity to expand into a new business with favorable returns, (b) the Company can diversify its business risk, and (c) the Company can grow its assets from the investment in other business. However, the transaction will create the disadvantages in that (a) a huge amount of funds is required for investment in the new business, (b) the Company has no experience in the financial business, (c) there will be risk from competition in and expansion of other business, (d) there will be risk of the required rate of return failing to meet the forecast, and (e) there will be risk of liquidity shortage due to borrowers' loan defaults.



However, if the Company does not enter into this transaction, the advantages are that (a) the Company will not have to raise a huge amount of funds for investment in the new business, nor to incur the relevant expenses, and (b) the Company will not bear a risk involved with the new business operation. Meanwhile, the disadvantages of not entering into the transaction are that (a) the Company cannot expand its investment as planned and will not receive returns from the new business, and (b) the Company cannot diversify risk from the core business operation.

In addition, Acquisition Transaction 1, which will be executed with SPI, the Company's major shareholder, will help facilitate the provision of information necessary for making an investment decision, which will be useful for the study of information and the investment decision on such financial business, as well as enable all actions to be taken rapidly. Moreover, the transfer of knowledge and experience of SPI, which is the existing 100% owner of OA, to the Company will be easily made since SPI will remain the Company's major shareholder after completion of this transaction. However, the disadvantage is that the Company may lose the opportunity to receive a proposal for and information on the new business investment from a third party, who may become its new partner having potential in the new business and a strong financial position and may help to promote and drive further growth in the existing business of the Company by leveraging a broader channel of business operation through the new partner.

If the Company executes the transaction with a third party instead of its connected person, this will give it the opportunity to receive a proposal for and information on the new business investment from a third party, who may become its new partner having potential in the new business and a strong financial position and may help to promote and drive further growth in the existing business of the Company by leveraging a broader channel of business operation through the new partner. However, the disadvantage is that the Company does not have any knowledge and experience in the new business and may need a considerable period of time to familiarize itself with the new business. While the new business arrangement will be subject to a time constraint, if entering into the transaction with a third party, there could be an obstacle in the coordination in various matters since the two parties have never worked together. This may lead the Company to fail to obtain the complete and sufficient information in time for making the investment decision in the new business and/or be unable to request any additional information after completion of the transaction.

In terms of price, we view that the dividend discount model approach is a suitable method to value OA's shares. By this approach, the value of OA's shareholders' equity according to the investment proportion is appraised in a range of Baht 792.84 million – Baht 949.81 million, which is (lower)/higher than the sale and purchase value of OA's shares under the share purchase agreement of Baht 835.70 million by Baht (42.86) million – Baht 114.11 million or (5.13)% – 13.65%. This approach focuses on OA's future business operation and profitability based on present value of dividend payable by OA that the Company expects to receive in the future, and also based on the overall economic and industrial trends.



In view of the appropriateness of the sale and purchase of 90% of OA's shares from SPI, which is the connected person, at the total value of Baht 835.70 million, we are of the opinion that such price is within the range of a fair value of Baht 792.84 million – Baht 949.81 million appraised herein and is lower than the appraised value in the base case of Baht 871.34 million. Therefore, we deem that the sale and purchase price for 90% of OA's shares from SPI, which is the connected person, of Baht 835.70 million is a reasonable price.

As described above, we are of the opinion that the execution of Acquisition Transaction 1 is reasonable and beneficial to the Company's shareholders and, thus, recommend that the shareholders should approve the said transaction.

However, the decision whether to approve or not approve the transaction depends mainly on the shareholders' individual judgment. Since the persons having an interest will not be entitled to cast votes on this agenda, the voting on the transaction will rest with all of the remaining shareholders.

3. Acquisition Transaction 2: Investment in 50% of Ordinary Shares in Seven Real Estate Companies

The Company intends to invest in 50% of the issued and paid-up ordinary shares in seven real estate companies, comprising:

- (1) Future Domain Co., Ltd. ("FD"),
- (2) Khu Khot Station Alliance Co., Ltd. ("KK"),
- (3) Majestic Park Co., Ltd. ("MJP"),
- (4) Phraram 9 Alliance Co., Ltd. ("R9A"),
- (5) Ratburana Alliance Co., Ltd. ("RBA"),
- (6) Ratchada Alliance Co., Ltd. ("RDA"), and
- (7) Suksawat Alliance Co., Ltd. ("SUK").

The Company will acquire 50% of the issued and paid-up ordinary shares in FD, KK, MJP, R9A, RDA and SUK from U City Plc. ("U") and 50% of the issued and paid-up ordinary shares in RBA from U Global Hospitality Co., Ltd. ("UGH") at a total value under the share purchase agreement of Baht 531.92 million ("Acquisition Transaction 2"). Moreover, according to the share purchase agreement for shares of the seven real estate companies made by the Company with U and UGH, the Company shall make a repayment for the outstanding debts owed by these seven companies to U and UGH, which have been used for real estate project development of the seven companies, to U and UGH in a total amount of Baht 1,741.12 million (calculated from the estimated outstanding debts of each of the seven companies as at the end of 2022, when the joint venture investment in real estate companies transaction is expected to be completed), and shall additionally make a payment for the investment in proportion to the shareholding structure for



development of all projects of the said real estate companies until completion in the net amount of Baht 228.68 million, making up a total consideration for Acquisition Transaction 2 of Baht 2,501.72 million.

The abovementioned transaction is regarded as a material asset acquisition of a listed company pursuant to the Notifications on Acquisition or Disposal of Assets. The transaction size, calculated under the total value of consideration basis from which the maximum transaction size is obtained, is equal to 55.06% of total assets according to the reviewed consolidated financial statements of the Company for the six-month period ended June 30, 2022. When including the acquisition of assets over the past six months and Acquisition Transaction 1, which is described in the previous section, the total transaction size is equal to 163.59%, calculated under the total value of consideration basis from which the maximum transaction size is obtained. Therefore, this transaction is classified as a Class 1 Transaction under the Notifications on Acquisition or Disposal of Assets, i.e. transaction between the listed companies which has a transaction value equal to 50% or higher. The Company is accordingly required to prepare a report and disclose information on the transaction in accordance with the Notifications on Acquisition or Disposal of Assets, and to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must submit a notice of the shareholders' meeting, accompanied by an independent financial advisor's opinion, to the shareholders at least 14 days ahead of the meeting date.

In addition, Acquisition Transaction 2 will be executed by the Company with U and UGH, which have BTS as their indirect major shareholder. Besides, after the allocation of the Company's newly issued ordinary shares by way of a private placement to BTS under the Issuance and Offering of PP Shares described in the earlier section, BTS will relatively become the major shareholder holding 87,237,766 shares or 41.09% of the Company's issued and paid-up shares (calculated from the number of shares after the issuance and offering of new shares on this occasion). Moreover, the said allocation of newly issued shares to BTS will result in BTS acquiring the ordinary shares in the Company in the amount that passes the trigger point requiring it to make a mandatory tender offer for all securities of the Company under Notification TorChor. 12/2554. As a result, BTS may receive additional ordinary shares from the Company's existing shareholders apart from the shares from the private placement allocation under the tender offer to the extent that BTS will become the person with control power in the Company and, hence, will be regarded as the Company's connected person under the Notifications on Connected Transactions.

Therefore, Acquisition Transaction 2 is regarded as a significant connected transaction pursuant to the Notifications on Connected Transactions, with value of consideration for the connected transaction of Baht



2,294.35 million⁷ and the transaction size equal to 58.83% of the Company's NTA (according to its reviewed consolidated financial statements for the six-month period ended June 30, 2022, the Company's NTA amounts to Baht 3,900.11 million). The Company has not entered into any other connected transactions with U and UGH or the related persons of U and UGH during six months before the date it agrees to execute this transaction. Since the transaction size is greater than 3% of the Company's NTA and also higher than Baht 20 million, the Company is required to obtain approval from the Board of Directors and to prepare and disclose the information memorandum on the transaction to the SET according to the Notifications on Connected Transactions, as well as to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must submit a notice of the shareholders' meeting, accompanied by an independent financial advisor's opinion, to the shareholders at least 14 days ahead of the meeting date.

We are of the opinion that the execution of this transaction is reasonable and in line with the plan for expansion of business scope for risk diversification. The advantages of this transaction are that (a) the Company will have the opportunity to expand into a new business with favorable returns, (b) the Company can diversify its business risk, and (c) the Company will have the opportunity to work with a new investor and/or partner who has experience in the real estate business. However, the transaction will create the disadvantages in that (a) a huge amount of funds is required for investment in the new business, (b) the Company will have to rely on the new partner since it has no experience in the real estate business, (c) there will be risk of the required rate of return failing to meet the forecast, and (d) there will be risk from continuous business operation after completion of ownership transfer in all projects in 2030.

However, if the Company does not enter into this transaction, the advantages are that (a) the Company will not have to raise a huge amount of funds for investment in the new business, nor to incur the relevant expenses, and (b) the Company will not bear a risk involved with the new business operation.

⁷ Value of consideration for the connected transaction under Acquisition Transaction 2 is calculated from the sale and purchase price for 50% of ordinary shares of the six Target Companies, namely FD, KK, MJP, RBA, RDA and SUK, including the outstanding loans that the Company must repay to U and UGH, totaling Baht 2,076.36 million and the book value of R9A of Baht 217.99 million, making up a total amount of Baht 2,294.35 million. (Under the Notifications on Connected Transactions, the transaction size shall be calculated from the higher of the consideration value, the book value or the market value. In this case, the total consideration for the acquisition of 50% of R9A's shares is Baht 196.68 million, and its book value according to the investment proportion is Baht 217.99 million, while there is no market price since its shares are not listed on the SET. Therefore, its book value, which is the higher amount, is applied in the calculation of the transaction size.) The calculation of value of consideration does not include the investment to be additionally paid for by the Company in proportion to the shareholding structure for development of all projects of the said real estate companies until completion in the net amount of Baht 228.68 million because this is not classified as a consideration for the connected person.



Meanwhile, the disadvantages of not entering into the transaction are that (a) the Company cannot expand its investment as planned and will not receive returns from the new business, (b) the Company cannot diversify risk from the core business operation, and (c) the Company will lose the opportunity to work with a new partner and/or business alliance who has experience in the new business.

In addition, Acquisition Transaction 2 will be executed with U and UGH, both of which have BTS as their direct and indirect major shareholder, whereas BTS has been the shareholder and business partner of SPI, which is the Company's major shareholder. As such, this will help facilitate the provision of information necessary for making an investment decision, which will be useful for the study of information and the investment decision on such real estate business, as well as enable all actions to be taken rapidly. Moreover, BTS will become the Company's major shareholder after completion of the Issuance and Offering of PP Shares; therefore, the Company will acquire a strong partner since BTS is one of the potential companies with expertise and experience in a wide variety of industries and on various platforms, both at home and overseas, and also with a solid financial position.

If the Company executes the transaction with a third party instead of its connected person, this will give it the opportunity to receive a proposal for and information on the new business investment from a third party, who may become its new partner having potential in the new business and a strong financial position and may help to promote and drive further growth in the existing business of the Company by leveraging a broader channel of business operation through the new partner. However, the disadvantage is that the Company does not have any knowledge and experience in the new business and may need a considerable period of time to familiarize itself with the new business. While the new business arrangement will be subject to a time constraint, if entering into the transaction with a third party, there could be an obstacle in the coordination in various matters since the two parties have never worked together. This may lead the Company to fail to obtain the complete and sufficient information in time for making the investment decision in the new business and/or be unable to request any additional information after completion of the transaction.

In terms of price, we view that the suitable method to value the shares in all seven Target Companies is the adjusted book value approach. By this approach, a fair value of the investment in all seven Target Companies according to the investment proportion is appraised at Baht 541.61 million, which is higher than the sale and purchase price of Baht 531.92 million by Baht 9.69 million or 1.82%.

The sale and purchase price for all seven Target Companies of Baht 531.92 million is lower than the fair value of Baht 541.61 million, appraised herein using the adjusted book value approach which is deemed as the most suitable method for valuing this investment, by Baht 9.69 million or 1.79%. Therefore, the sale and purchase price for shares in all seven Target Companies of Baht 531.92 million is considered a reasonable price.



As described above, we are of the opinion that the execution of Acquisition Transaction 2 is reasonable and beneficial to the Company's shareholders and, thus, recommend that the shareholders should approve the said transaction.

However, the decision whether to approve or not approve the transaction depends mainly on the shareholders' individual judgment. Since the persons having an interest will not be entitled to cast votes on this agenda, the voting on the transaction will rest with all of the remaining shareholders.

**Part 1****Offering of Newly Issued Ordinary Shares to a Connected Person****("Issuance and Offering of PP Shares")****1. Characteristics and details of the transaction****1.1. General characteristics of the transaction**

Established in 1975, the Company has engaged in the production and distribution of finished garments and leather goods to domestic and overseas markets under its own brands and the licensed brands, and has committed to achieving sustainable business growth and expansion. The Company has made investments in other entities, mostly in the textile and apparel industry in which it has experience and expertise.

Over the past 2-3 years, the Company has been hit hard by the COVID-19 pandemic and had to temporarily close its production lines at Kabin Buri Branch and Lamphun Branch during June-August 2020. The continuous mutations of the coronavirus into several variants are the top risk to the overall economy. Besides, in 2022, the Company anticipates other critical threats to the textile and apparel industry, including (1) labor shortage, (2) possible wage increases in line with inflation, and (3) scarcity of containers for export and high freight rates. As a result, the Company has an intention to diversify risks by expanding into other businesses so as to deliver a satisfactory rate of return and enhance its long-term growth potential, which will be beneficial to the Company in the future. This aligns with the intention of SPI, its major shareholder, to have the Company expand its investment into new businesses.

Accordingly, the Company has been exploring the opportunity and studying information on other types of business, taking into account the aforementioned risk factors. Meanwhile, in the wake of the pandemic which has plunged the global economy into a recession, both the business and the household sectors have a greater demand for funding sources in order to finance their investment, business rehabilitation and expansion and to meet their working capital needs, thus likely leading to a constraint on securing a financing source. As such, the Company had to consider the information and proposals for investment in new businesses thoroughly and in all respects, while paying regard to the best interests of the Company and its shareholders. Finally, the Company has received the information and a favorable proposal for investment in the financial business and the real estate business from its connected persons. However, in the execution of such transactions, the Company will require a huge amount of funds to acquire those new businesses which have a good growth prospect and potential, along with the opportunity for the Company to team up with strategic partners who have experience, expertise and solid financial position, which will help to enhance its growth opportunity and be beneficial to the Company and its shareholders. At the same time,



BTS, which is the major shareholder of the sellers of the real estate business to the Company, also has an intention to invest in the Company's ordinary shares, thus enabling the Company to raise a substantial amount of funds within a short period of time and helping to reduce the investment burden on its existing shareholders.

Therefore, to allow for the Company to issue and offer its new ordinary shares to BTS in accordance with the legal provisions, the Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 resolved to propose the Extraordinary General Meeting of Shareholders No. 2/2022, to be held on November 30, 2022, to consider the issuance of 87,237,766 new ordinary shares with a par value of Baht 1 per share for offering by way of a private placement to BTS at a definitive offering price of Baht 33.06 per share, totaling Baht 2,884,080,543.96 (or approximately Baht 2,884.08 million) ("Purchase of PP Shares"). Such offering price of Baht 33.06 per share is not lower than 90% of the market price pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 72/2558 Re: Permission for Listed Companies to Offer Newly Issued Shares to Specific Investors (as amended). (The market price is equal to Baht 27.26 per share, calculated from the weighted average price of the Company's shares traded on the SET during September 21-29, 2022, which was a period of seven consecutive business days prior to September 30, 2022, the date on which the Board of Directors' Meeting of the Company No. 8/2022 passed its resolution to propose the Issuance and Offering of PP Shares to the Extraordinary General Meeting of Shareholders of the Company No. 2/2022 for consideration and approval.)

Table illustrating the trading of the Company's shares during September 21-29, 2022

Date	Trading volume (shares)	Trading value (Baht)	Average price (Baht/share)
29/9/2022	17,210	475,930	27.65
28/9/2022	3,800	95,805	25.21
27/9/2022	64,309	1,874,431	29.15
26/9/2022	83,416	2,337,745	28.02
23/9/2022	400	9,080	22.70
22/9/2022	15,604	358,110	22.95
21/9/2022	23,100	514,550	22.27
Total	207,839	5,665,651	27.26

Source: www.setsmart.com

Furthermore, the Issuance and Offering of PP Shares to BTS is regarded as a connected transaction pursuant to the Notifications on Connected transactions because, after completion of the Issuance and Offering of PP Shares, BTS will become a major shareholder holding 87,237,766 shares or 41.09% of the Company's registered and paid-up capital after the Purchase of PP Shares, and will be entitled to nominate three directors of the Company, out of the total nine board members, to replace the existing directors.



After completion of this transaction, BTS's shareholding in the Company will reach 41.09% of the Company's registered and paid-up capital, which passes the trigger point of 25%. Therefore, BTS will be required to make a mandatory tender offer for all securities of the Company under Notification TorChor. 12/2554.

1.2. Date of the transaction

The Company will issue and offer its new ordinary shares to BTS after:

(1) The Company has obtained approval from the Extraordinary General Meeting of Shareholders of the Company No. 2/2022, to be held on November 30, 2022, for the increase of its registered capital and the offering of its newly issued ordinary shares by way of a private placement, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote;

(2) The Company has obtained approval from the SEC for the issuance and offering of its new ordinary shares by way of a private placement; and

(3) All other conditions precedent have been satisfied (see more details in Item 1.9 'Conditions for the transaction').

The Company expects that it will be able to issue and offer the new ordinary shares to BTS by December 2022.

1.3. Relevant parties and their relationship

Relevant parties

Seller : Thanulux Plc. ("the Company")

Purchaser : BTS Group Holdings Plc. ("BTS") and/or the subsidiary designated by BTS

Nature of their relationship

Before seeking approval from the Company's shareholders for the execution of this transaction, BTS neither is a connected person of nor has any connection with the Company according to the Notifications on Connected Transactions. However, after completion of the Purchase of PP Shares, which will be proposed for approval from the Extraordinary General Meeting of Shareholders of the Company, BTS will hold a total of 87,237,766 shares or 41.09% of the Company's registered and paid-up capital after the Purchase of PP Shares, and will be entitled to nominate three directors of the Company, out of the total nine board members, to replace the existing directors. Therefore, BTS will be regarded as a person that will be nominated as the



executive or controlling person of the Company, and also be deemed as a connected person according to the definition set out in the Notifications on Connected Transactions.

List of the Company's Board of Directors before BTS's investment in ordinary shares of the Company

Name	Position
1 Mr. Manu Leelanuwatana	Chairman
2 Miss Dusadee Soontrontumrong	Chairman of Executive Committee/Managing Director/Director
3 Mr. Thamarat Chokwatana	Vice Chairman
4 Miss Marin Leelanuwatana	Director
5 Mr. Suchart Layluxsiri	Director
6 Miss Yupaporn Jearrakul	Director
7 Mr. Wasin Teyateeti	Independent Director/Chairman of Audit Committee
8 Mr. Maris Sangiampongsa	Independent Director/Member of Audit Committee
9 Mr. Suchatvee Suwansawat	Independent Director/Member of Audit Committee

Remark Any two of the four directors, namely Miss Dusadee Soontrontumrong, Miss Marin Leelanuwatana, Mr. Suchart Layluxsiri and Miss Yupaporn Jearrakul, are authorized to co-sign with the Company's seal affixed.

Expected list of the Company's Board of Directors after BTS's investment in ordinary shares of the Company:

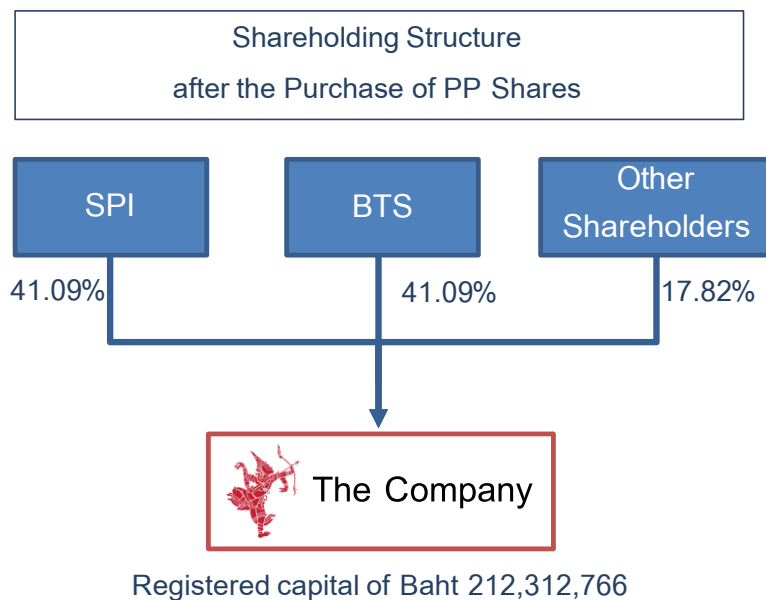
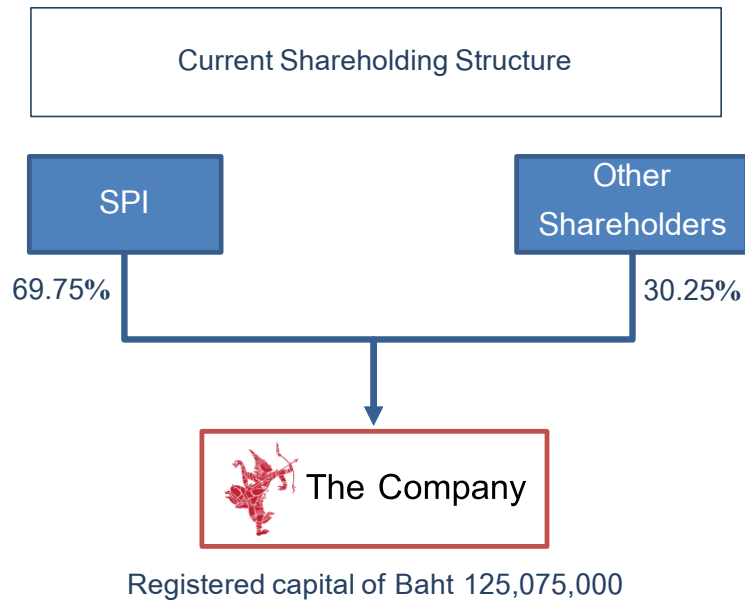
After completion of BTS's investment in ordinary shares of the Company, BTS will be entitled to nominate three directors of the Company, out of the total nine board members, to replace the existing directors who will tender their resignation.

As set out in the share subscription agreement between the Company and BTS, three existing directors of the Company shall tender their resignation, with effect from 9.30 hrs. of the Closing Date, and shall submit a copy of the letter of resignation to BTS on the Closing Date. Moreover, the Company shall submit to BTS by the Closing Date the new Company Affidavit and a copy of the new Memorandum of Association, containing details of the paid-up capital of Baht 212,312,766 and being certified by the Ministry of Commerce as evidence that the Company has registered the increase of its paid-up capital with the subscribed shares that were allocated to BTS, as well as specifying names and authority of the Company's directors as designated by BTS.

Currently, it has not yet been indicated as to which ones of the existing directors will resign and who will be appointed by BTS as its representative directors to replace the resigning directors. The Company will keep the shareholders informed when there is clarity in this matter.



Chart showing the Company's shareholder structure
before and after BTS's investment in ordinary shares of the Company





The Company's shareholding structure before and after BTS's investment in ordinary shares of the Company:

No.	Names of shareholders	(A) Current shareholding structure (as at October 18, 2022)		(B) After the Purchase of PP Shares	
		No. of shares (shares)	Proportion (%)	No. of shares (shares)	Proportion (%)
1	Saha Pathana Inter-Holding Plc.	87,237,766	69.75	87,237,766	41.09
2	BTS Group Holdings Plc. and/or the subsidiary designated by BTS Group Holdings Plc.			87,237,766	41.09
3	I.C.C. International Plc.	13,307,040	10.64	13,307,040	6.27
4	Watsadoramai Co., Ltd. ^{1/}	2,800,000	2.24	2,800,000	1.32
5	Mr. Palm Leelanuwatana	1,376,240	1.10	1,376,240	0.65
6	Miss Marin Leelanuwatana	1,217,960	0.97	1,217,960	0.57
7	Thai Wacoal Plc.	1,000,000	0.80	1,000,000	0.47
8	Mr. Wacharapong Tanatchaiyasit	785,640	0.63	785,640	0.37
9	Mrs. Sirina Pavarolavidya	634,040	0.51	634,040	0.30
10	Hlanpu Co., Ltd. ^{2/}	616,740	0.49	616,740	0.29
11	Mr. Kittichai Treerachataphong	600,000	0.48	600,000	0.28
12	Mr. Pumipat Charoenwutthikij	600,000	0.48	600,000	0.28
13	Mr. Vichai Kulsomphob	600,000	0.48	600,000	0.28
	Total top 13 shareholders	110,775,426	88.57	198,013,192	93.26
14	Other shareholders	14,299,574	11.43	14,299,574	6.74
	Grand total	125,075,000	100.00	212,312,766	100.00

Remark (A) The Company's shareholder structure before BTS's investment in newly issued ordinary shares of the Company (as at October 18, 2022)

(B) The Company's shareholder structure after the Purchase of PP Shares, based on adjustment to the Company's shareholder structure as at October 18, 2022 for the issuance and offering of 87,237,766 new ordinary shares to BTS

1/ As at April 22, 2022, list of the shareholders of Watsadoramai Co., Ltd. is as follows:

No.	Names of shareholders	No. of shares (shares)	Proportion (%)
1	Mr. Boonsithi Chokwatana	31,996	79.990
2	Mr. Thamarat Chokwatana	2,000	5.000
3	Mrs. Teerada Ambhanwong	2,000	5.000
4	Miss Tanintorn Chokwatana	2,000	5.000
5	Mr. Thitipoom Chokwatana	2,000	5.000
6	Mr. Samreng Manoonpol	2	0.005
7	Mrs. Patcharee Sangrangsarn	2	0.005
	Total	40,000	100.00

Source: www.corpusx.bol.co.th



2/ As at August 31, 2022, list of the shareholders of Hlanpu Co., Ltd. is as follows:

No.	Names of shareholders	No. of shares (shares)	Proportion (%)
1	Mr. Narong Chokwatana	220,000	14.29
2	Mrs. Kityaporn Chaithavornsathien	200,000	12.99
3	Mr. Pipope Chokwatana	100,000	6.49
4	Mr. Panitam Pavarolarvidya	100,000	6.49
5	Mrs. Pravara Ekaraphanich	100,000	6.49
6	Mrs. Chailada Tantivejakul	100,000	6.49
7	Mr. Chailadol Chokwatana	100,000	6.49
8	Mr. Piranart Chokwatana	50,000	3.25
9	Mr. Vathit Chokwatana	50,000	3.25
10	Mr. Pitsanu Chokwatana	50,000	3.25
	Total top 10 shareholders	1,070,000	69.48
11	Other 13 shareholders	470,000	30.52
	Grand total	1,540,000	100.00

Source: www.corpusx.bol.co.th

Before the investment in the Company's ordinary shares, BTS has neither yet become the major shareholder or management of the Company nor appointed its representatives to serve on the Company's current Board of Directors. Thus, at the Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 to consider and approve the said connected transaction, there were no directors who may have an interest or who are representatives of the person who may have an interest attending the meeting and participating in the consideration and approval of such connected transaction (all of the nine directors were present at the meeting, thus constituting a forum). Moreover, as BTS, which is the connected person, will acquire the Company's ordinary shares after completion of this transaction; therefore, at the Extraordinary General Meeting of Shareholders of the Company No. 2/2022, to be held on November 30, 2022, there will not be any shareholders who have an interest and are not entitled to cast votes on this agenda item.

**1.4. Information of the person being allocated the newly issued ordinary shares**

Name	BTS Group Holdings Plc. and/or the subsidiary designated by BTS Group Holdings Plc. ("BTS")
Date of incorporation	March 1, 1991
Location	TST Tower, No. 21 Soi Choei Phuang, Wiphawadi-Rangsit Road, Chom Phon Sub-district, Chatuchak District, Bangkok 10900
Nature of business	Business operation in various industries on three platforms: (1) Move consisting of mass rapid transit business and businesses apart from mass rapid transit service, (2) Mix consisting of advertising media business, payment service business, and distribution business, and (3) Match consisting of real estate business, construction business, financial business, and food and beverage business
Registered and paid-up capital (Baht)	Baht 52,670.55 million, divided into 13,167,638,462 ordinary shares with a par value of Baht 4 per share (as at August 4, 2022)

List of shareholders of BTS (as at August 4, 2022)

No.	Name	No. of shares (shares)	Proportion (%)
1	Mr. Keeree Kanjanapas's group ^{1/}	5,300,201,894	40.25
2	Thai NVDR Co., Ltd.	1,308,019,181	9.93
3	Social Security Office	435,166,920	3.30
4	South East Asia UK (Type C) Nominees Ltd.	365,944,564	2.78
5	State Street Europe Ltd.	207,016,420	1.57
6	Bualuang Securities Plc.	150,072,500	1.14
7	Bualuang Long-Term Equity Fund	110,001,800	0.84
8	K20 Select LTF	98,178,700	0.75
9	Caceis Bank, Luxembourg Branch	82,486,100	0.63
10	Vayupak Fund 1	74,268,000	0.56
	Total top 10 shareholders	8,131,356,079	61.75
	Other shareholders	5,036,282,383	38.25
	Grand total	13,167,638,462	100.00

Source: Information from BTS

Remark: 1/ Mr. Keeree Kanjanapas's group consists of (1) Mr. Keeree Kanjanapas, holding 2,664,383,552 shares (20.24%) in his own name and holding 930,000,000 shares (7.06%) through the custodian, UBS AG



Singapore Branch, 376,180,900 shares (2.86%) through the custodian, UBS AG Hong Kong Branch, 192,011,200 shares (1.46%) through the custodian, Credit Suisse AG, Singapore Branch, and 100,000,000 (0.76%) shares through the custodian, The Hongkong and Shanghai Banking Corporation Limited, Hongkong Branch; (2) Mr. Kavin Kanjanapas, holding 604,757,095 shares (4.59%); (3) Miss Susan Kanjanapas, holding 32,000,055 shares (0.24%); (4) K2J Holding Co., Ltd.,^{2/} holding 400,818,000 shares (3.04%); and (5) Amsfield Holdings Pte. Ltd., holding 51,092 shares (0.00%).

- 2/ The shareholders of K2J Holding Co., Ltd. (a company established under the law of Hong Kong) are (1) Excel Pacific Group Co., Ltd., holding 49% of the total shares, (2) Mrs. Anchalee Kanjanapas, 20%, (3) Mr. Kavin Kanjanapas, 19%, (4) Miss Susan Kanjanapas, 10%, and (5) Mr. Keeree Kanjanapas, 2%.

Board of Directors (as at August 1, 2022)

	Name	Position
1.	Mr. Keeree Kanjanapas	Chairman/Chairman of Executive Committee
2.	Mr. Kavin Kanjanapas	Chief Executive Officer/Director
3.	Mr. Anat Arbhahirama	Director
4.	Mr. Surapong Laoha-unya	Director
5.	Mr. Rangsin Kritalug	Director
6.	Mr. Chi Keung Kong	Director
7.	Mr. Suchin Wanglee	Independent Director/Member of Audit Committee
8.	Mr. Chareon Wattanasin	Independent Director/Member of Audit Committee
9.	Mr. Ying Chew Henry Cheong	Independent Director
10.	Mrs. Pichitra Mahaphon	Independent Director/Chairman of Audit Committee (Acting)
11.	Mr. Karoon Chandransu	Independent Director
12.	Mr. Paisal Tarasansombat	Independent Director

Source: www.set.or.th

Financial highlights

(Unit: Baht million)	2020 (Mar 31, 2020)	2021 (Mar 31, 2021)	2022 (Mar 31, 2022)	2023 (Apr-Jun 2022)
Total assets	173,100.48	212,062.43	255,810.32	253,803.64
Total liabilities	105,854.89	136,025.07	169,682.79	165,612.67
Paid-up capital	52,617.18	52,644.52	52,657.91	52,670.44
Equity holders of the parent	54,923.01	60,161.68	62,062.84	62,726.69
Total revenues	42,241.56	42,249.83	31,194.50	5,281.90
Total costs and expenses	32,764.57	30,789.64	22,748.40	3,674.08
EBITDA	13,511.17	10,607.02	9,185.90	2,044.61
Profit before finance cost and income tax	12,539.69	9,795.76	8,314.66	1,820.72
Net profit – equity holders of the parent	8,161.75	4,576.27	3,825.58	535.98

Source: BTS's consolidated financial statements

Remark: Fiscal period starting April 1 of a year and ending March 31 of the following year

**Relationship with the Company**

Before seeking approval from the Company's shareholders for the execution of this transaction, BTS neither is a connected person of nor has any connection with the Company according to the Notifications on Connected Transactions. However, after completion of the Purchase of PP Shares, which will be proposed for approval from the Extraordinary General Meeting of Shareholders of the Company, BTS will hold a total of 87,237,766 shares or 41.09% of the Company's registered and paid-up capital after the Purchase of PP Shares, and will be entitled to nominate three directors of the Company, out of the total nine board members, to replace the existing directors. Therefore, BTS will be regarded as a person that will be nominated as the executive or controlling person of the Company, and also be deemed as a connected person according to the definition set out in the Notifications on Connected Transactions.

Detailed information of BTS

Please see the details in the annual registration statement and annual report for 2022, which are downloadable from the SEC's website (www.sec.or.th).

1.5. Total value of consideration

The Company will issue and offer its 87,237,766 new ordinary shares with a par value of Baht 1 per share at the offering price of Baht 33.06 per share totaling approximately Baht 2,884.08 million to BTS, and BTS will pay for such shares totally in cash.

1.6. Basis for determination of value of consideration

The offering price for PP shares to BTS of Baht 33.06 per share has been determined from negotiations between the Company and BTS based on the weighted average market price during September 21-29, 2022, which was a period of seven consecutive business days prior to September 30, 2022, the date on which the Board of Directors' Meeting of the Company No. 8/2022 passed its resolution to propose the transaction to the shareholders' meeting for consideration, equal to Baht 27.26 per share, and also based on the current economic and capital market situation, the asset value, the financial position and performance, the expertise and experience in a variety of industries, and the opportunity to jointly drive the Company's growth. Such offering price of Baht 33.06 per share (the Company's book value as at June 30, 2022 was equal to Baht 32.97 per share) is not lower than 90% of the market price pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 72/2558 Re: Permission for Listed Companies to Offer Newly Issued Shares to Specific Investors. Therefore, the Company must obtain approval from the Extraordinary General Meeting of Shareholders of the Company No. 2/2022 with affirmative votes of not less than three-fourths of the total



number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest.

In the case where such offering price of Baht 33.06 per share is lower than 90% of the market price of the Company's shares before the SET approves those newly issued ordinary shares as listed securities, BTS will be prohibited from selling all of such newly issued ordinary shares within one year from the date on which the Company's newly issued ordinary shares start trading on the SET (Silent Period). Upon a lapse of six months after the Company's newly issued ordinary shares started trading on the SET, BTS may gradually sell up to 25% of such locked-up shares in accordance with the requirements set out in the Notification of the SET Re: Rules, Conditions and Procedures for Consideration of Application for Listing of Ordinary Shares or Preferred Shares for Capital Increase as Listed Securities B.E. 2558 (as amended).

1.7. Type and size of the transaction

The issuance and offering of 87,237,766 new ordinary shares of the Company with a par value of Baht 1 per share at the offering price of Baht 33.06 per share totaling approximately Baht 2,884.08 million to BTS constitutes a connected transaction pursuant to the Notifications on Connected Transactions. This is because BTS will be regarded as a connected person of the Company under the Notifications on Connected Transactions after completion of its investment in PP shares of the Company, which will result in BTS becoming a major shareholder holding 41.09% of the Company's total paid-up capital after this capital increase and being entitled to nominate its representatives as the executives or controlling persons in the Company and also to nominate three directors of the Company, out of the total nine board members, to replace the existing directors who will tender their resignation.

The calculation of size of the connected transaction, using information from the Company's reviewed consolidated financial statements for the six-month period ended June 30, 2022, is as follows:

	Value (Baht million)
The Company's net tangible assets (NTA)	3,900.11
3% of NTA	117.00
Value of the connected transaction	2,884.08
Size of the connected transaction as % of NTA (%)	73.95

Details of the calculation of NTA are shown below:

	Value (Baht million)
Total assets	4,543.38
Less: Right-of-use assets	(10.96)
Intangible assets	(11.92)



	Value (Baht million)
Deferred income tax	(33.63)
Total liabilities	(586.38)
Non-controlling interest	(0.38)
NTA	3,900.11

The issuance and offering of PP shares of the Company to BTS, which is a connected person, has a transaction value of approximately Baht 2,884.08 million, or not greater than 73.95% of the Company's NTA. During the previous six months, the Company has not executed any other connected transactions with BTS. However, on the date of the Board of Directors' Meeting of the Company No. 8/2022, which was September 30, 2022, the Company entered into a connected transaction with BTS, with the transaction size equal to 58.83% of the Company's NTA. Therefore, the maximum size of the connected transaction with BTS is equal to 132.78% of the Company's NTA.

Thus, the Company is required to disclose the information memorandum on such connected transaction to the SET and to seek approval from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must submit a notice of the shareholders' meeting, accompanied by an independent financial advisor's opinion, to the shareholders at least 14 days ahead of the meeting date.

The Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 passed its resolution to propose the Extraordinary General Meeting of Shareholders of the Company No. 2/2022, to be held on November 30, 2022, to consider and approve the execution of the said connected transaction.

1.8. Plan for use of proceeds from the issuance and offering of new ordinary shares

The Company will use the proceeds receivable from this capital increase partially for investment in other securities in order to expand into new business lines such as financial business and real estate business, which the Company deems to have a good growth prospect and potential and instantly deliver a return on investment and generate additional income and profit for the Company. The remainder will be used for repayment of debts of the Company and/or its subsidiaries and joint venture companies and also as working capital and for future investment expansion, which will help to improve the Company's liquidity and performance.

After obtaining the proceeds from the issuance of its new ordinary shares, the Company will proceed with the plan for fund application as follows:



Objectives	Approximate amount (Baht million)	Target date
1. Investment in financial business by acquiring 90% of ordinary shares in Oxygen Asset Co., Ltd.	835.70	By 2022
2. Investment in real estate business by acquiring 50% of ordinary shares in the following companies: <ul style="list-style-type: none"> - Ratchada Alliance Co., Ltd. - Pharam 9 Alliance Co., Ltd. - Khu Khot Station Alliance Co., Ltd. - Majestic Park Co., Ltd. - Ratburana Alliance Co., Ltd. - Suksawat Alliance Co., Ltd. - Future Domain Co., Ltd. 	531.92	By 2022
3. Repayment of debts of the Company and/or its subsidiaries and joint venture companies and also as working capital and for expansion of the investee companies to further drive growth	1,516.46	2022-2023
Total	2,884.08	

Total value of consideration for the allocation of newly issued ordinary shares of the Company by way of a private placement is approximately Baht 2,884.08 million. Details of the investment in financial business and real estate business, involving the asset acquisition and connected transactions from investment in ordinary shares, are presented in Part 2 of this report.

1.9. Conditions for the transaction

1.9.1. Key conditions precedent

- (1) The shareholders' meeting of the Company grants approval for the following:
 - (a) Issuance and allocation of new ordinary shares of the Company by way of a private placement at a definitive offering price to BTS;
 - (b) Issuance and allocation of 92,309,898 new shares for rights offering to existing shareholders at a ratio of 2.3 existing shares to 1 newly issued share at Baht 33.06 per share; and
 - (c) Execution of the share purchase agreement for the acquisition of 50% of ordinary shares in seven real estate companies from U City Plc. and U Global Hospitality Co., Ltd.
- (2) The Company must obtain approval from the SEC for the issuance and allocation of new shares by way of a private placement at a definitive offering price to BTS.



- (3) The Company must enter into the share purchase agreement with Saha Pathana Inter-Holding Plc. ("SPI") for the acquisition of 90% of shares in Oxygen Asset Co., Ltd.
- (4) The Company shall have obtained all approvals and consent required for the execution and compliance with this agreement.
- (5) BTS must obtain approval from its Board of Directors' meeting for the share subscription and all transactions under this agreement.
- (6) BTS must obtain all necessary approvals from the authorities in order to successfully conduct the transactions under this agreement.
- (7) The conditions precedent under the share purchase agreements of all seven Target Companies and the share purchase agreement of Oxygen Asset Co., Ltd. shall have been fully satisfied or waived.

1.10. Prevention of a conflict of interest

The Company and BTS are both listed on the SET. After completion of the Issuance and Offering of PP Shares, the Acquisition Transaction 1, and the asset acquisition and connected transaction (Acquisition Transaction 2, as described in Part 2 of this report), the Company and BTS will operate businesses partly in the same industry sectors, i.e. financial business and real estate business, which will be new businesses for the Company. As such, to ensure clarity in new business operation and prevent any possible conflict of interest with BTS, which will become a major shareholder and is a listed company, the Company has established the business structure and guidelines on such new business operation as follows:

(1) Financial business

The Company will focus on the business of secured loan provision to entrepreneurs through Oxygen Asset Co., Ltd. ("OA") by providing a credit line to each customer in an amount of not less than Baht 10 million, secured by a collateralized asset with a proper loan to value based on the value of the potential security and the market demand. If the security offered against the credit is a property, the Company will seek to sell such security to enhance its liquidity. The Company will also focus on the operation of secured asset management business through a subsidiary of OA so as to drive sustainable growth in revenues and business performance of the Company in long term.

The Company does not have any plan to operate a lending business for retail customers and/or asset management business related to unsecured retail debtors.

(2) Real estate development business

The Company will concentrate its investment on the seven real estate companies in order to improve its operating performance in the short and intermediate term while the financial business is still under



expansion according to Clause (1) above. However, the Company has no plan to introduce the real estate development as its new core business in the future. For the purpose of managing its current assets with utmost efficiency and effectiveness, especially the significant assets such as the potential land which is the location of its factory and office, if there is a proper occasion which can create the best interests for the Company and the shareholders, the Company may search for a business partner who is a potential real estate developer to develop the said land. The Company may support by providing land and investment fund, but will not play any part in land development as it is not the expertise of the Company. Meanwhile, the Company will remain focused on the prevention of a conflict of interest in accordance with the established measures by paying regard to the best interests of the Company and its shareholders.

In addition, the Company will prevent a conflict of interest with SPI and BTS, its new-coming major shareholders, since both SPI and BTS operate businesses in a variety of industries, including businesses relating to finance and real estate. Although the format, details and nature of their business operation are clearly different from those of the Company and do not overlap with the businesses in which the Company will invest, the Company will take the following actions on prevention of a conflict of interest so as to build confidence among its shareholders and all groups of stakeholders:

(1) Under the Company's operational plan, the two major shareholders, namely SPI and BTS, will exercise checks and balances to supervise and manage the Company's businesses in the interests of all shareholders and the Company and under the applicable laws and regulations.

(2) In the case where the Company desires to operate a business that may give rise to a conflict of interest with SPI or BTS or any of their subsidiaries or associated companies, the representative directors of SPI or BTS shall be deemed as having an interest and, hence, may not participate in the Board of Directors' meeting to consider and make a decision on such business operation. At such meeting, all independent directors of the Company must be present to decide on the appropriateness and reasonableness of the said business operation.

(3) As regards the real estate business, both SPI and BTS are well aware of and understand the risk associated with a conflict of interest although there is neither a conflict nor an overlap in the existing business operation and investment (as described in the 'join venture transaction in real estate companies'). However, SPI and BTS agree not to operate any real estate projects that may create a conflict of interest with the operation of the seven companies which have engaged in residential property development business and will be acquired by the Company from U City Plc. and U Global Hospitality Co., Ltd., including the Company's key assets such as the potential land on which its current factory is located, during the period of investment by the Company in co-development of a project on such land.

In this respect, the Company will put in place a process to monitor the compliance with the conflict of interest prevention measures established by the Company by reporting to the Audit Committee, as a



governance mechanism for such issue and in order to ensure the Company would implement those measures as a standard practice in case of any incident arising and likely leading to a conflict of interest. Moreover, the Company will report to the Audit Committee and the Board of Directors from time to time as deemed fit and will disclose the said conflict of interest prevention measures in the annual Form 56-1 One Report from 2022 onwards. The Company views that the said conflict of interest prevention measures are transparent, sufficient and appropriate for prevention of any conflict of interest that may arise in the future.

1.11. Tentative timeline for the transaction

No.	Procedure	Date
1.	The Board of Directors' Meeting of the Company No. 8/2022	September 30, 2022
2.	Record date to determine names of the shareholders entitled to attend the Extraordinary General Meeting of Shareholders No. 2/2022	October 18, 2022
3.	The Extraordinary General Meeting of Shareholders No. 2/2022	November 30, 2022
4.	Registration of the registered capital increase and amendment to the Memorandum of Association to be consistent with the capital increase with the Department of Business Development, Ministry of Commerce	Within 14 days from the date the shareholders' meeting resolves to approve the capital increase
5.	Application for approval from the SEC for the issuance and offering of new ordinary shares of the Company by way of a private placement	By December 2022



No.	Procedure	Date
6.	Offering of the newly issued ordinary shares of the Company by way of a private placement to BTS	After the date the shareholders' meeting resolves to grant its approval, expected to be no later than December 2022 / within 12 months from the date the shareholders' meeting resolves to approve the shares offering in the event that the shareholders clearly resolve that, upon a lapse of such three-month period, the Board of Directors of the Company or the person designated by the Board of Directors shall determine the offering price based on the market price during the offering period. Therefore, after the end of the three-month period from the date the shareholders' meeting resolves to approve the offering of newly issued shares, the Board of Directors of the Company or the person designated by the Board of Directors may determine the offering price based on the market price during the offering period.
7.	Registration of the paid-up capital increase with respect to the newly issued ordinary shares offered by way of a private placement to BTS with the Department of Business Development, Ministry of Commerce	Within 14 days from the date the Company receives payment for the newly issued shares from BTS
8.	Filing of an application for listing of the newly issued ordinary shares offered by way of a private placement to BTS as listed securities on the SET	Within 30 days from the closing date of the offering of newly issued shares
9.	Determination of names of the shareholders entitled to subscribe for the new ordinary shares issued for rights offering to the Company's existing shareholders	To be notified by the Company afterwards, which will be after completion of the tender offer by BTS for ordinary shares of the Company and the sale of securities in the portion above 50% to other investors who are not the connected persons of BTS and/or its subsidiaries



No.	Procedure	Date
10.	Subscription and payment for the new ordinary shares issued for rights offering to the Company's existing shareholders	To be notified by the Company afterwards
11.	Registration of the capital increase with respect to the new ordinary shares issued for rights offering to the Company's existing shareholders with the Department of Business Development, Ministry of Commerce	Within 14 days from the closing date of the subscription and payment for the new ordinary shares issued for rights offering to the Company's existing shareholders

1.12. Information of the Company

Please see the details in the annual registration statement for 2021 (Form 56-1), the annual report for 2021, which are downloadable from the SEC's website (www.sec.or.th), and the Information Memorandum, Schedule 2, of the Company.

1.13. Other information

After completion of BTS's investment in the newly issued ordinary shares of the Company, BTS will hold 87,237,766 shares or 41.09% of the Company's issued shares after this capital increase. Therefore, BTS will be required to make a tender offer for all securities of the Company under Notification TorChor. 12/2554 and other relevant rules and notifications.

Names of the connected persons and/or the shareholders who have an interest and are not entitled to cast votes on the aforementioned connected transactions at the Extraordinary General Meeting of Shareholders No. 2/2022, to be held on November 30, 2022, are shown in the Company's Information Memorandum on Asset Acquisition and Connected Transactions, Schedule 2 (Enclosure No. 6 of the notice of the shareholders' meeting).



2. Reasonableness of the offering of newly issued ordinary shares to a connected person
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2.1. Objective and necessity of the transaction

Established in 1975, the Company has engaged in the production and distribution of finished garments and leather goods to domestic and overseas markets under its own brands and the licensed brands and has committed to achieving sustainable business growth and expansion. The Company has made investments in other entities, mostly in the textile and apparel industry in which it has experience and expertise.

Over the past 2-3 years, the Company has been hit hard by the COVID-19 pandemic and had to temporarily close its production lines at Kabin Buri Branch and Lamphun Branch during June-August 2020. The continuous mutations of the coronavirus into several variants are the top risk to the overall economy. Besides, in 2022, the Company anticipates other critical threats to the textile and apparel industry, including (1) labor shortage, (2) possible wage increases in line with inflation, and (3) scarcity of containers for export and high freight rates. As a result, the Company has an intention to diversify risks by expanding into other businesses so as to deliver a satisfactory rate of return and enhance its long-term growth potential, which will be beneficial to the Company in the future. This aligns with the intention of SPI, its major shareholder, to have the Company expand its investment into new businesses.

Accordingly, the Company has been exploring the opportunity and studying information on other types of business, taking into account the aforementioned risk factors. Meanwhile, in the wake of the pandemic which has plunged the global economy into a recession, both the business and the household sectors have a greater demand for funding sources in order to finance their investment, business rehabilitation and expansion and to meet their working capital needs, thus likely leading to a constraint on securing a financing source. As such, the Company had to consider the information and proposals for investment in new businesses thoroughly and in all respects, while paying regard to the best interests of the Company and its shareholders. Finally, the Company has received the information and a favorable proposal for investment in the financial business and the real estate business from its connected persons. However, in the execution of such transactions, the Company will require a huge amount of funds to acquire those new businesses which have a good growth prospect and potential, along with the opportunity for the Company to team up with strategic partners who have experience, expertise and solid financial position, which will help to enhance its growth opportunity and be beneficial to the Company and its shareholders. At the same time, BTS, which is the major shareholder of the sellers of the real estate business to the Company, also has an intention to invest in the Company's ordinary shares, thus enabling the Company to raise a substantial amount of funds within a short period of time and helping to reduce the investment burden on its existing shareholders.



The Company has considered various forms of capital increase and views that the issuance and offering of its ordinary shares by way of a private placement is the most suitable option since the issuance of shares for public offering will involve a lengthy and costly process as well as a risk of failing to obtain the required amount of funds due to the Company being unable to pre-determine the offering price for the newly issued shares. Meanwhile, the rights offering of newly issued ordinary shares to the existing shareholders will create a burden on the shareholders and involve a risk of failing to obtain the required amount of funds due to the uncertainties in the exercise of subscription rights by the shareholders. On the other hand, the issuance and offering of shares by way of a private placement will be conducted with the party who has financial readiness, while the number of shares and offering price will be definitely set, thus enabling the Company to obtain the desired amount of funds, and the process will not be so lengthy as the public offering.

Therefore, the issuance and offering of new ordinary shares by way of a private placement to BTS will allow for the Company to obtain sufficient funds for expansion into the financial business and real estate business, which are new businesses of the Company. Moreover, it will have a new business partner, BTS, which is one of the leading companies in Thailand with experience in management of and investment in a variety of businesses, which will help enhance the Company's long-term competitiveness.

2.2. Comparison of advantages and disadvantages between entering and not entering into the transaction

2.2.1. Advantages of entering into the transaction

- (a) *The Company can raise the required amount of funds within a short period of time.*

The issuance and offering of its 87,237,766 new ordinary shares with a par value of Baht 1 per share at the offering price of Baht 33.06 per share to BTS will bring the Company in approximately Baht 2,884.08 million, which will be used for the objectives specified in Item 1.8 "Plan for use of proceeds from the issuance and offering of new ordinary shares." As such, the Company can raise the required amount of funds within a short period of time since BTS has the intention to make an investment in the Company and, with its strong financial position, is financially ready to make a payment for such capital increase.

- (b) *The Company will acquire a business partner to help enhance its capability in business operation.*

BTS is one of the companies that have a potential and experience in a variety of industries such as mass transit service, advertising media, real estate development, construction, finance, food and beverage, etc., as well as a solid financial position. Thus, having BTS as its major shareholder will provide the Company with an opportunity to more efficiently diversify into new businesses and/or new projects in the future.



Moreover, the Company may acquire new business alliances through BTS, which will enable the Company to invest in additional new businesses.

(c) *The burden on fund mobilization through debt financing can be reduced.*

For the financial business and real estate business, the Company will need investment funds totaling around Baht 7,041.75 million for payment of the ordinary shares and repayment of the outstanding loans from shareholders of the new businesses to be acquired. Therefore, the fund raising through issuance and offering of its PP shares to BTS in a total amount of about Baht 2,884.80 million, representing 40.96% of the total funds required for investment in the new businesses, will help the Company reduce the burden on fund mobilization through debt financing and also save the interest expenses since it will not have to raise a loan in such amount.

2.2.2. Disadvantages and risks of the transaction

(a) *There will be dilution effects on the existing shareholders.*

The issuance and offering of 87,237,766 new ordinary shares at the offering price of Baht 33.06 per share to BTS will increase the number of paid-up shares of the Company from 125,075,000 shares to 212,312,766 shares, which will create control dilution, earnings dilution and price dilution effects on the existing shareholders, as follows:

- Control dilution

$$\begin{aligned} &= \frac{\text{No. of newly issued shares}}{(\text{No. of paid-up shares} + \text{No. of newly issued shares})} \\ &= \frac{87,237,766 \text{ shares}}{(125,075,000 \text{ shares} + 87,237,766 \text{ shares})} \\ &= 41.09\% \end{aligned}$$

- Earnings dilution

$$\begin{aligned} &= \frac{\text{EPS before the offering} - \text{EPS after the offering}}{\text{EPS before the offering}} \\ &= \frac{\text{Baht 0.5022 per share} - \text{Baht 0.2959 per share}}{\text{Baht 0.5022 per share}} \\ &= 41.09\% \end{aligned}$$

Where:

EPS before the offering = Net profit / No. of shares before the offering



EPS after the offering = Net profit / (No. of shares before the offering + No. of shares offered)

Net profit = Net profit attributable to equity holders of the Company for the previous 12 months, from July 1, 2021 to June 30, 2022, which was Baht 62.85 million

● Price dilution

The offering price for the newly issued shares of Baht 33.06 per share is higher than the market price of Baht 27.26 per share (calculated from the weighted average price of the Company's shares traded on the SET during September 21-29, 2022, which was a period of seven consecutive business days prior to September 30, 2022, the date on which the Board of Directors' Meeting of the Company No. 8/2022 passed its resolution to propose the Issuance and Offering of PP Shares to the Extraordinary General Meeting of Shareholders of the Company No. 2/2022 for consideration and approval). Therefore, the issuance and offering of PP shares to BTS will not create a price dilution effect on the Company's shares.

To sum up, the issuance and offering of PP shares to BTS will create control dilution and earnings dilution effects of 41.09%, but will not create a price dilution effect on the existing shareholders of the Company.

(b) *There will be a change to the Company's shareholder and management structures.*

The Company currently has top 10 shareholders, holding an aggregate of 87.66% of its total paid-up capital, serve as its management and determine its policy through the Board of Directors. However, after completion of this transaction, BTS will become the major shareholder holding 41.09% of the Company's total paid-up shares after this capital increase and will be entitled to nominate its representatives to serve as the executives or controlling persons in the Company and also to nominate three new directors, out of the total nine board members, to replace the existing directors, thereby resulting in a change to the Company's shareholder and management structures and a probable change to its business operation policy and guidelines.

Nonetheless, after completion of this transaction, BTS will acquire shares in the Company in the proportion of 41.09% of the Company's total voting shares, which passes the 25% trigger point. Therefore, BTS will be required to make a mandatory tender offer for all securities of the Company under Notification TorChor. 12/2554. In this regard, the minority shareholders may exercise their right to sell the Company's shares to BTS, as the tender offeror, in case they decide not to hold shares in the Company any longer.

(c) *There will be risk from the offering price for the newly issued shares being lower than the market price as at the date such shares commence trading on the SET.*

The Company will issue and offer its 87,237,766 new ordinary shares to BTS at Baht 33.06 per



share. If the market price as at the date such shares commence trading on the SET is significantly higher than the offering price for the shares allocated to BTS, this may lead BTS to sell those shares for a capital gain and relatively push down the shares' market price.

However, since BTS has the intention to become the major shareholder in order to undertake the business management and monitor policies of the Company, there is a slim chance of BTS disposing of those newly issued shares. Besides, if the said offering price of Baht 33.06 per share is lower than 90% of the market price before the SET approves those newly issued ordinary shares as listed securities, BTS will be prohibited from selling all of such newly issued ordinary shares within one year from the date on which those newly issued ordinary shares start trading on the SET (Silent Period).

Therefore, if the market price as at the date such shares commence trading on the SET is higher than the offering price for the shares allocated to BTS such that the said offering price is lower than the market price by more than 90%, BTS will then be unable to sell those shares during the one-year silent period. However, given that the market price as at the date such shares start trading on the SET is lower than the offering price for the shares allocated to BTS, BTS will not be induced to sell those shares at a price that will incur a loss to it.

Furthermore, from the Purchase of PP Shares, BTS will acquire shares in the Company in the proportion of 41.09% of the Company's total voting shares, which passes the 25% trigger point. Therefore, BTS will be required to make a mandatory tender offer for all securities of the Company under Notification TorChor. 12/2554, thereby demonstrating BTS's intention to invest in the Company's ordinary shares as a long-term business partner of the Company. As such, it is less likely that BTS will sell a substantial amount of the shares in the short term, except in the case where BTS additionally acquires shares in the Company to the extent that its shareholding exceeds 50% and BTS will subsequently sell the shares after completion of the tender offer for all securities of the Company so that its shareholding in the Company would be lower than 50% since BTS has no intention to invest in more than 50% of the total issued and paid-up shares of the Company.

Based on the aforesaid factors, the impact that may arise from a decrease in the share price due to the offering price for the newly issued shares being lower than the market price as at the date such shares commence trading on the SET will be considerably limited.

(d) *Business competition may occur between the Company and BTS.*

The financial business and real estate business, which will be new businesses for the Company, are in the same industries as those of BTS. This could create a conflict of interest between the Company and BTS in the future, although the format, details and nature of their business operation are clearly different and do not overlap and compete directly with each other. Therefore, the Company has clearly defined the guidelines on such new business operation and established measures for prevention of a conflict of interest in



business operation, as explained in Item 1.10 'Prevention of a conflict of interest,' so as to ensure that the Company operates its businesses on a transparent, sufficient and appropriate basis and in the best interests of the shareholders.

2.2.3. Advantages of not entering into the transaction

- (a) *The existing shareholders will not be affected by the issuance and offering of new ordinary shares of the Company.*

If the Company does not issue and offer its new shares to BTS, its existing shareholders will not be impacted by the control dilution and earnings dilution caused by such share issuance.

- (b) *There will not be a change to the Company's shareholder and management structures.*

If the Company does not issue and offer its new shares to BTS, its shareholder structure will not differ significantly from that as at September 30, 2022 (see the Company's shareholder structure in Item 1.3). Its top 10 shareholders will continue holding the majority stake of 87.66% of the Company's total paid-up registered capital, as well as undertaking the business management and determining the Company's policies through the Board of Directors. As such, there will unlikely be a material change to the Company's business strategy and performance.

- (c) *There will not be risk from the offering price for the newly issued shares being lower than the market price as at the date such shares commence trading on the SET.*

- (d) *There will be no concern about business competition between the Company and BTS.*

2.2.4. Disadvantages and risks of not entering into the transaction

- (a) *The Company will not obtain proceeds from the issuance and offering of the PP shares and will lose the opportunity to acquire a new potential business partner.*

If the Company does not issue and offer its new shares to BTS, it will not obtain the proceeds of approximately Baht 2,884.80 million from such capital increase. As a result, the Company will have to raise funds from other sources to be used for investment in other securities, expansion of investment to new businesses such as financial business and real estate business, and repayment of debts of the Company and/or its subsidiaries and joint venture companies, and also used as working capital and for expansion of the investee companies to further drive growth (as indicated in Item 1.8 'Plan for use of proceeds from the issuance and offering of new ordinary shares'), instead of using the proceeds to be obtained from the issuance and offering of its new shares. Also, the Company will lose the opportunity to acquire a new potential business partner since BTS is one of the leading companies that have operated businesses in a diverse type



of industries and on various platforms, which can well support the business operation of its joint venture partners.

(b) *The Company may lose the opportunity to invest in new businesses.*

If the Company does not issue and offer its new shares to BTS, it may lose the opportunity to receive the proposal and the opportunity to invest in the real estate business as it may not be able to raise sufficient funds for the purchase of ordinary shares and the repayment of outstanding debts as required by the sellers. Moreover, since BTS is the major shareholder of the sellers, the Company may lose the opportunity to negotiate for and receive a favorable proposal for such investment in real estate business.

(c) *Fund raising may be more time-consuming and more costly.*

The Company will have to raise Baht 2,884.80 million by other methods to substitute for the issuance and offering of new shares to BTS such as the rights offering of newly issued shares to its existing shareholders and/or the issuance and offering of debentures and/or the borrowing from financial institutions, each of which will involve a more lengthy process and likely fail to bring in the full amount of funds needed. These methods may also incur greater expenses, including expenses on data preparation for the issuance and offering of new shares and debentures, fees for loan drawdown, and interest payable on the debentures and/or loans from financial institutions.

2.3. Comparison of advantages/benefits and disadvantages/risks between entering into the transaction with a connected person and the transaction with a third party

2.3.1. Advantages/benefits of entering into the transaction with a connected person

One of the advantages of the issuance and offering of new shares to BTS, which is the connected person, is that the Company will have a strong partner such as BTS, which is one of the potential companies with expertise and experience in a wide variety of industries and on various platforms, both at home and overseas, and also with a solid financial position.

Meanwhile, other capital increase method such as public offering will be time-taking and require approvals from the concerned authorities, of which the Company cannot control the definite timeline. Thus, the Board of Directors considers that the issuance and offering of the Company's new ordinary shares through a private placement to the party that has a funding capability and a strong financial position and is financially ready to pay for the capital increase is an appropriate fund raising method and aligns with the objective of this capital increase. It will enable the Company to obtain the required amount of funds within a short period of time and can mitigate risk of fund raising amid the current economic uncertainties.



2.3.2. Disadvantages/risks of entering into the transaction with a connected person

- (a) *Business competition may occur between the Company and BTS.*

Please refer to the details in Part 2, Item 2.2.2 (d).

- (b) *Extra expenses will be incurred.*

The issuance and offering of new shares to BTS is deemed as a material connected transaction, with the transaction size equal to approximately Baht 2,884.80 million or not exceeding 73.95% of the Company's NTA, which is greater than Baht 20 million or 3% of the Company's NTA (according to its reviewed consolidated financial statements for the six-month period ended June 30, 2022, the Company's NTA amounts to Baht 3,900.11 million). As a result, the Company will be required to convene a shareholders' meeting and appoint an independent financial advisor to provide opinion on such connected transaction, which will incur extra costs to the Company.

2.3.3. Advantages/benefits of entering into the transaction with a third party

The Company will have the opportunity to acquire a third-party partner, thereby allowing it to arrange the business structure in such a way that can eliminate a conflict of interest or reduce the chance of business competition between them. Besides, the execution of such transaction with a third party will not constitute a connected transaction and, hence, the Company will not have to bear additional costs for holding a shareholders' meeting and appointing an independent financial advisor to provide opinion on the connected transaction.

2.3.4. Disadvantages/risks of entering into the transaction with a third party

Given that the Company enters into this transaction with a third party, it may lose the opportunity to partner with BTS, which is one of the potential companies with expertise and experience in a wide variety of industries and on various platforms, both at home and overseas, and also with a solid financial position, which will help enhance its capability in the new business operation.



3. Fairness of price and conditions for the transaction

3.1. Fairness of price

The Board of Directors' Meeting of Thanulux Plc. ("the Company" or "TNL") No. 8/2022 on September 30, 2022 resolved to propose the Extraordinary General Meeting of Shareholders No. 2/2022, to be held on November 30, 2022, to consider and approve the issuance and offering of new ordinary shares of the Company, the details of which are as follows:

- (a) To consider and approve an increase of the Company's registered capital by Baht 179,547,664 from the current registered capital of Baht 132,000,000 to the new registered capital of Baht 311,547,664 by issuing 179,547,664 new ordinary shares with a par value of Baht 1.00 per share.
- (b) To consider an allocation of those newly issued shares as follows:
 - (1) Allocation of not more than 87,237,766 shares with a par value of Baht 1.00 per share by way of a private placement to BTS Group Holdings Plc. ("BTS") and/or the subsidiary designated by BTS Group Holdings Plc. (collectively called "BTS Group") at an offering price of Baht 33.06 per share, totaling not exceeding Baht 2,884,080,543.96 ("Issuance and Offering of PP Shares");
 - (2) Allocation of not more than 92,309,898 shares with a par value of Baht 1.00 per share for rights offering to the Company's existing shareholders at a ratio of 2.3 existing shares to 1 newly issued share (calculated from number of shares after the issuance and offering of new ordinary shares through a private placement), with any fraction of a share to be discarded, at an offering price of Baht 33.06 per share, whereby all existing shareholders may oversubscribe for the newly issued shares at the said ratio subject to the conditions set out in Agenda 3 of the Notice of the Extraordinary General Meeting of Shareholders No. 2/2022 submitted by the Company together with this IFA opinion report ("Issuance and Offering of RO Shares").

Before seeking the shareholders' approval for the execution of this transaction, BTS neither is a connected person of nor has any connection with the Company pursuant to the Notifications on Connected transactions. However, after completion of the Issuance and Offering of PP Shares, BTS will become a major shareholder holding 87,237,766 shares or 41.09% of the Company's issued and paid-up shares (calculated from the number of shares after the issuance and offering of new shares on this occasion). In addition, the said allocation of newly issued shares to BTS will result in BTS acquiring the ordinary shares in the Company in the amount that passes the trigger point requiring it to make a mandatory tender offer for all securities of the Company under Notification TorChor. 12/2554. This may lead BTS to become the person with control power in



the Company and, hence, will be regarded as the Company's connected person under the Notifications on Connected Transactions.

Therefore, the Issuance and Offering of PP Shares as described above constitutes a connected transaction in the category of an asset or service transaction, having the highest transaction value of 73.95% of the Company's net tangible assets (NTA). Since the transaction size is greater than 3% of the Company's NTA, the Company is required to obtain approval from the Board of Directors and to prepare and disclose the information memorandum on the transaction to the SET according to the Notifications on Connected Transactions, as well as to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must also appoint an independent financial advisor to provide opinion to its shareholders regarding (1) reasonableness of the transaction to the listed company, (2) fairness of price and conditions for the transaction, (3) advantages and disadvantages of entering into the transaction with a connected person compared with the transaction with a third party, and (4) recommendation as to whether the shareholders should vote for or against the transaction together with reasons. In this respect, the Company has appointed Advisory Plus Co., Ltd. as an independent financial advisor ("IFA") to provide opinion to its shareholders.

In expressing our opinion on the fairness of price and conditions for the transaction, we have measured a fair value of the Company's shares by using different valuation approaches as a basis for identifying the appropriateness of the offering price for the newly issued shares to BTS, as follows:

- 1.1.1 Book Value Approach
- 1.1.2 Adjusted Book Value Approach
- 1.1.3 Market Comparable Approach
 - (1) Price to Book Value Ratio Approach
 - (2) Price to Earnings Ratio Approach
 - (3) EV/EBITDA Ratio Approach
- 1.1.4 Market Value Approach
- 1.1.5 Discounted Cash Flow Approach

Details of share valuation by each approach are as follows:



3.1.1. Book Value Approach

By this approach, the shares are appraised from net book value of assets (total assets deducted by total liabilities and non-controlling interests in subsidiaries) or equivalent to only equity attributable to owners of the Company, divided by number of shares to obtain book value of the shares.

We appraise a fair value of the Company's shares using information from its financial statements as of June 30, 2022, which were reviewed by Mrs. Kwunjai Kiatgungwalgri, CPA Registration No. 5875, of ASV & Associates Ltd. Details of the share valuation are as follows:

Items as at June 30, 2022	Baht million
Issued and paid-up capital	120.00
Premium on ordinary shares	181.13
Retained earnings	
Appropriated	
Legal reserve – the Company	12.00
General reserve	234.40
Unappropriated	2,764.82
Other components of shareholders' equity	644.27
Equity attributable to owners of the Company	3,956.62
Par value (Baht/share)	1.00
Number of shares (million shares)	120.00
Book value per share (Baht)	32.97

By the book value approach, the Company's shares are appraised at Baht 32.97 per share (par value of Baht 1.00 per share), which is (lower) than the offering price to the connected person of Baht 33.06 per share by Baht (0.09) per share or (0.27)%.

The share valuation by this approach reflects the Company's financial position as of June 30, 2022 only, but does not reflect current market value of its assets, nor its profitability in the future.

3.1.2. Adjusted Book Value Approach

Under this method, the shares are valued by adjusting the book value shown on the Company's financial statements as at June 30, 2022 for the items that materially affect value of assets and liabilities in order to reflect the net asset value that is as close as possible to the present value. The IFA has considered the significant items on such financial statements for the book value adjustment as follows:



(a) Land and buildings

The Company hired Sims Property Consultants Co., Ltd. ("SIMS"), an independent valuer on the SEC's approved list, to conduct a fair value appraisal of land and buildings for public purpose in order to determine a fair value of its land and buildings. SIMS prepared 17 property appraisal reports, No. 65-1-0572-GL-1 to No. 65-1-0584-GL-1 and No. 65-1-0586-GL-1 to No. 65-1-0589-GL-1, between April 11, 2022 and May 9, 2022.

SIMS employed two methods in such property appraisal as follows:

— *Market Comparison Approach*

This approach, used for valuing properties that are land and constructions, can best and most clearly appraise the asset value since it analyzes value from sale and purchase of assets in the market by comparing the similarities or differences between the selected properties in the market and the appraised property. The amount of market data must be sufficient and the analysis is made based on various factors that have effects on value in the comparison of both the appraised property and the comparable market value, including factors such as location, town plan, size of land lot, etc.

— *Cost Approach*

This approach is used for valuing properties that are buildings and constructions by an estimation of construction cost of a replacement building at the current price so as to yield a replacement cost, deducted by depreciation cost according to physical condition and useful life of the building. The value derived, which is the value in present condition of the buildings and constructions, is then combined with the land value to obtain the total property value.

Opinion of the IFA on the property appraisal approaches

SIMS examined and considered various factors relating to the valuation such as appropriateness of use or development for further use, general market condition and limitations, specific features of the property, and legal rights before selecting the appraisal methods that suit the nature of such properties, as follows:

- The use of market approach for land appraisal: The IFA considers this appropriate because the property was appraised at value that is as close as possible to a fair value through comparison with market prices of properties which have characteristics similar to the Company's property. SIMS considered all details of the appraised property and various factors that affect value of the appraised property such as land area, location, transportation, environment, land use, land shape, physical condition, legal restrictions, development potential, and sufficiency of market price data in nearby areas for comparison. The factors



used for such comparison have an impact on the land's fair value and, in our opinion, are considered appropriate. Besides, the appraisal of property which is land by the market approach is in line with the guidelines on property valuation of SIMS. Therefore, we view that such appraisal method is appropriate.

- The use of cost approach for appraisal of factory buildings and constructions: The IFA considers this appropriate because SIMS appraised those properties on the basis of reconstruction of the appraised buildings at a replacement cost, deducted by depreciation cost according to physical condition and useful life of the buildings and constructions, in order to obtain value that could reflect the value in present condition of such buildings and constructions. The valuation of replacement cost and the assumption on depreciation according to physical condition are in line with the guidelines set out by the Valuers Association of Thailand. Therefore, we view that such appraisal method is appropriate.

The 17 land and construction appraisal reports are summarized in the table below:

Unit: Baht million

The assets in brief		Fair value appraised by SIMS (1)	Book value as at June 30, 2022 (2)	Surplus (Discount) on property revaluation (3) = (1) - (2)	Deferred tax (liabilities) assets (4) = 20% * (3)	Gain (Loss) on property revaluation (5) = (3) - (4)
1. Factories and offices used in manufacturing of TNL						
1.1 Chong Nonsi Sub-district, Yan Nawa District, Bangkok (Head Office)						
Land	One plot of land (under nine title deeds) with a total area of 20-0-85.0 rai	1,455.30	100.01	1,355.29	271.06	1,084.23
Constructions	Comprising 12 buildings, which are factory and office buildings and others such as welfare building, shops, canteen, etc.; and four other constructions which are a garbage room, a roofed open space for parking, concrete road with drainage pipe, and concrete fence	218.86	18.59	200.27	40.05	160.22
1.2 Kabin Buri District, Prachin Buri Province						
Group 1	One plot of land on which the factory is located (under five title deeds) with a total area of 23-3-53.0 rai	64.07	21.61	42.46	8.49	33.97



The assets in brief		Fair value appraised by SIMS (1)	Book value as at June 30, 2022 (2)	Surplus (Discount) on property revaluation (3) = (1) - (2)	Deferred tax (liabilities) assets (4) = 20% * (3)	Gain (Loss) on property revaluation (5) = (3) - (4)
	Major constructions including factory and office buildings and others such as a boiler building, a technician building, a sorting building, etc., totaling seven buildings; and other constructions which are a concrete yard with drainage pipe and concrete fence	71.49	4.99	66.50	13.30	53.20

The assets in brief		Fair value appraised by SIMS (1)	Book value as at June 30, 2022 (2)	Surplus (Discount) on property revaluation (3) = (1) - (2)	Deferred tax (liabilities) assets (4) = 20% * (3)	Gain (Loss) on property revaluation (5) = (3) - (4)
Group 2	One plot of land on which worker quarters are located (under one title deed) with an area of 6-0-00.0 rai	6.77	2.09	4.68	0.94	3.74
	Major constructions including two residential buildings and a canteen; and other constructions which are a roofed open space for parking and concrete fence	29.04	2.71	26.33	5.27	21.06
<u>1.3 Mueang Lamphun District, Lamphun Province</u>						
Group 1	One plot of land on which worker quarters are located (under two title deeds) with an area of 5-0-19.6 rai	25.24	5.55	19.69	3.94	15.75
	Major construction including one residential building; and other constructions which are concrete fence and concrete road	13.34	3.12	10.22	2.04	8.18
Group 2	One plot of land on which the factory is located (under five title deeds) with a total area of 22-3-69.6 rai	103.16	26.29	76.87	15.37	61.50
	Major constructions including factory and office buildings and others such as a canteen, a garbage building, etc., totaling seven buildings; and other constructions which are a roofed corridor linking the buildings, concrete fence, and concrete road with drainage pipe	111.67	18.48	93.19	18.64	74.55
<u>1.4 Mae Sot District, Tak Province</u>						



The assets in brief		Fair value appraised by SIMS (1)	Book value as at June 30, 2022 (2)	Surplus (Discount) on property revaluation (3) = (1) - (2)	Deferred tax (liabilities) assets (4) = 20% * (3)	Gain (Loss) on property revaluation (5) = (3) - (4)
Constructions	Comprising factory and office buildings and a repair and maintenance building, located on a leased land lot	67.00	29.39	37.61	7.52	30.09
2. Commercial buildings, townhome and residential condominium units as employee welfare						
2.1 Chong Nonsi	Two units of four-and-a-half-storied commercial building (without a wall in between) with a total land area of 32 square wah, located in Yan Nawa District, Bangkok	17.00	3.53	13.47	2.69	10.78
2.2 Pak Chong	One unit of three-storied townhome with a land area of 29 square wah, located in Pak Chong District, Nakhon Ratchasima Province	14.00	9.81	4.19	0.84	3.35
2.3 Cha-am	One unit of residential condominium with an area of 97.68 square meters, located in Cha-am District, Phetchaburi Province	9.77	6.66	3.11	0.62	2.49
2.4 Mae Sot	Two units of residential condominium with a combined area of 52.55 square meters, located in Mae Sot District, Tak Province	3.31	3.01	0.30	0.06	0.24
2.5 Bang Lamung	Two units of residential condominium with a combined area of 110.12 square meters, located in Bang Lamung District, Chon Buri Province	7.16	0.35	6.81	1.36	5.45
3. Investment properties						
3.1 Factories for rent						
(a) Si Racha	One plot of land (under three title deeds with a public way separating the land) with a total area of 7-0-24.0 rai, located in Si Racha District, Chon Buri Province	56.48	30.93	25.55	5.11	20.44
	Constructions consisting of a two-storied factory building and a security guard booth	15.18	17.42	(2.24)	(0.45)	(1.79)
(b) Khao Chamao	One plot of land (under one title deed) with an area of 17-2-28.1 rai, located in Khao Chamao District, Rayong Province	21.08	5.48	15.60	3.12	12.48



The assets in brief		Fair value appraised by SIMS (1)	Book value as at June 30, 2022 (2)	Surplus (Discount) on property revaluation (3) = (1) - (2)	Deferred tax (liabilities) assets (4) = 20% * (3)	Gain (Loss) on property revaluation (5) = (3) - (4)
	Constructions consisting of five main buildings which are two factory buildings, a canteen, a staff dormitory, a tap water building and a security guard booth, and five other construction items which are a concrete pond, a roofed open space (pavilion), a roofed open space for parking, and concrete fence	14.23	9.82	4.41	0.88	3.53
(c) Bang Chalong	One plot of land (under one title deed) with an area of 3-0-79.0 rai, located in Bang Chalong Sub-district, Bang Phli District, Samut Prakan Province	35.81	22.00	13.81	2.76	11.05
	Constructions consisting of seven main buildings which are a factory building, a canteen, a water pump building, a storage building, etc., and three other construction items which are a roofed open space for parking, a concrete yard and concrete fence	28.13	1.82	26.31	5.26	21.05
(d) Bang Saothong	One plot of land (under one title deed) with an area of 3-1-76.0 rai, located in Bang Saothong Sub-district, Bang Phli, District, Samut Prakan Province	48.16	22.76	25.40	5.08	20.32
	Constructions consisting of three main buildings which are a factory building, a canteen and a security guard booth, and three other construction items which are a roofed open space for parking, CPAC block road and concrete fence	15.83	9.95	5.88	1.18	4.70
<u>3.2 House, commercial buildings and condominium units for rent</u>						
(a) Cha-am	One plot of land (under one title deed) with an area of 1-2-00.0 rai, located in Cha-am District, Phetchaburi Province	12.00	4.99	7.01	1.40	5.61
	Constructions consisting of a two-storied house and concrete road	4.74	0.17	4.57	0.91	3.66



The assets in brief		Fair value appraised by SIMS (1)	Book value as at June 30, 2022 (2)	Surplus (Discount) on property revaluation (3) = (1) - (2)	Deferred tax (liabilities) assets (4) = 20% * (3)	Gain (Loss) on property revaluation (5) = (3) - (4)
(b) Nong Kham	Two units of three-and-a-half-storied commercial building (without a wall in between) with a total land area of 32 square wah, located in Nong Kham Sub-district, Si Racha District, Chon Buri Province	11.00	0.99	10.01	2.00	8.01
(c) Thung Sukkhala	Three units of residential condominium with a combined area of 183 square meters, located in Thung Sukkhala Sub-district, Si Racha District, Chon Buri Province	3.66	0.06	3.60	0.72	2.88
(d) Chang Khlan	Two units of residential condominium with a combined area of 89.64 square meters, located in Chang Khlan Sub-district, Mueang Chiang Mai District, Chiang Mai Province	6.27	1.37	4.90	0.98	3.92
Total		2,489.75	383.95	2,105.80	421.14	1,684.66

(b) Financial assets

As at June 30, 2022, the Company had investments in financial assets including government bonds, debentures, and equity securities listed on the SET. Such investments were recorded in accordance with the accounting standards, whether fair value measurement or measurement by the amortized cost method for held-to-maturity securities, etc. Therefore, the IFA has not made any adjustment to this item.

Although the Company had investments in non-listed equity securities as of June 30, 2022 of Baht 728.82 million, such investments were measured at a fair value and already reflected a decline in value. At the time of preparing this report, there are no grounds for consideration on additional impairment of such investments. Therefore, the IFA has not made adjustment to this item either.

(c) Working capital

For trade accounts receivable and inventories, the allowance for credit losses, allowance for decline in value of inventories and slowing moving inventories, and right to returned goods have been estimated based on past experience and forecast of their future trend and in accordance with the accounting standards. Therefore, the IFA has not made adjustment to this item.

(d) Commitments and contingent liabilities

The IFA has not made adjustment to commitments and contingent liabilities in relation to the usual course of business of the Company such as letter of guarantee with the Customs Department, letter of



guarantee for usage of electricity, lease and service agreements relating to business operation, agreements with trademark owners, etc.

However, as at June 30, 2022, the Company had commitments and contingent liabilities not directly relating to business operation which require book value adjustment as follows:

Items	Baht million
(1) Adjustment to investment in newly issued ordinary shares in Saha Capital Tower Co., Ltd. on a pro rata basis	(67.50)
(2) Adjustment to guarantee obligations to related companies	(22.11)

(e) Items after the financial statement date

The Extraordinary General Meeting of Shareholders of the Company No. 1/2022 on August 23, 2022 resolved to grant approval for the Company to issue and offer its securities to the directors and employees (ESOP) as follows:

- Issuance and offering of 5,075,000 new ordinary shares to the directors and employees (par value of Baht 1 per share) at an offering price of Baht 21.10 per share, totaling Baht 107,082,500

In this respect, the Company already issued and offered its new ordinary shares to the directors and employees on August 29 and September 23, 2022 in the full amount as approved by the Extraordinary General Meeting of Shareholders.

- Issuance and offering of 6,925,000 units of warrants with a maturity of 5 years to the directors and employees (one unit of the warrant is exercisable to purchase one ordinary share of the Company at a price of Baht 21.10 per share, unless there is a right adjustment later in accordance with the terms and conditions of the warrants), free of charge, at the offering price of Baht 21.10 per share

In this respect, the Company already issued and offered the warrants to purchase its ordinary shares to the directors and employees on August 23, 2022 in the full amount as approved by the Extraordinary General Meeting of Shareholders.

The issuance and offering of securities to the directors and employees mentioned above has led to the book value adjustment as follows:

(1) *Adjustment to paid-up capital*

Items	Baht
Number of shares issued and offered to the directors and employees (shares)	5,075,000
Par value (Baht/share)	1.00
Adjustment to paid-up registered capital	5,075,000

(2) *Adjustment to premium on ordinary shares*

Items	Baht
Number of shares issued and offered to the directors and employees (shares)	5,075,000
Offering price (Baht/share)	21.10
Proceeds received from capital increase	107,082,500
Less: Adjustment to paid-up capital	(5,075,000)
Adjustment to premium on ordinary shares	102,007,500

(3) *Adjustment to employee benefit expenses arising from issuance and offering of securities to the directors and employees*

The issuance and offering of securities to the directors and employees mentioned above meets the interpretation under TFRS2 Share-based Payment. As such, the Company must additionally record the expenses on the issuance and offering of securities to the directors and employees as follows:

Items	Baht
<u>Issuance and offering of new ordinary shares to the directors and employees</u>	
Offering price of newly issued shares to the directors and employees (Baht/share)	21.10
Market price of the Company's shares as at the date the EGM No. 1/2022 approved the issuance and offering of new ordinary shares to the directors and employees (Aug 23, 2022) (Baht/share)	^{1/} 21.90
Employee benefit expenses (Baht/share)	(0.80)
Number of shares issued and offered to the directors and employees (shares)	5,075,000
Employee benefit expenses arising from issuance and offering of new ordinary shares to the directors and employees (A)	(4,060,000)
<u>Issuance and offering of warrants to the directors and employees</u>	
Offering price of warrants to the directors and employees (Baht/unit)	0.00
Fair value of warrants offered to the directors and employees (Baht/unit)	^{2/} 7.92
Employee benefit expenses (Baht/unit)	(7.92)
Number of warrants issued and offered to the directors and employees (units)	6,925,000
Employee benefit expenses arising from issuance and offering of warrants to the directors and employees (B)	^{3/}(54,846,000)
Total employee benefit expenses arising from issuance and offering of securities to the directors and employees (A) + (B)	(58,906,000)

Source: Forecast by the Company, not yet reviewed by its auditor

Remark: 1/ The Company has adopted the market price of its shares as at the date the EGM No. 1/2022 approved the issuance and offering of new ordinary shares to the directors and employees (Aug 23, 2022) because this is a reference to the fair value measurement technique with level 1 data, which is most reliable as it is the quoted price on the main market for the similar assets (the Stock Exchange of Thailand) and the Company can access such market as at the date of value measurement, thus delivering a fair value supported by the most reliable evidence.

2/ The Company has measured a fair value of the warrants offered to the directors and employees by using the Black-Scholes Model (BSM).



- 3/ The employee benefit expenses arising from the issuance and offering of warrants to the directors and employees of Baht 54.85 million will be gradually recognized in the Company's statements of income in proportion to the number of warrants exercisable in each year throughout the warrant maturity. However, the IFA views that such expenses are the commitments in the Company's financial statements and has accordingly adjusted the full amount of such item in the share valuation by the adjusted book value approach.

Details of the adjustment to the shares' book value are as follows:

Unit: Baht million	Book value as at June 30, 2022	Adjusted items	Book value after adjustment
Paid-up capital	120.00		120.00
Adjustment for the issuance and offering of ESOP on Aug 29 and Sep 28, 2022		5.08	5.08
Paid-up capital after adjustment	120.00	5.08	125.08
Premium on ordinary shares	181.13		181.13
Adjustment for the issuance and offering of ESOP on Aug 29 and Sep 28, 2022		102.00	102.00
Premium on ordinary shares after adjustment	181.13	102.00	283.13
Retained earnings			
Appropriated			
Legal reserve	12.00		12.00
General reserve	234.40		234.40
Unappropriated	2,764.82		2,764.82
Other components of shareholders' equity	644.27		644.27
Adjustment to book value			
Adjustment for gain on property valuation		1,684.66	1,684.66
Adjustment for commitments to investment in newly issued shares of Saha Capital Tower Co., Ltd. on a pro rata basis		(67.50)	(67.50)
Adjustment for guarantee for related companies		(22.11)	(22.11)
Adjustment for expenses arising from share-based payment for the issuance and offering of securities to the directors and employees of the Company		(58.91)	(58.91)
Total shareholders' equity of the Company	3,956.62	1,643.22	5,599.84
Number of shares (million shares)	120.00		120.00
Adjustment for the issuance and offering of ESOP on Aug 29 and Sep 28, 2022		5.08	5.08
Number of shares after adjustment	120.00	5.08	125.08
Price per share	32.97		44.77

By the adjusted book value approach, the Company's shares are appraised at Baht 44.77 per share (par value of Baht 1.00 per share), which is higher than the offering price to the connected person of Baht 33.06 per share by Baht 11.71 per share or 35.42%.



The share valuation by this approach could reflect the Company's net asset value that is more updated than the share valuation by the book value approach. However, this approach takes no account of the Company's future performance and profitability, nor the overall economic and industrial trends. It can well reflect a fair value of net assets of the Company, especially in terms of adjustment to fair value of its land and buildings, most of which the Company had invested in since the start of its operation. The constant urban expansion has led to a significant hike in the current value of the said plot of land such that the ongoing use of the high-value land, notably in Bangkok, to locate its head office and some of its factories for manufacturing and distribution of its existing products may no longer align with the highest and best use of such plot of land in its present condition. Therefore, the valuation using the adjusted book value approach is a suitable method to measure the Company's fair value because it is based on a fair value of the assets appraised by an independent valuer, which is based on the market price that can best reflect general investors' expectations on the basis of the highest and best use of those assets during any such period.

3.1.3. Market Comparable Approach

By this approach, the shares are valued based on various market ratios, including (a) price to book value (P/BV) ratio, (b) price to earnings (P/E) ratio, and (c) enterprise value to EBITDA (EV/EBITDA) ratio, of companies listed on the SET which generate income from production and distribution or dealership of apparels and fashion products in the amount of not less than 50% of their total sales revenues and have a market capitalization of not less than Baht 1,000 million so as to align with the core business of the Company which generates income mainly from manufacturing and distribution of apparels and fashion products and has a market capitalization over the previous one year, from September 30, 2021 to September 29, 2022, of Baht 2,285 million, or called the "Peer Group," comprising six SET-listed companies. Although the products of all these six reference companies are of diverse types, including clothing, leatherwear, footwear, stocking, and lingerie, the growth and competition of such products are in tandem with the apparel industry as a whole.



Details of the Peer Group are as follows:

	Symbol	Company's name	Nature of business	Market cap (Baht million)*
SET-listed reference companies				
1	ICC	I.C.C. International Plc.	ICC distributes fashion products to domestic and export markets, comprising cosmetics and fragrances, hair care products, skin care products, a complete range of textile and apparel products such as underwear, outfits, sportswear, washing and clothing care products, fashion and leather products, etc. Its revenues from sales of fashion products are more than 50% of its total sales revenues.	8,786
2	MC	MC Group Plc.	MC operates retailing business of apparels and lifestyle products under brands owned by its group of companies and other companies. It focuses on brand management, sales and marketing management, product design, product sourcing, and warehouse and logistics management.	7,413
3	PAF	Pan Asia Footwear Plc.	PAF engages in the manufacture and distribution of footwear, bags, and shoe parts, subcontracted production of moulds, forming of plastic and natural rubber, and organic agriculture. In 2021, it recorded revenues from sales of footwear, bags, and shoe parts in the amount of more than 80% of total sales revenues.	1,153
4	RSP	Rich Sport Plc.	RSP is an importer and distributor of fashion and lifestyle products under world-renowned brands in Thailand and Cambodia.	1,805
5	SABINA	Sabina Plc.	SABINA designs, manufactures and sells lingerie under the brand name Sabina and to the distributors of brand names in Europe.	7,689
6	WACOAL	Thai Wacoal Plc.	WACOAL manufactures and distributes finished garment products including lingerie, ladies' outerwear and children wear products, with lingerie as the main product under the brand WACOAL, through both domestic sales and export sales.	4,423

Source: www.set.or.th

Remark: * Average market cap in the previous one year from September 30, 2021 to September 29, 2022

*(1) Price to Book Value Ratio Approach*

Under the P/BV ratio approach, the shares are appraised by taking book value shown on the Company's financial statements as at June 30, 2022, equal to Baht 32.97 per share, multiplied by the average of P/BV ratio of the Peer Group prevailing in different time periods of one month, three months, six months, nine months and 12 months up to the cut-off date of September 29, 2022, which was the last business day before the date on which the Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 resolved to propose the Extraordinary General Meeting of Shareholders to consider and approve the issuance and offering of new ordinary shares to a connected person.

Average P/BV ratio of the Peer Group:

Peer Group	Average of past 1 month	Average of past 3 months	Average of past 6 months	Average of past 9 months	Average of past 12 months
1 ICC*	0.32	0.32	0.32	0.32	0.32
2 MC	2.20	2.15	2.08	2.05	2.04
3 PAF	1.59	1.59	1.70	1.83	1.91
4 RSP	1.12	1.14	1.10	1.05	1.02
5 SABINA*	4.77	4.58	4.41	4.33	4.21
6 WACOAL	0.81	0.80	0.79	0.80	0.83
Average*	1.43	1.42	1.42	1.43	1.45

Source: www.setsmart.com

Remark: * P/BV ratios of ICC and SABINA are excluded from the calculation because they are deemed the outliers.

Conclusion of the valuation of the Company's shares by the P/BV ratio approach

Period	Average P/BV ratio of Peer Group	Book value (Baht/share)	Fair value of the Company's shares (Baht/share)
Average of past 1 month	1.43	32.97	47.15
Average of past 3 months	1.42	32.97	46.82
Average of past 6 months	1.42	32.97	46.82
Average of past 9 months	1.43	32.97	47.15
Average of past 12 months	1.45	32.97	47.81

By the P/BV ratio approach, the Company's shares are appraised at Baht 46.82 – 47.81 per share (par value of Baht 1.00 per share), which is higher than the offering price to the connected person of Baht 33.06 per share by Baht 13.76 – 14.75 per share or 41.62% – 44.62%.

The share valuation by this approach is based on the Company's book value, which reflects its performance and financial position at a given period of time, but does not reflect its future profitability.

(2) *Price to Earnings Ratio Approach*

By this method, the shares are appraised from the Company's net profit (excluding non-controlling interests in subsidiaries) for the previous 12 months (July 1, 2021 – June 30, 2022), equal to Baht 0.50 per share,⁸ multiplied by the average P/E ratio of the Peer Group prevailing in different time periods of one month, three months, six months, nine months and 12 months up to the cut-off date of September 29, 2022, which was the last business day before the date on which the Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 resolved to propose the Extraordinary General Meeting of Shareholders to consider and approve the issuance and offering of new ordinary shares to a connected person.

Average P/E ratio of the Peer Group:

Peer Group	Average of past 1 month	Average of past 3 months	Average of past 6 months	Average of past 9 months	Average of past 12 months
1 ICC	40.76	61.52	72.77	72.51	87.46
2 MC	16.59	18.47	18.93	19.31	19.05
3 PAF ^{1/}	1,000.53	1,001.55	1,001.55	473.80	264.56
4 RSP	30.15	35.48	42.53	49.32	50.05
5 SABINA	24.31	25.23	25.54	25.87	25.47
6 WACOAL ^{2/}	N/A	N/A	N/A	N/A	N/A
Average^{1/}	27.95	35.18	39.94	41.75	45.51

Source: www.setsmart.com

Remark: 1/ P/E ratio of PAF is excluded from the calculation because it is deemed the outlier.

2/ WACOAL has been operating at net losses for the past 12 months.

Conclusion of the valuation of the Company's shares by the P/E ratio approach

Period	Average P/E ratio of Peer Group	Earnings per share (Baht/share)	Fair value of the Company's shares (Baht/share)
Average of past 1 month	27.95	0.50	13.98
Average of past 3 months	35.18	0.50	17.59
Average of past 6 months	39.94	0.50	19.97
Average of past 9 months	41.75	0.50	20.88
Average of past 12 months	45.51	0.50	22.76

By the P/E ratio approach, the Company's shares are appraised at Baht 13.98 – 22.76 per share (par value of Baht 1.00 per share), which is (lower) than the offering price to the connected person of Baht 33.06 per share by Baht (19.08) – (10.30) per share or (57.71)% – (31.16)%.

⁸ Calculated from the Company's net profit in the previous 12 months (July 1, 2021 – June 30, 2022) of Baht 62.85 million, divided by the current total number of fully paid shares of 125.075 million shares.



The share valuation by this approach focuses only on the Company's profitability over the previous 12 months, but takes no account of its capability and profitability in the future.

(3) *EV/EBITDA Ratio Approach*

By this approach, the shares are appraised from the average EV/EBITDA ratio of the Peer Group, multiplied by EBITDA of the Company, then deducted by financial liabilities and non-controlling interests, and added by cash of the Company. The formula for share value calculation by the EV/EBITDA ratio approach is as follows:

$$\begin{aligned} \text{EV} &= \text{Average EV/EBITDA of Peer Group} \times \text{EBITDA} \\ \text{Total equity value} &= \text{EV} - \text{Non-controlling interests} - \text{Financial liabilities} + \text{Cash} \\ \text{Share value} &= \text{Total equity value} / \text{Total number of paid-up shares} \end{aligned}$$

Average EV/EBITDA ratio of the Peer Group:

Peer Group	Average of past 1 month	Average of past 3 months	Average of past 6 months	Average of past 9 months	Average of past 12 months
1 ICC ^{1/}	19.49	19.04	26.70	27.90	38.55
2 MC	8.07	7.71	8.22	8.43	8.60
3 PAF ^{1/}	38.18	38.48	47.43	50.67	48.80
4 RSP	9.73	10.22	10.35	10.66	11.50
5 SABINA	16.84	16.44	16.50	16.49	16.57
6 WACOAL ^{2/}	N/A	N/A	N/A	N/A	N/A
Average^{1/}	11.55	11.46	11.69	11.86	12.22

Source: Bloomberg

Remark: 1/ EV/EBITDA ratios of ICC and PAF are excluded from the calculation because they are deemed the outliers.

2/ WACOAL recorded negative EBITDA

As at June 30, 2022, the Company had cash and cash equivalents of Baht 297.61 million, financial liabilities of Baht 22.38 million (comprising (1) current portion of lease liabilities of Baht 3.28 million, (2) other current financial liabilities of Baht 10.85 million, and (3) lease liabilities-net of current portion of Baht 8.25 million), EBITDA for the previous 12 months (July 1, 2021 – June 30, 2022) of Baht 171.09 million, and non-controlling interests in subsidiaries of Baht 0.38 million.

Conclusion of the valuation of the Company's shares by the EV/EBITDA ratio approach

Average of the previous period	Average EV/EBITDA ratio of Peer Group	EBITDA (Baht million)	EV (Baht million)	Total equity value (Baht million)	Total number of issued and paid-up shares (million shares)	Fair value of the Company's shares (Baht/share)
1 month	11.55	171.09	1,976.09	2,250.94	125.08	18.00
3 months	11.46	171.09	1,960.69	2,235.54	125.08	17.87
6 months	11.69	171.09	2,000.04	2,274.89	125.08	18.19
9 months	11.86	171.09	2,029.13	2,303.98	125.08	18.42
12 months	12.22	171.09	2,090.72	2,365.57	125.08	18.91

By the EV/EBITDA ratio approach, the Company's shares are appraised at Baht 17.87 – 18.91 per share (par value of Baht 1.00 per share), which is (lower) than the offering price to the connected person of Baht 33.06 per share by Baht (15.19) – (14.15) per share or (45.95)% – (42.80)%.

The share valuation by this approach focuses only on the Company's profitability over the previous 12 months, but takes no account of its capability and profitability in the future.

3.1.4. Market Value Approach

Under this approach, the shares are appraised based on the weighted average market price (trading value/trading volume) of the Company's shares traded on the SET over different periods. Here, we have adopted the market price in different time periods of one month, three months, six months, nine months and 12 months up to the cut-off date of September 29, 2022, which was the last business day before the date on which the Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 resolved to propose the Extraordinary General Meeting of Shareholders to consider and approve the issuance and offering of new ordinary shares to a connected person.

Conclusion of the valuation of the Company's shares by the market value approach

Period	Total trading value (Baht)	Total trading volume (shares)	Weighted average market price (Baht/share)	Average daily trading volume (shares/day)
Average of past 1 month	10,683,710	433,300	24.66	18,839
Average of past 3 months	27,252,400	1,189,800	22.91	19,190
Average of past 6 months	83,602,650	3,844,700	21.74	32,039
Average of past 9 months	84,651,480	3,906,400	21.67	21,582
Average of past 12 months	86,611,670	4,018,800	21.55	16,607

Source: www.setsmart.com

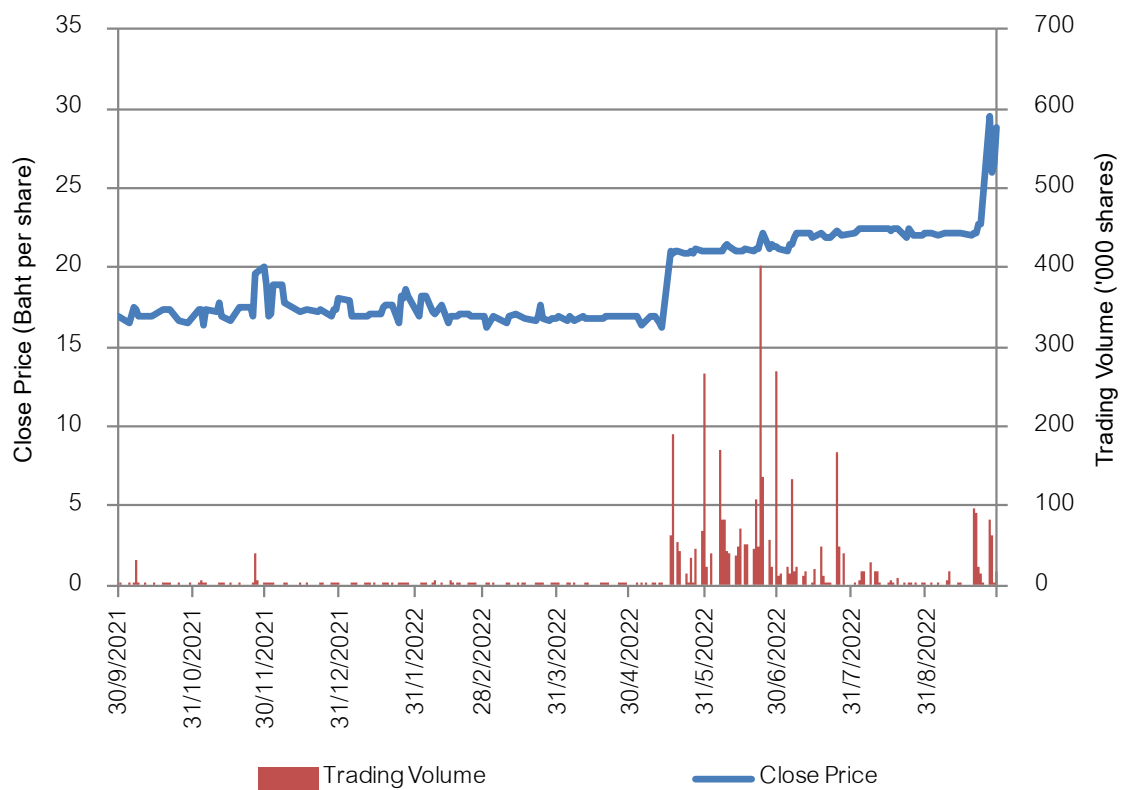


By the market value approach, the Company's shares are appraised at Baht 21.55 – 24.66 per share (par value of Baht 1.00 per share), which is (lower) than the offering price to the connected person of Baht 33.06 per share by Baht (11.51) – (8.40) per share or (34.82)% – (25.41)%.

The trading volume of the Company's shares in different retroactive periods of one month, three months, six months, nine months and 12 months was in a range of 16,607 – 32,039 shares per day, and the total trading volume over the previous 12 months amounted to 4,018,800 shares or 4.37% of the Company's total paid-up shares, thereby demonstrating low trading liquidity of its shares. As such, the share value appraised by this approach might not properly reflect the demand for and supply of the Company's shares.

Graph illustrating closing price and trading volume of the Company's shares in previous one year

(September 30, 2021 – September 29, 2022)





3.1.5. Discounted Cash Flow Approach

By this approach, the shares are valued based on the Company's future profitability by calculating present value of net cash flow expected from its future operation under financial projection for a period of about five years from 2022 to 2026 with the assumption that the Company continues operation on a going concern basis and there is no material change taking place. It is also based on the economic condition and current circumstances where the business operation is under the existing management team.

We have prepared the financial projection based on the information and assumptions obtained from the Company and the information received from interviews with the executives and staff concerned. The objective is to identify a fair value of the Company's shares and the appraised share value may not be used as a reference price for any purposes other than the objective mentioned above. We have reviewed such information according to professional standards and deem that the information is adequate and reliable for use in the valuation of the Company's shares.

However, if there is any material change from the established assumptions in the economic condition and other external factors that have an impact on the operation of the Company, as well as in the internal situation of the Company, the share value appraised by this approach may not be used as a reference price.

The key assumptions used in the financial projection of the Company are as follows:

(a) Revenues from sales

The Company generates revenues mainly from manufacturing and distribution of finished garments and leather goods under various brands, including ARROW, EXCELLENCY, GETAWAY, COOL, Guy Laroche, DAKS, ELLE, HOMME, Takeo Kikuchi, Olymp, ICON, Positif, MIX-SELF, MORGAN, etc. In 2019, it recorded total revenues from sales of Baht 1,633.19 million. In 2020, due to the COVID-19 impacts, its sales plunged by more than 30%. In 2021, the Company enhanced its corporate customer teams for both the government and private sectors and implemented a proactive policy for online distribution channels, leading to an increase in sales of around 19% from 2020.

For 2022, the Company forecasts that its sales revenues will go up by about 23% from 2021 to Baht 1,638 million, mainly due to growth in the export markets driven by orders from new customers and a cost advantage amid the baht depreciation. This is in tune with a year-on-year increase of about 32% in its Q2/2022 sales revenues.

The Company estimates that its sales revenues in 2022, will return to the pre-pandemic level, which is its normal production rate. From 2023 until the end of the projection period, the Company projects its sales growth at between 4.40% and 4.48% per year, close to its historical sales growth rate of 3%-5% per year, helped by its online market penetration and export growth. The Company will install a system to support



its online distribution and also a process to develop production efficiency, which is scheduled for completion by late 2022 or early 2023, and expects to create growth out of such greater convenience of product ordering, coupled with the anticipated recovery of the domestic market and the baht value which will likely continue to create a competitive edge in international markets at least for a certain period of time.

Year	Historical			Projected				
	2019	2020	2021	2022	2023	2024	2025	2026
Revenues from sales (Baht million)	1,633.19	1,119.14	1,332.66	1,638.06	1,710.95	1,787.65	1,867.01	1,949.21
Change (%)		-31.48%	19.08%	22.92%	4.45%	4.48%	4.44%	4.40%
Sales volume (million pieces)	2.96	2.03	2.70	3.66	3.76	3.86	3.96	4.07
Change (%)		-31.42%	33.00%	35.56%	2.73%	2.66%	2.59%	2.78%
Selling price (Baht/piece)	551.75	551.30	493.58	447.56	455.04	463.12	471.47	478.92
Change (%)		-0.08%	-10.47%	-9.32%	1.67%	1.78%	1.80%	1.58%

(b) Cost of sales (excluding depreciation and amortization)

Over the past three years, the percentage of cost of sales to total sales was in a range of 69% – 71%. From 2022 until the end of the projection period, the Company estimates its cost of sales to total sales at 69.50%, which is close to the percentage in 2021, and the product mix will be most similar to the current production.

Year	Historical			Projected				
	2019	2020	2021	2022	2023	2024	2025	2026
Cost of sales* (Baht million)	1,162.44	798.23	924.32	1,138.45	1,189.11	1,242.41	1,297.57	1,354.70
As % of total sales	71.18%	71.32%	69.36%	69.50%	69.50%	69.50%	69.50%	69.50%

Remark * Excluding depreciation and amortization

(c) Selling and administrative expenses (excluding depreciation and amortization)

The projected selling and administrative expenses are divided into two portions as follows:

— Variable costs

These costs will vary with revenues from sales, comprising royalty fees, advertising expenses, goods transport costs, and commission charges. Due to their rather stable percentage to sales based on historical data, it is assumed that royalty fees, advertising expenses, goods transport costs, and commission charges will remain constant at 2%, 1%, 0.7%, and 0.4% of revenues from sales respectively, equal to the average percentage of each type of such variable costs in the past three years.



Year	Historical			Projected				
	2019	2020	2021	2022	2023	2024	2025	2026
Variable costs (Baht million)								
Royalty fees	43.52	22.81	23.50	32.76	34.22	35.75	37.34	38.98
Advertising expenses	3.63	12.36	15.28	17.03	17.79	18.59	19.41	20.27
Goods transport costs	11.84	6.84	9.30	11.47	11.98	12.51	13.07	13.64
Commission charges	6.51	4.57	6.91	6.55	6.84	7.15	7.47	7.80
As % of sales								
Royalty fees	2.7%	2.0%	1.8%	2.0%	2.0%	2.0%	2.0%	2.0%
Advertising expenses	0.2%	1.1%	1.1%	1.0%	1.0%	1.0%	1.0%	1.0%
Goods transport costs	0.7%	0.6%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Commission charges	0.4%	0.4%	0.5%	0.4%	0.4%	0.4%	0.4%	0.4%

— Fixed costs, consisting of the following:

Employee-related expenses, including salary and welfare, are forecast by the Company to increase by 16.5% in 2022 due to an increase in employment and compensation for employees in line with sales growth in such year, and to rise by 5% per year from 2023 until the end of the projection period in line with historical pay raise.

Public utility fees are forecast by the Company to increase by 1.9% year-on-year in 2022 based on a full-year projection from the first six months of 2022, and to rise by 2% per year (close to the average inflation rate over the past 20 years from 2002 to 2021) from 2023 until the end of the projection period.

Expenses on computers and computer system are projected to increase by 20.4% year-on-year in 2022 due to increase in computer and Internet utilization to support digital working environment, and to rise by 2% per year (close to the average inflation rate over the past 20 years) from 2023 until the end of the projection period.

Other expenses are comprised of repair and maintenance cost, fuel cost, cleaning fee, security fee, POS maintenance cost, audit fee, etc. Over the past three years, these expenses changed considerably, mainly resulting from the allowance for obsolete inventories set aside in one year and then being reversed in the following year. After deleting such effect, these expenses would be around Baht 80 million a year and are assumed to increase by 2% per year (close to the average inflation rate over the past 20 years from 2002 to 2021) from 2023 until the end of the projection period.

Year	Historical			Projected				
	2019	2020	2021	2022	2023	2024	2025	2026
Fixed costs (Baht million)								
Employee-related expenses	293.28	235.02	235.08	273.79	287.48	301.85	316.95	332.79
Public utility fees	7.03	5.38	5.66	5.77	5.89	6.00	6.12	6.25
Expenses on computers and computer system	8.13	6.88	6.80	8.19	8.35	8.52	8.69	8.86
Other expenses	106.82	94.64	76.97	80.46	82.07	83.71	85.39	87.10



Year	Historical			Projected				
	2019	2020	2021	2022	2023	2024	2025	2026
Growth rate (%)								
Employee-related expenses		-19.9%	0.0%	16.5%	5.0%	5.0%	5.0%	5.0%
Public utility fees		-23.6%	5.3%	1.9%	2.0%	2.0%	2.0%	2.0%
Expenses on computers and computer system		-15.4%	-1.1%	20.4%	2.0%	2.0%	2.0%	2.0%
Other expenses		-11.4%	-18.7%	4.5%	2.0%	2.0%	2.0%	2.0%

(d) Capital expenditure

In 2022, the Company plans to invest Baht 11.90 million for efficiency improvement and repair and maintenance of machinery and Baht 24.68 million in intangible assets, i.e. an e-commerce platform and supporting system to improve production efficiency. From 2023 onwards, the cost of usual repair and maintenance of buildings and equipment is estimated at Baht 8 million a year and, in 2025, the Company plans to make additional maintenance of buildings, resulting in capital expenditure set aside for that year in the amount of Baht 25.00 million.

Year	Historical			Projected				
	2019	2020	2021	2022	2023	2024	2025	2026
Investment in property, plant and equipment (Baht million)	16.35	10.43	15.13	11.90	8.00	8.00	25.00	8.00
Investment in intangible assets (Baht million)	0.34	5.92	1.32	24.68	-	-	-	-

(e) Income tax

Corporate income tax throughout the projection period is projected at 17% of pre-tax profit because some of the Company's leather goods production lines remain entitled to tax benefits until 2026 which is the final year of the projection period.

(f) Working capital

Working capital is estimated based on historical data and assumed to remain constant throughout the projection period, as follows:

—	Trade and other current receivables	60	days
—	Inventories	100	days
—	Right to returned goods	7	days
—	Trade and other current payables	60	days
—	Estimated goods returned	14	days



(g) Terminal growth rate

Terminal growth rate is calculated using the perpetuity growth model because the apparel market has normally seen ongoing growth. Moreover, considering that the Company's products are under a variety of well-known brands, if it is able to only retain its existing market share, its revenues from sales can still grow at least on a par with the apparel market. Thus, the Company expects that, after the projection period, it will likely be able to maintain the growth rate of cash flow at not less than 2% per year (close to the average inflation rate over the past 20 years).

(h) Non-operating assets

Currently, the Company has invested in other assets such as investment properties and financial assets. Since the investments in those assets are made for other purposes unrelated to the manufacturing and distribution of garments and leather goods, which is the Company's core business, the value of such assets has not yet been incorporated into the assumptions described above. Therefore, to reflect the true value of the Company, we have included the fair value of those assets in the fair value measurement of the Company's shares, the details of which are as follows:

— Investment properties

Recognition of net fair value of investment properties is as shown below:

Unit: Baht million	Fair value appraised by SIMS (1)	Book value as at June 30, 2022 (2)	Surplus on fair value measurement (3) = (1) - (2)	Estimated corporate income tax (4) = 20%*(3)	Net fair value (5) = (1) - (4)
1. Factories for rent					
(a) Si Racha	71.66	48.35	23.31	4.66	67.00
(b) Khao Chamao	35.31	15.30	20.01	4.00	31.31
(c) Bang Chalong	63.94	23.82	40.12	8.02	55.92
(d) Bang Saothong	63.99	32.71	31.28	6.26	57.73
2. House, commercial buildings and condominium units for rent					
(a) Cha-am	16.74	5.16	11.58	2.31	14.43
(b) Nong Kham	11.00	0.99	10.01	2.00	9.00
(c) Thung Sukkhala	3.66	0.06	3.60	0.72	2.94
(d) Chang Khlan	6.27	1.37	4.90	0.98	5.29
Total	272.57	127.76	144.81	28.95	243.62



- Policy to change the objective of the use of land at Chong Nonsi where the head office is located

The land and constructions of the Company in Chong Nonsi area, Bangkok, have been invested in since the start of its business. The constant urban expansion has led to a significant hike in the current value of the said plot of land such that the ongoing use of the land to locate its head office and some of its factories for manufacturing and distribution of its existing products may no longer align with the highest and best use of such plot of land in its present condition.

The Company accordingly has a policy to improve this plot of land for a flexible use to allow for the land to be utilized in a suitable format in the future. However, since its factories located in that area have a production capacity constituting around 20% – 25% of the Company's total production; therefore, to reduce a potential impact on its production capacity under such policy, the period for such land improvement is set to be five years with a total budget of Baht 108.31 million, of which Baht 12 million per year is allocated as annual expense and 48.31 million is payable as at the end of the project. The change of usable purpose of such land for highest and best use is expected to be completed in 2026. Thus, we will recognize the present value of this project combined with the valuation by the discounted cash flow approach as follows:

Unit: Baht million	Jul-Dec 2022	2023	2024	2025	2026
Expenses payable at the end of project					(48.31)
Yearly expenses	(12.00)	(12.00)	(12.00)	(12.00)	(12.00)
Land value as appraised by SIMS ^{1/}					1,606.38
Net cash flow	(12.00)	(12.00)	(12.00)	(12.00)	1,546.07
Discount factor ^{2/}	0.94907	0.85486	0.77001	0.69358	0.62473
Present value of cash flow	(11.39)	(10.26)	(9.24)	(8.32)	965.88
Fair value of land where the head office is located after changing the objective of use	926.67				

Remark: 1/ SIMS appraised the current fair value of such land at Baht 1,455.30 million. However for the sake of fair value recognition of such land at the project completion in 2026, the Company submitted queries to SIMS and SIMS issued its letter No. N.SIMS-65-05-006, dated May 31, 2022, responding to the Company's queries, where SIMS deemed that fair value of such land will grow by 2.5% per annum. The growth rate was estimated based on (a) historical growth of the neighborhood lands located on sub-road at 2% – 4% per annum; (b) historical growth of appraised price announced by the Treasury Department at 2.5% – 3% per annum; (c) 10-year historical inflation at 1% – 1.2% per annum; and (d) fiscal policy to maintain inflation within 1% – 3% per annum.

2/ Using an appropriate discount rate as described in the following section.



(i) Issuance and offering of new ordinary shares to directors and employees

The Extraordinary General Meeting of Shareholders No. 1/2022 on August 23, 2022 resolved to grant approval for the Company to issue and offer its securities to the directors and employees (ESOP), as follows:

- Issuance and offering of 5,075,000 new ordinary shares (par value of Baht 1 per share) to the directors and employees at an offering price of Baht 21.10 per share, totaling Baht 107,082,500

In this respect, the Company already issued and offered its new ordinary shares to the directors and employees on August 29 and September 23, 2022 in the full amount as approved by the Extraordinary General Meeting of Shareholders.

Items	Baht
Number of shares issued and offered to directors and employees (shares)	5,075,000
Par value (Baht/share)	21.10
Cash received from issuance and offering of new ordinary shares to directors and employees	107,082,500

- Issuance and offering of 6,925,000 units of warrants with a maturity of 5 years to the directors and employees (one unit of the warrant is exercisable to purchase one ordinary share of the Company at a price of Baht 21.10 per share, unless there is a right adjustment later in accordance with the terms and conditions of the warrants), free of charge, at the offering price of Baht 21.10 per share

In this respect, the Company already issued and offered the warrants to purchase its ordinary shares to the directors and employees on August 23, 2022 in the full amount as approved by the Extraordinary General Meeting of Shareholders.

Since the first exercise date will be after completion of two years of the warrant life, as at the date of fair value appraisal of the Company's shares, the issuance and offering of warrants to the directors and employees will not affect the Company's cash flow.

Based on the assumptions for financial projection described above, we have determined a net value of shareholders' equity of the Company by calculating present value of cash flow obtained from projection of the Company's operating performance and financial position, using an appropriate discount rate. As at June 30, 2022, the Company recorded total financial liabilities of only Baht 22.38 million, which is less than 1% of its total assets of Baht 4,487.16 million. Therefore, we view that the appropriate discount rate should be based on cost of equity (Ke), which is equal to 11.02% per year. Details of the calculation are as follows:

*Calculation of Ke:*

$$K_e = R_f + \beta(R_m - R_f)$$

Where:

Risk free rate (Rf) Risk free rate of return on investment, derived from www.thaibma.or.th as at September 29, 2022, is equal to 4.06% per annum, based on bid yield on government bond with a maturity of 25 years, which is a period that could reflect investment condition in different time periods better than shorter-term data.

Beta (β) This is a variance of SET return compared with a variance of return on investment in the Company's shares. We use the beta of six companies in the Peer Group, as described in Section 'Market Comparable Approach,' based on the weekly trading statistics from Bloomberg over the past three years from September 30, 2019 to September 29, 2022. The beta of these reference companies is adjusted to arrive at an unlevered beta (the average unlevered beta of the six reference companies is equal to 0.881), which is then adjusted by the estimated interest-bearing debt to equity ratio of the Company of 0.15 time to obtain a re-levered beta, which is equal to 0.991.

Rm This is the average rate of return on the SET over the past 25 years, which is a period that could reflect investment condition in different time periods better than shorter-term data (source: SET data from October 1997 to September 2022), equal to 11.08% per annum.

Based on the above assumptions, we could determine a fair value of the Company's shares at Baht 41.01 per share which is for the shareholders' equity of the Company in the base case scenario, the details of which are tabulated below:



Unit: Baht million	Historical				Projected				
	2019	2020	2021	Jan-Jun 2022	July-Dec 2022	2023	2024	2025	2026
EBIT*(1-Tax Rate)	(27.90)	(72.40)	(0.23)	22.35	10.75	27.10	44.79	46.93	50.96
Add Depreciation and amortization	50.65	59.29	55.63	22.17	22.17	55.62	51.47	54.27	54.80
<i>Change of working capital:</i>									
Trade and other current receivables - net	10.58	80.28	(3.83)	(30.16)	(37.94)	(11.98)	(12.61)	(13.05)	(13.51)
Inventories - net	(12.28)	23.66	(58.07)	(79.69)	94.57	(16.65)	(17.53)	(18.13)	(18.78)
Right to returned goods	2.90	(2.20)	22.40	-	(21.31)	(1.40)	(1.47)	(1.53)	(1.57)
Trade and other current payables	(17.13)	(39.50)	8.58	77.83	(34.56)	8.33	8.76	9.07	9.39
Estimated goods returned	(6.00)	6.80	(38.10)	-	28.07	1.94	2.04	2.12	2.19
Capital expenditure	(16.69)	(16.35)	(16.45)	(2.75)	(29.56)	(8.00)	(8.00)	(25.00)	(8.00)
Free cash flow to firm	(15.86)	39.58	(30.06)	9.75	32.19	54.96	67.44	54.68	75.48
Terminal value									853.56
Total cash flow	(15.86)	39.58	(30.06)	9.75	32.19	54.96	67.44	54.68	929.04
Discount period					0.50	1.50	2.50	3.50	4.50
Discount rate					11.02%	11.02%	11.02%	11.02%	11.02%
Discount factor					0.94907	0.85486	0.77001	0.69358	0.62473
Present value of cash flow					30.55	46.99	51.93	37.92	580.40
Value of business in manufacturing and distribution of garments and leather goods	747.79								
Less Financial liabilities ^{1/}	(22.38)								
Add Cash and cash equivalents ^{1/}	297.61								
Add Cash received from issuance and offering of new shares to directors and employees ^{3/}	107.08								
Add Fair value of investment properties - net ^{2/}	243.62								
Add Value of financial assets - net ^{1/}	2,829.30								
Add Value of change of land where head office is located to investment property ^{2/}	926.67								
Total value of shareholders' equity of the Company	5,129.69								
Number of shares (million shares) ^{4/}	125.08								
Share price (Baht/share)	41.01								

Remark: 1/ The Company's consolidated financial statements as at June 30, 2022

2/ As per the details in Item 3.1.5 (h)

3/ As per the details in Item 3.1.5 (i)

4/ Number of shares after issuance and offering of new shares to directors and employees



In addition, we have performed a sensitivity analysis on the valuation of the Company's shares to cover a range of impacts that are expected from changes to various factors as follows:

Change in revenues from sales by +/- 1% from the base case

Change in revenues from sales	-1.0%	-0.5%	0.0%	0.5%	1.0%
The Company's share value (Baht/share)	39.64	40.33	41.01	41.70	42.38

Change in percentage of cost of sales to total sales of between 68.5% and 70.5% of revenues from sales

Change in percentage of cost of sales to total sales	68.50%	69.00%	69.50%	70.00%	70.50%
The Company's share value (Baht/share)	42.41	41.71	41.01	40.31	39.62

Change in terminal growth rate of between 1% and 3% per year

Terminal growth rate	1.0%	1.5%	2.0%	2.5%	3.0%
The Company's share value (Baht/share)	40.55	40.77	41.01	41.28	41.59

Change in Ke by +/- 1% from the base case

Change in Ke	-1.0%	-0.5%	0.0%	0.5%	1.0%
The Company's share value (Baht/share)	42.10	41.53	41.01	40.53	40.09

From the sensitivity analysis with changes to various factors as described above, the fair value of the Company's shares is appraised in a range of Baht 39.62 – 42.41 per share, which is higher than the offering price to the connected person of Baht 33.06 per share by Baht 6.56 – 9.35 per share or 19.84% – 28.28%.

Table showing comparison of the appraised value of the Company's shares

Valuation approach	Appraised value (Baht/share)	Offering price (Baht/share)	Appraised value higher/(lower) than offering price	
			Baht/share	%
1. Book value approach	32.97	33.06	(0.09)	(0.27)
2. Adjusted book value approach	44.77	33.06	11.71	35.42
3. Market comparable approach				
(a) P/BV ratio approach	46.82 – 47.81	33.06	13.76 – 14.75	41.62 – 44.62
(b) P/E ratio approach	13.98 – 22.76	33.06	(19.08) – (10.30)	(57.71) – (31.16)
(c) EV/EBITDA ratio approach	17.87 – 18.91	33.06	(15.19) – (14.15)	(45.95) – (42.80)
4. Market value approach	21.55 – 24.66	33.06	(11.51) – (8.40)	(34.82) – (25.41)
5. Discounted cash flow approach	39.62 – 42.41	33.06	6.56 – 9.35	19.84 – 28.28



There are different strengths and weaknesses of the above valuation approaches in identifying a fair value of the shares, as described below:

(1) The share valuation by the book value approach focuses on financial position at a given period of time and book value of assets, but does not reflect the true market value of assets and the future profitability.

(2) The adjusted book value (ABV) approach could reflect the net asset value more accurately than the share valuation by the book value approach. This is because the appraised book value of shares in (1) is adjusted by value of property, plant and equipment and investment properties at a market value or fair value, and also by interim dividend payment, commitments and contingent liabilities, etc. It is a suitable method for determining a fair value of the Company's shares because, although it cannot reflect future profitability of the Company, the ABV approach can well reflect a fair value of its net assets, especially in terms of adjustment to fair value of its land and buildings most of which have been invested in since the start of business. The constant urban expansion has led to a significant hike in the current value of land owned by the Company such that the ongoing use of such high value land, notably the land in Bangkok, to locate its head office and some of its factories for manufacturing and distribution of its existing products may no longer align with the highest and best use of those plots of land in their present condition. Therefore, the fair value measurement of the Company's shares using the discounted cash flow approach may not reflect the true value of the Company because it is not based on the assumption on generation of profit from operation that aligns with the highest and best use of assets. As such, the share valuation by the ABV approach is considered more suitable since this method is based on the assets' fair value appraised by the Independent Valuer according to market price that can best reflect general investors' expectation on the basis of the highest and best use of such assets at that time.

(3) The market comparable approach, comprising P/E ratio, P/BV ratio and EV/EBITDA ratio approaches, may not reflect the true value of the business due to the variation and difference in certain factors of the Peer Group in terms of business operation policy, marketing plan, customer base, future business plan, financial structure, and profitability of each company.

(4) The market value approach can well reflect demand for and supply of shares traded on the stock exchange in different time periods. However, since the Company's shares have low trading liquidity, this may not be the most suitable method for the valuation of its shares.

(5) The discounted cash flow (DCF) approach normally focuses on future operation and profitability of the business by taking into account the present value of future net cash flow based on past operation, as well as the economic trend and future operation of the Company. Therefore, this approach normally can reflect the true value of the Company better than all other approaches. In this case, however, from the share valuation by the DCF approach, the Company's value from business operation is equal to only



around 15% of the fair value (calculated from value of the garment and leather goods production and distribution business of Baht 747.79 million, divided by fair value of shareholders' equity of the Company of Baht 5,129.69 million), while the remaining 85% comes from recognition of fair value of land and construction based on the fair value appraised by the Independent Valuer. The IFA accordingly remarks that the assumptions for business operation of the Company may not align with the best use of existing assets of the Company, especially the plot of land used as the location of its head office and some of its factories for manufacturing and distribution of its products. Therefore, although the share valuation by this approach can reflect future profitability of the Company, it may not be suitable for determining a fair value of the Company's shares.

Based on the above reasons, we are of the opinion that the most suitable approach for valuing the Company's shares is the adjusted book value (ABV) approach. A fair value of the Company's shares appraised by the ABV approach is equal to Baht 44.77 per share, which is higher than the offering price to the connected person of Baht 33.06 per share by Baht 11.71 per share or 35.42%.

Since the offering price to the connected person of Baht 33.06 per share is lower than the fair value appraised by the IFA at Baht 44.77 per share, such offering price to the connected person is considered not reasonable. However, the approval of the issuance and offering of shares to a connected person (Issuance and Offering of PP Shares) and the approval of the asset acquisition transaction by acquisition of ordinary shares in seven real estate companies (Acquisition Transaction 2) are the conditions precedent to each other. If any of such transactions is not approved by the shareholders' meeting, the subsequent transaction will not be considered and the transaction earlier approved by the shareholders' meeting will be deemed canceled. Thus, the Issuance and Offering of PP Shares must be considered in conjunction with Acquisition Transaction 2 as a whole.

Items	Baht million
Amount receivable from issuance and offering of 87,237,766 shares to BTS at Baht 33.06/share - (1)	2,884.08
Total value of the issuance and offering of 87,237,766 shares to BTS at fair value appraised by IFA of Baht 44.77/share - (2)	3,905.63
Difference between the amount receivable from issuance and offering of shares to BTS and the total value of the issuance and offering of shares to BTS at fair value - (3) = (1) - (2)	(1,021.55)
Value of 50% of shares in seven real estate companies given all projects are completely developed and in line with financial projection ^{1/} - (4)	1,204.67 - 1,313.96
Total value of investment in 50% of shares in seven real estate companies according to the share purchase agreement - (5)	531.92
Profit from real estate project development until completion - (6) = (4) - (5)	672.75 - 782.04
Difference between the amount receivable from issuance and offering of shares to BTS and the profit from real estate project development until completion ("remaining difference") - (7) = (3) + (6)	(348.80) - (239.51)
Remaining difference as % of the total value of the issuance and offering of shares to BTS at fair value appraised by IFA (%) - (8) = (7)/(2)*100	(8.93) - (6.13)

Remark: 1/ Based on price appraised by the discounted cash flow approach of each company.



From the above table, the Company will earn a profit from development of real estate projects of the seven real estate companies until completion in the amount of Baht 672.75 million - Baht 782.04 million. By comparing with the difference between the amount receivable from issuance and offering of shares to BTS and the total value of the issuance and offering of shares to BTS at a fair value of Baht (1,021.55) million, it is found that there is still the remaining difference of Baht (348.80) million - Baht (239.51) million.

Since the profit from development of the real estate projects being acquired under Acquisition Transaction 2, which is the condition precedent to the approval of the Issuance and Offering of PP Shares, amounting to Baht 672.75 million - Baht 782.04 million, is less than the difference between the amount receivable from issuance and offering of shares to BTS and the total value of the issuance and offering of shares to BTS at the fair value of Baht (1,021.55) million, **we recommend that the shareholders should not approve the Issuance and Offering of PP Shares.**

Without affecting our opinion expressed in the above paragraph, in the case where the shareholders vote against the Issuance and Offering of PP Shares, this will result in the investment in ordinary shares of the seven real estate companies, to be described below, not being put forward for consideration, or in the case where the investment in ordinary shares of the seven real estate companies was earlier approved, this will result in such transaction being canceled. Therefore, for the benefit of the shareholders in making a decision whether to approve or disapprove the Issuance and Offering of PP Shares, we recommend that the shareholders take the following matters into account:

1. Over the past five years (up to September 29, 2022), the Company's shares were traded at the highest of Baht 30.25 per share as at September 27, 2022 and at the lowest of Baht 14.50 per share on April 4, 2018;
2. The price for the Issuance and Offering of PP Shares of Baht 33.06 per share is not lower than the book value as at June 30, 2022 of Baht 32.97 per share;
3. The price for the Issuance and Offering of PP Shares of Baht 33.06 per share is not lower than the average trading price on the SET during the previous one month, three months, six months, nine months and 12 months (up to September 29, 2022) of between Baht 21.55 and Baht 24.66 per share;
4. The difference between the amount receivable from issuance and offering of shares to BTS and the total value of the issuance and offering of shares to BTS at fair value, after deducting the profit from development of the real estate projects until completion, will remain at Baht (348.80) million – Baht (239.51) million, representing a discount of (8.93)% - (6.13)% of the total value of the issuance and offering of 87,237,766 shares to BTS at fair value appraised by the IFA of Baht 44.77 per share; and



5. The shareholders are recommended to carefully consider the advantages and disadvantages between entering and not entering into the said transaction, as described in this report.

However, the decision whether to approve or not approve the transaction depends mainly on the shareholders' individual judgment. Since the persons having an interest will not be entitled to cast votes on this agenda, the voting on the transaction will rest with all of the remaining shareholders.

3.2. Fairness of conditions for the transaction

We have considered all conditions specified in the agreement on investment in newly issued shares of the Company and are of the opinion that the payment of price, the conditions precedent, and all other agreed conditions (as detailed in Attachment 10) are the terms and conditions of share investment agreements in general.

4. Conclusion of opinion of the Independent Financial Advisor
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The Company will issue and offer not exceeding 87,237,766 new ordinary shares with a par value of Baht 1.00 per share by way of a private placement to BTS Group Holdings Plc. and/or the subsidiary designated by BTS Group Holdings Plc. ("BTS") at an offering price of Baht 33.06 per share, totaling not exceeding Baht 2,884,080,543.96. Before seeking the shareholders' approval for the execution of this transaction, BTS neither is a connected person of nor has any connection with the Company pursuant to the Notifications on Connected transactions. However, after completion of the Issuance and Offering of PP Shares, BTS will become a major shareholder holding 87,237,766 shares or 41.09% of the Company's issued and paid-up shares (after capital increase following the issuance and offering of new shares on this occasion). In addition, the said allocation of newly issued shares to BTS will result in BTS acquiring the ordinary shares in the Company in the amount that passes the trigger point requiring it to make a mandatory tender offer for all securities of the Company under Notification TorChor. 12/2554. As a result, BTS will become the person with control power in the Company and, hence, will be regarded as the Company's connected person under the Notifications on Connected Transactions.

Therefore, the Issuance and Offering of PP Shares as described above constitutes a connected transaction in the category of an asset or service transaction, having the highest transaction value of 73.95% of the Company's net tangible assets (NTA). Since the transaction size is greater than 3% of the Company's NTA, the Company is required to obtain approval from the Board of Directors and to prepare and disclose the information memorandum on the transaction to the SET according to the Notifications on Connected Transactions, as well as to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must also appoint



an independent financial advisor to provide opinion to its shareholders regarding (1) reasonableness of the transaction to the listed company, (2) fairness of price and conditions for the transaction, (3) advantages and disadvantages of entering into the transaction with a connected person compared with the transaction with a third party, and (4) recommendation as to whether the shareholders should vote for or against the transaction together with the reasons.

We are of the opinion that the execution of this transaction is reasonable and in line with the plan for expansion of business scope for risk diversification. The proceeds receivable from the Issuance and Offering of PP Shares will be used as part of the funding sources for investment in Acquisition Transaction 1: Asset Acquisition and Connected Transactions in the Financial Business and Acquisition Transaction 2: Asset Acquisition and Connected Transactions in the Real Estate Business, which will be further described below. The advantages of this transaction are that (a) the Company will be able to raise the required amount of funds within a short period of time, (b) the Company will acquire a business partner to help enhance its capability in business operation, and (c) the burden on fund mobilization through debt financing can be reduced. However, the transaction will create the disadvantages in that (a) there will be dilution effects on the existing shareholders, (b) there will be a change to the Company's shareholder and management structures, (c) there will be risk from the offering price for the newly issued shares being lower than the market price as at the date such shares commence trading on the SET, and (d) business competition may occur between the Company and BTS.

Given that the Company does not enter into this transaction, the advantages are that (a) the existing shareholders will not be affected by the issuance and offering of new ordinary shares of the Company, (b) there will not be a change to the Company's shareholder and management structures, (c) there will not be risk from the offering price for the newly issued shares being lower than the market price as at the date such shares commence trading on the SET, and (d) there will be no concern about business competition between the Company and BTS. Meanwhile, the disadvantages of not entering into the transaction are that (a) the Company will not obtain proceeds from the issuance and offering of the PP shares and will lose the opportunity to acquire a new potential business partner, (b) the Company may lose the opportunity to invest in new businesses, and (c) fund raising may be more time-consuming and more costly.

In addition, the issuance and offering of new shares to its connected person will allow for the Company to have a strong partner such as BTS, which is one of the potential companies with expertise and experience in a wide variety of industries and on various platforms, both at home and overseas, and also with a solid financial position. Meanwhile, the disadvantages are that (a) business competition may occur between the Company and BTS, which is the connected person, and (b) extra costs will be incurred as the Company will be required to convene a shareholders' meeting and appoint an independent financial advisor to provide opinion on such connected transaction.



Nonetheless, if the Company executes the transaction with a third party instead of its connected person, the Company will have the opportunity to acquire a third-party partner, thereby allowing it to arrange the business structure in such a way that can eliminate a conflict of interest or reduce the chance of business competition between them. The disadvantage is that the Company may lose the opportunity to partner with BTS, which is one of the potential companies with expertise and experience in a wide variety of industries and on various platforms, both at home and overseas, and also with a solid financial position, which will help enhance the Company's capability in the new business operation.

As for the price of issuance and offering of shares by way of a private placement to the Company's connected person, we view that the valuation of the Company's shares by the adjusted book value approach is appropriate. By this approach, a fair value of the shares is appraised at Baht 44.77 per share, which is higher than the offering price to the connected person of Baht 33.06 per share by Baht 11.71 per share or 35.42%.

Since the offering price to the connected person of Baht 33.06 per share is lower than the fair value appraised by the IFA at Baht 44.77 per share, such offering price to the connected person is considered not reasonable. However, the approval of the issuance and offering of shares to a connected person (Issuance and Offering of PP Shares) and the approval of the asset acquisition transaction by acquisition of ordinary shares in seven real estate companies (Acquisition Transaction 2) are the conditions precedent to each other. If any of such transactions is not approved by the shareholders' meeting, the subsequent transaction will not be considered and the transaction earlier approved by the shareholders' meeting will be deemed canceled. Thus, the Issuance and Offering of PP Shares must be considered in conjunction with Acquisition Transaction 2 as a whole.

Items	Baht million
Amount receivable from issuance and offering of 87,237,766 shares to BTS at Baht 33.06/share - (1)	2,884.08
Total value of the issuance and offering of 87,237,766 shares to BTS at fair value appraised by IFA of Baht 44.77/share - (2)	3,905.63
Difference between the amount receivable from issuance and offering of shares to BTS and the total value of the issuance and offering of shares to BTS at fair value - (3) = (1) - (2)	(1,021.55)
Value of 50% of shares in seven real estate companies given all projects are completely developed and in line with financial projection ^{1/} - (4)	1,204.67 - 1,313.96
Total value of investment in 50% of shares in seven real estate companies according to the share purchase agreement - (5)	531.92
Profit from real estate project development until completion - (6) = (4) - (5)	672.75 - 782.04
Difference between the amount receivable from issuance and offering of shares to BTS and the profit from real estate project development until completion ("remaining difference") - (7) = (3) + (6)	(348.80) - (239.51)
Remaining difference as % of the total value of the issuance and offering of shares to BTS at fair value appraised by IFA (%) - (8) = (7)/(2)*100	(8.93) - (6.13)

Remark: 1/ Based on price appraised by the discounted cash flow approach of each company.



From the above table, the Company will earn a profit from development of real estate projects of the seven real estate companies until completion in the amount of Baht 672.75 million - Baht 782.04 million. By comparing with the difference between the amount receivable from issuance and offering of shares to BTS and the total value of the issuance and offering of shares to BTS at a fair value of Baht (1,021.55) million, it is found that there is still the remaining difference of Baht (348.80) million - Baht (239.51) million.

Since the profit from development of the real estate projects being acquired under Acquisition Transaction 2, which is the condition precedent to the approval of the Issuance and Offering of PP Shares, amounting to Baht 672.75 million - Baht 782.04 million is less than the difference between the amount receivable from issuance and offering of shares to BTS and the total value of the issuance and offering of shares to BTS at the fair value of Baht (1,021.55) million, **we recommend that the shareholders should not approve the Issuance and Offering of PP Shares.**

Without affecting our opinion expressed in the above paragraph, in the case where the shareholders vote against the Issuance and Offering of PP Shares, this will result in the investment in ordinary shares of the seven real estate companies, to be described below, not being put forward for consideration, or in the case where the investment in ordinary shares of the seven real estate companies was earlier approved, this will result in such transaction being canceled. Therefore, for the benefit of the shareholders in making a decision whether to approve or disapprove the Issuance and Offering of PP Shares, we recommend that the shareholders take the following matters into account:

1. Over the past five years (up to September 29, 2022), the Company's shares were traded at the highest of Baht 30.25 per share as at September 27, 2022 and at the lowest of Baht 14.50 per share on April 4, 2018;
2. The price for the Issuance and Offering of PP Shares of Baht 33.06 per share is not lower than the book value as at June 30, 2022 of Baht 32.97 per share;
3. The price for the Issuance and Offering of PP Shares of Baht 33.06 per share is not lower than the average trading price on the SET during the previous one month, three months, six months, nine months and 12 months (up to September 29, 2022) of between Baht 21.55 and Baht 24.66 per share;
4. The difference between the amount receivable from issuance and offering of shares to BTS and the total value of the issuance and offering of shares to BTS at fair value, after deducting the profit from development of the real estate projects until completion, will remain at Baht (348.80) million – Baht (239.51) million, representing a discount of (8.93)% - (6.13)% of the total value of the issuance and offering of 87,237,766 shares to BTS at fair value appraised by the IFA of Baht 44.77 per share; and



5. The shareholders are recommended to carefully consider the advantages and disadvantages between entering and not entering into the said transaction, as described in this report.

However, the decision whether to approve or not approve the transaction depends mainly on the shareholders' individual judgment. Since the persons having an interest will not be entitled to cast votes on this agenda, the voting on the transaction will rest with all of the remaining shareholders.

**Part 2****Asset Acquisition and Connected Transactions
in the Financial Business and the Real Estate Business****Part 2.1 General details of the asset acquisition and connected transactions****1. Characteristics and details of the transaction**

Established in 1975, the Company has engaged in the production and distribution of finished garments and leather goods to domestic and overseas markets under its own brands and the licensed brands and has committed to achieving sustainable business growth and expansion. The Company has made investments in other entities, mostly in the textile and apparel industry in which it has experience and expertise.

Over the past 2-3 years, the Company has been hit hard by the COVID-19 pandemic and had to temporarily close its production lines at Kabin Buri Branch and Lamphun Branch during June-August 2020. The continuous mutations of the coronavirus into several variants are the top risk to the overall economy. Besides, in 2022, the Company anticipates other critical threats to the textile and apparel industry, including (1) labor shortage, (2) possible wage increases in line with inflation, and (3) scarcity of containers for export and high freight rates. As a result, the Company has an intention to diversify risks by expanding into other businesses so as to deliver a satisfactory rate of return and enhance its long-term growth potential, which will be beneficial to the Company in the future. This aligns with the intention of SPI, its major shareholder, to have the Company expand its investment into new businesses.

Accordingly, the Company has been exploring the opportunity and studying information on other types of business, taking into account the aforementioned risk factors. Meanwhile, in the wake of the pandemic which has plunged the global economy into a recession, both the business and the household sectors have a greater demand for funding sources in order to finance their investment, business rehabilitation and expansion and to meet their working capital needs, thus likely leading to a constraint on securing a financing source. As such, the Company had to consider the information and proposals for investment in new businesses thoroughly and in all respects, while paying regard to the best interests of the Company and its shareholders. Finally, the Company has received the information and a favorable proposal for investment in the financial business and the real estate business from its connected persons. These new businesses have a good growth prospect and potential, along with the opportunity for the Company to team up with strategic partners who have experience, expertise and solid financial position, which will help to enhance its growth opportunity and be beneficial to the Company and its shareholders. Therefore, the Board

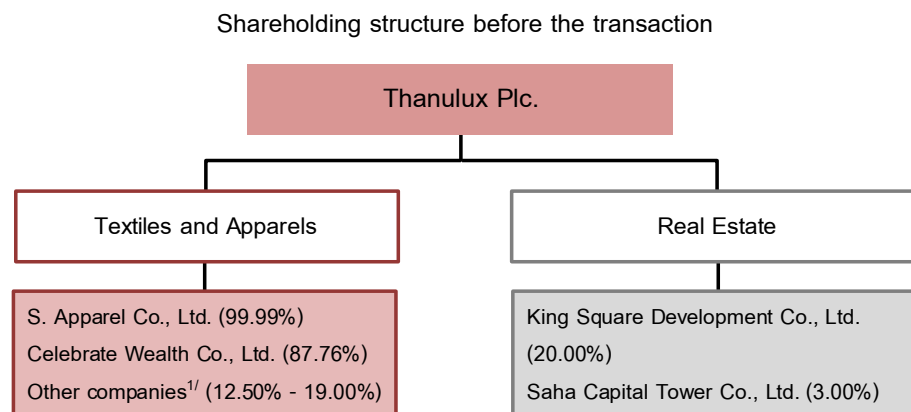


of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 resolved to propose the Extraordinary General Meeting of Shareholders No. 2/2022 to consider and approve the investment in assets and/or new potential businesses that can build upon and grow the Company's revenues and profits on a sustainable basis. In this regard, the Company will enter into the following transactions:

(1) Investment in the financial business by purchasing 90% of ordinary shares in Oxygen Asset Co., Ltd. ("OA"), engaging in provision of secured loans to entrepreneurs, from Saha Pathana Inter-Holding Plc. ("Acquisition Transaction 1: Investment in OA") at a total value of Baht 835,702,843.50, whereby the Company will pay for the consideration for those shares of OA in cash; and

(2) Investment in the real estate business by purchasing 50% of ordinary shares in seven companies, engaging in residential real estate development, from U City Plc. ("U") and U Global Hospitality Co., Ltd. ("UGH") ("Acquisition Transaction 2: Investment in Real Estate Business") at a total value of Baht 531,924,790.00, whereby the Company will pay for the consideration for those shares of all seven companies to U and UGH in cash.

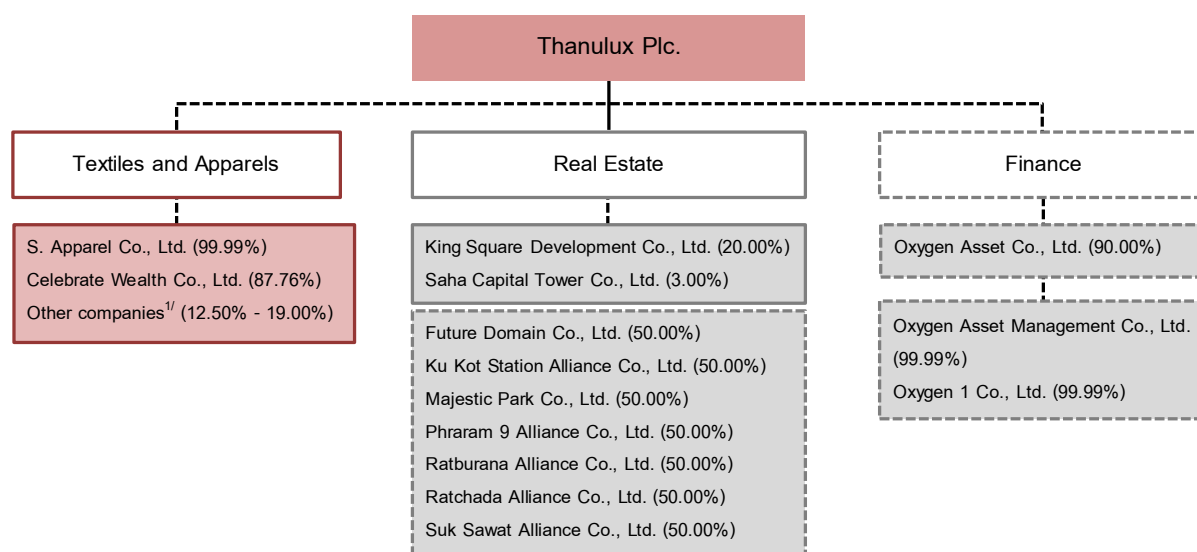
Given that the Company enters into the above transactions, its shareholding structure in various types of businesses will be as follows:



Source: Annual Report 2021 and information from the Company



Shareholding structure after the transaction



]Remark: 1/ Other companies include Total Way Image Co., Ltd. (19.00%), Thai Monster Co., Ltd. (19.00%), Thai Naxis Co., Ltd. (19.00%), International Leather Fashion Co., Ltd. (18.00%), Erawan Textile Co., Ltd. (14.84%), Champ H Co., Ltd. (15.00%), Pracha Arporn Plc. (14.05%), Saha Komehyo Co., Ltd. (10.00%), Miwaki Malaysia Co., Ltd. (19.00%), Miwaki Philippines Co., Ltd. (19.00%), International Commercial Coordination (Hong Kong) Co., Ltd. (14.40%), World Saha Fashion Co., Ltd. (19.00%), Wise Winner Co., Ltd. (18.00%), Morgan De Toi (Thailand) Co., Ltd. (16.00%), Paknampho Watthana Co., Ltd. (14.00%), Inthanin Chiang Mai Co., Ltd. (12.50%), Korat Watthana Co., Ltd. (12.50%), Sun and Sand Co., Ltd. (12.50%), Inter South Co., Ltd. (12.50%), Eastern I.C.C. Co., Ltd. (12.50%), and Maharachapreuk Co., Ltd. (12.50%).

However, from the investment in the financial business and real estate business at a total value of Baht 1,367.62 million, the Company will be obligated to repay the outstanding debts owed in such businesses to the existing shareholders in the amount of approximately Baht 3,933.00 million and Baht 1,741.12 million respectively, and will additionally make a payment for the investment in proportion to the shareholding structure for development of all projects of the Target Companies until completion in the net amount of Baht 228.68 million, making up a total consideration of Baht 7,270.42 million. Therefore, the investment in the financial business and real estate business of the Company are regarded as an asset acquisition transaction pursuant to the Notifications on Acquisition or Disposal of Assets, with the highest transaction value of 160.02% under the total value of consideration basis. When combining with other acquisition/disposal transactions during the past six months, the total maximum transaction size will become 163.59% under the total value of consideration basis.

In addition, since SPI is the major shareholder of the Company, while U's and UGH's shareholders are the Company's connected persons, the investment in the financial business and real estate business are therefore regarded as connected transactions pursuant to the Notifications on Connected Transactions. As for size of the connected transactions in the category of an asset or service transaction under the Notifications on



Connected Transactions, the connected transactions executed by the Company with SPI, U and UGH have a size of 122.27%, 53.86% and 4.97% of the Company's NTA respectively according to its consolidated financial statements as at June 30, 2022. Nonetheless, in the previous six months, the Company has not entered into any other connected transactions with SPI, U and UGH. As such, the total size of the connected transactions is equal to 122.27%, 53.86% and 4.97% of the NTA respectively.

The details of each investment transaction are as follows:

1.1. Acquisition Transaction 1: Investment in Financial Business

1.1.1. General characteristics of the transaction

The Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 passed its resolution to propose the Extraordinary General Meeting of Shareholders No. 2/2022 to consider the Company's investment in the financial business by purchasing ordinary shares of Oxygen Asset Co., Ltd. ("OA") in the proportion of 90% of the registered and paid-up capital at a total value of Baht 835,702,843.50 for the expansion of the Company's investment in the financial business, taking into account the creation of long-term growth potential for the Company and the ability to make a proper investment to ensure the utmost benefits for the Company and its shareholders.

1.1.2. Date of the transaction

The Company will purchase the ordinary shares of OA in the proportion of 90% of the registered and paid-up capital from Saha Pathana Inter-Holding Plc. after obtaining approval from the Extraordinary General Meeting of Shareholders No. 2/2022.

1.1.3. Relevant parties and their relationship

Purchaser	The Company
Seller	Saha Pathana Inter-Holding Plc. ("SPI")
Relationship:	SPI is the major shareholder holding 82,237,766 shares, representing 69.75% of the Company's registered and paid-up capital.

1.1.4. Details of the assets being acquired

The assets to be acquired from investment in the financial business are 900,000 ordinary shares of OA, representing 90% of the registered and paid-up capital of OA. The general information and key assets of OA are as follows:

OA was incorporated as a limited company on October 4, 2021 to operate the business of provision of secured loans to entrepreneurs, both juristic and individual persons, in the amount of not less than Baht 10 million each. The loans must be secured by assets, which are to be appraised by independent



valuers. It currently has a registered and paid-up capital of Baht 100 million, divided into 1,000,000 ordinary shares with a par value of Baht 100 per share.

The key asset of OA is its secured loan portfolio, which consists of short-term and long-term loans extended to its debtors to finance their business operation and expansion. According to its audited financial statements for the period ended December 31, 2021, OA recorded a total amount of short-term and long-term loans extended to its customers of Baht 570 million, with land placed as collateral having a total market value of Baht 1,032.75 million based on the property appraisal reports by the Independent Valuer, which was used as a basis for loan consideration at that time.

Moreover, OA has invested in ordinary shares of two subsidiaries: (1) Oxygen Asset Management Co., Ltd., established on December 3, 2018 to engage in management of non-performing assets by way of purchasing and/or accepting a transfer of non-performing assets from financial institutions and financial business operators for further debt management and debt restructuring; and (2) Oxygen 1 Co., Ltd., which was founded on March 8, 2022 and has not yet become operational.

(Please see more information of OA in Attachment 1.)

1.1.5. Total value of the assets being acquired, payment for the consideration, and basis for calculation of total value of the assets being acquired and value of the consideration

The Company will enter into an investment transaction in OA by purchasing 900,000 ordinary shares of OA, representing 90% of the registered and paid-up capital, from SPI at a total value of Baht 4,768.70 million, consisting of the sale and purchase value of ordinary shares of Baht 835.70 million and the value of outstanding debts of approximately Baht 3,933.00 million (the credit lines of OA and its subsidiaries from SPI as at September 30, 2022). The Company will pay for the consideration for the said investment transaction to SPI in cash, as follows:

- (1) Payment for OA's ordinary shares of Baht 835.70 million will be made after all conditions precedent under the share purchase agreement have been satisfied or relaxed or waived by the relevant contractual party and all actions have been taken to ensure completion of the transaction as set out in the share purchase agreement, with the key conditions precedent and requirements as presented in Item 1.1.7, and also after obtaining approval for the transaction from the Extraordinary General Meeting of Shareholders No. 2/2022; and
- (2) The Company will make a repayment of the outstanding debts owed by OA to SPI in the amount actually accrued as of the date of receiving the transfer of shares in OA, after the issuance of new shares for rights offering to all of the Company's existing shareholders, which is expected to be completed by the first quarter of 2023.



If the Company has sufficient working capital and/or obtains additional loans from banks, it will consider repaying part of the outstanding debts owed to SPI before the issuance of new shares for rights offering to all of the Company's existing shareholders.

However, after completion of the investment transaction in OA and while OA still has outstanding debts owed to SPI, SPI requests the Company to pledge 90% of the number of OA's shares purchased from SPI as collateral for the repayment of the outstanding debts still owed by OA to SPI. The pledge of those shares shall be released and end after OA has repaid the outstanding loan in full to SPI.

The value of OA's shares has been determined based on share valuation using the dividend discount model approach for the dividend expected to be received in 10 years (2022 – 2031) since this approach focuses on OA's future performance, and also based on negotiations with the Seller.

1.1.6. Calculation of transaction size

By entering into the investment transaction in OA, the Company will acquire OA's shares in the proportion of 90% of OA's registered and paid-up capital, which constitutes an asset acquisition transaction pursuant to the Notifications on Acquisition or Disposal of Assets. The maximum transaction size, calculated under the total value of consideration basis, is equal to 104.96% according to the Company's consolidated financial statements ended June 30, 2022. Details of the transaction size calculation are as follows:

Asset acquisition transaction

Basis of calculation	Details of calculation	Transaction size
(a) NTA	$\text{Baht } 103.69 \text{ million}^{1/} \times 90.00\%^{2/} \times 100$ Baht 3,900.11 million ^{3/}	2.39%
(b) Net profit	$\text{Baht } 3.69 \text{ million}^{4/} \times 90.00\%^{2/} \times 100$ Baht 62.85 million ^{5/}	5.28%
(c) Total value of consideration	$\text{Baht } 4,768.70 \text{ million}^{6/} \times 100$ Baht 4,543.38 million ^{7/}	104.96%
(d) Equity share value	Not applicable because the Company has not issued any new securities to pay for the purchase of assets	-

Remark: 1/ OA's NTA, calculated from total assets of Baht 586.78 million, deducted by total liabilities of Baht 483.09 million resulting in an amount equal to Baht 103.69 million, according to the audited financial statements for the year ended December 31, 2021.

2/ Proportion of OA's shares to be acquired in this transaction.

3/ The Company's NTA, calculated from total assets of Baht 4,543.38 million, deducted by right-of-use assets of Baht 10.96 million, intangible assets of Baht 11.92 million, deferred income tax of Baht 33.63 million, total liabilities of Baht 586.38 million, and non-controlling interests of Baht 0.38 million, resulting in an amount equal to Baht 3,900.11 million, according to the reviewed consolidated financial statements for the six-month period ended June 30, 2022.

4/ OA's net profit for the previous 12 months, according to the audited financial statements for the year ended December 31, 2021.

5/ The Company's net profit for the previous 12 months from July 1, 2021 to June 30, 2022, according to the audited and reviewed financial statements for the year ended December 31, 2021 and for the six-month period ended June 30, 2022.

6/ Value of consideration for the acquisition of OA's shares in the proportion of 90.00% of the total issued and paid-up shares of OA, amounting to Baht 835.70 million, and 90% of the loans of OA and its subsidiaries from SPI of approximately Baht 3,933.00 million, making Baht 4,768.70 million in total.

7/ Total assets of the Company, according to its reviewed consolidated financial statements for the six-month period ended June 30, 2022.

If including the transactions during the past six months, the Company entered into one acquisition transaction, having the maximum size of 3.53%⁹ under the total value of consideration basis. On September 30, 2022, the Board of Directors' Meeting of the Company No. 8/2022 resolved for the Company to execute two acquisition transactions, having the maximum size of 0.04%¹⁰ under the total value of consideration basis.

⁹ The Board of Directors' Meeting of the Company No. 5/2022 on June 10, 2022 resolved to approve the investment in 160,000 shares in King Square Development Co., Ltd. at a price of Baht 1,000 per share totaling Baht 160.00 million, representing 20% of the registered capital of such entity.

¹⁰ The Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 resolved to approve the establishment of two subsidiaries of the Company, comprising (1) TNLX Co., Ltd. with a registered capital of Baht 1.00 million, divided into 10,000 ordinary shares with a par value of Baht 100 per share; and (2) TNL Alliance Co., Ltd. with a registered capital of Baht



After calculation of the size of Acquisition Transaction 1: Investment in Financial Business of OA and Acquisition Transaction 2 (“to be further described”) of 104.96% and 55.06% respectively under the total value of consideration basis, the maximum size of the asset acquisition transactions of the Company under the total value of consideration basis will become 163.59%, the details of which are as follows:

Conclusion of total size of asset acquisition from the investment transaction in OA and other asset acquisition transactions in the past six months:

Basis of calculation	Transaction size			
	Investment transaction in OA	^{1/} Other asset acquisition transactions in the past 6 months	Investment in real estate business	Total
1. NTA	2.39%	-	4.79%	7.18%
2. Net profit	5.28%	-	^{2/3/} -	5.28%
3. Total value of consideration	104.96%	3.57%	55.06%	163.59%
4. Equity share value	^{4/} -	-	^{4/} -	-

Remark: 1/ Other asset acquisition transactions in the past six months and asset acquisition from the establishment of two subsidiaries of the Company as per the resolution of the Board of Directors' Meeting No. 8/2022 on September 30, 2022.

2/ Not applicable because the Target Companies have operated at a loss.

3/ Not applicable because one of the Target Companies has not yet prepared any financial statements.

4/ Not applicable because the Company has not issued any new securities to pay for the purchase of assets.

In addition, since SPI is the major shareholder of the Company, the investment transaction in OA is therefore regarded as a connected transaction pursuant the Notifications on Connected Transactions. Taking into account size of the connected transaction in Class 4 under the Notifications on Connected Transactions, the Company has the connected transaction size with SPI equal to 122.27% of the NTA according to its consolidated financial statements ended June 30, 2022. However, during the past six months, the Company has not entered into any other connected transactions with SPI. Therefore, the total size of the investment transaction in OA is equal to 122.27% of the NTA. Details of the calculation of the transaction size is as follows:

Connected transaction

Basis of calculation	Details of calculation	Transaction size
Value of investment transaction in OA	$\frac{\text{Baht 4,768.70 million}^{1/} \times 100}{\text{Baht 3,900.11 million}^{2/}}$	122.27%

Remark: 1/ Value of OA's ordinary shares, as described in Item 1.1.5.

1.00 million, divided into 10,000 ordinary shares with a par value of Baht 100 per share. The Company holds 9,998 shares or 99.98% of the registered capital of each entity.



- 2/ The Company's NTA, calculated from total assets of Baht 4,543.38 million, deducted by right-of-use assets-net of Baht 10.96 million, intangible assets of Baht 11.92 million, deferred income tax of Baht 33.63 million, total liabilities of Baht 586.38 million, and non-controlling interests of Baht 0.38 million, resulting in a total amount of Baht 3,900.11 million according to the reviewed consolidated financial statements for the six-month period ended June 30, 2022.

1.1.7. Conditions for the transaction (for the Seller)

The key conditions precedent of the investment transaction in OA are as set out in item 11 of the Information Memorandum on the Asset Acquisition and Connected Transactions of the Company (Enclosure No. 4 of the notice of the shareholders' meeting).

1.1.8. Agreements relating to the transaction

A summary of the draft share purchase agreement for the investment transaction in OA is provided in Attachment 11.

1.2. Acquisition Transaction 2: Investment in Real Estate Business

1.2.1. General characteristics of the transaction

The Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 resolved to propose the Extraordinary General Meeting of Shareholders No. 2/2022 to consider granting approval for the Company to execute the transaction in acquisition of ordinary shares in seven real estate companies ("Target Companies"), which are under the joint venture between two shareholders, U City Plc. ("U") and Noble Development Plc. ("Noble"), each of which holds 50% of the registered capital. The Company will purchase such shares in the proportion of 50% of the registered and paid-up capital from U and UGH, which is a wholly-owned subsidiary of U ("U Group"), at a total investment value of Baht 531,924,790.00, taking into account the creation of long-term growth potential for the Company and the ability to make a proper investment to ensure the utmost benefits for the Company and its shareholders.

1.2.2. Date of the transaction

The Company will purchase the ordinary shares in the proportion of 50% of the registered and paid-up capital in the Target Companies from U Group after obtaining approval from the Extraordinary General Meeting of Shareholders No. 2/2022.

1.2.3. Relevant parties and their relationship

Purchaser	The Company
Seller	U City Plc. ("U") U Global Hospitality Co., Ltd. ("UGH")
Relationship:	1) BTS is the major shareholder holding 2,033,425,452 shares, representing 36.22% of U's registered and paid-up capital.



- 2) BTS will become the major shareholder holding 87,237,766 shares, representing 41.09% of the Company's registered and paid-up capital after the issuance and offering of PP shares to BTS.
- 3) U is the shareholder holding 99,998 shares, representing 99.99% of UGH's registered and paid-up capital.

1.2.4. Details of the assets being acquired

The assets to be acquired from the investment transaction in real estate business include ordinary shares in the proportion of 50% of the registered and paid-up capital of each of the seven Target Companies engaging in real estate development for sale. General information and key assets of these companies can be summarized as follows:

(1) Future Domain Co., Ltd. ("FD")

FD was incorporated on August 26, 2019 to operate the business of real estate development for sale. It has a registered and paid-up capital of Baht 200 million, divided into 2,000,000 ordinary shares with a par value of Baht 100 per share. Currently, it is developing two real estate projects for sale, namely, (1) Noble Curve Ekamai-Ramindra Project, offering 187 townhome units with common facilities and security system; and (2) Noble Curate Ekamai-Ramindra Project, offering 15 land plots for sale with reputable architects and a specialist team to assist customers in every stage until completion of their home construction, as well as common facilities and security system. Total value of the two projects is Baht 4,713.40 million.

(For more information of FD, please see Attachment 2.)

The key assets of FD include the land of 32 rai 3 ngan 1.7 square wah, located on Pradit Manutham Road, Lat Phrao Sub-district, Lat Phrao District, Bangkok, and the two real estate projects that are under development on such plot of land, having a total book value of Baht 2,280.99 million according to the audited financial statements for the fiscal period ended December 31, 2021 and a market value of Baht 2,815.25 million according to the property appraisal report by an SEC-approved independent valuer.

(For more information on FD's key assets, please see Attachments 3A and 3B.)

(2) Khu Khot Station Alliance Co., Ltd. ("KK")

KK was incorporated on June 19, 2015 to operate the business of real estate development for sale. It has a registered and paid-up capital of Baht 300 million, divided into 3,000,000 ordinary shares with a par value of Baht 100 per share. Currently, it is developing a real estate project for sale in the name of Nue Cross Khu Khot Station Project, offering 23 residential condominium buildings each with a height of up to eight floors



with a total of 4,620 residential units, and a four-storied lifestyle mall with 24 retail units, as well as parking lots, common facilities and security system. The total project value is Baht 8,686.69 million.

(For more information of KK, please see Attachment 2.)

The key asset of KK is the land of 51 rai 2 ngan 97.7 square wah, located on Lam Luk Ka Road, Khu Khot Sub-district, Lam Luk Ka District, Pathum Thani Province, having a total book value of Baht 1,111.58 million according to the audited financial statements for the fiscal period ended December 31, 2021 and a market value of Baht 1,390.95 million according to the property appraisal report by an SEC-approved independent valuer.

(For more information on KK's key asset, please see Attachments 4A and 4B.)

(3) Majestic Park Co., Ltd. ("MJP")

MJP was incorporated on August 26, 2019 to operate the business of real estate development for sale. It has a registered and paid-up capital of Baht 300 million, divided into 3,000,000 ordinary shares with a par value of Baht 100 per share. Currently, it is developing a real estate project for sale in the name of Noble Create Ekamai-Ramindra Project, offering six residential condominium buildings with a total of 1,250 units and 46 single detached house units, as well as parking lots, common facilities and security system. The total project value is Baht 6,703.66 million.

(For more information of MJP, please see Attachment 2.)

The key assets of MJP include the land of 29 rai 1 ngan 86.4 square wah, located on Pradit Manutham Road, Lat Phrao Sub-district, Lat Phrao District, Bangkok, and the real estate project that is under development on such plot of land, having a total book value of Baht 1,953.64 million according to the audited financial statements for the fiscal period ended March 31, 2022 and a market value of Baht 1,871.70 million according to the property appraisal report by an SEC-approved independent valuer.

(For more information on MJP's key assets, please see Attachments 5A and 5B.)

(4) Phraram 9 Alliance Co., Ltd. ("R9A")

R9A was incorporated on December 22, 2016 to operate the business of real estate development for sale. It has a registered and paid-up capital of Baht 768 million, divided into 7,680,000 ordinary shares with a par value of Baht 100 per share. Currently, it is developing a real estate project for sale in the name of Nue District R9 Project, offering a residential condominium encompassing two towers with a total of 1,441 residential units and one commercial unit, as well as parking lots, common facilities and security system. The total project value is Baht 6,153.62 million.



(For more information of R9A, please see Attachment 2.)

The key assets of R9A include the land of 6 rai 90.8 square wah, located on Rama 9 Road, Huai Khwang Sub-district, Huai Khwang District, Bangkok, and the real estate project that is under development on such plot of land, having a total book value of Baht 1,908.30 million according to the audited financial statements for the fiscal period ended December 31, 2021 and a market value of Baht 2,039.71 million according to the property appraisal report by an SEC-approved independent valuer.

(For more information on R9A's key assets, please see Attachments 6A and 6B.)

(5) Ratburana Alliance Co., Ltd. ("RBA")

RBA was incorporated on December 21, 2015 to operate the business of real estate development for sale. It has a registered and paid-up capital of Baht 10 million, divided into 100,000 ordinary shares with a par value of Baht 100 per share. Currently, RBA is planning to develop a real estate project for sale in the name of Nue Riverest Ratburana Project, offering 1,521 residential condominium units and 53 single detached house units on the Chao Phraya River. The total project value is Baht 6,390.05 million.

(For more information of RBA, please see Attachment 2.)

The key asset of RBA is the land of 27 rai 2 ngan 10 square wah, located on Rat Burana Road, Rat Burana Sub-district, Rat Burana District, Bangkok, having a total book value of Baht 616.56 million according to the audited financial statements for the fiscal period ended December 31, 2021 and a market value of Baht 825.75 million according to the property appraisal report by an SEC-approved independent valuer.

(For more information on RBA's key asset, please see Attachments 7A and 7B.)

(6) Ratchada Alliance Co., Ltd. ("RDA")

RDA was incorporated on September 1, 2016 to operate the business of real estate development for sale. It has a registered and paid-up capital of Baht 50 million, divided into 500,000 ordinary shares with a par value of Baht 100 per share. Currently, it is developing a real estate project for sale in the name of Nue Noble Ratchada-Ladphrao Project, offering a 34-storied residential condominium with a total of 565 units, as well as parking lots, common facilities and security system. The total project value is Baht 1,998.94 million.

(For more information of RDA, please see Attachment 2.)

The key assets of RDA include the land of 2 rai 95.6 square wah, located on Ratchadaphisek Road, Chom Phon Sub-district, Chatuchak District, Bangkok, and the real estate project that is under development on such plot of land, having a total book value of Baht 606.91 million according to the audited



financial statements for the fiscal period ended December 31, 2021 and a market value of Baht 602.73 million according to the property appraisal report by an SEC-approved independent valuer.

(For more information on RDA's key assets, please see Attachments 8A and 8B.)

(7) Suksawat Alliance Co., Ltd. ("SUK")

SUK was incorporated on September 2, 2022 to operate the business of real estate development for sale. It has a registered and paid-up capital of Baht 50 million, divided into 500,000 ordinary shares with a par value of Baht 100 per share. Currently, SUK is planning to develop a real estate project for sale in the name of Nue Hybe Suksawat Project, offering 33 units of four-storied shop house and 123 units of four-storied home office, making 156 units in total, as well as common facilities and parking lots. The total project value is Baht 1,601.06 million.

(For more information of SUK, please see Attachment 2.)

The key asset of SUK is the land of 16 rai 2 ngan 38.8 square wah, located on Suk Sawat Road, Rat Burana Sub-district, Rat Burana District, Bangkok, having a market value of Baht 604.95 million according to the property appraisal report by an SEC-approved independent valuer (there is no book value of the asset because SUK was just founded in 2022 and has not yet prepared any financial statements).

(For more information on SUK's key asset, please see Attachments 9A and 9B.)

1.2.5. Total value of the assets being acquired, payment for the consideration, and basis for calculation of total value of the assets being acquired and value of the consideration

The Company will invest in the real estate business by purchasing ordinary shares in a proportion of about 50% of the registered and paid-up capital of the seven Target Companies, as described above, from U at a total value of Baht 2,501.72 million, comprising the sale and purchase value of the ordinary shares of Baht 531.92 million, the outstanding debts of about Baht 1,741.12 million (the estimated outstanding debts owed to the Seller as at the end of 2022, which is the expected Closing Date), and the investment expected to be additionally paid for by the Company in proportion to the shareholding structure for development of all projects of the Target Companies until completion in the net amount of Baht 228.68 million, the details of which are as follows:

(1) Purchase of 999,998 ordinary shares in FD, representing 50.00% of FD's registered and paid-up capital, at a price of Baht 148.63 million and outstanding debts of approximately Baht 405.62 million, making Baht 554.25 million in total;



(2) Purchase of 1,499,997 ordinary shares in KK, representing 50.00% of KK's registered and paid-up capital, at a price of Baht 113.67 million and outstanding debts of approximately Baht 331.79 million, making Baht 445.46 million in total;

(3) Purchase of 1,499,999 ordinary shares in MJP, representing 50.00% of MJP's registered and paid-up capital, at a price of Baht 156.27 million and outstanding debts of approximately Baht 537.64 million, making Baht 693.91 million in total;

(4) Purchase of 3,839,998 ordinary shares in R9A, representing 50.00% of R9A's registered and paid-up capital, at a price of Baht 6.75 million and outstanding debts of approximately Baht 189.93 million, making Baht 196.68 million in total;

(5) Purchase of 49,998 ordinary shares in RBA, representing 50.00% of RBA's registered and paid-up capital, at a price of Baht 55.50 million and outstanding debts of approximately Baht 138.42 million, making Baht 193.92 million in total;

(6) Purchase of 249,999 ordinary shares in RDA, representing 50.00% of RDA's registered and paid-up capital, at a price of Baht 24.10 million and outstanding debts of approximately Baht 85.75 million, making Baht 109.85 million in total;

(7) Purchase of 249,999 ordinary shares in SUK, representing 50.00% of SUK's registered and paid-up capital, at a price of Baht 27.00 million and outstanding debts of approximately Baht 51.97 million, making Baht 78.97 million in total; and

(8) The investment expected to be additionally paid for by the Company in proportion to the shareholding structure in each of the Target Companies for development of all projects of the Target Companies until completion in the net amount of Baht 228.68 million.

The Company will pay for the consideration for the said investment transaction in real estate companies to the Seller in cash, as follows:

(1) Payment for ordinary shares in the Target Companies of Baht 531.92 million will be made after all conditions precedent under the share purchase agreement have been satisfied or relaxed or waived by the relevant contractual party and all actions have been taken to ensure completion of the transaction as set out in the share purchase agreement, with the key conditions precedent and requirements as presented in Item 1.2.7, and also after obtaining approval for the transaction from the Extraordinary General Meeting of Shareholders No. 2/2022; and

(2) The Company will make a repayment of the outstanding debts owed by the Target Companies to the Seller in the amount actually accrued as of the date of receiving the transfer of shares in the Target Companies, after the issuance of new shares for rights offering to all of the Company's existing shareholders, which is expected to be completed by the first quarter of 2023.



Moreover, U Group requests the Company to pledge the ordinary shares of the seven Target Companies, acquired from the said investment transaction in the real estate business, with U Group (whichever is the case) as collateral for the repayment of the outstanding debts still owed by the Target Companies to U Group. The pledge of those shares shall be released and end after the Target Companies have repaid the outstanding loans in full to U Group in proportion to the Company's shareholding.

The value of the Target Companies' shares has been determined based on share valuation using the discounted cash flow approach since this approach focuses on future performance of these real estate companies, and also based on negotiations with the Seller.

1.2.6. Calculation of transaction size

The execution of the investment transaction in real estate business will result in the Company acquiring ordinary shares in the proportion of about 50% of the registered and paid-up capital of all seven Target Companies, including the said additional net investment, which is regarded as an asset acquisition transaction pursuant to the Notification on Acquisition or Disposal of Assets, having the maximum transaction size equal to 55.06% under the total value of consideration basis according to the Company's consolidated financial statements as at June 30, 2022. Details of the calculation of the transaction size are as follows:

Asset acquisition transaction

(1) Net tangible assets basis

Transaction	Details of calculation	Transaction size
1. Investment in FD	$\frac{\text{Baht 18.77 million}^{1/} \times 50.00\%^{2/} \times 100}{\text{Baht 3,900.11 million}^{3/}}$	0.24%
2. Investment in KK	Not calculable because KK has a negative NTA	-
3. Investment in MJP	Not calculable because MJP has a negative NTA	-
4. Investment in R9A	$\frac{\text{Baht 354.64 million}^{4/} \times 50.00\%^{2/} \times 100}{\text{Baht 3,900.11 million}^{3/}}$	4.55%
5. Investment in RBA	Not calculable because RBA has a negative NTA	-
6. Investment in RDA	Not calculable because RDA has a negative NTA	-
7. Investment in SUK	Not calculable because SUK has not yet prepared a financial statement	-
Total		4.79%

Remark: 1/ FD's NTA, calculated from total assets of Baht 2,286.01 million, deducted by deferred income tax of Baht 0.0001 million and total liabilities of Baht 2,267.24 million, resulting in an amount equal to Baht 18.77 million, according to the audited financial statements for the year ended December 31, 2021.

2/ Proportion of shares of the seven Target Companies to be acquired in this transaction.



- 3/ The Company's NTA, calculated from total assets of Baht 4,543.38 million, deducted by right-of-use assets - net of Baht 10.96 million, intangible assets of Baht 11.92 million, deferred income tax of Baht 33.63 million, total liabilities of Baht 586.38 million, and non-controlling interests of Baht 0.38 million, resulting in an amount equal to Baht 3,900.11 million, according to the reviewed consolidated financial statements for the six-month period ended June 30, 2022.
- 4/ R9A's NTA, calculated from total assets of Baht 2,008.28 million, deducted by deferred income tax of Baht 81.34 million and total liabilities of Baht 1,572.30 million, resulting in an amount equal to Baht 354.64 million, according to the audited financial statements for the year ended December 31, 2021.

(2) Net profit basis

This method is not applicable because six of the Target Companies have operated at a loss and one of them was just founded in 2022 and has not yet had any operating results.

(3) Total value of consideration basis

Transaction	Details of calculation	Transaction size
1. Investment in FD	$\frac{\text{Baht 554.25 million}^{1/}}{\text{Baht 4,543.38 million}^{2/}} \times 100$	12.20%
2. Investment in KK	$\frac{\text{Baht 445.46 million}^{3/}}{\text{Baht 4,543.38 million}^{2/}} \times 100$	9.80%
3. Investment in MJP	$\frac{\text{Baht 693.91 million}^{4/}}{\text{Baht 4,543.38 million}^{2/}} \times 100$	15.27%
4. Investment in R9A	$\frac{\text{Baht 196.68 million}^{5/}}{\text{Baht 4,543.38 million}^{2/}} \times 100$	4.33%
5. Investment in RBA	$\frac{\text{Baht 193.92 million}^{6/}}{\text{Baht 4,543.38 million}^{2/}} \times 100$	4.27%
6. Investment in RDA	$\frac{\text{Baht 109.85 million}^{7/}}{\text{Baht 4,543.38 million}^{2/}} \times 100$	2.42%
7. Investment in SUK	$\frac{\text{Baht 78.97 million}^{8/}}{\text{Baht 4,543.38 million}^{2/}} \times 100$	1.74%
8. Net investment to be additionally required	$\frac{\text{Baht 228.68 million}^{9/}}{\text{Baht 4,543.38 million}^{2/}} \times 100$	5.03%
Total		55.06%

Remark: 1/ Total value of consideration for the purchase of FD's shares in the proportion of 50.00% of FD's total issued and paid-up shares, amounting to Baht 148.63 million, with the estimated outstanding debts of Baht 405.62 million, making up a total of Baht 554.25 million.

2/ Total assets of the Company according to the reviewed consolidated financial statements for the six-month period ended June 30, 2022.



- 3/ Total value of consideration for the purchase of KK's shares in the proportion of 50.00% of KK's total issued and paid-up shares, amounting to Baht 113.67 million, with the estimated outstanding debts of Baht 331.79 million, making up a total of Baht 445.46 million.
- 4/ Total value of consideration for the purchase of MJP's shares in the proportion of 50.00% of MJP's total issued and paid-up shares, amounting to Baht 156.27 million, with the estimated outstanding debts of Baht 537.64 million, making up a total of Baht 693.91 million.
- 5/ Total value of consideration for the purchase of R9A's shares in the proportion of 50.00% of R9A's total issued and paid-up shares, amounting to Baht 6.75 million, with the estimated outstanding debts of Baht 189.93 million, making up a total of Baht 196.68 million.
- 6/ Total value of consideration for the purchase of RBA's shares in the proportion of 50.00% of RBA's total issued and paid-up shares, amounting to Baht 55.50 million, with the estimated outstanding debts of Baht 138.42 million, making up a total of Baht 193.92 million.
- 7/ Total value of consideration for the purchase of RDA's shares in the proportion of 50.00% of RDA's total issued and paid-up shares, amounting to Baht 24.10 million, with the estimated outstanding debts of Baht 85.75 million, making up a total of Baht 109.85 million.
- 8/ Total value of consideration for the purchase of SUK's shares in the proportion of 50.00% of SUK's total issued and paid-up shares, amounting to Baht 27.00 million, with the estimated outstanding debts of Baht 51.97 million, making up a total of Baht 78.97 million.
- 9/ The investment expected to be additionally paid for by the Company in proportion to the shareholding structure in each of the Target Companies for development of all projects of the Target Companies until completion in the net amount of Baht 228.68 million.

(4) Equity share value basis

This method is not applicable because there is no issuance of securities of the Company to pay for the purchase of assets.

Results of the calculation of size of the asset acquisition transaction from the investment in real estate companies:

Basis of calculation	Transaction size							
	FD	KK	MJP	R9A	RBA	RDA	SUK	Investment additionally required
1. NTA	0.24%	^{1/} -	^{1/} -	4.55%	^{1/} -	^{1/} -	^{3/} -	-
2. Net profit	^{2/} -	^{2/} -	^{2/} -	^{2/} -	^{2/} -	^{2/} -	^{3/} -	-
3. Total value of consideration	12.20%	9.80%	15.27%	4.33%	4.27%	2.42%	1.74%	5.03%
4. Equity share value	^{4/} -	^{4/} -	^{4/} -	^{4/} -	^{4/} -	^{4/} -	^{4/} -	-

Remark: 1/ Not applicable because the Target Companies have negative NTA.



- 2/ Not applicable because the Target Companies have operated at a loss.
- 3/ Not applicable because one of the Target Companies has not yet prepared financial statements.
- 4/ Not applicable because there is no issuance of new securities of the Company to pay for the purchase of assets.

During the past six months, the Company executed one asset acquisition transaction with the maximum size of 3.53%,¹¹ calculated under the total value of consideration basis. On September 30, 2022, the Board of Directors' Meeting of the Company No. 8/2022 resolved to grant approval for the Company to enter into two other asset acquisition transactions with the maximum size of 0.04%,¹² calculated under the total value of consideration basis. After calculation of the size of Acquisition Transaction 1: Investment in Financial Business of OA and Acquisition Transaction 2: Investment in Real Estate Business of 104.96% and 55.06% respectively under the total value of consideration basis, the maximum size of the asset acquisition transactions of the Company under the total value of consideration basis is equal to 163.59%, the details of which are as follows:

Results of the calculation of size of the asset acquisition transaction from the investment transaction in real estate business combined with the investment transaction in financial business and other asset acquisition transactions in the past six months:

Basis of calculation	Transaction size			
	Investment transaction in real estate business	^{1/} Other asset acquisition transactions in the past 6 months	Investment transaction in OA	Total
1. NTA	4.79%	-	2.39%	7.18%
2. Net profit	^{2/3/} -	-	5.28%	5.28%
3. Total value of consideration	55.06%	3.57%	104.96%	163.59%
4. Equity share value	^{4/} -	-	^{4/} -	-

Remark: 1/ Other asset acquisition transactions in the past six months and asset acquisition transaction from establishment of two subsidiaries pursuant to the resolution of the Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022.

2/ Not applicable because the Target Companies have operated at a loss.

3/ Not applicable because one of the Target Companies has not yet prepared any financial statements.

¹¹ The Board of Directors' Meeting of the Company No. 5/2022 on June 10, 2022 resolved to approve the investment in 160,000 shares in King Square Development Co., Ltd. at a price of Baht 1,000 per share totaling Baht 160.00 million, representing 20% of the registered capital of such entity.

¹² The Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 resolved to approve the establishment of two subsidiaries of the Company, comprising (1) TNLX Co., Ltd. with a registered capital of Baht 1.00 million, divided into 10,000 ordinary shares with a par value of Baht 100 per share; and (2) TNL Alliance Co., Ltd. with a registered capital of Baht 1.00 million, divided into 10,000 ordinary shares with a par value of Baht 100 per share. The Company holds 9,998 shares or 99.98% of the registered capital of each entity.



4/ Not applicable because there is no issuance of new securities of the Company to pay for the purchase of assets.

In addition, as U Group has a shareholder that is the Company's connected person, the said investment transaction in real estate business therefore constitutes a connected transaction pursuant to the Notifications on Connected Transactions. As for size of the connected transaction in the category of an asset or service transaction under the Notifications on Connected Transactions, the connected transactions executed by the Company with U and UGH have a size of 53.86% and 4.97% of the Company's NTA respectively according to its consolidated financial statements as at June 30, 2022. Nonetheless, in the previous six months, the Company has not entered into any other connected transactions with U and UGH. As such, the total size of the connected transactions from the investment in real estate business is equal to 53.86% and 4.97% of the NTA respectively. Details of the calculation of the transaction size are as follows:

Connected transactions

(1) Purchase of ordinary shares in FD, KK, MJP, R9A, RDA and SUK from U

Basis of calculation	Details of calculation	Transaction size
Value of the investment transaction in real estate business	$\frac{\text{Baht 2,100.43 million}^{1/}}{\text{Baht 3,900.11 million}^{2/}} \times 100$	53.86%

Remark: 1/ Value of ordinary shares of five of the Target Companies, which are FD, KK, MJP, RDA and SUK, as described in Item 1.2.5, totaling Baht 1,882.44 million and book value of R9A of Baht 217.99 million, making Baht 2,100.43 million in total.

2/ The Company's NTA, calculated from total assets of Baht 4,543.38 million, deducted by right-of-use assets - net of Baht 10.96 million, intangible assets of Baht 11.92 million, deferred income tax of Baht 33.63 million, total liabilities of Baht 586.38 million, and non-controlling interests of Baht 0.38 million, resulting in an amount equal to Baht 3,900.11 million, according to the reviewed consolidated financial statements for the six-month period ended June 30, 2022.

(2) Purchase of ordinary shares in RBA from UGH

Basis of calculation	Details of calculation	Transaction size
Value of the investment transaction in real estate business	$\frac{\text{Baht 193.92 million}^{1/}}{\text{Baht 3,900.11 million}^{2/}} \times 100$	4.97%

Remark: 1/ Value of ordinary shares of one of the Target Companies as described in Item 1.2.5.

2/ The Company's NTA, calculated from total assets of Baht 4,543.38 million, deducted by right-of-use assets - net of Baht 10.96 million, intangible assets of Baht 11.92 million, deferred income tax of Baht 33.63 million, total liabilities of Baht 586.38 million, and non-controlling interests of Baht 0.38 million, resulting in an amount equal to Baht 3,900.11 million, according to the reviewed consolidated financial statements for the six-month period ended June 30, 2022.



1.2.7. Conditions for the transaction

The key conditions precedent of the investment transaction in the real estate business are as set out in Item 11 of the Information Memorandum on the Asset Acquisition and Connected Transactions of the Company (Enclosure No. 5 of the notice of the Extraordinary General Meeting of Shareholders No. 2/2022).

1.2.8. Agreements relating to the transaction

A summary of the draft share purchase agreement for the investment transaction in the real estate business is provided in Attachment 12.

**2. Sources of funds for the transactions**

The Company will use the following funding sources to pay for the consideration for the investment transaction in the financial business and the investment transaction in the real estate business of not exceeding Baht 4,768.70 million and Baht 2,273.05 million respectively, making up a total of not exceeding Baht 7,041.75 million:

(1) The Company will make a payment for ordinary shares in the investment transaction in the financial business and the investment transaction in the real estate business of Baht 835.70 million and Baht 531.92 million respectively, making up a total of Baht 1,367.62 million, by using sources of funds obtainable from the issuance and offering of new ordinary shares by way of a private placement to BTS Group at a total value of not exceeding Baht 2,884.08 million and/or cash, funds receivable from saleable investments, and the Company's working capital, and/or funds receivable from credit facilities from financial institutions.

(2) The Company will make a repayment of the outstanding debts in the investment transaction in the financial business and the investment transaction in the real estate business of not exceeding Baht 3,933.00 million and Baht 1,741.12 million respectively, making up a total of not exceeding Baht 5,674.12 million, by using sources of funds obtainable from the issuance of new ordinary shares for rights offering to its existing shareholders at a total value of not exceeding Baht 3,051.77 million, which is expected to be completed by the first quarter of 2023, and/or estimated cash, saleable investments, and the Company's working capital in the amount of Baht 1,100.00 million - Baht 1,700.00 million and/or funds receivable from credit facilities from financial institutions.

3. Conditions for the transaction**3.1. Conditions for the investment transaction in the financial business**

The key conditions are as set out in Attachment 11 'Summary of Terms and Conditions of Share Purchase Agreement of OA.'

3.2. Conditions for the investment transaction in the real estate business

The key conditions are as set out in Attachment 12 'Summary of Terms and Conditions of Share Purchase Agreement of Real Estate Companies.'

4. Connected persons and/or shareholders having an interest who shall not be entitled to cast votes

List of the connected persons and/or shareholders having an interest who shall not be entitled to cast votes on the asset acquisition and connected transactions of the Company at the Extraordinary General Meeting of Shareholders No. 2/2022, to be held on November 30, 2022, for each transaction is as follows:



4.1. Investment transaction in the financial business

The list is provided in the Information Memorandum on the Asset Acquisition and Connected Transactions of the Company, Schedule 2 (Enclosure No. 6 of the notice of the shareholders' meeting).

4.2. Investment transaction in the real estate business

The list is provided in the Information Memorandum on the Asset Acquisition and Connected Transactions of the Company, Schedule 2 (Enclosure No. 6 of the notice of the shareholders' meeting).

5. Information of the Company

The Company's profile is provided in the Information Memorandum on the Asset Acquisition and Connected Transactions of the Company, Schedule 2 (Enclosure No. 6 of the notice of the shareholders' meeting).



Part 2.2	Opinion of the Independent Financial Advisor on reasonableness of the asset acquisition and connected transactions in the financial business and the real estate business
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1. Objective and necessity of the transaction
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Established in 1975, the Company has engaged in the production and distribution of finished garments and leather goods to domestic and overseas markets under its own brands and the licensed brands, and has committed to achieving sustainable business growth and expansion. The Company has made investments in other entities, mostly in the textile and apparel industry in which it has experience and expertise.

Over the past 2-3 years, the Company has been hit hard by the COVID-19 pandemic and had to temporarily close its production lines at Kabin Buri Branch and Lamphun Branch during June-August 2020. The continuous mutations of the coronavirus into several variants are the top risk to the overall economy. Besides, in 2022, the Company anticipates other critical threats to the textile and apparel industry, including (1) labor shortage, (2) possible wage increases in line with inflation, and (3) scarcity of containers for export and high freight rates. As a result, the Company has an intention to diversify risks by expanding into other businesses so as to deliver a satisfactory rate of return and enhance its long-term growth potential, which will be beneficial to the Company in the future. This aligns with the intention of SPI, its major shareholder, to have the Company expand its investment into new businesses.

Accordingly, the Company has been exploring the opportunity and studying information on other types of business, taking into account the aforementioned risk factors. Meanwhile, in the wake of the pandemic which has plunged the global economy into a recession, both the business and the household sectors have a greater demand for funding sources in order to finance their investment, business rehabilitation and expansion and to meet their working capital needs, thus likely leading to a constraint on securing a financing source. As such, the Company had to consider the information and proposals for investment in new businesses thoroughly and in all respects, while paying regard to the best interests of the Company and its shareholders. Finally, the Company has received the information and a favorable proposal for investment in the financial business and the real estate business from its connected persons. These new businesses have a good growth prospect and potential, along with the opportunity for the Company to team up with strategic partners who have experience, expertise and solid financial position, which will help to enhance its growth opportunity and be beneficial to the Company and its shareholders. Therefore, the Company has decided to invest in the financial business and the real estate business, which will enable the Company to expand its business scope to become more diverse and mitigate risk from the sole reliance on its current core business. The financial business and the real estate business to be invested in have the potential



to create future growth, which will be beneficial to the Company and its shareholders in the long term and will enable the Company to diversify into a wider variety of businesses as well as mitigate the risk of sole reliance on its current core business.



2. Comparison of advantages and disadvantages of the transactions

2.1. Acquisition Transaction 1: Investment in Financial Business

2.1.1. Advantages and benefits of the transaction

- (a) *The Company will have the opportunity to expand into a new business that delivers a favorable return.*

The Company is interested in investing in OA, which operates the business of provision of secured loans to entrepreneurs, both juristic and individual persons, in the amount of not less than Baht 10 million each. The loans must be secured by assets, which are to be appraised by independent valuers. Presently, OA generates revenues primarily from interest income from provision of short-term and long-term secured loans in the total amount of Baht 2,370 million with a loan period of 1 – 2 years and interest rate of 10% – 15% p.a. (based on information from OA as at June 30, 2022). If it makes investment in OA, the Company will be able to recognize income instantly since the borrowers are required to pay interest according to the loan agreements, and will continuously show good operating results because of an increasing number of new customers and additional loan requests from the existing customers. Nonetheless, in case of borrowers' loan defaults or failure to repay their debts, the lender can enforce the mortgaged properties and sell them out by auction or assume rights over those properties. If the net amount received therefrom is not sufficient for debt repayment, the borrower must pay for the shortfall to the lender until completion. The loan agreements of OA in such amount are covered by total collateral value of Baht 5,534.48 million. Thus, if the Company invests in OA, it will be able to expand into such new business that delivers a favorable return.

- (b) *The Company can diversify its business risk.*

The Company has continuously focused on growing and expanding the investment in garment and leather goods business only, which is deemed a sole reliance on its core business. In the wake of the COVID-19 pandemic, the Company was prompted to discontinue the expansion of such business. Therefore, the investment in the financial business, which has a good growth potential, will help diversify the business risk and enable the Company to tap into a broader variety of industries. This will augur well for the Company in the long run as it will be able to align the business strategy with the changing situation and generate favorable returns for the Company itself and the shareholders.

- (c) *The Company will grow its assets from the investment in other business.*

If the Company invests in OA's ordinary shares in the proportion of 90% of OA's registered and paid-up capital, OA will become its subsidiary, which will relatively increase its total assets. As at June 30, 2022, the Company had total assets of Baht 4,543.38 million, which, after such share purchase transaction, will grow by Baht 586.78 million (based on the audited financial statements for the year ended December 31, 2021) to Baht 5,130.16 million or by 12.92%.



2.1.2. Disadvantages and risks of the transaction

(a) *A huge amount of funds is required for investment in the new business.*

The Company will have to pay Baht 835.70 million for the purchase of 900,000 shares, representing 90% of OA's registered and paid-up capital, from SPI, and must also make a repayment of the outstanding debts incurred by OA from its short-term and long-term borrowings from SPI in the amount of Baht 3,933.00 million (the outstanding amount as at September 30, 2022 was Baht 2,320 million), making up a total of Baht 4,768.70 million. As such, the Company will have to raise a huge amount of funds for investing in the financial business, which will be its new business.

However, the Company plans to raise such funds from (1) issuance and offering of new ordinary shares through a private placement in the amount of not exceeding Baht 2,884.08 million, (2) issuance of new ordinary shares for rights offering to its existing shareholders in the amount of not exceeding Baht 3,051.77 million, and (3) issuance and offering of debentures in the amount of not exceeding Baht 5,000.00 million, making not more than Baht 10,935.85 million in total. It can be deemed that the Company has sufficient funds for the said investment.

As at June 30, 2022, the Company had total liabilities of Baht 586.38 million and shareholders' equity of Baht 3,956.99 million, representing a debt to equity ratio of 0.15 time. Given that its liabilities increase due to the issuance and offering of debt instruments of Baht 5,000.00 million, its debt to equity ratio will edge up to 0.56 time. However, the Company has had a small amount of liabilities, resulting in a low financial ratio. Thus, if it intends to raise additional debt financing, the Company will still be able to maintain such financial ratio as required under the terms and conditions of debentures and/or the credit facility agreements (if any).

(b) *The Company has no experience in the financial business.*

The Company was founded in June 1975 and has since engaged in the manufacturing and distribution of garments and leather goods to the domestic and export markets. Therefore, it will invest in OA's loan provision business in which it has no experience. Nonetheless, OA was just founded in October 2021 and generates revenues mainly from interest income from short-term and long-term loans, which is not a complicated business. Meanwhile, SPI, which is the Company's major shareholder and the founder of OA, still holds 10% of OA's registered and paid-up capital. Therefore, the Company may seek advice from SPI and expects to gain good cooperation in the joint management of OA's business. Besides, OA's team and management have the knowledge, capability and experience in the lending business, which will enable OA to operate the business as usual.



(c) *There will be risk from competition in and expansion of other business.*

As from Q4/2021, the government sector has eased all measures relating to the COVID-19 pandemic, leading most public and private agencies to return to their normal works. However, the far-reaching adverse impacts of the pandemic on all businesses have plunged the economy into a recession, followed by closure of several businesses. Amid this critical situation, the surviving businesses require sources of funds for their business rehabilitation and expansion. OA therefore sees the opportunity for the financial business. However, observing the same opportunity, new entrants have continuously emerged, thus putting OA at risk of increasing competition in this business. Meanwhile, OA's sources of funds mostly come from short-term loans from related companies, which has pushed up its financial cost in line with the increase in such loans. It is thus likely that OA's business expansion will be constrained if it is unable to secure adequate funding sources for loan provision to its customers.

However, if the Company acquires 90% of OA's registered and paid-up capital, OA will become its subsidiary. After completion of all transactions proposed for the shareholders' approval on this occasion, the Company will have two major shareholders, SPI and BTS, and OA will likely have more funding sources for its financial business, considering the capability of these two major shareholders, which are SET-listed companies and have a solid financial position.

(d) *There will be risk of the required rate of return failing to meet the forecast.*

Based on the study of OA's business operation, it is found that OA generates revenues mainly from interest income from provision of short-term and long-term loans to entrepreneurs, both individual and juristic persons, with interest rates on such loans, as specified in the loan agreements, being charged at around 10% – 15% p.a. OA mobilizes funds from two sources, shareholders' equity and short-term loans from related companies, bearing a financial cost of roughly 5% p.a. As at year-end 2021, OA recorded a gross profit margin of 75.42%, a net profit margin of 33.22%, and a return on equity of 3.56%, suggesting that OA's profitability ratio is higher than that of the Company. Nonetheless, since OA was just established in October 2021, its financial information could reflect the performance for one accounting period only. It therefore remains uncertain as to whether the interest income in the next accounting period will meet the projection. It is probable that the expected rate of return may not come out as forecast. However, under the loan agreement between OA and each borrower, the loan provided must be a secured loan. As appraised by OA, the collateral value is considerably higher than the loan value. Thus, in the event of loan defaults by borrowers, the Company may receive a lower-than-projected return for a certain period of time, and after legal enforcement of the mortgaged properties for further auction sales and collection of the shortfall completely from the borrowers, the Company will receive the return from each borrower in full according to the agreement.



- (e) *There will be risk of liquidity shortage due to borrowers' loan defaults.*

One of OA's funding sources is short-term borrowing from related companies, whereby it is stipulated that such loans with interest shall be repayable at call. OA has paid interest to the lenders on a monthly basis, and all of its borrowers have paid interest in accordance with the loan agreements, resulting in plentiful liquidity for OA. However, amid the economic downturn and the lingering COVID-19 pandemic, it is possible that the borrowers may encounter a financial problem and accordingly default on the interest payment and principal repayment as specified in the loan agreements, which will cause OA to generate no cash inflow but incur consistent cash outflow. Moreover, in case of borrowers' loan defaults, OA will have to take a legal action to enforce the mortgaged properties for auction sale, which will take around six months to complete. During the period from the loan defaults until the Legal Execution Department allocates the proceeds obtained from the auction for debt settlement to OA, OA will be faced with liquidity shortage in such amount. However, the borrowers have made debt repayment as scheduled and, as set out in the loan agreements, interest must be paid in advance, thus leading OA's cash inflow to always exceed its cash outflow.

2.1.3. Advantages and benefits of not entering into the transaction

- (a) *The Company will not have to raise a huge amount of funds for investment in the new business, nor to incur the relevant expenses.*

The Company will not have to raise a huge amount of funds for investment in the new business in order to purchase the ordinary shares and repay the outstanding debts to the existing shareholder. Therefore, it will not incur additional debts and interest expenses, nor the relevant expenses on execution of the asset acquisition and connected transactions, including cost of arrangement of the shareholders' meeting, cost of financial due diligence review, legal counseling fee, independent financial advisory fee, etc.

- (b) *The Company will not bear a risk involved with the new business operation.*

If it does not invest in the new business, the Company will not have to undertake the management of such new business in which it has no knowledge and experience. Therefore, the Company will not bear any risk involved with the new business operation.

2.1.4. Disadvantages and risks of not entering into the transaction

- (a) *The Company cannot expand its investment as planned and will not receive returns from the new business.*

Over the past 2 – 3 years, the COVID-19 pandemic has prompted the Company to temporarily close some of its branches. While its existing business has not been expanded, if the Company does not invest in this new business, its overall business expansion will be disrupted and the Company will fail to



attain the goal of sustainable business growth. It will also lose the opportunity to receive returns from the new business, which can be recognized instantly with a favorable rate of return.

(b) *The Company cannot diversify risk from the core business operation.*

The Company's garment and leather goods business has been hit by the pandemic impacts in terms of labor shortage, wage increase, higher transport cost, etc. Since the said business is its only core business, the Company cannot considerably adjust its operational strategy, nor reduce the scope of risk involved with such business operation.

2.2. Acquisition Transaction 2: Investment in Real Estate Business

2.2.1. Advantages and benefits of the transaction

(a) *The Company will have the opportunity to expand into a new business with favorable returns.*

The Company intends to execute the investment transaction in the real estate business by acquiring 50% of the registered and paid-up capital in the Target Companies from U and UGH, which are the shareholders owning the said percentage of shareholding in the seven Target Companies. Each of the Target Companies has entered into the joint venture agreement for each project, with the rate of return and conditions clearly defined for each joint venture partner, which is the shareholder of the Target Companies. Therefore, by investing in the Target Companies, the Company will become the shareholder of the seven Target Companies in place of the existing shareholder, and will have the opportunity to receive returns from each project as specified in the joint venture agreement. Such rate of return is higher than the Company's financial cost.

All eight real estate projects of the seven Target Companies started development in 2021 and are scheduled for full completion by 2027. Thus, the Company will receive returns instantly after completion of the investment transaction in the real estate business and will gradually receive the returns from each project until the ownership transfer to buyers is finished, with the sale and purchase in the last project expected to be completed in 2030.

(b) *The Company can diversify its business risk.*

The Company has focused on the business growth and expansion by making consistent investment in the garment and leather goods business, its only core business upon which the Company has relied continuously. The Company was prompted by the COVID-19 pandemic to discontinue the expansion of such business. Therefore, the investment in the real estate business will instantly generate revenues for the Company and help to increase its cash flow and liquidity, while diversifying its business risk and providing the opportunity to tap into a wider variety of industries. This will bode well for the Company in the long term,



enabling it to align its business strategy with the changing situation and deliver favorable returns for the Company itself and the shareholders.

- (c) *The Company will have the opportunity to work with a new investor and/or partner who has experience and expertise in the real estate business.*

By executing the investment transaction in the real estate business, the Company will acquire ordinary shares in the proportion of 50% of the registered and paid-up capital of the seven Target Companies and become a shareholder of these companies together with the other major shareholder, a well-known developer with more than 30 years of experience and expertise in the real estate business. Therefore, it can be deemed that the Company will receive a good opportunity to work with such shareholder who will partner with the Company in the development of eight property projects of the seven Target Companies. The Company will also have the opportunity to acquire a partner having potential in the real estate business and to enter a joint venture in new real estate companies and/or new real estate projects in the future.

2.2.2. Disadvantages and risks of the transaction

- (a) *A huge amount of funds is required for investment in the new business.*

For the purchase of ordinary shares in the real estate business in the proportion of 50% of the registered and paid-up capital of the seven Target Companies, which are the owners of eight real estate projects, from U and UGH, the Company must make a payment of Baht 531.92 million to acquire those shares, and must also make a repayment of the outstanding debts to U and UGH totaling Baht 1,741.12 million and raise an additional Baht 228.68 million for development of all eight projects until completion, making up a total of Baht 2,501.72 million. Thus, the Company will have to raise a huge amount of funds for the real estate business, which will be its new business.

However, the Company plans to raise such funds from (1) issuance and offering of new ordinary shares through a private placement in the amount of not exceeding Baht 2,884.08 million, (2) issuance of new ordinary shares for rights offering to its existing shareholders in the amount of not exceeding Baht 3,051.77 million, and (3) issuance and offering of debentures in the amount of not exceeding Baht 5,000.00 million, making not more than Baht 10,935.85 million in total. It can be deemed that the Company has sufficient funds for the said investment. Besides, the projects will be gradually constructed and ready for ownership transfer to the buyers, thereby leading the Company to generate cash inflow from the returns obtainable from each project.

As at June 30, 2022, the Company had total liabilities of Baht 586.38 million and shareholders' equity of Baht 3,956.99 million, representing a debt to equity ratio of 0.15 time. Given that its liabilities increase due to the issuance and offering of debt instruments of Baht 5,000.00 million, its debt to equity ratio will edge up to 0.56 time. However, the Company has had a small amount of liabilities, resulting in a low



financial ratio. Thus, if it intends to raise additional debt financing, the Company will still be able to maintain such financial ratio as required under the terms and conditions of debentures and/or the credit facility agreements (if any).

(b) *The Company will have to rely on the new business partner.*

The Company has no experience in the real estate business and has the objective of real estate investment only. As such, all real estate projects of the Target Companies being acquired will be undertaken by the other partner who will become a new business alliance of the Company under the existing joint venture agreement and/or employment agreement. Thus, the Company will have to rely on the expertise and experience in the real estate business of the new joint venture partner and/or business alliance. Nonetheless, after the acquisition of shares under the investment transaction in the real estate business, the Company will nominate its representatives as the directors and/or executives in the Target Companies and will additionally recruit personnel with knowledge and skill in the real estate business. The Company therefore believes that risk from its reliance on the new partner will be mitigated soon. On the contrary, the Company and the new partner will both have the potential in terms of funding and experience in the real estate business that can promote and provide a good opportunity for further joint venture in any new projects.

(c) *There will be risk of the required rate of return failing to meet the forecast.*

The investment in the real estate business consists of the acquisition of 50% of shares in seven Target Companies, the repayment of outstanding debts of the Target Companies, and the net investment additionally required for development of all eight projects, involving a total amount of Baht 2,501.72 million during 2022-2027. Therefore, it is likely that the Company will have to raise additional funds in the future. If it mobilizes such funds through borrowing such as issuance and offering of debentures and/or loans from financial institutions, the Company will bear a higher financial cost, which will relatively decrease the expected rate of return. In addition, the investment in the said real estate projects will also be partly funded by borrowing from financial institutions in the name of those target Companies. Taking into account the rising interest rates in line with the economic condition, the rate of return expected from the investment in the real estate business may not meet the forecast.

However, the joint venture partner in all seven Target Companies has amassed the expertise and experience for longer than 30 years. It also is the developer of all eight real estate projects under the employment agreement with the minimum required rate of return being specified and will receive the return from those projects as well. As such, it will have to carefully supervise the construction and development of all those projects until completion and in accordance with the agreement, despite the changes in factors relevant to such project construction and development such as cost of building materials, labor cost, and interest rate.



(d) *There will be risk from continuous business operation.*

All of the seven Target Companies are the joint venture between U Group and Noble. After completion of the investment transaction in the real estate business, the Company will replace U Group as the joint venture partner in those Target Companies. Currently, all seven Target Companies have developed real estate projects on the land which is the core asset of each of them. Some projects are in the process of designing and seeking approvals from the authorities, and some are under construction, all of which are expected to be completed by 2027. If Noble, the other partner of the Company, no longer desires to develop any real estate projects under the business operation of the seven Target Companies, it is likely that these companies will not conduct any businesses after completion of ownership transfer in all projects in 2030, thus creating risk concerned with continuous business operation from the said investment transaction in the real estate business.

Nonetheless, the Company's objective of entering into such investment transaction in the real estate business is solely for real estate investment. After completion of the real estate projects of the seven Target Companies and completion of all ownership transfers to the buyers by 2030 as planned, the Company will receive its investment funds in 50% of the registered capital of the seven Target Companies together with dividend, which will come from profits from development of real estate for sales. The Company will then have funds available for further investment in new businesses or expansion of its existing business that can generate satisfactory returns for the Company.

2.2.3. Advantages and benefits of not entering into the transaction

(a) *The Company will not have to raise a huge amount of funds for investment in the new business, nor to incur the relevant expenses.*

The Company will not have to raise a huge amount of funds for investment in the new business in order to purchase the ordinary shares and repay the outstanding debts to the existing shareholder, nor to pay for the additional investment required for project development until completion. Thus, it will not incur additional debts and interest expenses as well as the extra costs arising from the transaction being regarded as the asset acquisition and connected transaction such as cost of arrangement of the shareholders' meeting, cost of financial due diligence review, legal counseling fee, property appraisal fee, independent financial advisory fee, etc.

(b) *The Company will not bear a risk involved with the new business operation.*

The details are the same as those in Item 2.1.3 (b).

2.2.4. Disadvantages and risks of the transaction

(a) *The Company cannot expand its investment as planned and will not receive returns from the new business.*



The details are the same as those in Item 2.1.4 (a).

(b) *The Company cannot diversify risk from the core business operation.*

The details are the same as those in Item 2.1.4 (b).

(c) *The Company will lose the opportunity to work with a new partner and/or business alliance who has experience in the new business.*

Since the new business requires specific skill and experience, if the Company does not enter into this transaction, it will lose the opportunity to work with a new partner and/or business alliance who has experience in the said new business and also the opportunity to invest in new businesses and/or new projects in the future.

**3. Comparison of advantages/benefits and disadvantages/risks between entering into the transactions with a connected person and the transactions with a third party****3.1. Acquisition Transaction 1: Investment in Financial Business****3.1.1. Advantages/benefits of entering into the transaction with a connected person**

As the Company's major shareholder, SPI has the intention for the Company to invest in new promising businesses that deliver favorable returns and have growth potential, which will be beneficial to the Company and its shareholders in the long term. Therefore, SPI has suggested the Company to invest in OA (an SPI subsidiary), which is a provider of secured loans to entrepreneurs. OA itself has two subsidiaries, both also engaging in the financial business which is gaining attraction and has a good growth prospect in this industry. The Company has received various proposals and information relating to the financial business and been able to contact and ask for more information to familiarize itself with this business rapidly and conveniently, thus facilitating the study of such information and the investment decision on this business and allowing for fast and easy proceedings. Moreover, the transfer of knowledge and experience of SPI, currently holding 100% of shares in OA, to the Company can be easily made since SPI will remain the Company's major shareholder after completion of this transaction. This is an advantage of entering into the transaction with the Company's connected person.

3.1.2. Disadvantages/risks of entering into the transaction with a connected person

The Company may lose the opportunity to receive a proposal for and information on the new business investment from a third party, who may become its new partner having potential in the new business and a strong financial position and may help to promote and drive further growth in the existing business of the Company by leveraging a broader channel of business operation through the new partner.

3.1.3. Advantages/benefits of entering into the transaction with a third party

The Company will have the opportunity to receive a proposal for and information on the new business investment from a third party, who may become its new partner having potential in the new business and a strong financial position and may help to promote and drive further growth in the existing business of the Company by leveraging a broader channel of business operation through the new partner.

3.1.4. Disadvantages/risks of entering into the transaction with a third party

the Company does not have any knowledge and experience in the new business and may need a considerable period of time to familiarize itself with the new business. While the new business arrangement will be subject to a time constraint, if entering into the transaction with a third party, there could be an obstacle in the coordination in various matters since the two parties have never worked together. This may lead the Company to fail to obtain the complete and sufficient information in time for making the investment



decision in the new business and/or be unable to request any additional information after completion of the transaction.

3.2. Acquisition Transaction 2: Investment in Real Estate Business

3.2.1. Advantages/benefits of entering into the transaction with a connected person

BTS has been the shareholder and business partner of SPI, which is the Company's major shareholder. As such, this will help facilitate the provision of information necessary for making an investment decision, which will be useful for the study of information and the investment decision on such real estate business, as well as enable all actions to be taken rapidly. Moreover, BTS is the major shareholder of U and the indirect major shareholder of UGH, both of which are the Sellers of the Target Companies under the investment transaction in the real estate business, and BTS will become the Company's major shareholder after completion of the Issuance and Offering of PP Shares. Therefore, the Company will acquire a strong partner since BTS is one of the potential companies with expertise and experience in a wide variety of industries and on various platforms, both at home and overseas, and also with a solid financial position.

3.2.2. Disadvantages/risks of entering into the transaction with a connected person

The details are the same as those in Item 3.1.2.

3.2.3. Advantages/benefits of entering into the transaction with a third party

The details are the same as those in Item 3.1.3.

3.2.4. Disadvantages/risks of entering into the transaction with a third party

The details are the same as those in Item 3.1.4.



Part 2.3	Opinion of the Independent Financial Advisor on appropriateness of value of the assets being acquired and conditions for the asset acquisition and connected transactions
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1. Acquisition Transaction 1: Investment in Financial Business

1.1. Fair value appraisal of the ordinary shares

The Company intends to invest in Oxygen Asset Co., Ltd. ("OA"), a provider of secured loans, by purchasing 90% of OA's issued and paid-up ordinary shares from Saha Pathana Inter-Holding Plc. ("SPI") at a total sale and purchase price under the agreement of Baht 835.70 million ("Acquisition Transaction 1"). Moreover, according to the share purchase agreement for OA's shares between the Company and SPI, the Company shall make a repayment of the outstanding debts owed by OA to SPI, which have been used for loan extension to OA's customers, in proportion to the Company's investment to SPI in the actual amount accrued as of the date of receiving the transfer of OA's shares, after the issuance of new shares for rights offering to all of the Company's existing shareholders, which is expected to be completed by the first quarter of 2023, in a total amount of not exceeding Baht 3,933 million (calculated from the outstanding loan between SPI and OA as at September 30, 2022 of Baht 4,370 million, multiplied by the investment proportion of 90% of OA's issued and paid-up shares), making up a total consideration for Acquisition Transaction 1 of not exceeding Baht 4,768.70 million.

The abovementioned transaction is regarded as a material asset acquisition of a listed company pursuant to the Notifications on Acquisition or Disposal of Assets. The transaction size, calculated under the total value of consideration basis from which the maximum transaction size is obtained, is equal to 104.96% of total assets according to the reviewed consolidated financial statements of the Company for the six-month period ended June 30, 2022. When including the acquisition of assets over the past six months, having the maximum size of 3.53%¹³ under the total value of consideration basis, the two acquisition transactions as approved by the Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022, having the maximum size of 0.04%¹⁴ under the total value of consideration basis, and Acquisition Transaction 2, which is

¹³ The Board of Directors' Meeting of the Company No. 5/2022 on June 10, 2022 resolved to approve the investment in 160,000 shares in King Square Development Co., Ltd. at a price of Baht 1,000 per share totaling Baht 160.00 million, representing 20% of the registered capital of such entity.

¹⁴ The Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 resolved to approve the establishment of two subsidiaries of the Company, comprising (1) TNLX Co., Ltd. with a registered capital of Baht 1.00 million, divided into 10,000 ordinary shares with a par value of Baht 100 per share; and (2) TNL Alliance Co., Ltd. with a registered capital of Baht 1.00 million, divided into 10,000 ordinary shares with a par value of Baht 100 per share. The Company holds 9,998 shares or 99.98% of the registered capital of each entity.



described in the following section, the total transaction size is equal to 163.59%, calculated under the total value of consideration basis from which the maximum transaction size is obtained. Therefore, this transaction is classified as a Class 1 Transaction under the Notifications on Acquisition or Disposal of Assets, i.e. transaction between the listed companies which has a transaction value equal to 50% or higher. The Company is accordingly required to prepare a report and disclose information on the transaction in accordance with the Notifications on Acquisition or Disposal of Assets, and to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must submit a notice of the shareholders' meeting, accompanied by an independent financial advisor's opinion, to the shareholders at least 14 days ahead of the meeting date.

In addition, Acquisition Transaction 1 will be executed between the Company and SPI, which is the major shareholder holding 87,237,766 shares or 69.75% of the Company's issued and paid-up shares. Therefore, this transaction is regarded as a significant connected transaction pursuant to the Notifications on Connected Transactions, with the transaction size equal to 122.27% of the Company's NTA (according to its reviewed consolidated financial statements for the six-month period ended June 30, 2022, the Company's NTA amounts to Baht 3,900.11 million). The Company has not entered into any other connected transactions with SPI or the related persons of SPI during six months before the date it agrees to execute this transaction. Since the transaction size is greater than 3% of the Company's NTA and also higher than Baht 20 million, the Company is required to obtain approval from the Board of Directors and to prepare and disclose the information memorandum on the transaction to the SET according to the Notifications on Connected Transactions, as well as to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must also appoint an independent financial advisor to provide opinion to its shareholders regarding (1) reasonableness of the transaction to the listed company, (2) fairness of price and conditions for the transaction, (3) advantages and disadvantages of entering into the transaction with a connected person compared with the transaction with a third party, and (4) recommendation as to whether the shareholders should vote for or against the transaction together with reasons. In this respect, the Company has appointed Advisory Plus Co., Ltd. as an independent financial advisor ("IFA") to provide opinion to its shareholders.

In expressing our opinion on the fairness of price and conditions for the transaction, we have measured a fair value of OA's shares by using different valuation approaches as a basis for identifying the appropriateness of the offering price for OA's shares between the Company and SPI, as follows:



- 1.1.1 Book Value Approach
- 1.1.2 Adjusted Book Value Approach
- 1.1.3 Market Comparable Approach
 - (1) Price to Book Value Ratio Approach
 - (2) Price to Earnings Ratio Approach
 - (3) EV/EBITDA Ratio Approach
- 1.1.4 Market Value Approach
- 1.1.5 Dividend Discount Model Approach

Details of share valuation by each approach are as follows:



1.1.1. Book Value Approach

By this approach, the shares are appraised from net book value of assets (total assets deducted by total liabilities) or equivalent to only equity attributable to owners of OA, divided by number of shares to obtain book value of the shares.

We appraise a fair value of OA's shares using information from its internal financial statements as of June 30, 2022, prepared by OA's management and not yet audited or reviewed by its auditor. Details of the share valuation are as follows:

Items as at June 30, 2022	Baht million
Issued and paid-up capital	100.00
Retained earnings	42.75
Shareholders' equity of OA	142.75
Investment proportion in OA	90%
Book value of shares (Baht million)	128.48

By the book value approach, the sale and purchase value of OA's shares according to the investment proportion is appraised at Baht 128.48 million, which is (lower) than the sale and purchase price under the agreement of Baht 835.70 million by Baht (707.22) million or (84.63)%.

The share valuation by this approach reflects OA's financial position as of June 30, 2022 only, but does not reflect current market value of its assets, nor its profitability in the future.

1.1.2. Adjusted Book Value Approach

Under this method, the shares are valued by adjusting the book value shown on OA's financial statements as at June 30, 2022 for the items that materially affect value of assets and liabilities in order to reflect the net asset value that is as close as possible to the present value. The IFA has considered the significant items on such financial statements for the book value adjustment as follows:

(1) Loans

The Company hired KPMG Phoomchai Business Advisory Co., Ltd. as the advisor on the financial and tax due diligence review of OA. According to the financial and tax due diligence report dated September 30, 2022, it was observed that an allowance for doubtful accounts should be set aside in the amount of Baht 53.19 million (out of the total loans extended to customers of Baht 2,420 million) in OA's financial statements as at June 30, 2022 in accordance with TFRS9 Financial Instruments.

However, two borrowers of OA (with a combined credit line of Baht 550 million) prepaid their loans in August and October 2022. In the financial and tax due diligence report, the allowance for doubtful accounts was estimated for these two borrowers in the total amount of Baht 39.38 million, resulting in a balance of the



allowance for the rest debtors, whose loan agreements with OA remain valid, in the amount of Baht 13.81 million. Therefore, we deem it appropriate to apply such figures to the book value adjustment.

(2) Financial liabilities

As at June 30, 2022, OA recorded loans from SPI of Baht 2,270 million, which were used as the main funding source for loan extension to OA's customers and already recorded in accordance with the accounting standards. Thus, no adjustment is made to this item.

(3) Other assets and liabilities

According to the financial statements as at June 30, 2022, OA's loans accounted for 97% of its assets and the rest 3% were other assets, mainly comprising the investment in subsidiaries, which are still in the beginning of business operation and, thus, are not subject to impairment, and cash and cash equivalents. No adjustment is made to this item.

On the side of liabilities, loans from SPI made up 98% of OA's total liabilities. The remaining 2% were other liabilities, almost all of which were unearned revenues from interest prepaid by customers by post-dated cheques. This item was already recorded in accordance with the accounting standards. Thus, no further adjustment is made.

Details of the adjustment to the shares' book value are shown below:

Items as at June 30, 2022	Baht million
Issued and paid-up capital	100.00
Retained earnings	42.75
Adjusted items:	
(1) Allowance for doubtful accounts	(13.81)
(2) Adjustment to financial liabilities	-
(3) Adjustment to other assets and liabilities	-
Shareholders' equity of OA	128.94
Investment proportion in OA	90%
Book value of shares (Baht million)	116.05

By the adjusted book value approach, the sale and purchase value of OA's shares according to the investment proportion is appraised at Baht 116.05 million, which is (lower) than the sale and purchase price under the agreement of Baht 835.70 million by Baht (719.65) million or (86.11)%.

1.1.3. Market Comparable Approach

By this approach, the shares are valued based on various market ratios, including (a) price to book value (P/BV) ratio, (b) price to earnings (P/E) ratio, and (c) enterprise value to EBITDA (EV/EBITDA) ratio, of companies listed on the SET and the mai and operating the business of loan provision with land placed as collateral, similar to OA's business, comprising seven listed companies or called the "Peer Group."

Details of the said reference companies are as follows:

	Symbol	Company's name	Nature of business	Market cap (Baht million)*
Reference companies listed on the SET				
1	HENG	Heng Leasing and Capital Plc.	HENG provides hire purchase, personal loan under supervision with vehicle registration as collateral, loan with home and land as collateral, personal loan under supervision which is not loan with vehicle registration as collateral, nano finance, and non-life insurance and life insurance broker services.	11,354
2	MTC	Muangthai Capital Plc.	MTC provides motorcycle title loan, car title loan of all types, agricultural vehicle title loan, personal loan, nano finance, and land title loan.	76,850
3	SAWAD	Srisawad Corporation Plc.	SAWAD provides loan services to retail customers under the brand "Srisawad Ngern Sod Tun Jai." Business operation of the Company can be classified into five main categories: 1) secured loan against all types of used vehicle, home, and land, with the outstanding loan against land, home and condominium of Baht 14,232 million as at December 31, 2022, 2) unsecured personal loan under supervision of the Bank of Thailand, 3) asset management, 4) debt collection service, and 5) consultancy service to implement and manage the credit-provision process.	59,389
4	TIDLOR	Ngern Tid Lor Plc.	TIDLOR provides sedan/pickup title loan, motorcycle title loan, truck title loan, used truck title loan, land title loan, non-life insurance brokerages service, life insurance brokerages service and related services.	66,804
Reference companies listed on the mai				
5	ACAP	Asia Capital Group Plc.	ACAP provides 1) secured loan services, including corporate loan and retail loan, 2) business process outsource services such as call center and debt collection services, and 3) legal advisory and cash monitoring services.	199
6	GCAP	G Capital Plc.	GCAP provides hire purchase loans for agricultural machines, speed boat, tourist boat, secured corporate loans such as mortgage loan, factoring, and personal loan.	467
7	SGF	SGF Capital Plc.	SGF provides hire purchase, car for cash, vehicle title loan, land title loan, loan credit, personal loan and nano-finance credit.	1,100

Source: www.set.or.th

Remark: * Market cap as at September 29, 2022.

*(1) Price to Book Value Ratio Approach*

Under the P/BV ratio approach, the shares are appraised by taking book value shown on OA's financial statements as at June 30, 2022, equal to Baht 142.75 million, multiplied by the average of P/BV ratio of the Peer Group prevailing in different time periods of one month, three months, six months, nine months and 12 months up to the cut-off date of September 29, 2022, which was the last business day before the date on which the Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 resolved to propose the Extraordinary General Meeting of Shareholders to consider and approve the asset acquisition and connected transaction from the investment in OA.

Average P/BV ratio of the Peer Group:

Peer Group	Average of past 1 month	Average of past 3 months	Average of past 6 months	Average of past 9 months	Average of past 12 months
1 ACAP*	N/A	137.04	99.91	60.57	44.04
2 GCAP	0.97	0.86	0.98	1.15	1.18
3 HENG	2.46	2.50	2.69	2.79	2.79
4 MTC	3.27	3.50	3.67	4.06	4.41
5 SAWAD	2.74	2.72	2.78	3.01	3.19
6 SGF	0.65	0.62	0.66	0.72	0.77
7 TIDLOR	3.00	3.04	3.33	3.53	3.64
Average*	2.18	2.21	2.35	2.54	2.66

Source: www.setsmart.com

Remark: * P/BV ratio of ACAP is excluded from the calculation because it is deemed the outlier.

Conclusion of the valuation of OA's shares by the P/BV ratio approach

Period	Average P/BV ratio of Peer Group	Shareholders' equity of OA as at June 30, 2022 (Baht million)	Fair value of shareholders' equity of OA (Baht million)	Investment proportion	Fair value of OA's ordinary shares according to investment proportion (Baht million)
Average of past 1 month	2.18	142.75	311.20	90%	280.08
Average of past 3 months	2.21	142.75	315.48	90%	283.93
Average of past 6 months	2.35	142.75	335.46	90%	301.91
Average of past 9 months	2.54	142.75	362.59	90%	326.33
Average of past 12 months	2.66	142.75	379.72	90%	341.75

By the P/BV ratio approach, the value of OA's shares according to the investment proportion is appraised at Baht 280.08 million – Baht 341.75 million, which is (lower) than the sale and purchase price under the agreement of Baht 835.70 million by Baht (555.62) million – Baht (493.95) million or (66.49)% – (59.11)%.



The share valuation by this approach is based on OA's book value, which reflects its performance and financial position at a given period of time, but does not reflect its future profitability.

(2) *Price to Earnings Ratio Approach*

By this method, the shares are appraised from OA's net profit for the previous 12 months (July 1, 2021 – June 30, 2022), equal to Baht 42.75 million, multiplied by the average P/E ratio of the Peer Group prevailing in different time periods of one month, three months, six months, nine months and 12 months up to the cut-off date of September 29, 2022, which was the last business day before the date on which the Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 resolved to propose the Extraordinary General Meeting of Shareholders to consider and approve the asset acquisition and connected transaction from the investment in OA.

Average P/E ratio of the Peer Group:

Peer Group	Average of past 1 month	Average of past 3 months	Average of past 6 months	Average of past 9 months	Average of past 12 months
1 ACAP ^{2/}	N/A	N/A	N/A	N/A	N/A
2 GCAP ^{2/}	N/A	N/A	N/A	N/A	N/A
3 HENG ^{1/}	30.27	32.13	35.61	40.56	43.00
4 MTC	17.35	18.54	19.27	20.50	21.34
5 SAWAD	15.32	15.49	15.65	16.14	16.49
6 SGF	21.60	22.44	23.64	22.74	21.70
7 TIDLOR	20.13	20.84	23.16	24.83	25.62
Average^{1/}	18.60	19.33	20.43	21.05	21.29

Source: www.setsmart.com

Remark: 1/ P/E ratio of HENG is excluded from the calculation because it is deemed the outlier.

2/ ACAP and GCAP recorded a net loss for the previous 12 months.

Conclusion of the valuation of OA's shares by the P/E ratio approach

Period	Average P/E ratio of Peer Group	Net profit for previous 12 months of OA (Baht million)	Fair value of shareholders' equity of OA (Baht million)	Investment proportion	Fair value of OA's ordinary shares according to investment proportion (Baht million)
Average of past 1 month	18.60	42.75	795.15	90%	715.64
Average of past 3 months	19.33	42.75	826.36	90%	743.72
Average of past 6 months	20.43	42.75	873.38	90%	786.04
Average of past 9 months	21.05	42.75	899.89	90%	809.90
Average of past 12 months	21.29	42.75	910.15	90%	819.14

By the P/E ratio approach, the value of OA's shares according to the investment proportion is appraised at Baht 715.64 million – Baht 819.14 million, which is (lower) than the sale and purchase price



under the agreement of Baht 835.70 million by Baht (120.07) million – Baht (16.57) million or (14.37)% – (1.98)%.

The share valuation by this approach focuses only on OA's profitability over the previous 12 months, but takes no account of its capability and profitability in the future.

(3) *EV/EBITDA Ratio Approach*

By this approach, the shares are appraised from the average EV/EBITDA ratio of the Peer Group, multiplied by EBITDA of OA, then deducted by financial liabilities and non-controlling interests (if any), and added by cash of OA. The formula for share value calculation by the EV/EBITDA ratio approach is as follows:

$$\begin{aligned}
 \text{EV} &= \text{Average EV/EBITDA of Peer Group} \times \text{EBITDA} \\
 \text{Total equity value} &= \text{EV} - \text{Non-controlling interests} - \text{Financial liabilities} + \text{Cash} \\
 \text{Share value} &= \text{Total equity value} / \text{Total number of paid-up shares}
 \end{aligned}$$

Average EV/EBITDA ratio of Peer Group:

Peer Group	Average of past 1 month	Average of past 3 months	Average of past 6 months	Average of past 9 months	Average of past 12 months
1 ACAP ^{1/}	75.66	75.70	46.61	35.12	43.12
2 GCAP ^{2/}	N/A	N/A	N/A	N/A	17.48
3 HENG	25.31	26.48	26.90	28.88	29.75
4 MTC	16.48	16.97	17.46	18.15	18.59
5 SAWAD	12.65	12.81	12.50	12.51	12.59
6 SGF	14.41	14.03	15.04	15.59	16.04
TIDLOR	16.76	16.84	17.90	18.53	18.62
Average^{1/2/}	17.12	17.43	17.96	18.73	19.12

Source: Bloomberg

Remark: 1/ EV/EBITDA ratio of ACAP is excluded from the calculation because it is deemed the outlier.

2/ EV/EBITDA ratio of GCAP is excluded from the calculation because GCAP recorded negative EBITDA in some periods, making it not possible to calculate its EV/EBITDA ratio.

As at June 30, 2022, OA had cash and cash equivalents of Baht 25.05 million, financial liabilities of Baht 2,270 million, and EBITDA for the previous 12 months (July 1, 2021 – June 30, 2022) of Baht 80.75 million.



Conclusion of the valuation of OA's shares by the EV/EBITDA ratio approach

Average of the previous period	Average EV/EBITDA ratio of Peer Group	EBITDA for previous 12 months (Baht million)	EV of OA (Baht million)	Fair value of shareholders' equity of OA (Baht million)	Investment proportion	Fair value of OA's ordinary shares according to investment proportion (Baht million)
1 month	17.12	80.75	1,382.44	(862.51)	90%	(776.26)
3 months	17.43	80.75	1,407.47	(837.48)	90%	(753.73)
6 months	17.96	80.75	1,450.27	(794.68)	90%	(715.21)
9 months	18.73	80.75	1,512.45	(732.50)	90%	(659.25)
12 months	19.12	80.75	1,543.94	(701.01)	90%	(630.91)

By the EV/EBITDA ratio approach, the appraisal of OA's shares according to the investment proportion results in a negative value. Therefore, we cannot appraise OA's shares according to the investment proportion by this approach.

The share valuation by this approach focuses only on OA's profitability over the previous 12 months, but takes no account of its capability and profitability in the future.

1.1.4. Market Value Approach

Under this approach, the shares are appraised based on the weighted average market price (trading value/trading volume) of OA's shares traded on the SET over different periods. Since OA's shares are not listed on the SET, we cannot appraise its shares according to the investment proportion by this approach.

1.1.5. Dividend Discount Model Approach

This approach is the general method of international standard for the valuation of financial business. The shares are valued, based on OA's future dividend payment ability, by calculating present value of dividend expected to be received by the Company in the future under financial projection for a period of about five years from 2022 to 2026 with the assumption that the Company continues operation on a going concern basis and there is no material change taking place. It is also based on the economic condition and current circumstances where the business operation is under the existing management team.

We have prepared the financial projection of OA based on the information and assumptions obtained from the Company and the information received from interviews with the executives and staff concerned. The objective is to identify a fair value of OA's shares and the appraised share value may not be used as a reference price for any purposes other than the objective mentioned above. We have reviewed



such information according to professional standards and deem that the information is adequate and reliable for use in the valuation of OA's shares.

However, if there is any material change from the established assumptions in the economic condition and other external factors that have an impact on the operation of OA, as well as in its internal situation, the share value appraised by this approach may not be used as a reference price.

The key assumptions used in the financial projection of OA are as follows:

- (a) Total value of loans to customers

OA was incorporated on October 4, 2021 to operate the business of provision of secured loans to entrepreneurs, both juristic and individual persons, with a loan period of not over two years. OA recorded total outstanding loans of Baht 570 million and Baht 2,370 million as at December 31, 2021 and June 30, 2022 respectively.

OA's management expects that, as at December 31, 2022, OA will have the outstanding loans to customers of Baht 3,700 million, which is estimated from the outstanding loans as at October 9, 2022 of Baht 2,735 million combined with loans requested by customers who have preliminarily agreed upon the terms and conditions and are highly likely to sign the loan agreements, which is expected to be completed by October 2022, in an aggregate of Baht 710 million (of this amount, Baht 110 million is the additional drawdown from the outstanding loans) and those of the target customers expected to sign the loan agreements by December 2022 of Baht 255 million (of this amount, Baht 200 million has been duly agreed upon with the customers, with the loan agreement set to be signed on December 15, 2022 according to customers' funding needs).

From the assessment of borrowing records of customers whose loan agreements have not yet expired and the target customers expected to sign the loan agreements with OA by 2022, it has been found that the collateralized land mortgaged or to be mortgaged with OA has been continuously placed as loan security for 5 – 10 years. Therefore, OA's management expects that roughly 90% of the existing customers will renew the loan agreements at least throughout the projection period.

The outstanding loans to customers in each year are projected as follows:

Baht million	Historical		Projected				
	2021	Jan-Jun 2022	2022	2023	2024	2025	2026
Outstanding loans to customers	570	2,370	3,700	^{1/} 3,700	^{2/} 3,330	3,330	3,330

Remark: 1/ As most of the loan agreements in 2022 will expire in late 2023, the outstanding loans in 2023 are assumed to be equal to the outstanding loans in 2022.

2/ OA forecasts that 90% of its customers will renew the loan agreements, which is assumed to remain constant throughout the projection period. This is the valuation of OA under the existing management of SPI only, without



a forecast of future growth in new customers after completion of the investment in OA since the Company will acquire 90% of shares in OA and will undertake the business management and provide financial assistance to OA as a funding source for its lending services.

(b) Interest income

OA's current loan interest rate is 11% – 15% p.a. or an average of 11.44% p.a. It is assumed that the interest rate will remain constant at 11.44% p.a. throughout the projection period, equal to the current average interest rate.

Baht million	Historical		Projected				
	2021	Jan-Jun 2022	2022	2023	2024	2025	2026
Interest income	11.10	^{1/} 79.07	^{1/} 264.17	479.70	384.69	380.97	380.97

Remark: 1/ Growth in value of outstanding loans in 2022 starts around the end of the first half of that year onwards.

(c) Interest expenses

Currently, OA has two sources of funds for loan provision to its customers: its registered and paid-up capital of Baht 100 million and loans from SPI of Baht 4,370 million, as at September 30, 2022, with interest rate of 5% p.a.

Baht million	Historical		Projected				
	2021	Jan-Jun 2022	2022	2023	2024	2025	2026
Loans from SPI	470.00	2,270.00	3,600.00	3,600.00	3,230.00	3,230.00	3,230.00
Interest expenses	3.76	33.31	101.75	180.00	170.75	161.50	161.50

(d) Variable costs

Consisting of:

- Specific business tax is 3.3% of interest income.
- Management fee for customer acquisition, negotiation for the best deals, and risk monitoring and management is not more than 15% of net interest income (interest income deducted by interest expenses and specific business tax).
- Allowance for doubtful accounts is set, under OA's policy, at 0.5% of the yearly outstanding loans. OA views that since the loan provided for each customer is equal to 45% – 50% of the fair value appraised by the independent valuer, the default risk is somewhat low accordingly. In case of loan defaults, the value obtainable by OA from the collateral enforcement will likely be sufficient for debt repayment.



Baht million	Historical		Projected				
	2021	Jan-Jun 2022	2022	2023	2024	2025	2026
Specific business tax	0.70	3.25	8.72	15.83	12.69	12.57	12.57
Management fee	0.87	-	5.76	42.58	30.19	31.04	31.04
Bad debts and doubtful accounts	-	-	18.50	18.50	16.65	16.65	16.65

(e) Fixed costs

Consisting of:

- Employee salaries are estimated at Baht 4.43 million in 2022 and Baht 6.11 million in 2023 (some employees who were employed during the year in 2022 will receive full-year salaries for the first year in 2023). From 2024 until the end of the projection period, employee salaries are forecast to rise by 5% per year under the pay increase policy.
- Other expenses, comprising audit fee, collateral valuation fee, and other miscellaneous expenses, are set to be Baht 2.60 million in 2022 and to rise by 2% per year from 2023 until the end of the projection period (close to the average inflation for the previous 20 years from 2002 to 2021).

Baht million	Historical		Projected				
	2021	Jan-Jun 2022	2022	2023	2024	2025	2026
Employee salaries	^{1/} 0.15	1.94	^{2/} 4.43	^{2/} 6.11	6.42	6.74	7.08
Other expenses	1.01	1.51	2.60	2.65	2.70	2.76	2.81
Growth rate							
Employee salaries		1193%	^{2/} 78%	^{2/} 38%	5%	5%	5%
Other expenses		50%	134%	2%	2%	2%	2%

Remark: 1/ OA was established in October 2021.

- 2/ Some employees who were employed during the year in 2022 will receive full-year salaries for the first year in 2023.

(f) Income tax

Corporate income tax is assumed to be 20% of pre-tax profit throughout the projection period.

(g) Working capital

Working capital is estimated according to OA's policy and will remain constant throughout the projection period, as follows:

- Accrued interest receivable 7 days
- Accrued expenses 30 days



- Unearned revenues 30 days

(h) Dividend payout

OA's dividend payout is assumed at 90% of net cash flow before dividend payment or 90% of retained earnings before dividend payment, whichever is lower.

(i) Terminal growth rate

Terminal growth rate is estimated by the Perpetuity Growth Model. Since there is no growth forecast for the outstanding loans as mentioned in (a), we assume the terminal growth rate of dividend to be 0.00% per year.

Based on the assumptions for financial projection described above, we have determined a net value of shareholders' equity of OA by calculating present value of dividend obtained from projection of OA's operating performance and financial position, using an appropriate discount rate, which is cost of equity (Ke) of 13.01% per year. Details of the calculation are as follows:

Calculation of Ke:

$$K_e = R_f + \beta(R_m - R_f)$$

Where:

Risk free rate (Rf) Risk free rate of return on investment, derived from www.thaibma.or.th as at September 29, 2022, is equal to 4.06% per annum, based on bid yield on government bond with a maturity of 25 years, which is a period that could reflect investment condition in different time periods better than shorter-term data.

Beta (β) This is a variance of SET return compared with a variance of return on investment in OA's shares. We use the beta of seven companies in the Peer Group, as described in Section 'Market Comparable Approach,' based on the weekly trading statistics from Bloomberg over the past three years from September 30, 2019 to September 29, 2022. The beta of these reference companies is adjusted to arrive at an unlevered beta (the average unlevered beta of the seven reference companies is equal to 0.512), which is then adjusted by the estimated debt to equity ratio of OA of 1.86 times to obtain a re-levered beta, which is equal to 1.275.

Rm This is the average rate of return on the SET over the past 25 years, which is a period that could reflect investment condition in different time periods



better than shorter-term data (source: SET data from October 1997 to September 2022), equal to 11.08% per annum.

Based on the above assumptions, we could determine a fair value of OA's shares according to the investment proportion at Baht 871.34 million which is for the shareholders' equity of OA in the base case scenario, the details of which are tabulated below:

Baht million	Jul-Dec 2022	2023	2024	2025	2026
Dividend payable	66.01	173.46	116.35	119.22	119.41
Terminal growth of dividend payable					917.88
Total dividend payable	66.01	173.46	116.35	119.22	1,037.29
Discount period	0.50	1.50	2.50	3.50	4.50
Discount rate	0.13	0.13	0.13	0.13	0.13
Discount factor	0.94	0.83	0.74	0.65	0.58
PV of dividend payable	62.09	144.39	85.70	77.71	598.26
Shareholders' equity	968.15				
Investment proportion	90%				
Fair value of OA's according to investment proportion	871.34				

In addition, we have performed a sensitivity analysis on the valuation of OA's shares to cover a range of impacts that are expected from changes to various factors as follows:

Change in loan agreement renewal rate to 80% – 100% of outstanding loans in 2023

Loan agreement renewal rate	80%	85%	90%	95%	100%
Shareholders' equity of OA according to investment proportion	796.05	833.72	871.34	908.96	946.59

Change in loan interest rate by +/- 0.5% per year from the base case

Average interest rate on loans to customers	-0.50%	-0.25%	0.00%	0.25%	0.50%
Shareholders' equity of OA according to investment proportion	805.55	838.46	871.34	904.23	937.12

Change in financial cost by +/- 0.5% per year from the base case

Interest rate on loans from shareholders	-0.50%	-0.25%	0.00%	0.25%	0.50%
Shareholders' equity of OA according to investment proportion	949.81	910.57	871.34	832.07	792.84



Change in return on equity by +/- 1.0% per year from the base case

Change of return on equity	-1.00%	-0.50%	0.00%	0.50%	1.00%
Shareholders' equity of OA according to investment proportion	940.52	904.55	871.34	840.56	811.95

From the above sensitivity analysis with changes to various factors as described above, the shareholders' equity of OA according to investment proportion is appraised in a range of Baht 792.84 million – Baht 949.81 million, which is (lower)/higher than the sale and purchase price under the agreement of Baht 835.70 million by Baht (42.86) million – Baht 114.11 million or (5.13)% – 13.65%.

Summary of the IFA's opinion

Table showing comparison of the appraised value of shareholders' equity of OA according to investment proportion by various valuation approaches:

Valuation approach	Appraised value (Baht million)	Sale and purchase price of OA's shares under the agreement (Baht million)	(Lower) or higher than sale and purchase price of OA's shares under the agreement	
			(Baht million)	(%)
1. Book Value (BV) Approach	128.48	835.70	(707.22)	(84.63)
2. Adjusted Book Value (ABV) Approach	116.05	835.70	(719.65)	(86.11)
3. Market Comparable Approach				
(1) Price to Book Value (P/BV) Ratio Approach	280.08 – 341.75	835.70	(555.62) – (493.95)	(66.49) – (59.11)
(2) Price to Earnings (P/E) Ratio Approach	715.64 – 819.14	835.70	(120.07) – (16.57)	(14.37) – (1.98)
(3) EV/EBITDA Ratio Approach	N/A	835.70	N/A	N/A
4. Market Value Approach	N/A	835.70	N/A	N/A
5. Dividend Discount Model Approach	792.84 – 949.81	835.70	(42.86) – 114.11	(5.13) – 13.65

There are different strengths and weaknesses of the above valuation approaches in identifying a fair value of the shares, as described below:

1) The share valuation by the book value approach focuses on financial position at a given period of time and book value of assets, but does not reflect the true market value of assets and the future profitability of OA.

2) The adjusted book value approach could reflect the net asset value more accurately than the share valuation by the book value approach, but does not reflect the future profitability of OA.

3) The market comparable approach, comprising P/E ratio, P/BV ratio and EV/EBITDA ratio approaches, may not reflect the true value of OA due to the variation and difference in certain factors of the Peer Group in terms of business operation policy, marketing plan, customer base, future business plan, financial structure, and profitability of each company. Moreover, the market ratios of the reference companies vary considerably. Although some that are considered as the outliers have been excluded from the average



ratio calculation, the impact of fluctuations in those ratios of the reference companies may not be completely mitigated. Besides, the deletion of the outliers from the calculation leads to a lowered number of reference companies used in the comparison, which ultimately causes the said calculation results to fail to reflect the true value or price of OA's shares.

4) The market value approach can well reflect demand for and supply of shares in different time periods. However, since OA's shares are not listed on the SET, there is no reference market price available. Therefore, we cannot appraise OA's shares by this approach.

5) The dividend discount model approach focuses on future operation and profitability of the business by taking into account the present value of dividend payable by OA that the Company expects to receive in the future based on past operation, as well as the economic trend and future operation of OA. Therefore, this approach can reflect the true value of OA better than all other approaches.

We are of the opinion that the dividend discount model approach is the most suitable method for valuing OA's shares. By this approach, the shareholders' equity of OA according to investment proportion is appraised in a range of Baht 792.84 million – Baht 949.81 million, which is (lower)/higher than the sale and purchase price under the agreement of Baht 835.70 million by Baht (42.86) million – Baht 114.11 million or (5.13)% – 13.65%. This approach focuses on OA's future operation and profitability, based on the present value of dividend payable by OA that the Company expects to receive in the future, as well as the overall economic and industrial trends.

In view of the appropriateness of the sale and purchase of 90% of OA's shares from SPI, which is the connected person, at the total value of Baht 835.70 million, we are of the opinion that such price is within the range of a fair value of Baht 792.84 million – Baht 949.81 million appraised herein and is lower than the appraised value in the base case of Baht 871.34 million. Therefore, we deem that the sale and purchase price for 90% of OA's shares from SPI, which is the connected person, of Baht 835.70 million is a reasonable price.

1.2. Assessment of appropriateness of conditions for the transaction

We have considered the terms and conditions set out in the share purchase agreement for OA's shares between the Company and SPI and view that the terms of payment, conditions precedent, and all other significant arrangements (as per the details in Attachment 11) are the conditions applicable to ordinary shares sale and purchase agreements in general.



2. Acquisition Transaction 2: Investment in Real Estate Business

2.1. Fair value appraisal of the ordinary shares

The Company intends to invest in 50% of the issued and paid-up ordinary shares in seven real estate companies, comprising

- Future Domain Co., Ltd. ("FD"),
- Khu Khot Station Alliance Co., Ltd. ("KK"),
- Majestic Park Co., Ltd. ("MJP"),
- Phraram 9 Alliance Co., Ltd. ("R9A"),
- Ratburana Alliance Co., Ltd. ("RBA"),
- Ratchada Alliance Co., Ltd. ("RDA"), and
- Suksawat Alliance Co., Ltd. ("SUK")

The Company will acquire 50% of the issued and paid-up ordinary shares in FD, KK, MJP, R9A, RDA and SUK from U City Plc. ("U") and 50% of the issued and paid-up ordinary shares in RBA from U Global Hospitality Co., Ltd. ("UGH") at a total value under the sale and purchase agreement of Baht 531.92 million ("Acquisition Transaction 2"). Moreover, according to the share purchase agreement for shares of the seven real estate companies made by the Company with U and UGH, the Company shall make a repayment for the outstanding debts owed by these seven companies to U and UGH, which have been used for real estate project development of the seven companies, to U and UGH in a total amount of Baht 1,741.12 million (calculated from the estimated outstanding debts of each of the seven companies as at the end of 2022, when the investment in real estate companies transaction is expected to be completed), and shall additionally make a payment for the investment in proportion to the shareholding structure for development of all projects of the said real estate companies until completion in the net amount of Baht 228.68 million, making up a total consideration for Acquisition Transaction 2 of Baht 2,501.72 million.

The abovementioned transaction is regarded as a material asset acquisition of a listed company pursuant to the Notifications on Acquisition or Disposal of Assets. The transaction size, calculated under the total value of consideration basis from which the maximum transaction size is obtained, is equal to 55.06% of total assets according to the reviewed consolidated financial statements of the Company for the six-month period ended June 30, 2022. When including the acquisition of assets over the past six months, having the maximum size of 3.53%¹⁵ under the total value of consideration basis, the two acquisition transactions as

¹⁵ The Board of Directors' Meeting of the Company No. 5/2022 on June 10, 2022 resolved to approve the investment in 160,000 shares in King Square Development Co., Ltd. at a price of Baht 1,000 per share totaling Baht 160.00 million, representing 20% of the registered capital of such entity.



approved by the Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022, having the maximum size of 0.04%¹⁶ under the total value of consideration basis, and Acquisition Transaction 1, which has the maximum size of 104.96% under the total value of consideration basis as described in the previous section, the total transaction size is equal to 163.59%, calculated under the total value of consideration basis from which the maximum transaction size is obtained. Therefore, this transaction is classified as a Class 1 Transaction under the Notifications on Acquisition or Disposal of Assets, i.e. transaction between the listed companies which has a transaction value equal to 50% or higher. The Company is accordingly required to prepare a report and disclose information on the transaction in accordance with the Notifications on Acquisition or Disposal of Assets, and to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must submit a notice of the shareholders' meeting, accompanied by an independent financial advisor's opinion, to the shareholders at least 14 days ahead of the meeting date.

In addition, Acquisition Transaction 2 will be executed by the Company with U and UGH, which have BTS as their indirect major shareholder. Besides, after the allocation of the Company's newly issued ordinary shares by way of a private placement to BTS under the Issuance and Offering of PP Shares described in the earlier section, BTS will relatively become the major shareholder holding 87,237,766 shares or 41.09% of the Company's issued and paid-up shares (after the issuance and offering of new shares on this occasion). Moreover, the said allocation of newly issued shares to BTS will result in BTS acquiring the ordinary shares in the Company in the amount that passes the trigger point requiring it to make a mandatory tender offer for all securities of the Company under Notification TorChor. 12/2554. As a result, BTS may receive additional ordinary shares from the Company's existing shareholders apart from the shares from the private placement allocation under the tender offer to the extent that BTS will become the person with control power in the Company and, hence, will be regarded as the Company's connected person under the Notifications on Connected Transactions.

Therefore, Acquisition Transaction 2 is regarded as a significant connected transaction pursuant to the Notifications on Connected Transactions, with value of consideration for the connected transaction of Baht

¹⁶ The Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 resolved to approve the establishment of two subsidiaries of the Company, comprising (1) TNLX Co., Ltd. with a registered capital of Baht 1.00 million, divided into 10,000 ordinary shares with a par value of Baht 100 per share; and (2) TNL Alliance Co., Ltd. with a registered capital of Baht 1.00 million, divided into 10,000 ordinary shares with a par value of Baht 100 per share. The Company holds 9,998 shares or 99.98% of the registered capital of each entity.



2,273.04 million¹⁷ and the transaction size equal to 58.83% of the Company's NTA (according to its reviewed consolidated financial statements for the six-month period ended June 30, 2022, the Company's NTA amounts to Baht 3,900.11 million). The Company has not entered into any other connected transactions with U and UGH or the related persons of U and UGH during six months before the date it agrees to execute this transaction. Since the transaction size is greater than 3% of the Company's NTA and also higher than Baht 20 million, the Company is required to obtain approval from the Board of Directors and to prepare and disclose the information memorandum on the transaction to the SET according to the Notifications on Connected Transactions, as well as to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must submit a notice of the shareholders' meeting, accompanied by an independent financial advisor's opinion, to the shareholders at least 14 days ahead of the meeting date.

In expressing our opinion on the fairness of price and conditions for the transaction, we have measured a fair value of the sale and purchase price of ordinary shares in the seven real estate companies by using different valuation approaches as follows:

- 2.1.1 Book Value Approach
- 2.1.2 Adjusted Book Value Approach
- 2.1.3 Market Comparable Approach
 - (a) Price to Book Value Ratio Approach
 - (b) Price to Earnings Ratio Approach
 - (c) EV/EBITDA Ratio Approach
- 2.1.4 Market Value Approach

¹⁷ Value of consideration for the connected transaction under Acquisition Transaction 2 is calculated from the sale and purchase price for 50% of ordinary shares of the six Target Companies, namely FD, KK, MJP, RBA, RDA and SUK, including the outstanding loans that the Company must repay to U and UGH, totaling Baht 2,076.36 million and the book value of R9A of Baht 217.99 million, making up a total amount of Baht 2,294.35 million. (Under the Notifications on Connected Transactions, the transaction size shall be calculated from the higher of the consideration value, the book value or the market value. In this case, the total consideration for the acquisition of 50% of R9A's shares is Baht 196.68 million, and its book value according to the investment proportion is Baht 217.99 million, while there is no market price since its shares are not listed on the SET. Therefore, its book value, which is the higher amount, is applied in the calculation of the transaction size.) The calculation of value of consideration does not include the investment to be additionally paid for by the Company in proportion to the shareholding structure for development of all projects of the said real estate companies until completion in the net amount of Baht 228.68 million because this is not classified as a consideration for the connected person.



2.1.5 Discounted Cash Flow Approach

Details of the fair value appraisal of the sale and purchase price of ordinary shares in the seven real estate companies by each approach are as follows:

(The shareholders can study the details of the valuation of all seven real estate companies presented in Attachments 3 – 9 of this report.)

2.1.1. Book Value Approach

Company's name	Appraised value according to investment proportion (Baht million)	Sale and purchase price (Baht million)	Appraised value being higher/(lower) than sale and purchase price	
			Baht million	%
(1) FD	8.67	148.63	(139.96)	(94.17)
(2) KK	65.14	113.67	(48.53)	(42.69)
(3) MJP	58.86	156.27	(97.41)	(62.33)
(4) R9A	172.13	6.75	165.38	2,450.07
(5) RBA	(96.26)	55.50	(151.76)	(273.44)
(6) RDA	(40.59)	24.10	(64.69)	(268.42)
(7) SUK	22.46	27.00	(4.54)	(16.81)
Total	190.41	531.92	(341.51)	(64.20)

2.1.2. Adjusted Book Value Approach

Company's name	Appraised value according to investment proportion (Baht million)	Sale and purchase price (Baht million)	Appraised value being higher/(lower) than sale and purchase price	
			Baht million	%
(1) FD	134.80	148.63	(13.83)	(9.30)
(2) KK	182.83	113.67	69.16	60.84
(3) MJP	3.89	156.27	(152.38)	(97.51)
(4) R9A	215.18	6.75	208.43	3,087.85
(5) RBA	8.34	55.50	(47.16)	(84.97)
(6) RDA	(56.49)	24.10	(80.59)	(334.40)
(7) SUK	53.06	27.00	26.06	96.52
Total	541.61	531.92	9.69	1.82



2.1.3. Market Comparable Approach

(a) Price to Book Value Ratio Approach

Company's name	Appraised value according to investment proportion (Baht million)	Sale and purchase price (Baht million)	Appraised value being higher/(lower) than sale and purchase price	
			Baht million	%
(1) FD	7.19 – 8.15	148.63	(141.44) – (140.48)	(95.16) – (94.52)
(2) KK	54.07 – 61.23	113.67	(59.60) – (52.44)	(52.43) – (46.13)
(3) MJP	48.85 – 55.32	156.27	(107.42) – (100.95)	(68.74) – (64.60)
(4) R9A	142.86 – 161.80	6.75	136.11 – 155.05	2,016.44 – 2,297.04
(5) RBA	(79.89) – (90.48)	55.50	(135.39) – (145.98)	(243.95) – (263.03)
(6) RDA	(33.69) – (38.15)	24.10	(57.79) – (62.25)	(239.79) – (258.30)
(7) SUK	18.64 – 21.11	27.00	(8.36) – (5.89)	(30.96) – (21.81)
Total	158.03 – 178.98	531.92	(373.89) – (352.94)	(70.29) – (66.35)

(b) Price to Earnings Ratio Approach

This approach is not applicable because six of the Target Companies, namely FD, KK, MJP, R9A, RBA and RDA, have operated at a loss and the remaining one, SUK, was just founded in 2022 and accordingly has not yet shown any operating results.

(c) EV/EBITDA Ratio Approach

This approach is not applicable either because six of the Target Companies, namely FD, KK, MJP, R9A, RBA and RDA, have not generated an EBITDA and the remaining one, SUK, was just founded in 2022 and accordingly has not yet shown any operating results.

2.1.4. Market Value Approach

This approach is not applicable either because none of the seven Target Companies are listed on the SET.



2.1.5. Discounted Cash Flow Approach

Company's name	Appraised value according to investment proportion (Baht million)	Sale and purchase price (Baht million)	Appraised value being higher/(lower) than sale and purchase price	
			Baht million	%
(1) FD	214.81 – 219.99	148.63	66.18 – 71.36	44.53 – 48.01
(2) KK	288.72 – 329.87	113.67	175.05 – 216.20	154.00 – 190.20
(3) MJP	245.56 – 271.66	156.27	89.29 – 115.39	57.14 – 73.84
(4) R9A	172.37 – 188.11	6.75	165.62 – 181.36	2,453.63 – 2,686.82
(5) RBA	174.93 – 191.78	55.50	119.43 – 136.28	215.19 – 245.55
(6) RDA	62.57 – 63.90	24.10	38.47 – 39.80	159.63 – 165.15
(7) SUK	45.71 – 48.65	27.00	18.71 – 21.65	69.30 – 80.19
Total	1,204.67 – 1,313.96	531.92	672.75 – 782.04	126.48 – 147.02

There are different strengths and weaknesses of the above valuation approaches in identifying a fair value of the shares, as described below:

(1) The share valuation by the book value approach focuses on financial position at a given period of time and book value of assets, but does not reflect the true market value of assets and the future profitability.

(2) The adjusted book value approach could reflect the net asset value more accurately than the share valuation by the book value approach. This is because the appraised book value of shares in (1) is adjusted by value of property, plant and equipment and investment properties at a market value or fair value, and also by interim dividend payment, commitments and contingent liabilities, etc. Some of the seven Target Companies have not yet started construction and some have just commenced their construction. Therefore, this is one of the suitable methods for determining a fair value of ordinary shares of all seven Target Companies because it is based on a fair value of land and constructions according to the current progress rate at market price, which can best reflect general investors' expectation on the basis of the highest and best use of such assets at that time.

(3) The market comparable approach, comprising P/E ratio, P/BV ratio and EV/EBITDA ratio approaches, may not reflect the true value of all seven Target Companies due to the variation and difference in certain factors of the reference companies in terms of business operation policy, marketing plan, customer base, future business plan, financial structure, and profitability of each company.

(4) The market value approach can well reflect demand for and supply of shares traded on the SET in different time periods. However, since the shares of all seven Target Companies are not listed on the SET, we cannot appraise a fair value of their shares by this approach.



(5) The discounted cash flow (DCF) approach normally focuses on future operation and profitability of the business by taking into account the present value of future net cash flow based on past operation, as well as the economic trend and future operation of the business. Therefore, this approach normally can reflect the true value of the business better than all other approaches. However, the share valuation by this approach is under the assumption that all of the seven Target Companies have completed their construction and could sell their projects as planned. Currently, some of the seven Target Companies have not yet started construction and some have just commenced their construction. After completion of this transaction, the Company will become a major shareholder of all seven companies and will assume not only financial burdens for further project development but also risks in their project development until completion. Therefore, this approach is not suitable for determining the value of this transaction. Nonetheless, we have still prepared the cash flow projection to be a basis for the Company's shareholders to consider whether the investment is worthwhile and determine the return on investment in those projects.

Based on the reasons mentioned above, we view that the suitable method to value the shares in all seven Target Companies is the adjusted book value approach. By this approach, a fair value of the investment in all seven Target Companies according to the investment proportion is appraised at Baht 541.61 million, which is higher than the sale and purchase price of Baht 531.92 million by Baht 9.69 million or 1.82%.

The sale and purchase price for all seven Target Companies of Baht 531.92 million is lower than the fair value of Baht 541.61 million, appraised herein using the adjusted book value approach which is deemed as the most suitable method for valuing this investment, by Baht 9.69 million or 1.79%. Therefore, the sale and purchase price for shares in all seven Target Companies of Baht 531.92 million is considered a reasonable price.

2.2. Assessment of appropriateness of conditions for the transaction

We have considered the terms and conditions set out in the share purchase agreements of all seven Target Companies made by the Company with U and UGH, and view that the terms of payment, conditions precedent, and all other significant arrangements (as per the details in Attachment 12) are the conditions applicable to ordinary shares sale and purchase agreements in general.



Part 2.4 Conclusion of opinion of the Independent Financial Advisor on the asset acquisition and connected transactions

1. Acquisition Transaction 1: Investment in Financial Business

The Company intends to invest in Oxygen Asset Co., Ltd. ("OA"), a provider of secured loans, by purchasing 90% of OA's issued and paid-up ordinary shares from Saha Pathana Inter-Holding Plc. ("SPI") at a total sale and purchase price under the agreement of Baht 835.70 million ("Acquisition Transaction 1"). Moreover, according to the share purchase agreement for OA's shares between the Company and SPI, the Company shall make a repayment of the outstanding debts owed by OA to SPI, which have been used for loan extension to OA's customers, in proportion to the Company's investment to SPI in the actual amount accrued as of the date of receiving the transfer of OA's shares, after the issuance of new shares for rights offering to all of the Company's existing shareholders, which is expected to be completed by the first quarter of 2023,¹⁸ in a total amount of not exceeding Baht 3,933 million (calculated from the outstanding loan between SPI and OA as at September 30, 2022 of Baht 4,370 million,¹⁹ multiplied by the investment proportion of 90% of OA's issued and paid-up shares), making up a total consideration for Acquisition Transaction 1 of not exceeding Baht 4,768.70 million.

The abovementioned transaction is regarded as a material asset acquisition of a listed company pursuant to the Notifications on Acquisition or Disposal of Assets. The transaction size, calculated under the total value of consideration basis from which the maximum transaction size is obtained, is equal to 104.96% of total assets according to the reviewed consolidated financial statements of the Company for the six-month period ended June 30, 2022. When including the acquisition of assets over the past six months, having the

¹⁸ The Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 resolved to propose for the shareholders' approval the issuance of not more than 92,309,898 new ordinary shares with a par value of Baht 1.00 per share for rights offering to the Company's existing shareholders at a ratio of 2.3 existing shares to 1 newly issued share (calculated from number of shares after the issuance and offering of new ordinary shares through a private placement), with any fraction of a share to be discarded, at the offering price of Baht 33.06 per share, whereby all existing shareholders may oversubscribe for the newly issued shares at the said ratio subject to the conditions set out in Agenda 3 of the Notice of the Extraordinary General Meeting of Shareholders No. 2/2022 submitted by the Company together with this IFA opinion report ("Issuance and Offering of RO Shares").

The proceeds receivable from the Issuance and Offering of RO Shares will be used for repayment of the outstanding loan of OA, in which the Company will make an investment of 90%, to SPI in proportion to the shareholding and repayment of the outstanding loans of the seven residential real estate companies, in which the Company will make an investment of 50%, and also be used as working capital.

¹⁹ As at September 30, 2022, the outstanding loan owed by OA to SPI stood at Baht 2,320 million out of the said maximum credit of Baht 4,370 million.



maximum size of 3.53%²⁰ under the total value of consideration basis, the two acquisition transactions as approved by the Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022, having the maximum size of 0.04%²¹ under the total value of consideration basis, and Acquisition Transaction 2, which is described in the following section, the total transaction size is equal to 163.59%, calculated under the total value of consideration basis from which the maximum transaction size is obtained. Therefore, this transaction is classified as a Class 1 Transaction under the Notifications on Acquisition or Disposal of Assets, i.e. transaction between the listed companies which has a transaction value equal to 50% or higher. The Company is accordingly required to prepare a report and disclose information on the transaction in accordance with the Notifications on Acquisition or Disposal of Assets, and to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must submit a notice of the shareholders' meeting, accompanied by an independent financial advisor's opinion, to the shareholders at least 14 days ahead of the meeting date.

In addition, Acquisition Transaction 1 will be executed between the Company and SPI, which is the major shareholder holding 87,237,766 shares or 69.75% of the Company's issued and paid-up shares. Therefore, this transaction is regarded as a significant connected transaction pursuant to the Notifications on Connected Transactions, with the transaction size equal to 122.27% of the Company's NTA (according to its reviewed consolidated financial statements for the six-month period ended June 30, 2022, the Company's NTA amounts to Baht 3,900.11 million). The Company has not entered into any other connected transactions with the same connected person or the related person or close relatives of such connected person during six months before the date it agrees to execute this transaction. Since the transaction size is greater than 3% of the Company's NTA and also higher than Baht 20 million, the Company is required to obtain approval from the Board of Directors and to prepare and disclose the information memorandum on the transaction to the SET according to the Notifications on Connected Transactions, as well as to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the

²⁰ The Board of Directors' Meeting of the Company No. 5/2022 on June 10, 2022 resolved to approve the investment in 160,000 shares in King Square Development Co., Ltd. at a price of Baht 1,000 per share totaling Baht 160.00 million, representing 20% of the registered capital of such entity.

²¹ The Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 resolved to approve the establishment of two subsidiaries of the Company, comprising (1) TNLX Co., Ltd. with a registered capital of Baht 1.00 million, divided into 10,000 ordinary shares with a par value of Baht 100 per share; and (2) TNL Alliance Co., Ltd. with a registered capital of Baht 1.00 million, divided into 10,000 ordinary shares with a par value of Baht 100 per share. The Company holds 9,998 shares or 99.98% of the registered capital of each entity.



shareholders having an interest. The Company must submit a notice of the shareholders' meeting, accompanied by an independent financial advisor's opinion, to the shareholders at least 14 days ahead of the meeting date.

We are of the opinion that the execution of this transaction is reasonable and in line with the plan for expansion of business scope for risk diversification. The advantages of this transaction are that (a) the Company will have the opportunity to expand into a new business with favorable returns, (b) the Company can diversify its business risk, and (c) the Company can grow its assets from the investment in other business. However, the transaction will create the disadvantages in that (a) a huge amount of funds is required for investment in the new business, (b) the Company has no experience in the financial business, (c) there will be risk from competition in and expansion of other business, (d) there will be risk of the required rate of return failing to meet the forecast, and (e) there will be risk of liquidity shortage due to borrowers' loan defaults.

However, if the Company does not enter into this transaction, the advantages are that (a) the Company will not have to raise a huge amount of funds for investment in the new business, nor to incur the relevant expenses, and (b) the Company will not bear a risk involved with the new business operation. Meanwhile, the disadvantages of not entering into the transaction are that (a) the Company cannot expand its investment as planned and will not receive returns from the new business, and (b) the Company cannot diversify risk from the core business operation.

In addition, Acquisition Transaction 1, which will be executed with SPI, the Company's major shareholder, will help facilitate the provision of information necessary for making an investment decision, which will be useful for the study of information and the investment decision on such financial business, as well as enable all actions to be taken rapidly. Moreover, the transfer of knowledge and experience of SPI, which is the existing 100% owner of OA, to the Company will be easily made since SPI will remain the Company's major shareholder after completion of this transaction. However, the disadvantage is that the Company may lose the opportunity to receive a proposal for and information on the new business investment from a third party, who may become its new partner having potential in the new business and a strong financial position and may help to promote and drive further growth in the existing business of the Company by leveraging a broader channel of business operation through the new partner.

If the Company executes the transaction with a third party instead of its connected person, this will give it the opportunity to receive a proposal for and information on the new business investment from a third party, who may become its new partner having potential in the new business and a strong financial position and may help to promote and drive further growth in the existing business of the Company by leveraging a broader channel of business operation through the new partner. However, the disadvantage is that the Company does not have any knowledge and experience in the new business and may need a considerable



period of time to familiarize itself with the new business. While the new business arrangement will be subject to a time constraint, if entering into the transaction with a third party, there could be an obstacle in the coordination in various matters since the two parties have never worked together. This may lead the Company to fail to obtain the complete and sufficient information in time for making the investment decision in the new business and/or be unable to request any additional information after completion of the transaction.

In terms of price, we view that the dividend discount model approach is a suitable method to value OA's shares. By this approach, the value of OA's shareholders' equity according to the investment proportion is appraised in a range of Baht 792.84 million – Baht 949.81 million, which is (lower)/higher than the sale and purchase value of OA's shares under the share purchase agreement of Baht 835.70 million by Baht (42.86) million – Baht 114.11 million or (5.13)% – 13.65%. This approach focuses on OA's future business operation and profitability based on present value of dividend payable by OA that the Company expects to receive in the future, and also based on the overall economic and industrial trends.

In view of the appropriateness of the sale and purchase of 90% of OA's shares from SPI, which is the connected person, at the total value of Baht 835.70 million, we are of the opinion that such price is within the range of a fair value of Baht 792.84 million – Baht 949.81 million appraised herein and is lower than the appraised value in the base case of Baht 871.34 million. Therefore, we deem that the sale and purchase price for 90% of OA's shares from SPI, which is the connected person, of Baht 835.70 million is a reasonable price.

As described above, we are of the opinion that the execution of Acquisition Transaction 1 is reasonable and beneficial to the Company's shareholders and, thus, recommend that the shareholders should approve the said transaction.

However, the decision whether to approve or not approve the transaction depends mainly on the shareholders' individual judgment. Since the persons having an interest will not be entitled to cast votes on this agenda, the voting on the transaction will rest with all of the remaining shareholders.



2. Acquisition Transaction 2: Investment in Real Estate Business

The Company intends to invest in 50% of the issued and paid-up ordinary shares in seven real estate companies, comprising:

- (1) Future Domain Co., Ltd. ("FD"),
- (2) Khu Khot Station Alliance Co., Ltd. ("KK"),
- (3) Majestic Park Co., Ltd. ("MJP"),
- (4) Phraram 9 Alliance Co., Ltd. ("R9A"),
- (5) Ratburana Alliance Co., Ltd. ("RBA"),
- (6) Ratchada Alliance Co., Ltd. ("RDA"), and
- (7) Suksawat Alliance Co., Ltd. ("SUK").

The Company will acquire 50% of the issued and paid-up ordinary shares in FD, KK, MJP, R9A, RDA and SUK from U City Plc. ("U") and 50% of the issued and paid-up ordinary shares in RBA from U Global Hospitality Co., Ltd. ("UGH") at a total value under the share purchase agreement of Baht 531.92 million ("Acquisition Transaction 2"). Moreover, according to the share purchase agreement for shares of the seven real estate companies made by the Company with U and UGH, the Company shall make a repayment for the outstanding debts owed by these seven companies to U and UGH, which have been used for real estate project development of the seven companies, to U and UGH in a total amount of Baht 1,741.12 million (calculated from the estimated outstanding debts of each of the seven companies as at the end of 2022, when the joint venture investment in real estate companies transaction is expected to be completed), and shall additionally make a payment for the investment in proportion to the shareholding structure for development of all projects of the said real estate companies until completion in the net amount of Baht 228.68 million, making up a total consideration for Acquisition Transaction 2 of Baht 2,501.72 million.

The abovementioned transaction is regarded as a material asset acquisition of a listed company pursuant to the Notifications on Acquisition or Disposal of Assets. The transaction size, calculated under the total value of consideration basis from which the maximum transaction size is obtained, is equal to 55.06% of total assets according to the reviewed consolidated financial statements of the Company for the six-month period ended June 30, 2022. When including the acquisition of assets over the past six months, having the maximum size of 3.53%²² under the total value of consideration basis, the two acquisition transactions as approved by the Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022, having the

²² The Board of Directors' Meeting of the Company No. 5/2022 on June 10, 2022 resolved to approve the investment in 160,000 shares in King Square Development Co., Ltd. at a price of Baht 1,000 per share totaling Baht 160.00 million, representing 20% of the registered capital of such entity.



maximum size of 0.04%²³ under the total value of consideration basis, and Acquisition Transaction 1, which is described in the previous section, the total transaction size is equal to 163.59%, calculated under the total value of consideration basis from which the maximum transaction size is obtained. Therefore, this transaction is classified as a Class 1 Transaction under the Notifications on Acquisition or Disposal of Assets, i.e. transaction between the listed companies which has a transaction value equal to 50% or higher. The Company is accordingly required to prepare a report and disclose information on the transaction in accordance with the Notifications on Acquisition or Disposal of Assets, and to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must submit a notice of the shareholders' meeting, accompanied by an independent financial advisor's opinion, to the shareholders at least 14 days ahead of the meeting date.

In addition, Acquisition Transaction 2 will be executed by the Company with U and UGH, which have BTS as their indirect major shareholder. Besides, after the allocation of the Company's newly issued ordinary shares by way of a private placement to BTS under the Issuance and Offering of PP Shares described in the earlier section, BTS will relatively become the major shareholder holding 87,237,766 shares or 41.09% of the Company's issued and paid-up shares (after the issuance and offering of new shares on this occasion). Moreover, the said allocation of newly issued shares to BTS will result in BTS acquiring the ordinary shares in the Company in the amount that passes the trigger point requiring it to make a mandatory tender offer for all securities of the Company under Notification TorChor. 12/2554. As a result, BTS may receive additional ordinary shares from the Company's existing shareholders apart from the shares from the private placement allocation under the tender offer to the extent that BTS will become the person with control power in the Company and, hence, will be regarded as the Company's connected person under the Notifications on Connected Transactions.

Therefore, Acquisition Transaction 2 is regarded as a significant connected transaction pursuant to the Notifications on Connected Transactions, with value of consideration for the connected transaction of Baht 2,273.04 million²⁴ and the transaction size equal to 58.83% of the Company's NTA (according to its reviewed

²³ The Board of Directors' Meeting of the Company No. 8/2022 on September 30, 2022 resolved to approve the establishment of two subsidiaries of the Company, comprising (1) TNLX Co., Ltd. with a registered capital of Baht 1.00 million, divided into 10,000 ordinary shares with a par value of Baht 100 per share; and (2) TNL Alliance Co., Ltd. with a registered capital of Baht 1.00 million, divided into 10,000 ordinary shares with a par value of Baht 100 per share. The Company holds 9,998 shares or 99.98% of the registered capital of each entity.

²⁴ Value of consideration for the connected transaction under Acquisition Transaction 2 is calculated from the sale and purchase price for 50% of ordinary shares of the six Target Companies, namely FD, KK, MJP, RBA, RDA and SUK, including the outstanding loans that the Company must repay to U and UGH, totaling Baht 2,076.36 million and the book value of R9A of Baht



consolidated financial statements for the six-month period ended June 30, 2022, the Company's NTA amounts to Baht 3,900.11 million). The Company has not entered into any other connected transactions with the same connected person or the related person or close relatives of such connected person during six months before the date it agrees to execute this transaction. Since the transaction size is greater than 3% of the Company's NTA and also higher than Baht 20 million, the Company is required to obtain approval from the Board of Directors and to prepare and disclose the information memorandum on the transaction to the SET according to the Notifications on Connected Transactions, as well as to seek approval for such transaction from the shareholders' meeting, with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and being entitled to vote, excluding votes of the shareholders having an interest. The Company must submit a notice of the shareholders' meeting, accompanied by an independent financial advisor's opinion, to the shareholders at least 14 days ahead of the meeting date.

We are of the opinion that the execution of this transaction is reasonable and in line with the plan for expansion of business scope for risk diversification. The advantages of this transaction are that (a) the Company will have the opportunity to expand into a new business with favorable returns, (b) the Company can diversify its business risk, and (c) the Company will have the opportunity to work with a new investor and/or partner who has experience in the real estate business. However, the transaction will create the disadvantages in that (a) a huge amount of funds is required for investment in the new business, (b) the Company will have to rely on the new partner since it has no experience in the real estate business, (c) there will be risk of the required rate of return failing to meet the forecast, and (d) there will be risk from continuous business operation after completion of ownership transfer in all projects in 2030.

However, if the Company does not enter into this transaction, the advantages are that (a) the Company will not have to raise a huge amount of funds for investment in the new business, nor to incur the relevant expenses, and (b) the Company will not bear a risk involved with the new business operation. Meanwhile, the disadvantages of not entering into the transaction are that (a) the Company cannot expand its investment as planned and will not receive returns from the new business, (b) the Company cannot diversify

217.99 million, making up a total amount of Baht 2,294.35 million. (Under the Notifications on Connected Transactions, the transaction size shall be calculated from the higher of the consideration value, the book value or the market value. In this case, the total consideration for the acquisition of 50% of R9A's shares is Baht 196.68 million, and its book value according to the investment proportion is Baht 217.99 million, while there is no market price since its shares are not listed on the SET. Therefore, its book value, which is the higher amount, is applied in the calculation of the transaction size.) The calculation of value of consideration does not include the investment to be additionally paid for by the Company in proportion to the shareholding structure for development of all projects of the said real estate companies until completion in the net amount of Baht 228.68 million because this is not classified as a consideration for the connected person.



risk from the core business operation, and (c) the Company will lose the opportunity to work with a new partner and/or business alliance who has experience in the new business.

In addition, Acquisition Transaction 2 will be executed with U and UGH, both of which have BTS as their direct and indirect major shareholder, whereas BTS has been the shareholder and business partner of SPI, which is the Company's major shareholder. As such, this will help facilitate the provision of information necessary for making an investment decision, which will be useful for the study of information and the investment decision on such real estate business, as well as enable all actions to be taken rapidly. Moreover, BTS will become the Company's major shareholder after completion of the Issuance and Offering of PP Shares; therefore, the Company will acquire a strong partner since BTS is one of the potential companies with expertise and experience in a wide variety of industries and on various platforms, both at home and overseas, and also with a solid financial position.

If the Company executes the transaction with a third party instead of its connected person, this will give it the opportunity to receive a proposal for and information on the new business investment from a third party, who may become its new partner having potential in the new business and a strong financial position and may help to promote and drive further growth in the existing business of the Company by leveraging a broader channel of business operation through the new partner. However, the disadvantage is that the Company does not have any knowledge and experience in the new business and may need a considerable period of time to familiarize itself with the new business. While the new business arrangement will be subject to a time constraint, if entering into the transaction with a third party, there could be an obstacle in the coordination in various matters since the two parties have never worked together. This may lead the Company to fail to obtain the complete and sufficient information in time for making the investment decision in the new business and/or be unable to request any additional information after completion of the transaction.

In terms of price, we view that the suitable method to value the shares in all seven Target Companies is the adjusted book value approach. By this approach, a fair value of the investment in all seven Target Companies according to the investment proportion is appraised at Baht 541.61 million, which is higher than the sale and purchase price of Baht 531.92 million by Baht 9.69 million or 1.82%.

The sale and purchase price for all seven Target Companies of Baht 531.92 million is lower than the fair value of Baht 541.61 million, appraised herein using the adjusted book value approach which is deemed as the most suitable method for valuing this investment, by Baht 9.69 million or 1.79%. Therefore, the sale and purchase price for shares in all seven Target Companies of Baht 531.92 million is considered a reasonable price.

As described above, we are of the opinion that the execution of Acquisition Transaction 2 is reasonable and beneficial to the Company's shareholders and, thus, recommend that the shareholders should approve the said transaction.



However, the decision whether to approve or not approve the transaction depends mainly on the shareholders' individual judgment. Since the persons having an interest will not be entitled to cast votes on this agenda, the voting on the transaction will rest with all of the remaining shareholders.



We hereby certify that we have rendered opinion with due care based on professional practices and in the interest of the shareholders.

Yours sincerely,

Advisory Plus Company Limited

.....

(Mr. Tawatchai Worawanthanachai)

Managing Director

.....

(Mr. Thanasak Baolorpet)

Supervisor



Attachment 1

Information of Companies to Be Acquired from Investment Transaction in Financial Business

1. Information of Oxygen Asset Co., Ltd.

1. General information

Company's name	Oxygen Asset Co., Ltd. ("OA")
Type of company	Limited company
Company registration number	0105564143531
Type of business	Provision of secured loans to entrepreneurs
Registered capital	Baht 100 million
Address	No. 530 Soi Sathu Pradit 58, Bang Phongphang Sub-district, Yan Nawa District, Bangkok
Date of company registration	October 4, 2021

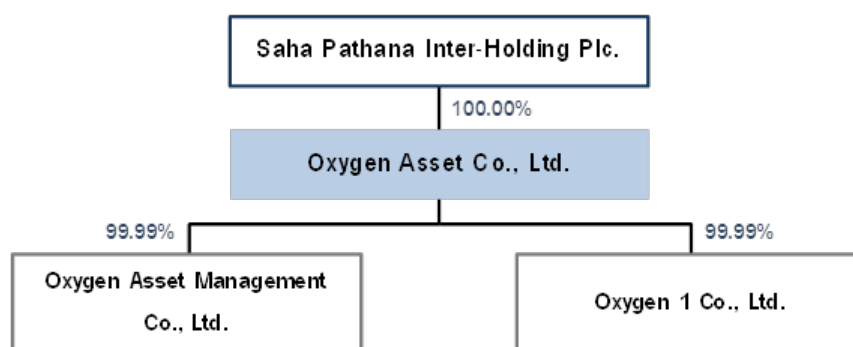
2. Nature of business

OA is a provider of secured loans to entrepreneurs, both juristic and individual persons, in the amount of not less than Baht 10 million each. The loans must be secured by assets, which are to be appraised by independent valuers. According to its audited financial statements as at December 31, 2021 and its internal financial statements as at June 30, 2022, OA recorded short-term loans and long-term loans to customers of Baht 570 million and Baht 2,370.00 million respectively, which are secured by land with a market value of Baht 1,032.70 million and Baht 5,534.48 million respectively based on the property appraisal reports by an independent valuer used for consideration and approval of those credit lines at the time.

OA has invested in ordinary shares of two subsidiaries: (1) Oxygen Asset Management Co., Ltd., engaging in the business of non-performing asset management by way of purchasing and/or accepting a transfer of non-performing assets from financial institutions and financial business operators for further debt management and debt restructuring; and (2) Oxygen 1 Co., Ltd., which currently has not yet operated any business.

The shareholding structure of OA's group before and after the transaction is as follows:

- Shareholding structure before the transaction

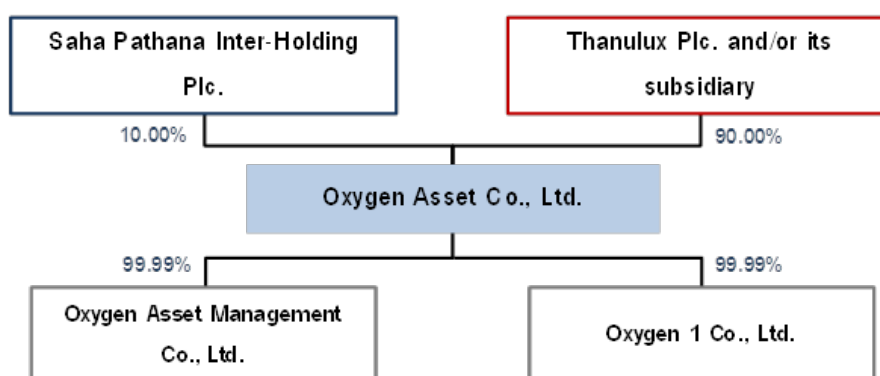


Source: List of shareholders of Oxygen Asset Co., Ltd. as at May 5, 2022

List of shareholders of Oxygen Asset Management Co., Ltd. as at May 27, 2022

List of shareholders of Oxygen 1 Co., Ltd. as at March 4, 2022

- Shareholding structure after the transaction



3. Shareholder structure

List of shareholders before and after the transaction is as follows:

No.	Name	^{1/} Before the transaction		After the transaction	
		No. of shares	%	No. of shares	%
1	Thanulux Plc. and/or its subsidiary	-	-	900,000	90.0000%
2	Saha Pathana Inter-Holding Plc.	999,997	99.9997%	99,997	9.9997%
3	Mr. Vichai Kulsomphob	1	0.0001%	1	0.0001%
4	Miss Kessara Sumkanjanaruk	1	0.0001%	1	0.0001%
5	Mr. Supradit Sa-id	1	0.0001%	1	0.0001%
Total		1,000,000	100.0000%	1,000,000	100.0000%

Source: 1/ List of shareholders of OA as at May 5, 2022



4. Board of Directors

As at May 17, 2022, OA's Board of Directors consisted of:

No.	Name	Position
1	Mr. Boonsithi Chokwatana	Director
2	Mr. Samrerng Manoonpol	Director
3	Mr. Manu Leelanuwatana	Director
4	Miss Sirikul Dhanasarnsilp	Director
5	Mr. Pipope Chokwatana	Director
6	Mr. Vichai Kulsomphob	Director
7	Miss Kessara Sumkanjanaruk	Director

Source: OA's company affidavit

After the acquisition of OA's shares from SPI, the Company will nominate its representatives to serve on OA's Board of Directors in place of the representative directors from SPI in proportion to the Company's shareholding of 90% of OA's registered and paid-up capital.

5. Summary of financial statements

The key financial information of OA based on its financial statements for 2021 (starting October 4, 2021 and ending December 31, 2021), audited by Miss Kritchamon Sirirotepanya, CPA Registration No. 10601, can be summarized as follows:

Statement of financial position:

Unit: Baht million	As at Dec 31, 2021
Assets	
Short-term loans	470.00
Other current assets	16.75
Total current assets	486.75
Long-term loans	100.00
Other non-current assets	0.03
Total non-current assets	100.03
Total assets	586.78
Liabilities and shareholders' equity	
Short-term loans from related companies	470.00
Other current liabilities	13.09
Total current liabilities	483.09
Total liabilities	483.09



Unit: Baht million	As at Dec 31, 2021
Paid-up capital	100.00
Total shareholders' equity	103.69
Total liabilities and shareholders' equity	586.78

Statement of income:

Unit: Baht million	2021
Total revenues	11.10
Total expenses	(2.73)
Financial cost	(3.76)
Income tax expense	(0.92)
Net profit for the period	3.69



2. Information of subsidiaries of Oxygen Asset Co., Ltd.

2.1. Information of Oxygen Asset Management Co., Ltd.

1. General information

Company's name	Oxygen Asset Management Co., Ltd. ("AMC")
Type of company	Limited company
Company registration number	0105561205365
Type of business	Management of non-performing assets by way of purchasing and/or accepting a transfer of non-performing assets from financial institutions and financial business operators for further debt management and debt restructuring, with a license from the Bank of Thailand
Registered capital	Baht 26 million
Address	No. 395/6 Theppharak Road, Tha Raeng Sub-district, Bang Khen District, Bangkok
Date of company registration	December 3, 2018

- Remark: 1/ On February 26, 2019, AMC registered a change of company name from "Chotpittayachai 2 Co., Ltd." to "Global Best Co., Ltd." with the Ministry of Commerce.
- 2/ On July 8, 2019, AMC registered a change of company name from "Global Best Co., Ltd." to "Global Best Asset Management Co., Ltd." with the Ministry of Commerce.
- 3/ On July 4, 2022, AMC registered a change of company name from "Global Best Asset Management Co., Ltd." to "Oxygen Asset Management Co., Ltd." with the Ministry of Commerce.

2. Nature of business

AMC operates the business of non-performing assets management by way of purchasing and/or accepting a transfer of non-performing assets from financial institutions and financial business operators for further debt management and debt restructuring. Currently, AMC has not yet had any non-performing assets in its portfolio, but is preparing to participate in the bidding process for non-performing assets from financial institutions.

3. Shareholder structure

As at May 27, 2022, AMC's shareholders consisted of:

No.	Name	No. of shares	Proportion
1	Oxygen Asset Co., Ltd.	259,998	99.9992%
2	Mr. Kittichai Treerachatapong	1	0.0004%



No.	Name	No. of shares	Proportion
3	Mr. Vichai Kulsomphob	1	0.0004%
Total		1,000,000	100.0000%

Source: List of shareholders of AMC

4. Board of Directors

As at July 4, 2022, AMC's Board of Directors consisted of:

No.	Name	Position
1	Mr. Samrerng Manoonpol	Director
2	Miss Sirikul Dhanasarnsilp	Director
3	Mr. Vichai Kulsomphob	Director
4	Miss Kessara Sumkanjanaruk	Director
5	Mr. Kittichai Triratchatapong	Director
6	Mr. Supradit Sa-id	Director
7	Miss Suthida Chongchenkit	Director

Source: AMC's company affidavit

5. Summary of financial statements

The key financial information of AMC based on its financial statements for the years ended December 31, 2019-2021, audited by Mr. Suwat Maneekanoksakul, CPA Registration No. 8134, of Dharmniti Auditing Co., Ltd., can be summarized as follows:

Statement of financial position

Unit: Baht million	As at Dec 31, 2019	As at Dec 31, 2020	As at Dec 31, 2021
Assets			
Cash and cash equivalents	24.89	24.08	27.12
Other current assets	-	0.08	0.09
Total current assets	24.89	24.16	27.21
Total non-current assets	-	0.02	0.01
Total assets	24.89	24.18	27.22
Liabilities and shareholders' equity			
Total current liabilities	0.52	0.54	0.27
Total liabilities	0.52	0.54	0.27
Paid-up capital	25.00	26.00	26.00



Opinion of the Independent Financial Advisor on the connected transactions

Unit: Baht million	As at Dec 31, 2019	As at Dec 31, 2020	As at Dec 31, 2021
Total shareholders' equity	24.37	23.64	26.95
Total liabilities and shareholders' equity	24.89	24.18	27.22

Statement of income

Unit: Baht million	2019	2020	2021
Total revenues	0.00	0.02	8.03
Expenses	(0.61)	(1.74)	(4.39)
Financial cost	-	(0.01)	(0.09)
Corporate income tax	-	-	(0.24)
Net profit (loss)	(0.61)	(1.73)	3.31



2.2. Information of Oxygen 1 Co., Ltd.

1. General information

Company's name	Oxygen 1 Co., Ltd. ("OX1")
Type of company	Limited company
Company registration number	0105565042622
Type of business	OX1 currently has not yet operated any business.
Registered capital	Baht 1 million
Address	No. 530 Soi Sathu Pradit 58, Bang Phongphang Sub-district, Yan Nawa District, Bangkok
Date of company registration	March 8, 2022

2. Nature of business

OX1 currently has not yet operated any business.

3. Shareholder structure

As at March 4, 2022, OX1's shareholders consisted of:

No.	Name	No. of shares	Proportion
1	Oxygen Asset Co., Ltd.	9,997	99.97%
2	Mr. Vichai Kulsomphob	1	0.01%
3	Miss Kessara Sumkanjanaruk	1	0.01%
4	Mr. Supradit Sa-id	1	0.01%
Total		10,000	100.00%

Source: List of shareholders of OX1

4. Board of Directors

As at March 8, 2022, OX1's Board of Directors consisted of:

No.	Name	Position
1	Mr. Vichai Kulsomphob	Director
2	Miss Kessara Sumkanjanaruk	Director
3	Mr. Supradit Sa-id	Director

Source: OX1's company affidavit



5. Summary of financial statements

Since OX1 was just established on March 8, 2022, there is no information on its financial statements.

Attachment 2

Information of Companies to Be Acquired from Investment Transaction in Real Estate Business

1. Information of Future Domain Co., Ltd.

1. General information

Company's name	Future Domain Co., Ltd. ("FD")
Type of company	Limited company
Company registration number	0105562146656
Type of business	Real estate development for sale
Registered capital	Baht 200 million, divided into 2,000,000 ordinary shares with a par value of Baht 100 per share
Address	No. 1035 Noble Building, Phloen Chit Road, Lumpini Sub-district, Pathumwan District, Bangkok
Date of company registration	August 26, 2019

FD was established under a 50:50 joint venture between U City Plc. ("U") and Noble Development Plc. ("Noble") with the objective to operate the business of real estate development for sale. Under the joint venture agreement, Noble shall be fully responsible for the project, ranging from designing to construction and sale. The sharing of benefits between the two joint venture partners has been clearly set out in such agreement.

2. Nature of business

FD engages in real estate development business. It owns land lots located on Pradit Manutham Road, Lat Phrao Sub-district, Lat Phrao District, Bangkok, in the community area that is adjacent to shopping malls, expressway entrance/exit ramps, and electric train system such as Crystal Design Center or CDC, The Walk Kaset-Nawamin Shopping Center, Central Festival Eastville, Chalong Rat Expressway, the Grey Line Monorail, etc. Since the land is in an ideal location for real estate development, FD has developed two property projects thereon in the name of Noble Curve Ekamai-Ramindra and Noble Curate Ekamai-Ramindra, the details of which are as follows:

- Noble Curve Ekamai-Ramindra ("Noble Curve")

Noble Curve is a townhome project located on the land plot with a total area of 23 rai 91.8 square wah, offering a total of 187 townhome units in four types. They consist of three types of four-storied townhomes, i.e., Type A of 26 units with a width of 8.0 meters each, Type B of 67 units with a width of 6.5 meters each, and Type C of 36 units with a width of 6.5 meters each, and one type of three-

storied townhomes, i.e., Type D of 58 units with a width of 5.5 meters each. The unit size ranges from around 19.94 square wah to 37.00 square wah. The project also provides common facilities and security system such as a club house, a swimming pool, road inside the project, concrete fence, underground electrical system, water supply system, security guards, etc. It focuses on the luxury target group. The total project value is Baht 3,598.90 million.

The project already obtained EIA approval and commenced construction in March 2021. As at August 2022, construction was completed by about 29.22%¹ of the total number of townhome units and is scheduled for completion by the third quarter of 2024. Pre-sale was launched in September 2022 and model home tours were already made available in October 2022. Since the project just made its debut only weeks ago, it is currently in the process of building brand recognition among the target audience. Reservation therefore remains in an insignificant amount when compared with the total project value.

Project type and location



Source: www.noblehome.com

- Noble Curate Ekamai-Ramindra ("Noble Curate")

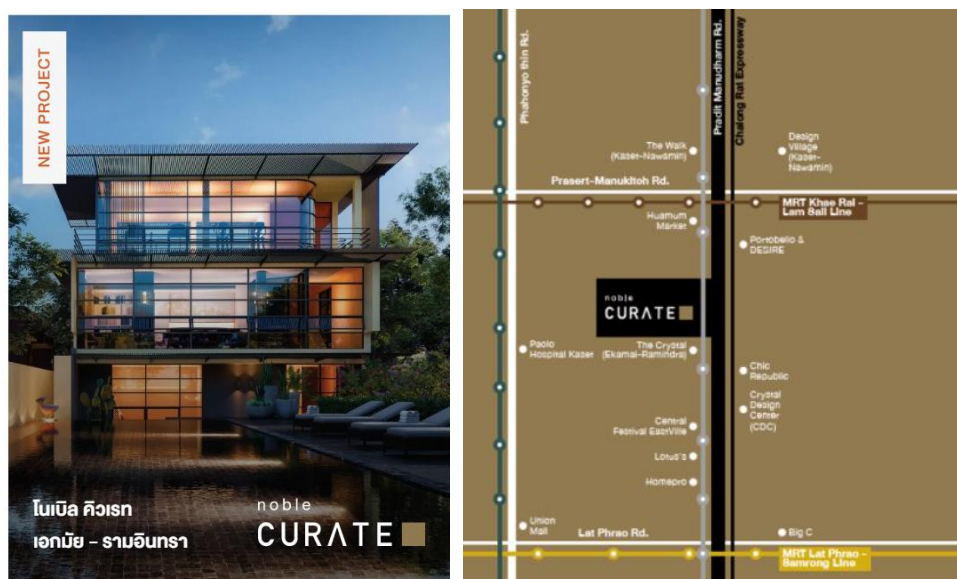
Noble Curate is a project offering 15 land plots for sale, located on a total area of 9 rai 2 ngan 9.9 square wah. The size of land plots for sale ranges from around 161 square wah to 247 square wah. The project exclusively offers six architects, who are reputable in the property circle, to help craft a

¹ Based on information from the appraisal report on FD's property appraised by SIMS.

home plan for customers as well as a specialist team to assist customers in every stage so as to ensure that the house built on the land plot of their choice will truly echo each homeowner's original identity. The project also provides common facilities and security system such as club house, salt water swimming pool, road inside the project, fitness center, common garden, CCTVs, security guards, etc. It focuses on the super luxury target group. The total project value is Baht 1,114.50 million.

The project already obtained EIA approval and was completely developed. A soft launch was conducted in April 2022 and a debut and pre-sale made in September 2022. As sale just commenced about a month ago, the project is currently in the process of building brand recognition among the target audience. There are a number of prospective buyers, though, no reservation has yet been made.

Project type and location



Source: www.noblehome.com

3. Shareholder structure

List of shareholders of FD before and after the transaction is as follows:

No.	Name	^{1/} Before the transaction		After the transaction	
		No. of shares	%	No. of shares	%
1	Noble Development Plc.	1,000,000	50.0000%	1,000,000	50.0000%
2	U City Plc.	999,998	49.9999%	-	-
3	Thanulux Plc. and/or its subsidiary	-	-	999,998	49.9999%

No.	Name	^{1/} Before the transaction		After the transaction	
		No. of shares	%	No. of shares	%
4	Miss Soraya Satiangoset	2	0.0001%	-	-
5	The Company's representative	-	-	2	0.0001%
Total		2,000,000	100.0000%	2,000,000	100.0000%

Source: 1/ List of shareholders of FD as at April 29, 2022

4. Board of Directors

As at August 25, 2022, FD's Board of Directors consisted of:

No.	Name	Position	Shareholder's representative
1	Mr. Arttavit Chalermasaphayakorn	Director	Noble
2	Mr. Sira Udol	Director	Noble
3	Miss Soraya Satiangoset	Director	U
4	Mr. Veerapong Rodjanawarodom	Director	U

Source: FD's company affidavit

Under the joint venture agreement, each party shall nominate its two representatives as FD's directors. After the acquisition of FD's shares from U, the Company will nominate its representatives to serve on FD's Board of Directors in place of the representative directors from U.

5. Summary of financial statements

The key financial information of FD based on its financial statements for the fiscal period from August 26, 2019 to March 31, 2020 audited by Mr. Pornanan Kitjanawanchai, CPA Registration No. 7792, of EY Office Ltd., and financial statements for the year ended March 31, 2021 and the fiscal period from April 1, 2021 to December 31, 2021 audited by Mrs. Anutai Poomsurakul, CPA Registration No. 3873 (FD was permitted to change its fiscal period from April 1 - March 31 of each year to January 1 - December 31 of each year by the Revenue Department on October 12, 2021), can be summarized as follows:

Statement of financial position

Unit: Baht million	As at Mar 31, 2020	As at Mar 31, 2021	As at Dec 31, 2021
Assets			
Real estate development cost ^{1/}	-	-	2,280.99
Other current assets	0.38	0.89	5.02
Total current assets	0.38	0.89	2,286.01

Unit: Baht million	As at Mar 31, 2020	As at Mar 31, 2021	As at Dec 31, 2021
Investment properties ^{2/}	2,078.39	2,078.39	-
Total non-current assets	2,078.39	2,078.39	-
Total assets	2,078.77	2,079.28	2,286.01
Liabilities and shareholders' equity			
Financial liabilities from related companies ^{3/}	-	2,097.03	697.73
Other current liabilities	0.79	0.93	186.94
Total current liabilities	0.79	2,097.96	884.67
Financial liabilities from related companies ^{3/}	2,020.40	-	-
Financial liabilities from financial institutions	-	-	1,382.57
Total non-current liabilities	2,020.40	-	1,382.57
Total liabilities	2,021.19	2,097.96	2,267.24
Paid-up capital	100.00	100.00	200.00
Total shareholders' equity	57.58	(18.68)	18.77
Total liabilities and shareholders' equity	2,078.77	2,079.28	2,286.01

Remark: 1/ Consisting of land, work in progress, and finance cost, being recognized as cost of Noble Curve Ekamai-Ramindra and Noble Curate Ekamai-Ramindra Projects.

2/ Land used for development of Noble Curve Ekamai-Ramindra and Noble Curate Ekamai-Ramindra Projects.

3/ Comprising loans and accrued interest payable from related companies.

Statement of income

Unit: Baht million	2020	2021 ended Mar 31, 2021	2021 ended Dec 31, 2021
Total revenues	0.00	0.00	0.01
Total expenses	(0.31)	(0.47)	(43.17)
Financial cost	(42.12)	(75.79)	(19.39)
Income tax	-	-	-
Net loss for the period	(42.43)	(76.26)	(62.55)

2. Information of Khu Khot Station Alliance Co., Ltd.

1. General information

Company's name	Khu Khot Station Alliance Co., Ltd. ^{1/} ("KK")
Type of company	Limited company
Company registration number	0105558100752
Type of business	Real estate development
Registered capital	Baht 300 million, divided into 3,000,000 ordinary shares with a par value of Baht 100 per share
Address	1035 Noble Building, Phloen Chit Road, Lumpini Sub-district, Pathumwan District, Bangkok
Date of company registration	June 19, 2015

Remark: 1/ On September 20, 2021, KK registered a change of company name from "Project Green Co., Ltd." to "Khu Khot Station Alliance Co., Ltd." with the Ministry of Commerce.

KK was established under a 50:50 joint venture between U City Plc. ("U") and Noble Development Plc. ("Noble") with the objective to operate the business of real estate development for sale. Under the joint venture agreement, Noble shall be fully responsible for the project, ranging from designing to construction and sale. The sharing of benefits between the two joint venture partners has been clearly set out in such agreement.

2. Nature of business

KK engages in real estate development business. It owns a land lot located on Lam Luk Ka Road, Khu Khot Sub-district, Lam Luk Ka District, Pathum Thani Province, in the community area that is adjacent to shopping mall and electric train system such as Khu Khot BTS Station, Synphaet Lam Lukka Hospital, Tesco Lotus Lam Lukka Khlong 2, etc. Since the land is in an ideal location for real estate development, KK has developed a property project in the name of Nue Cross Khu Khot Station Project on a land plot of 51 rai 2 ngan 97.7 square wah. The total project value is Baht 8,686.69 million. The project focuses on the economy class target group, offering (1) a low-rise condominium and (2) a lifestyle mall, the details of which are as follows:

- Low-rise condominium

There will be 23 residential condominium buildings each with a height of up to eight floors, offering a total of 4,620 residential units, to be developed in four phases as follows:

Phase 1: Six buildings with a total of 1,202 units

Phase 2: Six buildings with a total of 1,264 units

Phase 3: Four buildings with a total of 794 units

Phase 4: Seven buildings with a total of 1,360 units

There will also be a 249-car parking area and common facilities and security system such as CCTVs, access control system, security guards, etc.

For Phase 1 of the condominium project, construction is expected to begin in November 2022 and to be completed in January 2024. Phase 1 pre-sale was launched in April 2022, and the residential units were currently sold out.

- Lifestyle mall

This will be a four-storied community mall, offering 24 retail units each with a usable area of 50.80 – 69.55 square meters.

Construction of the lifestyle mall already commenced in September 2022 and is scheduled for completion in December 2023.

The project already obtained EIA approval. As at August 2022, construction of the sale office building was completed.²

Project type and location



Source: www.noblehome.com

² Based on information from the appraisal report on KK's property appraised by SIMS.

3. Shareholder structure

List of shareholders of KK before and after the transaction is as follows:

No.	Name	^{1/} Before the transaction		After the transaction	
		No. of shares	%	No. of shares	%
1	Noble Development Plc.	1,500,000	50.0000%	1,500,000	50.0000%
2	U City Plc.	1,499,997	49.9999%	-	-
3	Thanulux Plc. and/or its subsidiary	-	-	1,499,997	49.9999%
4	Miss Soraya Satiangoset	2	0.0001%	-	-
5	Mr. Veerapong Rodjanawarodom	1	0.0000%	-	-
6	The Company's representative	-	-	3	0.0001%
Total		3,000,000	100.0000%	3,000,000	100.0000%

Source: ^{1/} List of shareholders of KK as at May 17, 2022

4. Board of Directors

As at April 4, 2022, KK's Board of Directors consisted of:

No.	Name	Position	Shareholder's representative
1	Mr. Arttavit Chalermasaphayakorn	Director	Noble
2	Mrs. Orranuch Ittikosin	Director	Noble
3	Miss Soraya Satiangoset	Director	U
4	Mr. Veerapong Rodjanawarodom	Director	U

Source: KK's company affidavit

Under the joint venture agreement, each party shall nominate its two representatives as KK's directors. After the acquisition of KK's shares from U, the Company will nominate its representatives to serve on KK's Board of Directors in place of the representative directors from U.

5. Summary of financial statements

The key financial information of KK based on its financial statements for the years ended December 31, 2019 and 2020 audited by Miss Siraporn Ua-anankul, CPA Registration No. 3844, and financial statements for the year ended December 31, 2021 audited by Miss Sirirat Sricharoensup, CPA Registration No. 5419, of EY Office Ltd., can be summarized as follows:

Statement of financial position

Unit: Baht million	As at Dec 31, 2019	As at Dec 31, 2020	As at Dec 31, 2021
Assets			
Total current assets	2.62	0.18	0.13
Land awaiting development ^{1/}	1,111.58	1,111.58	1,111.58
Total non-current assets	1,111.58	1,111.58	1,111.58
Total assets	1,114.20	1,111.76	1,111.71
Liabilities and shareholders' equity			
Financial liabilities from related companies ^{3/}	1,114.18	1,137.24	1,162.63
Other current liabilities	0.07	0.05	0.10
Total current liabilities	1,114.25	1,137.29	1,162.73
Total liabilities	1,114.25	1,137.29	1,162.73
Paid-up capital	100.00	100.00	100.00
Total shareholders' equity	(0.05)	(25.53)	(51.02)
Total liabilities and shareholders' equity	1,114.20	1,111.76	1,111.71

Remark: 1/ Land to be used for development of Nue Cross Khu Khot Station Project.

2/ Consisting of loans and accrued interest payable from related companies.

Statement of income

Unit: Baht million	2020	2021 ended Mar 31, 2021	2021 ended Dec 31, 2021
Total revenues	0.01	0.00	0.00
Total expenses	(0.86)	(0.22)	(0.30)
Financial cost	(25.19)	(25.25)	(25.19)
Net loss for the period	(26.04)	(25.47)	(25.49)

3. Information of Majestic Park Co., Ltd.**1. General information**

Company's name	Majestic Park Co., Ltd. ("MJP")
Type of company	Limited company
Company registration number	0105562146648
Type of business	Real estate development
Registered capital	Baht 300 million, divided into 3,000,000 ordinary shares with a par value of Baht 100 per share
Address	No. 1035 Noble Building, Phloen Chit Road, Lumpini Sub-district, Pathumwan District, Bangkok
Date of company registration	August 26, 2019

MJP was established under a 50:50 joint venture between U City Plc. ("U") and Noble Development Plc. ("Noble") with the objective to operate the business of real estate development for sale. Under the joint venture agreement, Noble shall be fully responsible for the project, ranging from designing to construction and sale. The sharing of benefits between the two joint venture partners has been clearly set out in such agreement.

2. Nature of business

MJP engages in real estate development business. It owns a land lot located on Pradit Manutham Road, Lat Phrao Sub-district, Lat Phrao District, Bangkok, in the community area that is adjacent to shopping malls, expressway entrance/exit ramps, and electric train system such as The Walk Kaset-Nawamin Shopping Center, Central Festival Eastville, Crystal Design Center or CDC, Chalong Rat Expressway, the Grey Line Monorail, etc. Since the land is in an ideal location for real estate development, MJP has developed a property project in the name of Noble Create Ekamai-Ramindra on a land plot of 29 rai 1 ngan 86.4 square wah. The total project value is Baht 6,703.66 million. The project focuses on the upper class target group, offering (1) a condominium and (2) a housing estate, the details of which are as follows:

- **Condominium**

There will be six residential condominium buildings, comprising a 24-storied building, a 25-storied building, two 28-storied buildings, and two 33-storied buildings, with a total of 1,250 units. The project also offers a nine-storied car park building with a 523-car parking capacity, together with a one-storied club house, a one-storied juristic person office building, and common facilities and security system such as a common garden, recreation rooms, CCTVs, access control system, security guards, etc.

The project already obtained EIA approval. Construction commenced in September 2022 and is scheduled for completion in January 2025. Pre-sale was launched in May 2022, and 200 units, or 16% of the total units, have been sold thus far.

- Housing estate

The project will offer 46 single detached house units in five types, each with a land area of 53.6 – 111.1 square wah, together with common facilities and security system such as club house, road inside the project, access control system, security guards, etc. Currently, the project is still in the process of designing and application for all required approvals. Construction is expected to begin in May 2023 and to be completed around May 2025.

Project type and location



Source: www.noblehome.com

3. Shareholder structure

List of shareholders of MJP before and after the transaction is as follows:

No.	Name	^{1/} Before the transaction		After the transaction	
		No. of shares	%	No. of shares	%
1	Noble Development Plc.	1,500,000	50.00%	1,500,000	50.00%
2	U City Plc.	1,499,999	50.00%	-	-

No.	Name	^{1/} Before the transaction		After the transaction	
		No. of shares	%	No. of shares	%
3	Thanulux Plc. and/or its subsidiary	-	-	1,499,999	50.00%
4	Miss Soraya Satiangoset	1	0.00%	-	-
5	The Company's representative	-	-	1	0.00%
Total		3,000,000	100.00%	3,000,000	100.00%

Source: 1/ List of shareholders of MJP as at May 17, 2022

4. Board of Directors

As at May 19, 2022, MJP's Board of Directors consisted of:

No.	Name	Position	Shareholder's representative
1	Mr. Arttavit Chalermasaphayakorn	Director	Noble
2	Mr. Sira Udol	Director	Noble
3	Miss Soraya Satiangoset	Director	U
4	Mr. Veerapong Rodjanawarodom	Director	U

Source: MJP's company affidavit

Under the joint venture agreement, each party shall nominate its two representatives as MJP's directors. After the acquisition of MJP's shares from U, the Company will nominate its representatives to serve on MJP's Board of Directors in place of the representative directors from U.

5. Summary of financial statements

The key financial information of MJP based on its financial statements for the fiscal years ended March 31, 2020, 2021 and 2022, audited by Mr. Pornanan Kitjanawanchai, CPA Registration No. 7792, of EY Office Ltd., can be summarized as follows:

Statement of financial position

Unit: Baht million	As at Mar 31, 2020	As at Mar 31, 2021	As at Mar 31, 2022
Assets			

Unit: Baht million	As at Mar 31, 2020	As at Mar 31, 2021	As at Mar 31, 2022
Real estate development cost ^{1/}	-	-	1,953.64
Other current assets	0.81	0.76	25.74
Total current assets	0.82	0.76	1,979.38
Investment properties ^{1/}	1,907.18	1,917.77	-
Other non-current assets	-	-	52.52
Total non-current assets	1,907.18	1,917.77	52.52
Total assets	1,908.00	1,918.53	2,031.90
Liabilities and shareholders' equity			
Financial liabilities from related companies ^{2/}	-	1,925.17	1,098.84
Other current liabilities	1.52	1.97	101.61
Total current liabilities	1.52	1,927.14	1,200.45
Financial liabilities from related companies ^{2/}	1,844.87	-	-
Financial liabilities from financial institutions	-	-	923.85
Other non-current liabilities	0.11	-	-
Total non-current liabilities	1,844.98	-	923.85
Total liabilities	1,846.50	1,927.14	2,124.30
Paid-up capital	100.00	100.00	100.00
Total shareholders' equity	61.50	(8.61)	(92.40)
Total liabilities and shareholders' equity	1,908.00	1,918.53	2,031.90

Remark: 1/ Consisting of land and work in progress of Noble Create Project.

2/ Consisting of loans and accrued interest payable from related companies.

Statement of income

Unit: Baht million	2020	2021	2022
Total revenues	0.00	0.00	0.00
Total expenses	(0.35)	(0.60)	(12.18)
Financial cost	(38.15)	(69.50)	(71.62)
Net loss for the period	(38.50)	(70.10)	(83.80)

4. Information of Phraram 9 Alliance Co., Ltd.**1. General information**

Company's name	Phraram 9 Alliance Co., Ltd. ^{1/} ("R9A")
Type of company	Limited company
Company registration number	0105559195684
Type of business	Real estate development
Registered capital	Baht 768 million, divided into 7,680,000 ordinary shares with a par value of Baht 100 per share
Address	No. 1035 Noble Building, Phloen Chit Road, Lumpini Sub-district, Pathumwan District, Bangkok
Date of company registration	December 22, 2016

Remark: 1/ R9A registered a change of company name from "BTS Sansiri Holding Twenty One Ltd." to "Prime Area 9 Co., Ltd." on December 18, 2020, and again from "Prime Area 9 Co., Ltd." to "Phraram 9 Alliance Co., Ltd." on July 13, 2021.

R9A was established under a 50:50 joint venture between U City Plc. ("U") and Noble Development Plc. ("Noble") with the objective to operate the business of real estate development for sale. Under the joint venture agreement, Noble shall be fully responsible for the project, ranging from designing to construction and sale. The sharing of benefits between the two joint venture partners has been clearly set out in such agreement.

2. Nature of business

R9A engages in real estate development business. It owns a land lot located on Rama 9 Road, Huai Khwang Sub-district, Huai Khwang District, Bangkok, in the community area that is adjacent to shopping malls, expressway entrance/exit ramps, and electric train system such as MRT Phra Ram 9 Station, CentralPlaza Grand Rama 9, Esplanade Ratchadaphisek, etc. Since the land is in an ideal location for real estate development, R9A has developed a property project in the name of Nue District R9 on a land plot of 6 rai 90.8 square wah. The project will feature a residential condominium encompassing 33-storied Tower R and 41-storied Tower 9, with five types of condominium units. It will offer 1,441 residential units, with the unit size ranging from 26 square meters to 46 square meters, and one commercial unit, together with common facilities and security system such as a swimming pool, a small garden, a gym, 600-car parking lots, CCTVs, access control system, security guards, etc. The total project value is Baht 6,153.62 million. The project focuses on the upper class target group.

The project already obtained EIA approval. Construction started in June 2022, about 2%³ completed as of August 2022, and is scheduled for full completion in March 2025 and for delivery in April 2025. Pre-sale was launched in December 2021, and approximately 60% of the total number of condominium units were sold as at August 2022.

Project type and location



Source: www.noblehome.com

3. Shareholder structure

List of shareholders of R9A before and after the transaction is as follows:

No.	Name	^{1/} Before the transaction		After the transaction	
		No. of shares	%	No. of shares	%
1	Noble Development Plc.	3,840,000	50.00%	3,840,000	50.00%
2	U City Plc.	3,839,998	50.00%	-	-
3	Thanulux Plc. and/or its subsidiary	-	-	3,839,998	50.00%
4	Miss Soraya Satiangoset	1	0.00%	-	-
5	Mr. Veerapong Rodjanawarodom	1	0.00%	-	-
6	The Company's representative	-	-	2	0.00%
Total		7,680,000	100.00%	7,680,000	100.00%

Source: 1/ List of shareholders of R9A as at April 29, 2022

³ Based on information from the appraisal report on R9A's property appraised by SIMS.

4. Board of Directors

As at March 15, 2022, R9A's Board of Directors consisted of:

No.	Name	Position	Shareholder's representative
1	Mr. Arttavit Chalermasaphayakorn	Director	Noble
2	Mr. Theeraphon Voranithiphong	Director	Noble
3	Miss Soraya Satiangoset	Director	U
4	Mr. Veerapong Rodjanawarodom	Director	U

Source: R9A's company affidavit

Under the joint venture agreement, each party shall nominate its two representatives as R9A's directors. After the acquisition of R9A's shares from U, the Company will nominate its representatives to serve on R9A's Board of Directors in place of the representative directors from U.

5. Summary of financial statements

The key financial information of R9A based on its financial statements for the years ended December 31, 2019 and 2020 audited by Miss Pimjai Manitkajohnkit, CPA Registration No. 4521, and financial statements for the year ended December 31, 2021 audited by Miss Sirirat Sricharoensup, CPA Registration No. 5419, of EY Office Ltd., can be summarized as follows:

Statement of financial position

Unit: Baht million	As at Dec 31, 2019	As at Dec 31, 2020	As at Dec 31, 2021
Assets			
Real estate development cost ^{1/}	1,947.00	1,880.55	1,908.30
Other current assets	8.23	0.78	5.61
Total current assets	1,955.24	1,881.33	1,913.91
Total non-current assets	32.15	49.05	94.37
Total assets	1,987.39	1,930.38	2,008.28
Liabilities and shareholders' equity			
Financial liabilities from related companies ^{2/}	-	-	435.69
Other current liabilities	23.01	2.38	51.61
Total current liabilities	23.01	2.38	487.30

Unit: Baht million	As at Dec 31, 2019	As at Dec 31, 2020	As at Dec 31, 2021
Financial liabilities from financial institutions	1,085.00	1,085.00	1,085.00
Financial liabilities from related companies ^{2/}	908.00	1,021.30	-
Total non-current liabilities	1,993.00	2,106.30	1,085.00
Total liabilities	2,016.01	2,108.68	1,572.30
Paid-up capital	100.00	100.00	768.00
Total shareholders' equity	(28.62)	(178.30)	435.98
Total liabilities and shareholders' equity	1,987.39	1,930.38	2,008.28

Remark: 1/ Consisting of land, work in progress and finance cost, being recognized as cost of Nue District R9 Project.

2/ Comprising loans from related companies.

Statement of income

Unit: Baht million	2019	2020	2021
Total revenues	0.08	0.01	0.01
Total expenses	(0.30)	(82.96)	(26.46)
Financial cost	(89.68)	(83.63)	(59.56)
Income tax revenues	17.98	16.89	32.29
Net loss for the period	(71.92)	(149.69)	(53.72)

5. Information of Ratburana Alliance Co., Ltd.**1. General information**

Company's name	Ratburana Alliance Co., Ltd. ^{1/} ("RBA")
Type of company	Limited company
Company registration number	0105558196393
Type of business	Real estate development
Registered capital	Baht 10 million, divided into 100,000 ordinary shares with a par value of Baht 100 per share
Address	No. 21 Soi Choei Phuang, Wiphawadi-Rangsit Road, Chom Phon Sub-district, Chatuchak District, Bangkok
Date of company registration	December 21, 2015

Remark: 1/ On May 25, 2022, RBA registered a change of company name from "Ratburana Property Co., Ltd." to "Ratburana Alliance Co., Ltd."

Currently, RBA is 100% owned by U Global Hospitality Co., Ltd. ("UGH"). However, UGH and Noble Development Plc. ("Noble") have agreed to enter a joint venture in RBA with the objective to operate the business of real estate development for sale. As such, RBA will become a joint venture company in which UGH and Noble will each hold 50% of RBA's total shares. Under the joint venture agreement, Noble shall be fully responsible for the project, ranging from designing to construction and sale. The sharing of benefits between the two joint venture partners shall be clearly set out in such agreement.

2. Nature of business

RBA engages in real estate development business. It owns land lots located on Rat Burana Road, Rat Burana Sub-district, Rat Burana District, Bangkok, in the community area that is adjacent to shopping malls, expressway entrance/exit ramps, and electric train system such as Kasikornbank (Headquarters), Rat Burana District Office, Big C Rat Burana, Chaloem Maha Nakhon Expressway, etc. Since the land is in an ideal location for real estate development, RBA has developed a property project in the name of Nue Riverest Ratburana on a land plot of 27 rai 2 ngan 10 square wah. The project will feature (1) a condominium with 1,521 units, focusing on the upper class target group; and (2) a housing estate offering 53 single detached house units with common facilities such as swimming pool, small garden, fitness room, parking lots, etc., focusing on the luxury target group. The total project value is Baht 6,390.05 million.

The project already obtained permission for construction, modification, demolition or removal of buildings (Form Or.1). It is in the process of adjusting the land for piling. Construction is scheduled as follows: (1) housing estate to begin construction in November 2022 and expected to be completed in June 2025; and

(2) residential condominium to begin construction in April 2023 and expected to be completed in November 2025. The project is expected to launch its pre-sale in November 2022.

Project type and location



Source: www.noblehome.com and the Company

3. Shareholder structure

List of shareholders of RBA before and after the transaction is as follows:

No.	Name	^{1/} Before the transaction		After the transaction	
		No. of shares	%	No. of shares	%
1	U Global Hospitality Co., Ltd.	99,998	99.9980%	-	-
2	Noble Development Plc.	-	-	^{2/} 50,000	50.0000%
3	Thanulux Plc. and/or its subsidiary	-	-	49,998	49.9980%
4	Miss Soraya Satiangoset	1	0.0010%	-	-
5	Mr. Veerapong Rodjanawarodom	1	0.0010%	-	-
6	The Company's representative	-	-	2	00.0020%
Total		100,000	100.0000%	100,000	100.0000%

Source: ^{1/} List of shareholders of RBA as at May 25, 2022

^{2/} Key conditions precedent to the Joint Venture Investment Transaction in Real Estate Companies are as indicated in the Information Memorandum Schedule 1 of the Company.

4. Board of Directors

As at May 25, 2022, RBA's Board of Directors consisted of:

No.	Name	Position	Shareholder's representative
1	Mr. Kavin Kanjanapas	Director	Noble
2	Mr. Kong Chi Keung	Director	Noble
3	Mr. Veerapong Rodjanawarodom	Director	U
4	Miss Soraya Satiangoset	Director	U

Source: RBA's company affidavit

Under the joint venture agreement, each party shall nominate its two representatives as RBA's directors. After the acquisition of RBA's shares from U, the Company will nominate its representatives to serve on RBA's Board of Directors in place of the representative directors from U.

5. Summary of financial statements

The key financial information of RBA based on its financial statements for the years ended December 31, 2019 and 2020 audited by Mr. Pornanan Kitjanawanchai, CPA Registration No. 7792, and financial statements for the year ended December 31, 2021 audited by Miss Sirirat Sricharoensup, CPA Registration No. 5419, of EY Office Ltd., can be summarized as follows:

Statement of financial position

Unit: Baht million	As at Dec 31, 2019	As at Dec 31, 2020	As at Dec 31, 2021
Assets			
Total current assets	0.07	0.14	0.24
Land awaiting development ^{1/}	616.56	616.56	616.56
Other non-current assets	0.01	0.01	0.01
Total non-current assets	616.57	616.57	616.57
Total assets	616.64	616.71	616.81
Liabilities and shareholders' equity			
Total current liabilities	19.56	56.37	18.58
Financial liabilities from related companies ^{2/}	696.04	696.59	771.49
Total non-current liabilities	696.04	696.59	771.49

Opinion of the Independent Financial Advisor on the connected transactions

Unit: Baht million	As at Dec 31, 2019	As at Dec 31, 2020	As at Dec 31, 2021
Total liabilities	715.60	752.96	790.07
Paid-up capital	10.00	10.00	10.00
Total shareholders' equity	(98.96)	(136.25)	(173.26)
Total liabilities and shareholders' equity	616.64	616.71	616.81

Remark: 1/ Land to be used for development of Nue Riverest Ratburana Project.

2/ Loans from related companies.

Statement of income

Unit: Baht million	2019	2020	2021
Total revenues	0.00	0.00	0.00
Total expenses	(0.72)	(0.49)	(0.53)
Financial cost	(36.23)	(36.80)	(36.48)
Net loss for the period	(36.95)	(37.29)	(37.01)

6. Information of Ratchada Alliance Co., Ltd.**1. General information**

Company's name	Ratchada Alliance Co., Ltd. ^{1/} ("RDA")
Type of company	Limited company
Company registration number	0105559137200
Type of business	Real estate development
Registered capital	Baht 50 million, divided into 500,000 ordinary shares with a par value of Baht 100 per share
Address	No. 1035 Noble Building, Phloen Chit Road, Lumpini Sub-district, Pathumwan District, Bangkok
Date of company registration	September 1, 2016

Remark: 1/ On January 16, 2020, RDA registered a change of company name from "BTS Sansiri Holding Eighteen Ltd." to "Ratchada Alliance Co., Ltd."

RDA was established under a 50:50 joint venture between U City Plc. ("U") and Noble Development Plc. ("Noble") with the objective to operate the business of real estate development for sale. Under the joint venture agreement, Noble shall be fully responsible for the project, ranging from designing to construction and sale. The sharing of benefits between the two joint venture partners has been clearly set out in such agreement.

2. Nature of business

RDA engages in real estate development business. It owns a land lot located on Ratchadaphisek Road, Chom Phon Sub-district, Chatuchak District, Bangkok, in the community area that is adjacent to shopping malls, expressway entrance/exit ramps, and electric train system such as MRT Lat Phrao Station, the Appeals Court, the Civil Court, the Criminal Court, Big C Extra Lat Phrao, etc. Since the land is in an ideal location for real estate development, RDA has developed a property project in the name of Nue Noble Ratchada-Ladphrao on a land plot of 2 rai 95.6 square wah. The project will feature a 34-storied residential condominium, with five types of condominium units. It will offer 565 residential units, with the unit size ranging from 22.5 square meters to 42.6 square meters, together with common facilities and security system such as a swimming pool, a small garden, a gym, 210-car parking lots, CCTVs, access control system, security guards, etc. The project focuses on the upper class target group. The total project value is Baht 1,998.94 million.

The project already obtained EIA approval. Construction started in May 2021, about 8%⁴ completed as of August 2022, and is scheduled for full completion in February 2024 and for delivery in March 2024. Pre-sale was launched in July 2020, and approximately 60% of the total number of condominium units were sold as at August 2022.

Project type and location



Source: www.noblehome.com

3. Shareholder structure

List of shareholders of RDA before and after the transaction is as follows:

No.	Name	^{1/} Before the transaction		After the transaction	
		No. of shares	%	No. of shares	%
1	Noble Development Plc.	250,000	50.0000%	250,000	50.0000%
2	U City Plc.	249,999	49.9998%	-	-
3	Thanulux Plc. and/or its subsidiary	-	-	249,999	49.9998%
4	Miss Soraya Satiangoset	1	0.0002%	-	-
5	The Company's representative	-	-	1	0.0002%
Total		500,000	100.0000%	500,000	100.0000%

Source: 1/ List of shareholders of RDA as at April 29, 2022

⁴ Based on information from the appraisal report on RDA's property appraised by SIMS.

4. Board of Directors

As at July 11, 2022, RDA's Board of Directors consisted of:

No.	Name	Position	Shareholder's representative
1	Miss Soraya Satiangoset	Director	U
2	Mr. Sayam Siwarapornskul	Director	U
3	Mr. Theeraphon Voranithiphong	Director	Noble
4	Mr. Arttavit Chalermasaphayakorn	Director	Noble

Source: RDA's company affidavit

Under the joint venture agreement, each party shall nominate its two representatives as RDA's directors. After the acquisition of RDA's shares from U, the Company will nominate its representatives to serve on RDA's Board of Directors in place of the representative directors from U.

5. Summary of financial statements

The key financial information of RDA based on its financial statements for the years ended December 31, 2019 and 2020 audited by Miss Pimjai Manitkajohnkit, CPA Registration No. 4521, and financial statements for the year ended December 31, 2021 audited by Mrs. Anutai Poomsurakul, CPA Registration No. 3873, of EY Office Ltd., can be summarized as follows:

Statement of financial position

Unit: Baht million	As at Dec 31, 2019	As at Dec 31, 2020	As at Dec 31, 2021
Assets			
Real estate development cost ^{1/}	530.43	549.07	606.91
Other current assets	18.95	129.11	75.74
Total current assets	549.38	678.18	682.65
Total non-current assets	3.89	53.79	68.87
Total assets	553.27	731.97	751.52
Liabilities and shareholders' equity			
Financial liabilities from related companies ^{2/}	-	162.55	161.94

Unit: Baht million	As at Dec 31, 2019	As at Dec 31, 2020	As at Dec 31, 2021
Financial liabilities from financial institutions	518.81	-	358.63
Other current liabilities	0.00	54.84	26.88
Total current liabilities	518.81	374.98	772.73
Financial liabilities from financial institutions	-	358.12	-
Other non-current liabilities	-	20.48	40.64
Total non-current liabilities	-	378.60	40.64
Total liabilities	518.81	753.58	813.37
Paid-up capital	50.00	50.00	50.00
Total shareholders' equity	34.46	(21.61)	(61.85)
Total liabilities and shareholders' equity	553.27	731.97	751.52

Remark: 1/ Consisting of land, work in progress and finance cost, being recognized as cost of Nue Noble Ratchada-Ladphrao Project

2/ Comprising loans and accrued interest payable from related companies.

Statement of income

Unit: Baht million	2019	2020	2021
Total revenues	0.10	0.13	0.78
Total expenses	(2.04)	(69.68)	(51.08)
Financial cost	(5.18)	-	-
Income tax revenues	1.42	13.48	10.06
Net loss for the period	(5.70)	(56.07)	(40.24)

7. Information of Suksawat Alliance Co., Ltd.**1. General information**

Company's name	Suksawat Alliance Co., Ltd. ("SUK")
Type of company	Limited company
Company registration number	0105565142970
Type of business	Real estate development
Registered capital	Baht 50 million, divided into 500,000 ordinary shares with a par value of Baht 100 per share
Address	No. 1035 Noble Building, Phloen Chit Road, Lumpini Sub-district, Pathumwan District, Bangkok
Date of company registration	September 2, 2022

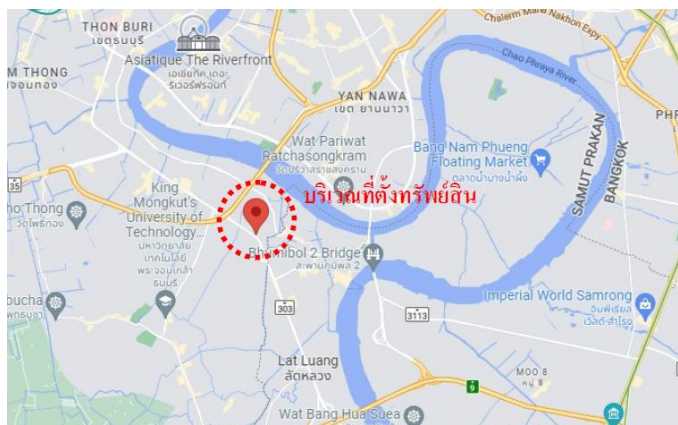
SUK was established under a 50:50 joint venture between U City Plc. ("U") and Noble Development Plc. ("Noble") with the objective to operate the business of real estate development for sale. Under the joint venture agreement, Noble shall be fully responsible for the project, ranging from designing to construction and sale. The sharing of benefits between the two joint venture partners has been clearly set out in such agreement.

2. Nature of business

SUK engages in real estate development business. It owns land lots located on Suk Sawat Road, Rat Burana Sub-district, Rat Burana District, Bangkok, in the community area that is adjacent to shopping malls, expressway entrance/exit ramps, and electric train system such as Bangkok Employment Office 2, Big C Suk Sawat, Bangpakok 1 Hospital, Chaloem Maha Nakhon Expressway, etc. Since the land is in an ideal location for real estate development, SUK has developed a property project in the name of Nue Hybe Suksawat on land with a total area of 16 rai 2 ngan 38.8 square wah. The project will feature (1) 33 units of four-storied shop house (two types) with unit size ranging from 21.10 square wah to 38.60 square wah; and (2) 123 units of four-storied home office (two types) with unit size ranging from 18.10 square wah to 33.70 square wah, making up a total of 156 units, together with common facilities and parking lots. The total project value is Baht 1,601.06 million. The project focuses on the upper class target group.

The project already obtained EIA approval and started construction of 12 units of the four-storied shop house, which were completed by about 7.00% – 38.90%⁵ of the total shop house construction or around 1.65% of the entire construction works as at August 2022. Construction of other units of the shop house and the home office will begin in September 2022 and is scheduled for full completion in July 2025.

⁵ Based on information from the appraisal report on SUK's property appraised by SIMS.

Project location

Source: The Company

3. Shareholder structure

List of shareholders of SUK before and after the transaction is as follows:

No.	Name	^{1/} Before the transaction		After the transaction	
		No. of shares	%	No. of shares	%
1	Noble Development Plc.	249,998	49.9996%	249,998	49.9996%
2	U City Plc.	249,999	49.9998%		
3	Thanulux and/or its subsidiary	-	-	249,999	49.9998%
4	Miss Soraya Satiangoset	1	0.0002%	-	-
5	Mr. Arttavit Chalernsaphayakorn	1	0.0002%	1	0.0002%
6	Mrs. Orranuch Ittikosin	1	0.0002%	1	0.0002%
7	The Company's representative			1	0.0002%
Total		500,000	100.0000%	500,000	100.0000%

Source: 1/ List of shareholders of SUK as at September 2, 2022

4. Board of Directors

As at September 2, 2022, SUK's Board of Directors consisted of:

No.	Name	Position	Shareholder's representative
1	Miss Soraya Satiangoset	Director	U

2	Mr. Veerapong Rodjanawarodom	Director	U
3	Mr. Arttavit Chalermasaphayakorn	Director	Noble
4	Mrs. Orranuch Ittikosin	Director	Noble

Source: SUK's company affidavit

Under the joint venture agreement, each party shall nominate its two representatives as SUK's directors. After the acquisition of SUK's shares from U, the Company will nominate its representatives to serve on SUK's Board of Directors in place of the representative directors from U.

5. Summary of financial statements

Since SUK was just established on September 2, 2022, there is no information on its financial statements.

**Attachment 3A****Details of Share Valuation of Future Domain Co., Ltd.**

The Company intends to purchase all ordinary shares in FD that are held by U in the amount of 1,000,000 shares, representing 50% of FD's total issued and paid-up shares, at a price of Baht 148.63 million. The IFA has appraised a fair value of the sale and purchase price of FD's shares according to the investment proportion using various approaches in order to express our opinion on the appropriateness of such sale and purchase price, as follows:

- 1.1. Book Value Approach
- 1.2. Adjusted Book Value Approach
- 1.3. Market Comparable Approach
 - (1) Price to Book Value Ratio Approach
 - (2) Price to Earnings Ratio Approach
 - (3) EV/EBITDA Ratio Approach
- 1.4. Market Value Approach
- 1.5. Discounted Cash Flow Approach

Details of the appraisal of a fair value of the sale and purchase price of FD's shares according to the investment proportion by each approach are as follows:

1.1. Book Value Approach

By this approach, the valuation is made from net book value of assets (total assets deducted by total liabilities) which will be equivalent to shareholders' equity of FD or equal to FD's book value, based on information from FD's internal financial statements as at June 30, 2022. The outcome is as shown below:

Items as at June 30, 2022	Baht million
Issued and paid-up capital	200.00
Retained earnings (losses)	(182.67)
Legal reserve	-
Shareholders' equity of FD	17.33
Fair value of the sale and purchase price of FD's shares according to the investment proportion	8.67



By the book value approach, a fair value of the sale and purchase price of FD's shares according to the investment proportion is appraised at Baht 8.67 million, which is (lower) than the sale and purchase price of Baht 148.63 million by Baht (139.96) million or (94.17)%.

The valuation by this approach reflects FD's financial position as of June 30, 2022 only, but does not reflect current market value of its assets, nor its profitability in the future.

1.2. Adjusted Book Value Approach

Under this approach, the valuation is made by adjusting the book value shown on FD's internal financial statements as at June 30, 2022 for the items that materially affect value of assets and liabilities in order to reflect the net asset value that is as close as possible to the present value. The IFA has considered the significant items on such financial statements for the book value adjustment as follows:

(a) Adjustment to surplus (deficit) on revaluation of real estate development cost based on the property appraisal report by the Independent Valuer

According to its internal financial statements as at June 30, 2022, FD recorded total real estate development cost of Baht 2,563.17 million. It was cost of development of two projects: (1) Noble Curate, which offers 15 plots of land for sale and was completely developed; and (2) Noble Curve, which features 187 units of four-storied townhomes of three types and three-storied townhomes of one type, with construction currently completed by about 29.22% and scheduled for full completion by the third quarter of 2024.

In the statement of financial position as at June 30, 2022, which is FD's internal financial statement, real estate development cost was recorded at the actually incurred cost, taking no account of the salability and profitability of the land and townhomes in the two projects mentioned above. Therefore, to identify a fair economic value of both projects, the Company hired SIMS, an independent valuer on the SEC's approved list, to conduct a fair value appraisal, for public purpose, of such land and townhome projects, including five items of public utilities in the townhome project, according to the current development progress. SIMS prepared an appraisal report, No. 65-1-1368-GL-1, on the land allocation project on September 9, 2022, and an appraisal report, No. 65-1-1367-GL-1, on the town home project on September 14, 2022, the details of which are as follows:

SIMS appraised Noble Curate's 15 plots of land (contiguous parcels) with a total area of 7 rai 1 ngan 33.8 square wah or equal to 2,933.8 square wah, and Noble Curve's one land plot of 23 rai 91.8 square wah or equal to 9,291.8 square wah and constructions, consisting of 187 units of four-storied townhomes of three types and three-storied townhomes of one type, with current construction progress of about 29.22%, and also appraised five items of public utilities inside the project comprising guardhouse with arched entrance, three-storied clubhouse with swimming pool, road inside the project with drain system, concrete fence around the project, and underground electrical system and water supply system in the project, with construction progress of about 60.84%.



SIMS used the direct comparison or market approach to appraise the land of Noble Curate and Noble Curve at a fair value of Baht 922.70 million and Baht 1,579.60 million respectively, and the replacement cost approach to appraise Noble Curve's townhome buildings and public utilities, which are still under construction, at a total fair value of Baht 312.95 million, making up a total fair value of the land in both projects and the townhome buildings and public utilities under construction of Baht 2,815.25 million, the details of which are as follows:

Project	Appraised property	Appraisal approach	Amount (Baht million)
Fair value appraised by Independent Valuer			
Noble Curate	Land	Direct comparison or market approach	922.70
Noble Curve	Land	Direct comparison or market approach	1,579.60
	Construction items under construction	Replacement cost approach	312.95
	- Townhome buildings - Public utilities		270.92 42.03
Total appraised fair value			2,815.25
Book value of real estate development cost as at June 30, 2022			2,563.17
Surplus (deficit) on revaluation of real estate development cost			252.08

Remark * Shareholders can refer to a summary of the property appraisal report in Attachment 3B of this report.

Opinion of the IFA on the property appraisal approaches

SIMS examined and considered various factors relating to the valuation such as appropriateness of use or development for further use, general market condition and limitations, specific features of the property, and legal rights before selecting the appraisal methods that suit the nature of such property, as follows:

- In our opinion, the direct comparison or market approach used for appraisal of the land of Noble Curate and Noble Curve is an appropriate method for analysis and determination of price through comparison with market prices of properties which have characteristics similar to FD's properties. SIMS considered all details of the appraised properties and various factors that affect value of the appraised properties such as land area, location, transportation, environment, land use, land shape, physical condition, legal restrictions, development potential, and sufficiency of market price data in nearby areas for comparison. Then, weighting on credibility of the comparable data was carried out to determine the value of the appraised properties. The appraisal of land using the direct comparison or market approach is part of the market price assessment process under professional practices adopted by independent appraisers and such approach is deemed suitable for comparison with the book value of real estate development cost shown on FD's internal financial statements as of June 30, 2022.



● As for the use of replacement cost approach for appraisal of the townhome buildings and public utilities in the project that is under development, we view that this method is appropriate since it is in line with the general approach for construction appraisal. SIMS used the construction cost estimates of the Valuers Association of Thailand as a basis for determining the construction cost per unit.

(b) *Adjustment according to the Financial and Tax Due Diligence Report on September 30, 2022*

(1) *Adjustment to land cost*

In 2020, FD incurred land ownership transfer expense of Baht 0.20 million, which is classified as cost of land acquisition and incorporated into land cost in the statement of financial position. However, FD recorded such land ownership transfer expense as an expense in the statement of income, resulting in a lowered cost of land. Therefore, we have made an adjustment by incorporating such land ownership transfer expense into the land cost, which was recorded under the 'real estate development cost caption' as at June 30, 2022.

(2) *Commitments and contingent liabilities*

As at June 30, 2022, FD had significant commitments such as service fees under the turnkey project development and management contract, management fees and project development until completion in a total amount of Baht 1,400.10 million. However, such commitments and contingent liabilities are incurred in the ordinary course of business of FD; therefore, we have not made any adjustment to this item in the share value calculation under the adjusted book value approach.

From the above information, we have made adjustments to calculate a fair value of the sale and purchase price of FD's shares according to the investment proportion by the adjusted book value approach as follows:

Items	Amount (Baht million)
Total assets (as at June 30, 2022)	2,628.59
Less: Total liabilities (as at June 30, 2022)	(2,611.26)
Net asset value before adjustment	17.33
Adjusted items	
(a) Add: Surplus (deficit) on revaluation of real estate development cost	252.08
(b) (1) Add: Land ownership transfer expense being adjusted by incorporating into land cost	0.20
Net asset value after adjustment	269.61
Fair value of the sale and purchase price of FD's shares according to the investment proportion	134.80

Remark: * Shareholders can refer to a summary of the property appraisal report in Attachment 3B of this report.



By the adjusted book value approach, a fair value of the sale and purchase price of FD's shares according to the investment proportion is appraised at Baht 134.80 million, which is (lower) than the sale and purchase price of Baht 148.63 million by Baht (13.83) million or (9.30)%.

The valuation by this approach could reflect FD's net asset value that is more updated than the valuation by the book value approach. However, this approach takes no account of FD's future performance and profitability, nor the overall economic and industrial trends.

1.3. Market Comparable Approach

By this approach, the valuation is made based on various market ratios, including (a) price to book value (P/BV) ratio, (b) price to earnings (P/E) ratio, and (c) enterprise value to EBITDA (EV/EBITDA) ratio, of 10 reference companies listed on the SET's Property Development Sector that generate income mainly from vertical property development business in the amount of not less than 50% of their total sales revenues and have an asset size of between Baht 10,000 million and Baht 50,000 million, or called the "Peer Group."

The details of the reference companies are as follows:

	Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
SET-listed reference companies				
1	ANAN	Ananda Development Plc.	ANAN's main business is the development of 1) condominium projects located near mass transit stations in Bangkok and its peripheral areas, and 2) horizontal housing estate projects. In addition, it also operates other businesses through its subsidiaries, including condominium unit selling agent and management services for housing estates and condominiums.	41,435.12
2	ASW	Assetwise Plc.	ASW is a holding company which has subsidiaries operating core business of property development for sale, including condominium, single house, townhome and home office.	13,877.35
3	CGD	Country Group Development Plc.	CGD engages in real estate development business.	18,682.14



Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
4 LPN	L.P.N. Development Plc.	LPN is a developer of urban residential condominiums with affordable prices. The main target group is the middle to lower-middle income earners. Condominium projects are designed and developed under LPN Design concept which focuses on delivering product value to customers. It develops large-scale projects in order to achieve cost advantage and economy of scale. At the same time, an emphasis is put on achieving economy of speed from upstream to downstream stages in project development process. In terms of service value, the uniqueness of LPN lies in the "Livable Community" strategy, which makes a great impression and creates bond with customers and residents of "Lumpini" community.	24,333.89
5 MJD	Major Development Plc.	MJD engages in the property development for sale and hotel business, focusing on high-end condominiums with luxurious lifestyles.	15,866.76
6 NOBLE	Noble Development Plc.	NOBLE operates the business of real estate development for sale, construction service, rental and services.	22,445.37
7 NVD	Nirvana Daii Plc.	NVD's core businesses are classified into three categories as follows: (1) real estate development business under the name "NIRVANA," which develops properties for sale such as single detached house, twin house, home office, townhouse, and condominium, with project location selected based on factors such as development potential, accessibility, and community, and the projects developed including 3-storey single detached houses under the brand "BEYOND," 2-storey single detached houses under the brand "ICON," home offices under the brand "@WORK," townhouses under the brand "DEFINE," and condominiums under the brand "BANYANTREE RESIDENCE RIVERSIDE BANGKOK;" (2) construction service; and (3) sales of construction materials such as instant fence and acting as distributor of aluminum doors and windows from Japanese manufacturers.	12,314.66



	Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
8	ORI	Origin Property Plc.	ORI operates property development business, including condominiums along sky train routes in Bangkok and its vicinities, and related services which are rental & re-sale and condominium project management services only for the projects developed by ORI.	41,014.45
9	SA	Siamese Asset Plc.	SA develops residential real estate for sales, including condominiums, housing estates, townhomes and home offices, and also offers juristic person management service for its projects.	15,032.56
10	SENA	Sena Development Plc.	SENA engages in residential real estate development business, consisting of single-detached houses, townhouses, commercial buildings, townhomes and condominiums; rental business such as apartments for rent, community malls and office buildings; golf course business; solar power business; juristic person management business; residential construction business; and real estate agent and brokerage business.	23,655.80

Source: www.set.or.th

Remark: * As at September 30, 2022

(1) Price to Book Value Ratio Approach

Under the P/BV ratio approach, the valuation is made by taking book value shown on FD's internal financial statements as at June 30, 2022, equal to Baht 17.33 million, multiplied by the average of P/BV ratio of the Peer Group prevailing in different time periods of one month, three months, six months, nine months and 12 months up to the cut-off date of September 29, 2022 (which was the last business day before the date the Board of Directors' Meeting No. 8/2022 on September 30, 2022 resolved to grant approval for the Company to propose the acquisition of FD's shares from U for consideration of the shareholders' meeting).



Average P/BV ratio of the Peer Group:

Peer Group	Average of past 1 month	Average of past 3 months	Average of past 6 months	Average of past 9 months	Average of past 12 months
1 ANAN	0.37	0.37	0.35	0.37	0.38
2 ASW	1.35	1.33	1.36	1.42	1.45
3 CGD	0.88	0.87	0.89	0.95	0.99
4 LPN	0.57	0.56	0.57	0.58	0.59
5 MJD	0.27	0.27	0.28	0.29	0.30
6 NOBLE	1.21	1.16	1.18	1.26	1.32
7 NVD	0.63	0.64	0.67	0.72	0.75
8 ORI	1.63	1.59	1.64	1.82	1.92
9 SA	2.84	2.88	2.97	3.36	3.44
10 SENA	0.72	0.71	0.74	0.80	0.80
Average*	0.85	0.83	0.85	0.91	0.94

Source: www.setsmart.com

Remark * P/BV ratio of SA is excluded from the calculation because it is deemed the outlier.

Conclusion of the valuation of a fair value of the sale and purchase price of FD's shares according to the investment proportion by the P/BV ratio approach

Period	Average P/BV ratio of Peer Group (time)	Book value (Baht million)	Fair value of FD's shares (Baht million)	Fair value of the sale and purchase price of FD's shares according to the investment proportion (Baht million)
Average of past 1 month	0.85	17.33	14.73	7.37
Average of past 3 months	0.83	17.33	14.38	7.19
Average of past 6 months	0.85	17.33	14.73	7.37
Average of past 9 months	0.91	17.33	15.77	7.89
Average of past 12 months	0.94	17.33	16.29	8.15

By the P/BV ratio approach, a fair value of the sale and purchase price of FD's shares according to the investment proportion is appraised at Baht 7.19 million – Baht 8.15 million, which is (lower) than the sale and purchase price of Baht 148.63 million by Baht (141.44) million – Baht (140.48) million or (95.16)% – (94.52)%.

The valuation by this approach is based on FD's book value, which reflects its performance and financial position at a given period of time, but does not reflect its future profitability.



(2) *Price to Earnings Ratio Approach*

By this method, the valuation is made from FD's net profit for the previous 12 months, multiplied by the average P/E ratio of the Peer Group. However, FD has operated at a deficit over the previous 12 months from July 1, 2021 to June 30, 2022. Thus, we cannot appraise a fair value of the sale and purchase price of FD's shares according to the investment proportion by the P/E ratio approach.

(3) *EV/EBITDA Ratio Approach*

By this approach, the valuation is made from the average EV/EBITDA ratio of the Peer Group, multiplied by EBITDA of FD, then deducted by interest-bearing debts and non-controlling interests (if any), and added by its cash and cash equivalents. However, FD recorded negative EBITDA over the previous 12 months from July 1, 2021 to June 30, 2022. Thus, we cannot appraise a fair value of the sale and purchase price of FD's shares according to the investment proportion by the EV/EBITDA ratio approach.

1.4. Market Value Approach

Under this approach, the valuation is made based on the weighted average market price (trading value/trading volume) of the company whose shares were traded on the SET over the previous periods. However, since FD's shares are not listed on either the SET or the mai, there is no market price available. Thus, we cannot appraise a fair value of the sale and purchase price of FD's shares according to the investment proportion by the market value approach.

1.5. Discounted Cash Flow Approach

By this approach, the valuation is made based on FD's future profitability by calculating present value of net cash flow expected from its future operation under financial projection for a period of 32 months (July 2022 - February 2025) with the assumption that FD continues operation on a going concern basis under the current economic condition and circumstances without any material change taking place during such period.

We have prepared the financial projection of FD based on the information and assumptions obtained from the Company and the information received from interviews with the executives and staff concerned. The objective is to identify a fair value of the sale and purchase price of FD's shares according to the investment proportion, and the appraised value may not be used as a reference price for any purposes other than the objective mentioned above. We have reviewed such information according to professional standards and deem that the information is adequate and reliable for use in the appraisal of a fair value of the sale and purchase price of FD's shares according to the investment proportion.



However, if there is any material change from the established assumptions in the economic condition and other external factors that have an impact on the operation of FD, as well as in its internal situation, the value appraised by this approach may not be used as a reference price.

The key assumptions used in the financial projection are as follows:

FD has two projects under development, located on Pradit Manutham Road, Lat Phrao Sub-district, Lat Phrao District, Bangkok, on a total land area of 29-1-86.4 rai, comprising:

- (1) A vacant land for sale project (Noble Curate), consisting of 15 plots of land with a total area of 9 rai 2 ngan 9.9 square wah or equal to 3,809.9 square wah; and
- (2) A townhome project (Noble Curve), offering 187 townhome units on a total project area of 23 rai 91.8 square wah or equal to 9,291.8 square wah.

1. *Revenues from sales*

Vacant land for sale project (Noble Curate)

The project covers a total area of 9 rai 2 ngan 9.9 square wah with a total project value of Baht 1,114.50 million, offering 15 plots of land with a total area of 7 rai 1 ngan 33.0 square wah or an area per plot of 161.0 – 244.3 square wah for sale. The remaining area of 2 rai 76.1 square wah is to be developed into common facilities such as a clubhouse, a swimming pool, a meeting room, a fitness room, a garden, etc.

Pre-sale was launched in May 2022, with the target group expected to be totally Thai customers. Sales are projected to begin in August 2022 and total ownership transfer will be completed by October 2023. The projection for August – October 2023 is as shown below:

	2022		2023				Total
	Q3	Q4	Q1	Q2	Q3	Q4	
No. of saleable plots	3	3	3	3	3	-	15
Saleable area (sqw)	579.45	581.80	560.90	568.50	642.00	579.45	2,932.65
%	19.76%	19.84%	19.13%	19.39%	21.89%	-	100.00%

The average selling price of the land allocated for sale in this project is estimated at Baht 380,000 per square wah (according to the project's average selling price), based on the project's location, surroundings, common facilities and utilities, as well as market condition and competition in nearby areas.



- Terms of payment for the land are as follows:
- A one-off payment of the reservation fee at 5% of the selling price, to be made on the reservation date;
 - A one-off payment of the remaining unpaid balance, to be made on the ownership transfer date.

From the above assumptions, we have projected cash flow receivable from such land sale on a quarterly basis as follows:

(Unit: Baht million)

	2022		2023				Total
	Q3	Q4	Q1	Q2	Q3	Q4	
Agreement signing	11.01	11.06	10.66	10.80	12.20	-	55.73
Ownership transfer	146.30	202.92	209.95	198.27	217.55	83.79	1,058.78
Total	157.31	213.98	220.61	209.07	229.75	83.79	1,114.50

Townhome project

The project covers a total area of 23 rai 91.8 square wah with a total project value of Baht 3,598.90 million, offering a total of 187 townhome units each with an area of 16.9 – 63.9 square wah.

Sales are projected to begin in Q3/2022 and total ownership transfer will be completed by Q1/2025.

The projection for the period from Q3/2022 until the end of the project in Q1/2025 is as follows:

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
No. of saleable units	18	18	18	18	18	18	18	18	18	18
Saleable area (sqw)	577.39	527.60	527.60	474.80	497.00	470.80	647.00	620.00	503.90	512.60
%	10.34%	9.45%	9.45%	8.51%	8.90%	8.43%	11.59%	11.11%	9.03%	9.18%

	2025	Total
	Q1	
No. of saleable units	7	187
Saleable area (sqw)	223.20	5,581.89
%	4.00%	100.00%



- The average selling price of the single detached house of the project is projected as follows:

	No. of units (units)	Land			Building			Total project (Baht million)
		Area (sqw)	Average price/sqw (Baht/sqw)	Land value (Baht million)	Saleable area (sqm)	Average price/sqm (Baht/sqm)	Value of saleable area (Baht million)	
Townhome	187	5,581.89	394,895.99	2,204.27	55,386.00	25,180.26	1,394.63	3,598.90

From the above table, the average land area of the townhome is approximately 29.85 square wah and the average saleable area of the building is 296.18 square meters, representing an average selling price of Baht 19.24 million/unit. The projection of the project's average selling price, based on the operational plan, construction pattern and NOBLE's experience in project operation, is as follows:

	No. of units (units)	Land area/unit (sqw/unit)	Land price/unit (Baht million/unit)	Saleable area/unit (sqm/unit)	Price of saleable area/unit (Baht million/unit)	Price/unit (Baht million/unit)
Single house	187	29.85	11.78	296.18	7.46	19.24

- Terms of payment for the townhome are as follows:

- A one-off payment of the reservation fee at 5% of the selling price, to be made on the reservation date;
- A one-off payment of the remaining unpaid balance, to be made on the ownership transfer date.

From the above assumptions, we have projected cash flow receivable from such townhome sale on a quarterly basis as follows:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Agreement signing	17.89	17.03	17.03	15.13	16.10	14.69	20.31	20.46	16.79	16.97
Ownership transfer	246.43	335.26	272.18	309.70	341.72	272.84	295.74	436.53	339.91	319.49
Total	264.32	352.29	289.21	324.83	357.82	287.53	316.05	456.99	356.70	336.46

(Unit: Baht million)

	2025	Total
	Q1	
Agreement signing	7.56	179.95
Ownership transfer	249.19	3,418.96
Total	256.75	3,598.90



2. *Turnkey construction and development fees*

Turnkey construction and development fees are the operating fees for the entire project construction works, which FD has commissioned NOBLE to undertake. FD shall pay such fees to NOBLE as set out in the Turnkey Construction and Development Service Agreement between them. The fees include turnkey construction and development costs, design and consultation fees, selling and marketing expenses, and commission fee, totalling Baht 1,343.83 million.

The assumptions for the turnkey construction and development fees are as follows:

- Turnkey construction and development costs and design and consultation fees
The turnkey construction and development costs, design and consultation fees, and others relating to the construction totalling Baht 1,343.83 million shall be paid to NOBLE based on the project's sale milestone as mentioned earlier.
 - Construction costs, comprising costs of construction, infrastructure and landscape, are estimated at Baht 1,211.14 million.
 - Design and consultation fees for construction supervision are estimated at Baht 71.06 million and sales office construction cost at Baht 61.62 million.
- Selling and marketing expenses and commission fee
 - Selling and marketing expenses, comprising expenses on sales promotion, advertisement and public relations, are projected on a monthly basis according to the project's selling and marketing expense planning, or at about 2% of revenues from sales. Management expenses are estimated at 1.60% of revenues from sales. Such projection is made based on NOBLE's experience in previous project management and in line with the forecasting of marketing expenses of previous projects.
 - Commission fee for sales of land and housing projects varies with customer type and sales channel, projected at 1%-11% of the selling price of housing estate or vacant land sold in each month, and is payable on a monthly basis and in proportion to the number of houses or land plots sold. Commission fee for sales to Thai customers will be lower than that to foreign customers.



From the above assumptions, we have projected cash flow payable for the operating fees on a quarterly basis as follows:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Turnkey construction and development costs	669.28	62.66	67.25	68.10	104.68	13.14	59.90	55.38	-	-
Design fees	82.31	5.69	2.73	2.99	9.09	2.63	8.13	6.37	-	-
Selling and marketing expenses	9.30	12.75	12.30	14.74	22.38	6.89	10.75	15.68	9.66	9.08
Total	760.90	81.09	82.28	85.82	136.15	22.66	78.78	77.43	9.66	9.08

(Unit: Baht million)

	2025	Total
	Q1	
Turnkey construction and development costs	110.76	1,211.14
Design fees	12.74	132.69
Selling and marketing expenses	17.88	141.40
Total	141.38	1,485.24

3. *Management fee and monitoring and consulting service fee under the joint venture agreement*

- Monitoring and consulting service fee that FD agrees to pay to U under the Monitoring Consulting Service Agreement is equal to 2.5% of the project value, payable on a monthly basis from August 2020 to February 2025.
- Management fee that FD agrees to pay to NOBLE under the Turnkey Construction and Development Service Agreement is equal to 4% of the project value, payable after U could achieve EIRR of 11%.

From the above assumptions, we have projected the combined management fee and monitoring and consulting service fee for both projects under the joint venture agreement on a quarterly basis as follows:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Consulting service fee	9.95	9.95	9.95	9.95	9.95	9.95	9.95	9.95	9.73	-
Management fee	-	-	-	-	-	-	-	-	-	-
Total	9.95	9.95	9.95	9.95	9.95	9.95	9.95	9.95	9.73	0.00



(Unit: Baht million)

	2025	Total
	Q1	
Consulting service fee	-	89.36
Management fee	201.73	201.73
Total	201.73	291.10

4. *Selling and administrative expenses of the project directly borne by JV partner*

The expenses relating to the project that JV partner must pay directly to the relevant counterparties include:

- Specific business tax of 3.3% of the selling price, payable on the ownership transfer date;
- Transfer fee of 1% of the selling price, payable on the ownership transfer date; and
- General administration expenses, comprising advisory and audit fees, legal fee, independent valuer's fee, initial juristic person expenses, maintenance fees for electricity and water meters, borrowing fee, mortgage fee, and property assessment fee.

From the above assumptions, we have projected the selling and administrative expenses on a quarterly basis as follows:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Transfer fee	4.13	5.67	5.08	5.35	5.89	3.75	3.11	4.60	3.58	3.36
Specific business tax	13.64	18.69	16.75	17.65	19.43	12.39	10.27	15.16	11.81	11.10
General administration expenses	0.43	1.28	0.15	0.37	0.30	0.70	0.64	0.74	0.52	0.93
Total	18.21	25.63	21.97	23.36	25.61	16.84	14.03	20.50	15.91	15.39

(Unit: Baht million)

	2025	Total
	Q1	
Transfer fee	2.62	47.13
Specific business tax	8.66	155.54
General administration expenses	0.08	6.13
Total	11.36	208.81



5. Sources of funds

Funding for development of the two projects is expected from three main sources: loans from financial institutions, loans from shareholders, and equity financing, as follows:

Sources of funds	Amount (Baht million)	Proportion (%)	Interest rate (%)
Loans from financial institutions	2,156.47	69.75%	3.50
Loans from shareholders (U + Noble)	735.55	23.79%	4.80
Equity financing: U	100.00	3.33%	-
Equity financing: NOBLE	100.00	3.33%	-
Total sources of funds	3,092.02	100.00%	

- Long-term loans from financial institutions are estimated at Baht 2,156.47 million, for a loan period of about three years with principal repayment from October 2022 to May 2024.
- Interest rate on long-term loans from a local financial institution for project development is estimated to be MLR – 1.75% p.a., or equal to 3.50% p.a. (MLR as at June 30, 2022 is equal to 5.25%).
- Loans from shareholders are estimated at Baht 735.55 million, to be equally provided by the two shareholders on a 50:50 basis. As at June 30, 2022, FD already raised loans from shareholders of Baht 735.55 million and plans to gradually repay such loans to the shareholders from May 2024 to August 2024.
- Interest rate on loans from shareholders is estimated at 4.8% p.a.
- Equity financing is estimated to be Baht 300.00 million, of which Baht 100.00 million will be provided by U and Baht 100.00 million by NOBLE.

From the above assumptions, we have calculated net cash flow receivable from the shareholders' equity of U under the joint venture agreement or the benefits obtainable by U from the joint venture investment in FD for development of a residential condominium for sale project with NOBLE, and have calculated the present value of cash flow obtained from the projection for a period of 32 months (July 2022 – February 2025), using cost of capital (Ke) of 13.58% per year as a discount rate. The calculation formula for Ke is as follows:

Calculation of Ke:

$$K_e = R_f + \beta(R_m - R_f)$$

Where:

Risk free rate (Rf) Risk free rate of return on investment, derived from www.thaibma.or.th as at September 29, 2022, is equal to 4.06% per annum, based on bid yield on government bond with a maturity of 25 years, which is a period that could



reflect investment condition in different time periods better than shorter-term data.

Beta (β)

This is a variance of SET return compared with closing price of the reference companies. We use the beta of 10 real estate companies (based on the weekly trading statistics from Bloomberg over the past three years up to September 29, 2022). The beta of these reference companies is adjusted to arrive at an unlevered beta, equal to an average of 0.477, which is then adjusted by the estimated interest-bearing debt to equity ratio of the whole project of FD, equal to 1.51 times, to obtain a levered beta of 1.36.

Rm

This is the average rate of return on the SET over the past 25 years, which is a period that could reflect investment condition in different time periods better than shorter-term data (source: SET data from October 1997 to September 2022), equal to 11.08% per year.

The present value of free cash flow to equity that the Company will receive in the proportion of 50% and other returns during July 2022 – February 2025 is shown in the below table:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Cash flow before tax	(426.16)	420.03	368.25	389.28	390.57	305.45	196.64	336.07	317.09	308.44
<u>Less</u> Corporate income tax		-	-	-	-	(24.22)	-	-	-	(54.28)
<u>Add</u> Loans from financial institutions	563.45	55.48	55.48	46.23	25.43	5.39	-	-	-	-
<u>Add</u> Loans from shareholders	-	-	-	-	-	-	-	-	-	-
<u>Less</u> Repayment of loans from financial institutions	-	(396.55)	(355.25)	(374.29)	(412.09)	(262.78)	(217.91)	(137.60)	-	-
<u>Less</u> Repayment of loans from shareholders	-	-	-	-	-	-	-	(582.65)	(152.90)	-
Total	137.29	78.97	68.48	61.22	3.91	23.84	(21.27)	(384.19)	164.20	254.16
Discount period	0.25	0.50	0.75	1.00	1.25	1.50	1.75	2.00	2.25	2.50
Discount rate	13.58%	13.58%	13.58%	13.58%	13.58%	13.58%	13.58%	13.58%	13.58%	13.58%
Discount factor	0.9687	0.9383	0.9089	0.8804	0.8528	0.8261	0.8002	0.7751	0.7508	0.7273
PV of cash flow	132.99	74.09	62.24	53.90	3.34	19.69	(17.02)	(297.79)	123.28	184.85



(Unit: Baht million)

	2025	Total
	Q1	
Cash flow before tax	(107.05)	2,498.61
<u>Less</u> Corporate income tax	-	(78.50)
<u>Add</u> Loans from financial institutions	-	751.47
<u>Add</u> Loans from shareholders	-	-
<u>Less</u> Repayment of loans from financial institutions	-	(2,156.47)
<u>Less</u> Repayment of loans from shareholders	-	(735.55)
Total	(107.05)	279.56
Discount period	2.75	
Discount rate	13.58%	
Discount factor	0.7045	
PV of cash flow	(75.41)	264.16

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Monitoring and consulting service fee	9.95	9.95	9.95	9.95	9.95	9.95	9.95	9.95	9.73	-
Discount period	0.25	0.50	0.75	1.00	1.25	1.50	1.75	2.00	2.25	2.50
Discount rate	13.58%	13.58%	13.58%	13.58%	13.58%	13.58%	13.58%	13.58%	13.58%	13.58%
Discount factor	0.9687	0.9383	0.9089	0.8804	0.8528	0.8261	0.8002	0.7751	0.7508	0.7273
PV of cash flow	9.64	9.34	9.05	8.76	8.49	8.22	7.97	7.72	7.31	-

(Unit: Baht million)

	2025	Total
	Q1	
Monitoring and consulting service fee	-	89.36
Discount period	2.75	
Discount rate	13.58%	
Discount factor	0.7045	
PV of cash flow	-	76.49



From the above table showing yearly cash flow projection, we have calculated the present value of net cash flow to equity receivable by the Company in the proportion of 50% and other returns as follows:

Particulars	Baht million
PV of cash flow	264.16
<u>Add:</u> Cash (as at June 30, 2022)	17.55
Equity value	281.71
Equity value receivable by the Company in the proportion of 50%	140.85
<u>Add:</u> PV of monitoring and consulting service fee receivable by the Company	76.49
Total equity value receivable by the Company in the proportion of 50% and other returns	217.34

From the valuation by the discounted cash flow approach, the equity value receivable by the Company in the proportion of 50% and other returns are appraised at Baht 217.34 million in the base case.

In addition, we have performed a sensitivity analysis on the valuation of the equity value receivable by the Company in the proportion of 50% and other returns so as to cover a range of impacts that are expected from changes in Ke by an increase/decrease of 2% from the base case, the outcomes of which are as follows:

Change of Ke	-2%	-1%	Base case 0.0%	+1%	+2%
Ke	11.58%	12.58%	13.58%	14.58%	15.58%
Equity value receivable by the Company in the proportion of 50% and other returns (Baht million)	219.99	218.65	217.34	216.06	214.81

From the above sensitivity analysis with changes to Ke, the equity value receivable by the Company in the proportion of 50% and other returns is appraised in a range of Baht 214.81 million – Baht 219.99 million, which is higher than the sale and purchase price of Baht 148.63 million by Baht 66.18 million – Baht 71.36 million or 44.53% – 48.01%.

**Conclusion of opinion of the IFA**

Table showing comparison of the fair value of the sale and purchase price of FD's shares according to the investment proportion by various valuation approaches:

Valuation approach	Appraised value according to investment proportion (Baht million)	Sale and purchase price (Baht million)	Appraised value being higher/(lower) than sale and purchase price	
			(Baht million)	(%)
1. Book Value Approach	8.67	148.63	(139.96)	(94.17)
2. Adjusted Book Value Approach	134.80	148.63	(13.83)	(9.30)
3. Market Comparable Approach				
(a) P/BV Ratio Approach	7.19 – 8.15	148.63	(141.44) – (140.48)	(95.16) – (94.52)
(b) P/E Ratio Approach	N/A	148.63	N/A	N/A
(c) EV/EBITDA Ratio Approach	N/A	148.63	N/A	N/A
4. Market Value Approach	N/A	148.63	N/A	N/A
5. Discounted Cash Flow Approach	214.81 – 219.99	148.63	66.18 – 71.36	44.53 – 48.01

There are different strengths and weaknesses of the above valuation approaches in identifying a fair value of the shares, as described below:

(1) The share valuation by the book value approach focuses on financial position at a given period of time and book value of assets, but does not reflect the true market value of assets and the future profitability.

(2) The adjusted book value approach could reflect the net asset value more accurately than the share valuation by the book value approach. This is because the appraised book value in (1) is adjusted by value of real estate projects under development to obtain a market value or fair value, and also adjusted by the restated items in FD's financial statements according to the financial due diligence report, and by commitments and contingent liabilities, etc., considering that FD has just commenced its project construction. This is one of the suitable methods for determining a fair value of FD's ordinary shares because it is based on a fair value of land and constructions according to the current progress rate at market price, which can best reflect general investors' expectation on the basis of the highest and best use of such assets at that time.

(3) The market comparable approach, comprising P/E ratio, P/BV ratio and EV/EBITDA ratio approaches, may not reflect the true value of FD due to the variation and difference in certain factors of the Peer Group in terms of business operation policy, marketing plan, customer base, future business plan, financial structure, and profitability of each company.

(4) The market value approach can well reflect demand for and supply of shares traded on the stock exchange in different time periods. However, since FD's shares are not listed on the SET, we cannot appraise a fair value of FD's shares by this approach.



(5) The discounted cash flow approach normally focuses on future operation and profitability of the business by taking into account the present value of future net cash flow based on past operation, as well as the economic trend and future operation of the business. Therefore, this approach normally can reflect the true value of the business better than all other approaches. However, the valuation by this approach is under the assumption that FD has completed the construction and could sell its project as planned. Currently, FD has just commenced the construction. After completion of this transaction, the Company will become a major shareholder of FD and will assume not only financial burdens but also risks in project development until completion. Therefore, this approach is not suitable for determining the value of this transaction. Nonetheless, we have still prepared the cash flow projection to be a basis for the Company's shareholders to consider whether the investment is worthwhile and determine the return on investment in such project.

Based on the above reasons, we are of the opinion that the most suitable approach for valuing FD's shares is the adjusted book value (ABV) approach. A fair value of the investment in FD according to the investment proportion is appraised by the ABV approach at Baht 134.80 million, which is (lower) than the sale and purchase of Baht 148.63 million by Baht (13.83) million or (9.30)%.



Attachment 3B

Property Valuation of Future Domain Co., Ltd.

The Company has arranged for a fair value appraisal of Future Domain Co., Ltd. with respect to its Noble Curate Project, consisting of 15 contiguous plots of land with a total area of 7 rai 1 ngan 33.8 square wah or equal to 2,933.8 square wah, and Noble Curve Project, comprising one plot of land with an area of 23 rai 91.8 square wah or equal to 9,291.8 square wah together with 187 units of four-storied townhomes of three types and three-storied townhomes of one type, with construction currently completed by about 29.22% and scheduled for full completion by the third quarter of 2024, including five items of public utilities inside the project comprising guardhouse with arched entrance, three-storied clubhouse with swimming pool, road inside the project with drain system, concrete fence around the project, and underground electrical system and water supply system in the project, with current construction progress of about 60.84%. The Company hired Sims Property Consultants Co., Ltd. ("SIMS" or "Independent Valuer"), an independent valuer on the SEC's approved list, to conduct a fair value appraisal of the two projects for public purpose according to the appraisal reports No. 65-1-138-GL-1 dated September 9, 2022 and No. 65-1-1367-GL-1 dated September 14, 2022 respectively.

SIMS used the direct comparison or market approach, which was deemed a suitable approach, to appraise the land of Noble Curate and Noble Curve at a fair value of Baht 922.70 million and Baht 1,579.60 million respectively, and the replacement cost approach, which was deemed a suitable approach, to appraise Noble Curve's townhome buildings, which are under construction, at a fair value of Baht 270.92 million and public utilities, which are under construction, at Baht 42.03 million, making Baht 312.95 million in total. **The total fair value of the land in both projects and the townhome buildings and public utilities under construction is equal to Baht 2,815.25 million, the details of which are as follows:**

Project	Appraised property	Appraisal approach	Fair value appraised by SIMS (Baht million)
Noble Curate	Land	Direct comparison or market approach	922.70
Noble Curve	Land	Direct comparison or market approach	1,579.60
	Construction items under construction	Replacement cost approach	312.95
	- Townhome buildings		270.92
	- Public utilities		42.03
Total appraised fair value			2,815.25



Simulated photo of Noble Curate Project



Source: www.noblehome.com

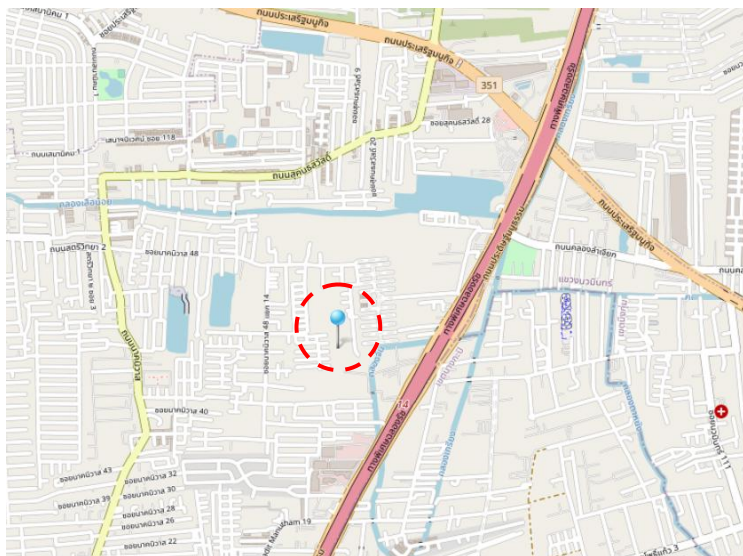
(1) Noble Curate Project

Details of appraised property

Particulars	Details
Type of property	Vacant land
Location	Pradit Manutham Road, Lat Phrao Sub-district, Lat Phrao District, Bangkok
GPS	LAT: 13.816822 LON: 100.619141
Details of property	19 plots of land (contiguous parcels) with a total area of 9 rai 2 ngan 9.9 square wah or equal to 3,809.9 square wah, deducted by the area not being appraised (four plots for public utilities in the project) of 2 rai 76.1 square wah or equal to 876.1 square wah, resulting in the net area being appraised (15 plots for sale) of 7 rai 1 ngan 33.8 square wah or equal to 2,933.8 square wah
Owner	Future Domain Co., Ltd.
Encumbrances	<ul style="list-style-type: none"> Title deeds No. 23654 – 23668 being mortgaged with Siam Commercial Bank Plc. Title deeds No. 23669 – 23671 and No. 23030 being unencumbered
Appraisal approach	Direct comparison or market approach
Appraisal date	August 8, 2022
Appraised value	Baht 922,700,000



Location of vacant land in Noble Curate Project



Source: Appraisal report by SIMS

1. Details of land appraisal by the direct comparison or market approach

The Company hired SIMS to appraise the vacant land in Noble Curate Project on August 8, 2022, using the direct comparison or market approach, with a survey of other plots of land in various projects nearby for comparison (after deduction of constructions). Factors taken into consideration were project's location, type, and public utilities, as well as location of each land plot for sale. Then, the land value was appraised by the Adjustment Grid Analysis.

There are five market data sets used for comparison and land appraisal, as follows:

— Comparable data sets 1 – 3

Particulars	Comparable data			
	Appraised property	Data 1	Data 2	Data 3
Project's name	Noble Curate	The Primary V	Quartz Rama 9	Santiburi The Residences
Location	Pradit Manutham Road	Soi Prasert Manukit 29 or Soi Ram Inthra 14 (Soi Maiyalap)	Rama 9 Road, Suan Luang Sub-district, Suan Luang District, Bangkok	Pradit Manutham Road, Nuan Chan Sub-district, Bung Kum District, Bangkok
Project size	7-1-33.8 rai with 15 plots for sale	5-1-66.4 rai with 18 plots for sale	N/A rai with 8 plots for sale	45-0-00.0 rai with 25 plots for sale
Type of project	Land for sale	Four-storied twin house and four-storied single house	Three-storied single house	Two-storied single house and three-storied single house



Particulars	Comparable data			
	Appraised property	Data 1	Data 2	Data 3
Facilities	Three-storied clubhouse, saltwater swimming pool, garden, underground electrical system, etc.	Security guards and CCTVs around the clock	Parking, security guards, clubhouse, small garden, etc.	Parking, security guards, clubhouse, small garden, etc.
Construction progress	-	100% completed	100% completed	N/A
Current sales	-	100%	About 80%	About 25%
Developer	Future Domain Co., Ltd.	Krungthep Pattana CMS Co., Ltd.	MBK Real Estate Co., Ltd.	Dalvey Place Co., Ltd.
Other details	-	Complete with furniture and electrical appliances	-	-
Average price	-	Baht 390,000/sqw	Baht 600,000/sqw	Baht 590,000/sqw

— Comparable data sets 4 – 5

Particulars	Comparable data	
	Data 4	Data 5
Project's name	Crystal Solana	Issara Residence Rama
Location	Pradit Manutham Road, Nuan Chan Sub-district, Bung Kum District, Bangkok	Rama 9 Road, Soi 41
Project size	31-0-73.7 rai with 51 plots for sale	9-2-35.0 rai with 20 plots for sale
Type of project	Four-storied single house and three-storied single house	Three-storied single house
Facilities	Parking, security guards, clubhouse, small garden, etc.	Clubhouse, small garden, security guards, etc.
Construction progress	30% completed	100% completed
Current sales	About 60-70%	N/A
Developer	K.E. Land Co., Ltd.	Charn Issara Development Plc.
Other details	Land surplus/deficit Baht 300,000/sqw	-
Average price	Baht 450,000/sqw	Baht 550,000/sqw



Land appraisal by Adjustment Grid Analysis:

Particulars	Appraised property	Data 1		Data 2		Data 3	
Project's name	Noble Curate	The Primary V		Santiburi The Residences		Crystal Solana	
Location	Pradit Manutham Road	Soi Prasert Manukit 29		Pradit Manutham Road		Pradit Manutham Road	
Environment	Residential	Residential		Residential		Residential	
Area (square wah)	161.1 - 247.2	76.0		398.0		125.0 – 250.0	
Land shape	Rectangle	Rectangle		Rectangle		Rectangle	
Frontage (meter)	21.00 – 36.00	12.00		20.00		20.00	
Land level (meter)	0.00	0.00		0.00		0.00	
Type of front road	Asphalt, 7 m.	Concrete, 12.00 m.		Concrete, 12.00 m.		Concrete, 12.00 m.	
Town plan	Low-density residential zone (Yellow)	Low-density residential zone (Yellow)		High-density residential zone (Brown)		Low-density residential zone (Yellow)	
Best land use	Residential	Residential		Residential		Residential	
Offering price (Baht/unit)		390,000		590,000		450,000	
Bargain price/expected saleable price (Baht/unit)		350,000		450,000		400,000	
Sale and purchase price (Baht/unit)			-		-		-
Adjusted sale and purchase period		0%	-	0%	-	0%	-
Price used in analysis (Baht/unit)		350,000		450,000		400,000	
Location		10%	35,000	-15%	-67,500	-15%	-60,000
Environment - development		-5%	-17,500	-5%	-22,500	-5%	-20,000
Land size - liquidity		-15%	-52,500	15%	67,500	0%	-
Land shape		0%	-	5%	22,500	0%	-
Frontage		10%	35,000	0%	-	0%	-
Land level		0%	-	0%	-	0%	-
Road passing in front		0%	-	0%	-	0%	-
Legal restrictions		0%	-	0%	-	0%	-
Best land use		0%	-	0%	-	0%	-
Sum of factors affecting property value		0%	-	0%	-	-20%	-80,000
Price after factor adjustment		350,000		450,000		320,000	
Weighting on data credibility	100%	35.73%		27.79%		36.48%	
Property value (Baht)	366,849	125,062		125,062		116,725	
Value of appraised property (Baht/square wah)	370,000						

Remark: By the Adjustment Grid Analysis, SIMS selected Data 1, 3 and 4 for comparison with the appraised property because of their similarities in terms of location and environment. The data were adjusted up/down for the factors affecting land value such as location, land area, liquidity, project type, and public utilities in the project in the analysis of



property value by this approach. For Data 2 and 5, despite their similar use, they are located quite far away from the appraised property with different environment, which could affect the property value. Therefore, SIMS excluded these two data sets from the analysis.

SIMS adopted the value per unit of the appraised land of Baht 370,000 per square wah or a total value of Baht 1,085.51 million, and adjusted the said value down for liquidity factor by 15% to Baht 922.70 million. Details of the land value by plot are as follows:

Plot no.	Appraised land area		Value per unit		Total land value
	Rai	Square wah	Per rai	Per square wah	Baht
1	0-2-31.7	231.7	148,000,000.00	370,000.00	85,729,000.00
2	0-2-15.5	215.5	148,000,000.00	370,000.00	79,735,000.00
3	0-1-94.6	194.6	148,000,000.00	370,000.00	72,002,000.00
4	0-1-92.7	192.7	148,000,000.00	370,000.00	71,299,000.00
5	0-1-82.5	182.5	148,000,000.00	370,000.00	67,525,000.00
6	0-1-77.3	177.3	148,000,000.00	370,000.00	65,601,000.00
7	0-1-88	188.0	148,000,000.00	370,000.00	69,560,000.00
8	0-2-9.6	209.6	148,000,000.00	370,000.00	77,552,000.00
9	0-1-85.8	185.8	148,000,000.00	370,000.00	68,746,000.00
10	0-1-86.1	186.1	148,000,000.00	370,000.00	68,857,000.00
11	0-1-94.1	194.1	148,000,000.00	370,000.00	71,817,000.00
12	0-1-93.5	193.5	148,000,000.00	370,000.00	71,595,000.00
13	0-1-74.1	174.1	148,000,000.00	370,000.00	64,417,000.00
14	0-1-61.1	161.1	148,000,000.00	370,000.00	59,607,000.00
15	0-2-47.2	247.2	148,000,000.00	370,000.00	91,646,000.00
Total	7-1-33.8	2,933.8	Total land value (rounded off)		1,085,506,000.00
Adjusted down for liquidity factor by 15% (rounded off)					922,700,000.00

From the appraisal of vacant land in Noble Curate Project with a total area of 7 rai 1 ngan 33.8 square wah or equal to 2,933.8 square wah, using the direct comparison or market approach, as shown in the above table, for analysis of market price data based on factors affecting land value such as location, project type, and public utilities, compared with the appraised property, the value obtained was adjusted to an appraised value of Baht 370,000 per square wah (rounded off) or a total of Baht 922.70 million.



Photo showing general condition in Noble Curate Project



Source: Monthly Report of FD

Simulated photo of Noble Curve Project



Source: www.noblehome.com



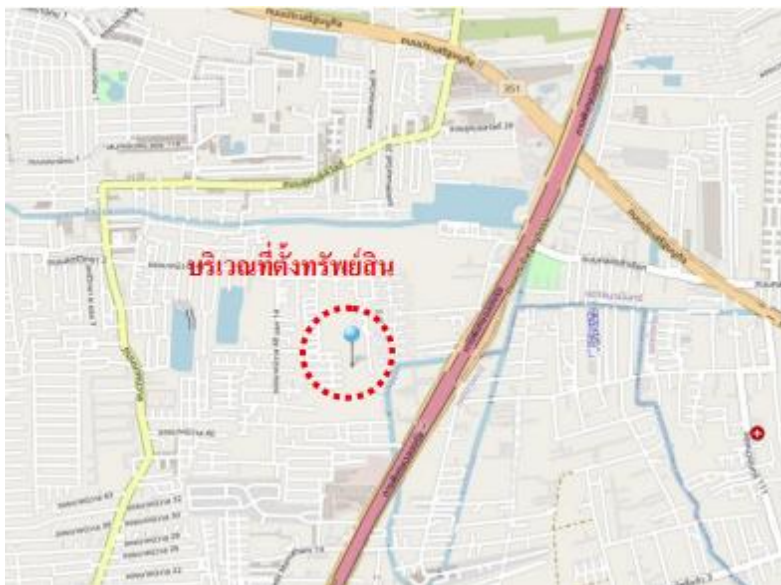
(2) Noble Curve Project

Details of appraised property

Particulars	Details								
Type of property	Land and constructions in their present condition								
Location	Pradit Manutham Road, Lat Phrao Sub-district, Lat Phrao District, Bangkok								
GPS	LAT: 13.816048 LON: 100.61885								
Details of property	<p>One plot of land (title deed No. 23029) with an area of 23 rai 91.8 square wah or equal to 9,291.8 square wah, with four items of constructions and five items of public utilities in the project, as follows:</p> <p><u>Constructions in present condition, four items</u></p> <ol style="list-style-type: none">1. Four-storied townhome, Type A (8.0 meters wide), 26 units2. Four-storied townhome, Type B (6.5 meters wide), 67 units3. Four-storied townhome, Type C (6.5 meters wide), 36 units4. Three-storied townhome, Type D (5.5 meters wide), 58 units								
	<p><u>Public utilities in the project, five items</u></p> <ol style="list-style-type: none">1. Guardhouse with arched entrance2. Three-storied clubhouse with swimming pool3. Road inside the project with drain system4. Concrete fence around the project5. Underground electrical system/water supply system in the project								
Owner	Future Domain Co., Ltd.								
Encumbrances	Unencumbered								
Appraisal approach for land	Direct comparison or market approach								
Appraisal approach for buildings	Replacement cost approach								
Appraisal approach for public utilities	Replacement cost approach								
Appraisal date	August 29, 2022								
Appraised value	<table><tr><td>Land</td><td>Baht 1,579,600,000</td></tr><tr><td>Buildings & constructions</td><td>Baht 270,920,000</td></tr><tr><td>Public utilities</td><td>Baht 42,030,000</td></tr><tr><td>Total</td><td>Baht 1,892,550,000</td></tr></table>	Land	Baht 1,579,600,000	Buildings & constructions	Baht 270,920,000	Public utilities	Baht 42,030,000	Total	Baht 1,892,550,000
Land	Baht 1,579,600,000								
Buildings & constructions	Baht 270,920,000								
Public utilities	Baht 42,030,000								
Total	Baht 1,892,550,000								



Location of vacant land in Noble Curve Project



Source: Appraisal report by SIMS SIMS

1. Details of land appraisal by the direct comparison or market approach

The Company hired SIMS to appraise the vacant land in Noble Curve Townhome Project on August 29, 2022, using the direct comparison or market approach, with a survey of other plots of land nearby for comparison. Factors taken into consideration were location, land condition, land use, land shape, and land size. Then, the land value was appraised by the Adjustment Grid Analysis.

There are eight market data sets used for comparison and land appraisal, as follows:



— Comparable market data sets 1 – 4

Particulars	Comparable market data				
	Appraised property	Data 1	Data 2	Data 3	Data 4
Type of property	Vacant land	Vacant land	Vacant land	Vacant land	Vacant land
Location	Pradit Manutham Road, Lat Phrao Sub-district, Lat Phrao District, Bangkok	Soi Pradit Manutham 25, Pradit Manutham Road, Lat Phrao Sub-district, Lat Phrao District, Bangkok	Soi Om Khum, off Soi Yothin Phatthana 3, Pradit Manutham Road, Khlong Chan Sub-district, Bang Kapi District, Bangkok	Prasert Manukit (Kaset-Nawamin) Road, Khlong Kum Sub-district, Bung Kum District, Bangkok	Prasert Manukit (Kaset-Nawamin) Road, Chorakhe Bua Sub-district, Lat Phrao District, Bangkok
Land area	23-0-91.8 rai (9,291.8 sqw)	30-0-00.0 rai (12,000.0 sqw)	6-0-78.0 rai (2,478.0 sqw)	20-0-00.0 rai (8,000.0 sqw)	16-0-99.2 rai (6,499.2 sqw)
Land shape	Similar to rectangle	Polygon	Polygon	Polygon	Polygon
Frontage	26.00 m.	45.00 m.	82.00 m.	107.00 m.	35.00 m.
Land condition	Same as road level	Same as road level	1.00 m. below road level	Same as road level	0.50 m. below road level
Public utilities	Electricity, water supply, telephone and drainage pipe	Electricity, water supply, telephone and drainage pipe	Electricity, water supply, telephone and drainage pipe	Electricity, water supply and telephone	Electricity, water supply and telephone
Type of front road	Concrete, 24.00 m.	Concrete, 10.00 m.	Asphalt, 6.00 m.	Concrete, 24.00 m.	Concrete, 24.00 m.
Environment	Residential and commercial	Residential and commercial	Residential	Residential and commercial	Residential and commercial
Town plan	Yellow, low-density residential zone	Yellow, low-density residential zone	Yellow, low-density residential zone	Yellow, low-density residential zone	Yellow, low-density residential zone
Best use	Residential	Residential	Residential	Residential	Residential
Offering price		Baht 220,000/sqw	Baht 150,000/sqw	Baht 200,000/sqw	Baht 250,000/sqw
Date obtaining data		August 2022	August 2022	August 2022	August 2022



— Comparable market data sets 5 – 8

Particulars	Comparable market data			
	Data 5	Data 6	Data 7	Data 8
Type of property	Vacant land	Vacant land	Vacant land	Land with constructions
Location	Prasert Manukit (Kaset-Nawamin) Road, Nuan Chan Sub-district, Bung Kum District, Bangkok	Nuan Chan Road, Khlong Kum Sub-district, Bung Kum District, Bangkok	Khlong Lamchiak Road, Nawamin Sub-district, Bung Kum District, Bangkok	Lat Phrao Road, Wang Thonglang Sub-district, Wang Thonglang District, Bangkok
Land area	3-1-89.0 rai (1,389.0 sqw)	9-0-33.0 rai (3,663.0 sqw)	4-2-03.0 rai (1,803.0 sqw)	16-1-08.0 rai (6,508.0 sqw)
Land shape	Polygon	Similar to rectangle	Rectangle	Similar to rectangle
Frontage	67.00 m.	60.00 m.	60.00 m.	180.00 m.
Land condition	0.50 m. below road level	Same as road level	Same as road level	Same as road level
Public utilities	Electricity, water supply and telephone	Electricity, water supply and telephone	Electricity, water supply and telephone	Electricity, water supply and telephone
Type of front road	Concrete, 24.00 m.	Concrete, 10.00 m.	Concrete, 12.00 m.	Asphalt, 21.00 m.
Environment	Residential and commercial	Residential and commercial	Residential and commercial	Residential and commercial
Town plan	Yellow, low-density residential zone	Yellow, low-density residential zone	Yellow, low-density residential zone	Red, commercial zone
Best use	Residential	Residential	Residential	Residential
Offering price	Baht 380,000/sqw	Baht 130,000/sqw	Baht 250,000/sqw	Baht 380,000/sqw
Date obtaining data	August 2022	August 2022	August 2022	August 2022



Land appraisal by Adjustment Grid Analysis:

Particulars	Appraised property	Data 1		Data 2		Data 3	
Location	Pradit Manutham Road	Soi Pradit Manutham 25		Soi Om Khum, Soi Yothin Phatthana 3		Prasert Manukit Road	
Environment	Residential/commercial	Residential/commercial		Residential		Residential/commercial	
Area (rai-ngan-square wah)	23-0-91.8	30-0-00.0		6-0-78.0		20-0-00.0	
Area (square wah)	9,291.8	12,000.0		2,478.0		8,000.0	
Land shape	Similar to rectangle	Polygon		Polygon		Polygon	
Frontage (meter)	26.00	45.00		72.00		107.00	
Land level (meter)	0.00	0.00		-1.00		0.00	
Type of front road	Concrete, 24.00 m.	Concrete, 10.00 m.		Asphalt, 6.00 m.		Concrete, 24.00 m.	
Town plan	Low-density residential zone (Yellow)	Low-density residential zone (Yellow)		Low-density residential zone (Yellow)		Low-density residential zone (Yellow)	
Best land use	Residential	Residential		Residential		Residential	
Offering price (Baht/unit)		220,000		150,000		200,000	
Bargain price/expected saleable price (Baht/unit)		175,000		140,000		185,000	
Sale and purchase price (Baht/unit)			-		-		-
Adjusted sale and purchase period		0%	-	0%	-	0%	-
Price used in analysis (Baht/unit)		175,000		140,000		185,000	
Location		0%	-	10%	14,000	-5%	-9,250
Environment - development		0%	-	10%	14,000	-5%	-9,250
Land size - liquidity		0%	-	-10%	-14,000	15%	27,750
Land shape		10%	17,500	0%	-	0%	-
Frontage		-3%	-5,250	-5%	-6,300	-5%	-9,250
Land level		0%	-	1%	1,125	0%	-
Road passing in front		0%	-	5%	7,000	-5%	-9,250
Legal restrictions		0%	-	0%	-	0%	-
Best land use		0%	-	0%	-	0%	-
Sum of factors affecting property value		7%	12,250	11%	15,825	-5%	-9,250
Price after factor adjustment		187,250		155,825		166,500	
Weighting on data credibility	100%	35.35%		35.59%		29.06%	
Property value (Baht)	170,036	66,190		55,453		48,393	
Value of appraised property (Baht/square wah)	170,000						



Remark: By the Adjustment Grid Analysis, SIMS selected Data 1 and 2 for comparison with the appraised property because of their similarities in terms of location, access, infrastructure, environment and best use. Data 3 has a better location, but the land size and environment are quite similar to those of the appraised property. Data 4-8 have the location, access, land size, liquidity and development potential that are superior to those of the appraised property. Therefore, SIMS excluded these data sets from the analysis since they could affect the property value.

From the appraisal of vacant land in Noble Curve Project with a total area of 23 rai 91.8 square wah or equal to 9,291.8 square wah, using the direct comparison or market approach, as shown in the above table, for analysis of market price data based on factors such as the land's physical features, shape, characteristics, size, best use, environment and location, compared with the appraised property, the value obtained was adjusted to an appraised value of Baht 170,000 per square wah (rounded off) or a total of Baht 1,579.60 million.

Photo showing the townhome (still under construction, about 29.22% completed)



Source: Monthly Report of FD

2. Details of townhome and public utility appraisal by the replacement cost approach

SIMS employed the replacement cost approach to appraise the buildings and public utilities, based on the material prices, labor cost, and assembling or construction technique as at present so as to obtain the replacement cost new. The value derived is the value in present condition of the buildings and public utilities. Details of the appraisal are as follows:



General characteristics of the appraised constructions:

1. *Four-storied townhome of three types and three-storied townhome of one type*

	Details of constructions			
	Four-storied townhome, Type A 26 units	Four-storied townhome, Type B 67 units	Four-storied townhome, Type C 36 units	Three-storied townhome, Type D 58 units
General details				
Type of building / no. of units	Four-storied reinforced concrete building, 26 units	Four-storied reinforced concrete building, 67 units	Four-storied reinforced concrete building, 36 units	Three-storied reinforced concrete building, 58 units
Building size	8.00 x 18.50 m./unit	6.50 x 18.50 m./unit	6.50 x 13.50 m./unit	5.50 x 14.50 m./unit
Internal usable area/unit	Approx. 420.00 sqm	Approx. 351.00 sqm	Approx. 221.00 sq.m.	Approx. 157.00 sq.m.
Construction works	Underway	Underway	Underway	Underway
Construction standard	Good	Good	Good	Good
Building material standard	Good	Good	Good	Good
Building structure and decoration materials				
Structure	Reinforced concrete	Reinforced concrete	Reinforced concrete	Reinforced concrete
Roof frame / roof	Reinforced concrete	Reinforced concrete	Reinforced concrete	Reinforced concrete
Floor	Reinforced concrete	Reinforced concrete	Reinforced concrete	Reinforced concrete
Flooring materials	Mosaic, glazed tile and laminate	Mosaic, glazed tile and laminate	Mosaic, glazed tile and laminate	Mosaic, glazed tile and laminate
Wall	Brick wall, covered with stucco and painted, with wallpaper	Brick wall, covered with stucco and painted, with wallpaper	Brick wall, covered with stucco and painted, with wallpaper	Brick wall, covered with stucco and painted, with wallpaper
Ceiling	Gypsum board, painted	Gypsum board, painted	Gypsum board, painted	Gypsum board, painted
Door	Sliding glass door with aluminum frame and glass door with hardwood frame	Sliding glass door with aluminum frame and glass door with hardwood frame Transparent glass door/hardwood door	Sliding glass door with aluminum frame and glass door with hardwood frame	Sliding glass door with aluminum frame and glass door with hardwood frame



Opinion of the Independent Financial Advisor on the connected transactions

	Details of constructions			
	Four-storied townhome, Type A 26 units	Four-storied townhome, Type B 67 units	Four-storied townhome, Type C 36 units	Three-storied townhome, Type D 58 units
	Transparent glass door/hardwood door		Transparent glass door/hardwood door	Transparent glass door/hardwood door
Window	Glass window with aluminum frame	Glass window with aluminum frame	Glass window with aluminum frame	Glass window with aluminum frame
Bathroom	Floor and wall covered with ceramic tiles	Floor and wall covered with ceramic tiles	Floor and wall covered with ceramic tiles	Floor and wall covered with ceramic tiles
Sanitaryware	Flush toilet, wash basin, bathtub, hand shower, rinsing spray set, toilet paper holder, wall rack, mirror, faucet, etc.	Flush toilet, wash basin, hand shower, rinsing spray set, toilet paper holder, wall rack, mirror, faucet, etc.	Flush toilet, wash basin, hand shower, rinsing spray set, toilet paper holder, wall rack, mirror, faucet, etc.	Flush toilet, wash basin, hand shower, rinsing spray set, toilet paper holder, wall rack, mirror, faucet, etc.
Building area division and utilization				
Divided into:	Level 1: Parking, storage room and restroom	Level 1: Parking, storage room and restroom	Level 1: Parking, hall, maid room and restroom	Level 1: Parking, kitchen, dining room, and restroom
	Level 2: Stair hall, food preparation room, living room and restroom	Level 2: Stair hall, dining room, living room and restroom	Level 2: Stair hall, kitchen, dining room, living room and restroom	Level 2: Stair hall, kitchen, dining room, living room and restroom
	Level 3: Stair hall, hall, bedroom, kitchen and restroom	Level 3: Stair hall, hall, two bedrooms, and two restrooms	Level 3: Stair hall, hall, one bedroom and one restroom	Level 3: Stair hall, hall, one bedroom and one restroom
	Level 4: Stair hall, hall, two bedrooms and two restrooms	Level 4: Stair hall, hall, two bedrooms and two restrooms	Level 4: Stair hall, hall, two bedrooms and two restrooms	
	Remark: Any change to the plan and/or other details will result in changing value of construction.	Remark: Any change to the plan and/or other details will result in changing value of construction.	Remark: Any change to the plan and/or other details will result in changing value of construction.	Remark: Any change to the plan and/or other details will result in changing value of construction.



transactions

Analysis of property value for constructions:

	Details of constructions	Details		RCN (Baht)		
		Construction area	Unit	Construction cost/unit	% construction	Upon 100% completion
1	Four-storied townhome, Type A (8.0 m. wide)					
	Usable area	420.00	sqm	18,000	0%	7,560,000
	Total construction value of Item 1/unit	(rounded off)		(RCN~ 18,000/sqm)		7,560,000
	Total construction value of Item 1 No. of units	26	units	=		196,560,000
2	Four-storied townhome, Type B (6.5 m. wide)					
	Usable area	351.00	sqm	18,000	0%	6,318,000
	Total construction value of Item 2/unit	(rounded off)		(RCN~ 18,000/sqm)		6,320,000
	Total construction value of Item 2 No. of units	67	units	=		423,440,000
3	Four-storied townhome, Type C (6.5 m. wide)					
	Usable area	221.00	sqm	18,000	0%	3,978,000
	Total construction value of Item 3/unit	(rounded off)		(RCN~ 18,000/sqm)		3,978,000
	Total construction value of Item 3 No. of units	36	units	=		143,280,000
4	Three-storied townhome, Type D (5.5 m. wide)					
	Usable area	157.00	sqm	18,000	0%	2,826,000
	Total construction value of Item 4/unit	(rounded off)		(RCN~ 18,000/sqm)		2,830,000
	Total construction value of Item 4 No. of units	58	units	=		164,140,000
Total construction value of Items 1 – 4 with 187 units						927,420,000

Value of constructions in present condition:

	Details of constructions	No. of units (units)	Construction value upon 100% completion		Construction value in present condition
			Per unit	Total	
1	Four-storied townhome, Type A (8.0 m. wide)	26	7,560,000	196,560,000	123,228,000
2	Four-storied townhome, Type B (6.5 m. wide)	67	6,320,000	423,440,000	100,804,000
3	Four-storied townhome, Type C (6.5 m. wide)	36	3,980,000	143,280,000	31,044,000
4	Three-storied townhome, Type D (5.5 m. wide)	58	2,830,000	164,140,000	15,848,000
	Total value of constructions	187		927,420,000	270,924,000
	(rounded off)			927,420,000	270,920,000



transactions

Remark: SIMS determined the percentage of construction based on the construction of each building in its present condition and in accordance with the general construction standard.

2. Public utilities in the project, five items

- Item 1: Guardhouse with arched entrance

	Details of constructions
General details	
Type of building/number of units	One-storied reinforced concrete building
Building size	6.00 x 12.00 m.
Internal usable area/unit	Approx. 72.00 sqm
Construction works	100% completed
Construction standard	Good
Building material standard	Good
Building structure and decoration materials	
Structure	Reinforced concrete
Roof frame/roof	Reinforced concrete
Floor	Reinforced concrete
Flooring materials	Paving stones
Wall	Brick wall, covered with decorative bricks
Ceiling	Open
Door	Sliding steel door with motor
Window	-
Restroom	-
Sanitaryware	-
Area division and utilization	
Divided into	Car entrance/exit and guardhouse

- Item 2: Three-storied clubhouse with swimming pool

	Details of constructions
General details	
Type of building/number of units	Three-storied reinforced concrete building
Building size	6.20 x 23.00 m./unit
Usable area/unit	Internal area: Approx. 474.00 sqm



transactions

	Details of constructions
	Swimming pool: Approx. 179.00 sqm Swimming pool edge: 166.00 sqm
Construction works	100% completed
Construction standard	Good
Building material standard	Good
Building structure and decoration materials	
Structure	Reinforced concrete
Roof frame / roof	Reinforced concrete
Floor	Reinforced concrete
Flooring materials	Marble tiles, glazed tiles and laminate
Wall	Brick wall, covered with stucco, glass and wallpaper
Ceiling	Gypsum board, painted
Door	Glass door with aluminum frame
Window	Glass window with aluminum frame
Restroom	Floor and wall covered with ceramic tiles
Sanitaryware	Flush toilet, urinal, wash basin, rinsing spray set, toilet paper holder, mirror, faucet, etc.
Building area division and utilization	
Divided into	Level 1: Swimming pool, kids' room, locker room, restroom and shower room
	Level 2: Living room, study room and restroom
	Level 3: Fitness room, yoga room and multi-function room

- Item 3: Road inside the project with drain system

A concrete road inside the project, about 7.00 meters and 9.00 meters in width, reinforced concrete covered with natural stones, complete with drain channel, pipe and detention pond with a diameter of 0.40, 0.60 and 0.80 meters, covering approximate construction area of 10,000 square meters (currently being roughly 65% completed)

- Item 4: Fence around the project

Instant concrete fence, about 3.00 meters high, with artificial wood sunshades, covering approximate construction area of 1,068.00 meters in length (currently 100% completed)



transactions

- Item 5: Underground electrical system and water supply system in the project

Underground electrical system, with equipment installation, and water supply system in the project for 187 home units (currently about 15% completed)



Analysis of property value for public utilities in the project:

	Particulars	Quantity	Unit	Price/unit	Construction value upon 100% completed	Construction progress	Construction value in present condition	Remaining value
					(Baht)	(%)	(Baht)	(Baht)
1	Guardhouse with arched entrance							
	- Construction area	72.00	sqm	18,000	1,295,000			
	Total value of guardhouse with arched entrance (rounded off)				1,300,000	100%	1,300,000	-
2	Three-storied clubhouse with swimming pool							
	- Internal usable area	474.00	sqm	22,000	10,428,000			
	- Swimming pool area	179.00	sqm	18,000	3,222,000			
	- Pool edge area	166.00	sqm	6,500	1,079,000			
	Total value of three-storied clubhouse with swimming pool (rounded off)				14,730,000	100%	14,730,000	-
3	Road inside the project with drain system							
	- Construction area	10,000	sqm	2,500	25,000,000			
	Total value of road inside the project with drain system (rounded off)				25,000,000	65%	16,250,000	8,750,000
4	Concrete fence around the project							
	- Construction area	1,068	m.	3,000	3,204,000			
	Total value of concrete fence around the project (rounded off)				3,200,000	100%	3,200,000	-
5	Underground electrical system and water supply system in the project							
	Electrical/water supply system	187	units	100,000	18,700,000			
	Total value of underground electrical system/water supply system in the project (rounded off)				18,700,000	35%	6,545,000	12,155,000
	Total value of public utilities in the project				62,930,000		42,025,000	20,905,000

Remark: SIMS determined the percentage of construction based on the construction of each building in its present condition and in accordance with the general construction standard.



Value of public utilities in the project in present condition:

No.	Buildings and constructions	Value of constructions (Baht)	
		Upon 100% completion	Value in present condition
1	Guardhouse with arched entrance	1,300,000	1,300,000
2	Three-storied clubhouse with swimming pool	14,730,000	14,730,000
3	Road inside the project with drain system	25,000,000	16,250,000
4	Concrete fence around the project	3,200,000	3,200,000
5	Underground electrical system and water supply system in the project	18,700,000	6,545,000
Total value of public utilities in the project		62,930,000	42,025,000
(rounded off)		62,930,000	42,030,000

From the appraisal of buildings and public utilities in the project by the replacement cost approach, a fair value of buildings was appraised at Baht 270.92 million and public utilities at Baht 42.03 million, making Baht 312.95 million in total.

Opinion of the IFA on the property appraisal approaches

SIMS examined and considered various factors relating to the valuation such as appropriateness of use or development for further use, general market condition and limitations, specific features of the property, and legal rights before selecting the appraisal methods that suit the nature of such property, as follows:

- In our opinion, the direct comparison or market approach used for appraisal of the land of Noble Curate and Noble Curve is an appropriate method for analysis and determination of price through comparison with market prices of properties which have characteristics similar to FD's properties. SIMS considered all details of the appraised properties and various factors that affect value of the appraised properties such as land area, location, transportation, environment, land use, land shape, physical condition, legal restrictions, development potential, and sufficiency of market price data in nearby areas for comparison. Then, weighting on credibility of the comparable data was carried out to determine the value of the appraised properties. The appraisal of land using the direct comparison or market approach is part of the market price assessment process under professional practices adopted by independent appraisers and such approach is

transactions

deemed suitable for comparison with the book value of real estate development cost shown on FD's internal financial statements as of June 30, 2022.

- As for the use of replacement cost approach for appraisal of the townhome buildings and public utilities in the project that is under development, we view that this method is appropriate since it is in line with the general approach for construction appraisal. SIMS used the construction cost estimates of the Valuers Association of Thailand as a basis for determining the construction cost per unit.

**Attachment 4A****Details of Share Valuation of Khu Khot Station Alliance Co., Ltd.**

The Company intends to purchase all ordinary shares in KK that are held by U in the amount of 1,500,000 shares, representing 50% of KK's total issued and paid-up shares, at a price of Baht 113.67 million. The IFA has appraised a fair value of the sale and purchase price of KK's shares according to the investment proportion using various approaches in order to express our opinion on the appropriateness of such sale and purchase price, as follows:

- 1.1. Book Value Approach
- 1.2. Adjusted Book Value Approach
- 1.3. Market Comparable Approach
 - (1) Price to Book Value Ratio Approach
 - (2) Price to Earnings Ratio Approach
 - (3) EV/EBITDA Ratio Approach
- 1.4. Market Value Approach
- 1.5. Discounted Cash Flow Approach

Details of the appraisal of a fair value of the sale and purchase price of KK's shares according to the investment proportion by each approach are as follows:

1.1. Book Value Approach

By this approach, the valuation is made from net book value of assets (total assets deducted by total liabilities) which will be equivalent to shareholders' equity of KK or equal to KK's book value, based on information from KK's internal financial statements as at June 30, 2022. The outcome is as shown below:

Items as at June 30, 2022	Baht million
Issued and paid-up capital	300.00
Retained earnings (losses)	(169.72)
Legal reserve	-
Shareholders' equity of KK	130.28
Fair value of the sale and purchase price of KK's shares according to the investment proportion	65.14



By the book value approach, a fair value of the sale and purchase price of KK's shares according to the investment proportion is appraised at Baht 65.14 million, which is (lower) than the sale and purchase price of Baht 113.67 million by Baht (48.53) million or (42.69)%.

The valuation by this approach reflects KK's financial position as of June 30, 2022 only, but does not reflect current market value of its assets, nor its profitability in the future.

1.2. Adjusted Book Value Approach

Under this method, the valuation is made by adjusting the book value shown on KK's internal financial statements as at June 30, 2022 for the items that materially affect value of assets and liabilities in order to reflect the net asset value that is as close as possible to the present value. The IFA has considered the significant items on such financial statements for the book value adjustment as follows:

(a) Adjustment to surplus (deficit) on revaluation of real estate development cost based on the property appraisal report by the Independent Valuer

According to its internal financial statements as at June 30, 2022, KK recorded total real estate development cost of Baht 1,157.09 million. It was cost of development of Nue Cross Khu Khot Station Project, which will feature 23 residential condominium buildings each with a height of up to eight floors with a total of 4,620 units, which have not yet been constructed. Construction in Phase 1 is expected to begin around November 2022 and be completed by January 2024. The project will also feature a four-storied community mall, the construction of which is expected to begin around September 2022 and scheduled for completion by December 2023.

In the statement of financial position as at June 30, 2022, which is KK's internal financial statement, real estate development cost was recorded at the actually incurred cost, taking no account of the salability and profitability of the residential condominium units in such project. Therefore, to identify a fair economic value of the project, the Company hired SIMS, an independent valuer on the SEC's approved list, to conduct a fair value appraisal of the project for public purpose, according to the current development progress. SIMS prepared a property appraisal report, No. 65-1-1371-GL-1, on September 9, 2022, the details of which are as follows:

SIMS appraised Nue Cross Khu Khot Station Project, consisting of a plot of land (six contiguous parcels) with a total area of 51 rai 2 ngan 97.7 square wah or equal to 20,697.7 square wah and a two-storied sales office building, which was completely constructed and will be linked to the community mall in the future.

SIMS used the direct comparison or market approach to appraise the land of Nue Cross Khu Khot Station Project at a fair value of Baht 1,366.05 million, and the cost approach to appraise the sales office building at a fair value of Baht 24.90 million, making up a total fair value of the land and the sales office building of Baht 1,390.95 million, the details of which are as follows:



Appraised property	Appraisal approach	Amount (Baht million)
Fair value appraised by Independent Valuer		
Land	Direct comparison or market approach	1,366.05
Sales office building	Replacement cost approach	24.90
Total appraised fair value		1,390.95
Book value of real estate development cost as at June 30, 2022		1,157.09
Surplus (deficit) on revaluation of real estate development cost		233.86

Remark * Shareholders can refer to a summary of the property appraisal report in Attachment 4B of this report.

Opinion of the IFA on the property appraisal approaches

SIMS examined and considered various factors relating to the valuation such as appropriateness of use or development for further use, general market condition and limitations, specific features of the property, and legal rights before selecting the appraisal methods that suit the nature of such property, as follows:

- In our opinion, the direct comparison or market approach used for appraisal of the land of Nue Cross Khu Khot Station Project is an appropriate method for analysis and determination of price through comparison with market prices of properties which have characteristics similar to KK's properties. SIMS considered all details of the appraised properties and various factors that affect value of the appraised properties such as land area, location, transportation, environment, land use, land shape, physical condition, legal restrictions, development potential, and sufficiency of market price data in nearby areas for comparison. Then, weighting on credibility of the comparable data was carried out to determine the value of the appraised properties. The appraisal of land using the direct comparison or market approach is part of the market price assessment process under professional practices adopted by independent appraisers and such approach is deemed suitable for comparison with the book value of real estate development cost shown on KK's internal financial statements as of June 30, 2022.

- As for the use of replacement cost approach for appraisal of the sales office building, we view that this method is appropriate since it is in line with the general approach for construction appraisal. SIMS used the construction cost estimates of the Valuers Association of Thailand as a basis for determining the construction cost per unit.



(b) *Adjustment according to the Financial and Tax Due Diligence Report on September 30, 2022*

(1) *Adjustment to commissions for sales to Thai customers*

As at June 30, 2022, KK recorded assets recognized from cost of obtaining contracts of Baht 0.53 million, which was commissions for sales to foreign customers and was recognized as expenses when revenues from such contracts were obtained (date of ownership transfer). However, in 2022 (Jan-June), KK recognized commissions for sales to Thai customers as expenses in the statement of income in the amount of Baht 1.52 million, resulting in a lowered amount of assets. Therefore, we have made an adjustment by incorporating such commissions for sales to Thai customers into the assets recognized from cost of obtaining contracts as at June 30, 2022.

(2) *Commitments and contingent liabilities*

As at June 30, 2022, KK had significant commitments such as service fees under the turnkey project development and management contract, management fees and project development until completion in a total amount of Baht 6,273.80 million. However, such commitments and contingent liabilities are incurred in the ordinary course of business of KK; therefore, we have not made any adjustment to this item in the share value calculation under the adjusted book value approach.

From the above information, we have made adjustments to calculate a fair value of the sale and purchase price of KK's shares according to the investment proportion by the adjusted book value approach as follows:

Items	Amount (Baht million)
Total assets (as at June 30, 2022)	1,289.41
Less: Total liabilities (as at June 30, 2022)	(1,159.13)
Net asset value before adjustment	130.28
Adjusted items	
(a) Add: Surplus (deficit) on revaluation of real estate development cost	233.86
(b) (1) Add: Adjustment to commissions for sales to Thai customers	1.52
Net asset value after adjustment	365.66
Fair value of the sale and purchase price of KK's shares according to the investment proportion	182.83

Remark * Shareholders can refer to a summary of the property appraisal report in Attachment 4B of this report.



By the adjusted book value approach, a fair value of the sale and purchase price of KK's shares according to the investment proportion is appraised at Baht 182.83 million, which is higher than the sale and purchase price of Baht 113.67 million by Baht 69.16 million or 60.84%.

The valuation by this approach could reflect KK's net asset value that is more updated than the valuation by the book value approach. However, this approach takes no account of KK's future performance and profitability, nor the overall economic and industrial trends.

1.3. Market Comparable Approach

By this approach, the valuation is made based on various market ratios, including (a) price to book value (P/BV) ratio, (b) price to earnings (P/E) ratio, and (c) enterprise value to EBITDA (EV/EBITDA) ratio, of 10 reference companies listed on the SET's Property Development Sector that generate income mainly from vertical property development business in the amount of not less than 50% of their total sales revenues and have an asset size of between Baht 10,000 million and Baht 50,000 million, or called the "Peer Group," the details of which are as follows:

	Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
SET-listed reference companies				
1	ANAN	Ananda Development Plc.	ANAN's main business is the development of 1) condominium projects located near mass transit stations in Bangkok and its peripheral areas, and 2) horizontal housing estate projects. In addition, it also operates other businesses through its subsidiaries, including condominium unit selling agent and management services for housing estates and condominiums.	41,435.12
2	ASW	Assetwise Plc.	ASW is a holding company which has subsidiaries operating core business of property development for sale, including condominium, single house, townhome and home office.	13,877.35
3	CGD	Country Group Development Plc.	CGD engages in real estate development business.	18,682.14



Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
4 LPN	L.P.N. Development Plc.	LPN is a developer of urban residential condominiums with affordable prices. The main target group is the middle to lower-middle income earners. Condominium projects are designed and developed under LPN Design concept which focuses on delivering product value to customers. It develops large-scale projects in order to achieve cost advantage and economy of scale. At the same time, an emphasis is put on achieving economy of speed from upstream to downstream stages in project development process. In terms of service value, the uniqueness of LPN lies in the "Livable Community" strategy, which makes a great impression and creates bond with customers and residents of "Lumpini" community.	24,333.89
5 MJD	Major Development Plc.	MJD engages in the property development for sale and hotel business, focusing on high-end condominiums with luxurious lifestyles.	15,866.76
6 NOBLE	Noble Development Plc.	NOBLE operates the business of real estate development for sale, construction service, rental and services.	22,445.37
7 NVD	Nirvana Daii Plc.	NVD's core businesses are classified into three categories as follows: (1) real estate development business under the name "NIRVANA," which develops properties for sale such as single detached house, twin house, home office, townhouse, and condominium, with project location selected based on factors such as development potential, accessibility, and community, and the projects developed including 3-storey single detached houses under the brand "BEYOND," 2-storey single detached houses under the brand "ICON," home offices under the brand "@WORK," townhouses under the brand "DEFINE," and condominiums under the brand "BANYANTREE RESIDENCE RIVERSIDE BANGKOK;" (2) construction service; and (3) sales of construction materials such as instant fence and acting as distributor of aluminum doors and windows from Japanese manufacturers.	12,314.66



Opinion of the Independent Financial Advisor on the connected transactions

	Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
8	ORI	Origin Property Plc.	ORI operates property development business, including condominiums along sky train routes in Bangkok and its vicinities, and related services which are rental & re-sale and condominium project management services only for the projects developed by ORI.	41,014.45
9	SA	Siamese Asset Plc.	SA develops residential real estate for sales, including condominiums, housing estates, townhomes and home offices, and also offers juristic person management service for its projects.	15,032.56
10	SENA	Sena Development Plc.	SENA engages in residential real estate development business, consisting of single-detached houses, townhouses, commercial buildings, townhomes and condominiums; rental business such as apartments for rent, community malls and office buildings; golf course business; solar power business; juristic person management business; residential construction business; and real estate agent and brokerage business.	23,655.80

Source: www.set.or.th

Remark: * As at September 30, 2022

(1) *Price to Book Value Ratio Approach*

Under the P/BV ratio approach, the valuation is made by taking book value shown on KK's internal financial statements as at June 30, 2022, equal to Baht 130.28 million, multiplied by the average of P/BV ratio of the Peer Group prevailing in different time periods of one month, three months, six months, nine months and 12 months up to the cut-off date of September 29, 2022 (which was the last business day before the date the Board of Directors' Meeting No. 8/2022 on September 30, 2022 resolved to grant approval for the Company to propose the acquisition of KK's shares from U for consideration of the shareholders' meeting).

Average P/BV ratio of the Peer Group:

Peer Group	Average of past 1 month	Average of past 3 months	Average of past 6 months	Average of past 9 months	Average of past 12 months
1 ANAN	0.37	0.37	0.35	0.37	0.38
2 ASW	1.35	1.33	1.36	1.42	1.45
3 CGD	0.88	0.87	0.89	0.95	0.99
4 LPN	0.57	0.56	0.57	0.58	0.59
5 MJD	0.27	0.27	0.28	0.29	0.30
6 NOBLE	1.21	1.16	1.18	1.26	1.32
7 NVD	0.63	0.64	0.67	0.72	0.75
8 ORI	1.63	1.59	1.64	1.82	1.92
9 SA	2.84	2.88	2.97	3.36	3.44
10 SENA	0.72	0.71	0.74	0.80	0.80
Average*	0.85	0.83	0.85	0.91	0.94

Source: www.setsmart.com

Remark * P/BV ratio of SA is excluded from the calculation because it is deemed the outlier.

Conclusion of the valuation of a fair value of the sale and purchase price of KK's shares according to the investment proportion by the P/BV ratio approach

Period	Average P/BV ratio of Peer Group (time)	Book value (Baht million)	Fair value of KK's shares (Baht million)	Fair value of the sale and purchase price of KK's shares according to the investment proportion (Baht million)
Average of past 1 month	0.85	130.28	110.74	55.37
Average of past 3 months	0.83	130.28	108.13	54.07
Average of past 6 months	0.85	130.28	110.74	55.37
Average of past 9 months	0.91	130.28	118.55	59.28
Average of past 12 months	0.94	130.28	122.46	61.23



By the P/BV ratio approach, a fair value of the sale and purchase price of KK's shares according to the investment proportion is appraised at Baht 54.07 million – Baht 61.23 million, which is (lower) than the sale and purchase price of Baht 113.67 million by Baht (59.60) million – Baht (52.44) million or (52.43)% – (46.13)%.

The valuation by this approach is based on KK's book value, which reflects its performance and financial position at a given period of time, but does not reflect its future profitability.

(2) *Price to Earnings Ratio Approach*

By this method, the valuation is made from KK's net profit for the previous 12 months, multiplied by the average P/E ratio of the Peer Group. However, KK has operated at a deficit over the previous 12 months from July 1, 2021 to June 30, 2022. Thus, we cannot appraise a fair value of the sale and purchase price of KK's shares according to the investment proportion by the P/E ratio approach.

(3) *EV/EBITDA Ratio Approach*

By this approach, the valuation is made from the average EV/EBITDA ratio of the Peer Group, multiplied by EBITDA of KK, then deducted by interest-bearing debts and non-controlling interests (if any), and added by its cash and cash equivalents. However, KK recorded negative EBITDA over the previous 12 months from July 1, 2021 to June 30, 2022. Thus, we cannot appraise a fair value of the sale and purchase price of KK's shares according to the investment proportion by the EV/EBITDA ratio approach.

1.4. Market Value Approach

Under this approach, the valuation is made based on the weighted average market price (trading value/trading volume) of the company whose shares were traded on the SET over the previous periods. However, since KK's shares are not listed on either the SET or the mai, there is no market price available. Thus, we cannot appraise a fair value of the sale and purchase price of KK's shares according to the investment proportion by the market value approach.



1.5. Discounted Cash Flow Approach

By this approach, the valuation is made based on KK's future profitability by calculating present value of net cash flow expected from its future operation under financial projection for a period of 93 months (July 2022 - March 2030) with the assumption that KK continues operation on a going concern basis under the current economic condition and circumstances without any material change taking place during such period.

We have prepared the financial projection of KK based on the information and assumptions obtained from the Company and the information received from interviews with the executives and staff concerned. The objective is to identify a fair value of the sale and purchase price of KK's shares according to the investment proportion, and the appraised value may not be used as a reference price for any purposes other than the objective mentioned above. We have reviewed such information according to professional standards and deem that the information is adequate and reliable for use in the appraisal of a fair value of the sale and purchase price of KK's shares according to the investment proportion.

However, if there is any material change from the established assumptions in the economic condition and other external factors that have an impact on the operation of KK, as well as in its internal situation, the value appraised by this approach may not be used as a reference price.

The key assumptions used in the financial projection are as follows:

(a) *Revenues from sales of residential condominium units and revenues from community mall*

Nue Cross Khu Khot Station Project features large-scale residential condominium and community mall on a total land area of 51 rai 2 ngan 97.7 square wah or equal to 20,697.7 square wah, located on Lam Luk Ka Road, about 120 meters from Khu Khot BTS Station. The low-rise residential condominium will include 23 buildings each with a height of up to eight floors, offering a total of 4,620 residential units with a total saleable area of 122,012 square meters, to be developed in four phases. The project period, from pre-sale launched in April 2022 until the end of Phase 4 of the residential condominium in November 2027, is a total of five years and eight months. The total residential condominium project value is Baht 8,205.46 million.

Nue Cross Khu Khot Station Project also features a four-storied community mall with a total saleable area of 5,657 square meters to provide complete retail shops and lifestyle facilities for residents of the project. For the first six years, from January 2023 to December 2029, the project is forecast to generate rental income. After that, the leased space will be sold to interested entrepreneurs, with the project value of Baht 481.23 million. The combined value of the residential condominium and the community mall is Baht 8,686.69 million.



Table summarizing the project details:

Phase	Details	Land area ^{1/} (sqw)	No. of units (units)	Saleable area (sqm)	Project value (Baht million)	Pre-sale	Area sold as at June 2022 ^{2/} (%)
Phase 1	7-8-storied residential condominium, 6 buildings	4,590	1,202	32,199.90	2,079.74	Apr 2022	78.65
Phase 2	8-storied residential condominium, 6 buildings	4,527	1,264	33,214.00	2,192.12	Jan 2023	Not yet offered for pre-sale
Phase 3	8-storied residential condominium, 4 buildings	3,075	794	20,646.00	1,434.90	Jan 2024	
Phase 4	8-storied residential condominium, 7 buildings	5,931	1,360	35,952.50	2,498.70	Jan 2025	
	Total	18,123	4,620	122,012.40	8,205.46		
Phase 1	Community mall	1,425	1	5,657.00	481.23	-	-
	Grand total	19,548	4,621	127,669.40	8,686.69		

Remark:

- 1/ The project has a total land area of 51-2-97.7 rai or 20,697.7 square wah, under title deeds No.10487, 200914, 200915, 200916, 200917 and 200918, with the lot under title deed No. 200917 of 2-3-50.1 rai or 1,150.1 square wah being registered for right of servitude to create a right of way for all four phases of the condominium project and the community mall.
- 2/ Phase 1 with six 7-8-storied condominium buildings launched the pre-sale in April 2022. As at the end of June 2022, the saleable area was sold by 78.65% and, in August 2022, was sold out completely. Phases 2-4 have not yet launched the pre-sale.

(1) Revenues from sales of residential condominium units

Phase 1: Consisting of four 8-storied buildings and two 7-storied buildings, totaling six buildings, located on a total land area of 11-1-90 rai with a total saleable area of 32,199.90 square meters. The total Phase 1 project value is Baht 2,079.74 million. The pre-sale was launched in April 2022, with the area sold up to June 2022 accounting for 78.65% of the total saleable area and the value of condominium units sold of Baht 1,637.74 million. However, Phase 1 was already sold out in August 2022 and KK expects that the ownership transfer to customers will be made during December 2023 – November 2024.

Phase 2: Consisting of six 8-storied buildings, located on a total land area of 11-1-27 rai with a total saleable area of square 33,214 meters. The total Phase 2 project value is Baht 2,192.12 million. The pre-sale will be launched in January 2023. The ownership transfer to customers will be made during December 2024 – November 2025.

Phase 3: Consisting of four 8-storied buildings, located on a total land area of 7-2-74.4 rai with a total saleable area of 33,214 square meters. The total Phase 3 project value is Baht 1,434.90 million. The pre-sale



will be launched in January 2024. The ownership transfer to customers will be made during December 2025 – November 2026.

Phase 4: Consisting of seven 8-storied buildings, located on a total land area of 14-3-31 rai with a total saleable area of 33,214 square meters. The total Phase 4 project value is Baht 2,498.70 million. The pre-sale will be launched in January 2025. The ownership transfer to customers will be made during December 2026 – November 2027.

The projection of percentage of sales of all four phases is as follows:

(Unit: %)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Phase 1 ^{1/}	21.35	-	-	-	-	-	-	-	-	-
Phase 2	-	-	19.93	20.09	6.41	6.41	6.41	6.41	6.41	6.41
Phase 3	-	-	-	-	-	-	20.03	20.03	6.43	6.43
Phase 4	-	-	-	-	-	-	-	-	-	-

Remark:

1/ Phase 1 launched the pre-sale in April 2022 and was sold out in August 2022.

(Unit: %)

	2025				2026				2027				Total
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Phase 1	-	-	-	-	-	-	-	-	-	-	-	-	21.35
Phase 2	6.41	6.41	6.41	2.29	-	-	-	-	-	-	-	-	100.00
Phase 3	6.42	6.42	6.42	6.42	6.42	6.42	6.42	2.14	-	-	-	-	100.00
Phase 4	20.07	19.93	6.40	6.40	6.40	6.40	6.40	6.40	6.39	6.39	6.39	2.43	100.00

KK's projection of the average selling price per square meter in each phase of the project is as follows:

Development phase	Particulars	Number of units (units)	Saleable area (sqm)	Project value (Baht million)	Average price/sqm (Baht/sqm)
Phase 1	7-8-storied residential condominium, 6 buildings	1,202	32,199.90	2,079.74	64,588
Phase 2	8-storied residential condominium, 6 buildings	1,264	33,214.00	2,192.12	66,000
Phase 3	8-storied residential condominium, 4 buildings	794	20,646.00	1,434.90	69,500
Phase 4	8-storied residential condominium, 7 buildings	1,360	35,952.50	2,498.70	69,500



The projection of the average selling price of the project is made based on the operational plan, construction pattern and NOBLE's experience in project operation, as well as the market condition and competition in nearby areas.

Terms of payment for the residential condominium units are divided into two types as follows:

International customers:

- A one-off payment of the reservation fee at 15% of the selling price, to be made on the reservation date;
- A down payment at 15% of the selling price, to be made in two installments;
- A one-off payment of the remaining unpaid balance, to be made on the ownership transfer date.

Thai customers:

- A one-off payment of the reservation fee at 3% of the selling price, to be made on the reservation date;
- A down payment at 9% of the selling price, to be made in monthly installments until the expected month of completed construction;
- A one-off payment of the remaining unpaid balance, to be made on the ownership transfer date.

The residential units in Phase 1 were sold out in August 2022, with 98% in terms of project value sold to Thai customer and 2% to international customers. For Phases 2-4, sales to Thai and foreign customers are forecast to be 75% and 25% of the project value respectively, based on the proportion of the target groups expected to find the project attractive to them.

From the above assumptions, we have projected total cash flow receivable from sales of the residential units in Nue Cross Khu Khot Station Project, Phases 1-4, on a quarterly basis as follows:

(Unit: %)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Phase 1 ^{1/}	30.53	18.30	34.10	28.68	34.10	203.50	468.65	490.82	448.25	274.48
Phase 2	-	-	14.91	20.51	15.92	17.93	20.21	22.85	25.98	198.55
Phase 3	-	-	-	-	-	-	9.80	13.41	10.44	11.76
Phase 4	-	-	-	-	-	-	-	-	-	-
Total	30.53	18.30	49.01	49.19	50.02	221.43	498.66	527.08	484.67	484.79

Remark:

1/ Phase 1 launched the pre-sale in April 2022 and was sold out in August 2022.



(Unit: %)

	2025				2026				2027				Total
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Phase 1	-	-	-	-	-	-	-	-	-	-	-	-	2,031.41
Phase 2	542.90	539.49	496.07	276.79	-	-	-	-	-	-	-	-	2,192.12
Phase 3	13.25	14.99	17.05	130.90	357.65	355.08	325.27	175.30	-	-	-	-	1,434.90
Phase 4	17.11	23.30	18.12	20.41	23.00	26.00	29.57	226.01	618.29	614.63	565.14	317.11	2,498.70
Total	573.26	577.78	531.25	428.10	380.65	381.09	354.83	401.31	618.29	614.63	565.14	317.11	8,157.13 ^{1/}

Remark:

1/ The total project value of all four phases is Baht 8,205.46 million. The total amount received from agreement signing and down payment for the units sold up to June 30, 2022 is Baht 48.33 million, resulting in the remaining cash flow receivable of Baht 8,157.13 million.

(2) Revenues from community mall

The community mall is a building used for commercial purpose. In the first six months, the spaces will be rented out as retail shops, expected to begin in January 2024 and end in December 2029. After that, KK has a policy to sell out the spaces in the community mall project, expecting to complete the sales of entire spaces by March 2030 with the total project value of Baht 481.23 million.

Rental income from community mall

- The total rentable area is 5,657 square meters, with a full occupancy rate expected throughout the first six years from January 2024 to December 2029. KK will devise a marketing plan for pre-sale of the spaces during the construction period, probably by leasing out the spaces to a large entrepreneur for further space management, which can ensure full occupancy rate as planned.

- Rental rate is assumed to be Baht 175/square meter/month and to be revised up by 5% per year every three years, the tenants are to make rental payment in advance once a year in every January, from 2024 to 2029, making up a total rental income of Baht 141.81 million.

Revenues from sales of community mall spaces:

After completion of the first six years of space rental, KK has a policy to sell out the rented spaces and expects to be able to sell such building around March 2030 at an average price of Baht 60,000/square meter, totaling Baht 339.42 million, which is expected to be paid on the ownership transfer date.



(b) *Turnkey construction and development fees*

Turnkey construction and development fees are the operating fees for the entire project construction works, which KK has commissioned NOBLE to undertake. KK shall pay such fees to NOBLE as set out in the Turnkey Construction and Development Service Agreement between them. The fees include turnkey construction and development costs, design and consultation fees, selling and marketing expenses, and commission fee, totalling Baht 5,764.56 million.

- Construction costs, comprising costs of construction, infrastructure and landscape for all four phases of the residential condominium project and the community mall project, are estimated at Baht 4,528.26 million, payable against sale milestone as specified in the agreement.
- Design and consultation fees for construction supervision are estimated at 5% of construction costs and sales office construction cost at Baht 80.20 million.
- Contingency for changes in construction costs is estimated at 5% of construction costs, design and consultation fees, and sales office construction cost, based on NOBLE's experience in previous condominium construction and in line with the contingency estimation for changes in condominium costs in general.
- Selling and marketing expenses and commission fee
 - Selling and marketing expenses, comprising expenses on sales promotion, advertisement and public relations, are projected on a monthly basis according to the project's selling and marketing expense planning, or at about 2% of revenues from sales and rental income. Management expenses are estimated at 1.61% of revenues from sales. Such projection is made based on NOBLE's experience in previous project management and in line with the forecasting of marketing expenses of previous projects.
 - Commission fee for sales of residential condominium and community mall varies with customer type and sales channel, projected at 1%-11% of the selling price of the residential units and the community mall spaces sold in each month, and is payable on a monthly basis and in proportion to the units sold. Sales of the condominium units in all four phases of the project to Thai and foreign customers are forecast to be in a proportion of 78% and 22% of the total project value respectively, while the community mall spaces are expected to be sold totally to Thai customers. Commission fee for sales to Thai customers will be lower than that to foreign customers.



- Management and maintenance expenses of the community mall are projected at 22.28% of space rental income.

From the above assumptions, we have projected cash flow payable for the turnkey construction and development costs, selling and marketing expenses, and commission fee on a quarterly basis, from July 2022 to March 2030, as follows:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Turnkey construction and development costs	149.82	260.02	223.27	368.53	395.69	228.29	166.08	314.87	362.44	149.82
Design and consultation fees and sales office costs	87.08	12.27	7.02	37.44	11.64	4.62	4.62	28.74	18.70	87.08
Contingency for changes in construction costs	11.49	13.61	11.51	19.98	19.60	11.65	8.53	16.84	18.32	11.49
Selling and marketing expenses, commission fee, and management expenses	67.69	4.67	3.00	58.46	12.73	13.38	12.26	54.14	27.27	67.69
Total cash flow used in construction and selling and marketing expenses	316.08	290.57	244.81	484.42	439.66	257.93	191.48	414.60	426.73	316.08

(Unit: Baht million)

	2025				2026				2027			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Turnkey construction and development costs	113.72	170.36	316.26	381.75	176.01	212.82	228.54	233.30	19.60	82.55	20.75	143.59
Design and consultation fees and sales office costs	2.98	6.23	38.43	13.74	5.14	7.32	8.51	8.01	-	3.58	-	7.17
Contingency for changes in construction costs	5.84	8.77	17.39	19.24	9.06	10.96	11.83	11.31	0.98	4.25	1.04	7.42
Selling and marketing expenses, commission fee, and management expenses	15.35	22.44	82.55	36.09	16.31	20.99	22.97	24.00	11.07	19.15	11.66	23.72
Total cash flow used in construction and selling and marketing expenses	137.89	207.81	454.63	450.82	206.52	252.09	271.85	276.63	31.65	109.54	33.45	181.90



(Unit: Baht million)

	2028				2029				2030 ^{1/}	Total
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
Turnkey construction and development costs	-	-	-	-	-	-	-	-	49.93	4,618.20
Design and consultation fees and sales office costs	-	-	-	-	-	-	-	-	2.80	316.06
Contingency for changes in construction costs	-	-	-	-	-	-	-	-	2.59	242.22
Selling and marketing expenses, commission fee, and management expenses	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	20.19	588.09
Total cash flow used in construction and selling and marketing expenses	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	75.51	5,764.56

Remark:

- 1/ In 2028-2029, there will remain cash flow payable for management and maintenance expenses of the community mall. In 2030, there will be cash flow payable for the remaining construction costs of 25% of the turnkey construction and development fees to NOBLE upon KK's successful sales and ownership transfer of the land and the community mall, and the commission fee for sales of the community mall spaces.

(c) *Management fee and monitoring and consulting service fee under the joint venture agreement*

- Monitoring and consulting service fee that KK agrees to pay to U under the Monitoring Consulting Service Agreement is equal to 2.5% of the project value, payable on a monthly basis from April 2022 to March 2030.
- Management fee that KK agrees to pay to NOBLE under the Turnkey Construction and Development Service Agreement is equal to 4% of the project value, payable after U could achieve EIRR of 11%.



From the above assumptions, we have projected the management fee and monitoring and consulting service fee for the project under the joint venture agreement on a quarterly basis as follows:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Monitoring and consulting service fee	9.91	9.91	9.91	9.91	12.72	12.72	12.72	12.72	17.61	15.87
Project management fee	-	-	-	-	-	-	-	-	-	89.01
Total cash flow payable for selling and administrative expenses	9.91	9.91	9.91	9.91	12.72	12.72	12.72	12.72	17.61	104.88

(Unit: Baht million)

	2025				2026				2027			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Monitoring and consulting service fee	12.39	12.39	12.39	10.96	8.10	8.10	8.10	7.17	5.29	5.29	5.29	3.66
Project management fee	-	-	-	93.82	-	-	-	61.41	-	-	-	106.94
Total cash flow payable for selling and administrative expenses	12.39	12.39	12.39	104.78	8.10	8.10	8.10	68.58	5.29	5.29	5.29	110.61

(Unit: Baht million)

	2028				2029				2030 ^{1/}	Total
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
Monitoring and consulting service fee	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	226.75
Project management fee	-	-	-	-	-	-	-	-	20.60	371.79
Total cash flow payable for selling and administrative expenses	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	21.00	598.54

(d) *Project expenses directly borne by JV partner*

The expenses relating to the project that JV partner must pay directly to the relevant counterparties include:

- Specific business tax of 3.3% of the selling price, payable on the ownership transfer date;
- Transfer fee of 1% of the selling price, payable on the ownership transfer date; and
- General administration expenses, comprising advisory and audit fees, legal fee, independent valuer's fee, maintenance fees for electricity and water meters, borrowing fee, and mortgage fee.

From the above assumptions, we have projected the selling and administrative expenses on a quarterly basis, from July 2022 to March 2030, as follows:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Specific business tax	-	-	-	-	-	6.75	17.08	17.90	16.78	16.20
Transfer fee	-	-	-	-	-	2.05	5.17	5.42	5.08	4.91
General administration expenses	1.25	1.84	0.08	0.08	0.08	3.23	3.69	2.60	1.50	4.11
Total cash flow payable for selling and administrative expenses	1.25	1.84	0.08	0.08	0.08	12.03	25.94	25.92	23.36	25.22

(Unit: Baht million)

	2025				2026				2027			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Specific business tax	18.20	18.20	18.20	15.67	11.99	11.99	11.99	14.31	20.74	20.74	20.74	13.34
Transfer fee	5.51	5.51	5.51	4.75	3.63	3.63	3.63	4.34	6.28	6.28	6.28	4.04
General administration expenses	3.97	2.79	1.62	1.98	2.60	1.83	1.06	2.44	4.65	3.27	1.89	0.60
Total cash flow payable for selling and administrative expenses	27.69	26.51	25.33	22.40	18.22	17.45	16.68	21.08	31.67	30.29	28.91	17.98

(Unit: Baht million)

	2028				2029				2030 ^{1/}	Total
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
Specific business tax	-	-	-	-	-	-	-	-	11.20	281.98
Transfer fee	-	-	-	-	-	-	-	-	3.39	85.45
General administration expenses	0.08	0.08	0.08	0.16	0.08	0.08	0.08	0.16	0.08	47.99
Total cash flow payable for selling and administrative expenses	0.08	0.08	0.08	0.16	0.08	0.08	0.08	0.16	14.67	415.42

*(e) Sources of funds*

Funding for development of Nue Cross Khu Khot Station Project is expected from three main sources: loans from financial institutions, loans from shareholders, and equity financing, as follows:

Sources of funds	Amount (Baht million)	Proportion of project cost (%)	Interest rate (%)
Loans from financial institutions	3,485.63	58.22	4.50
Loans from shareholders	2,290.61	38.26	4.80
Equity financing: U	150.00	2.51	-
Equity financing: NOBLE	150.00	2.51	-
Total sources of funds	5,986.86	100.00	

- Long-term loans from financial institutions are estimated at Baht 3,485.63 million. Of this amount, Baht 600.00 million is loan for land purchase, which has been fully drawn down since April 2022, and is repayable in six installments of Baht 100.00 million each, commencing on the date of completion of 19 months from the first drawdown date. The rest of about Baht 2,885.63 million is loan for construction financing, expected to be firstly drawn down in September 2022 and completely repaid by December 2026.
- Interest rate on long-term loans from a local financial institution for project development is estimated to be MLR – 0.75% p.a., or equal to 4.50% p.a. (MLR as at June 30, 2022 is equal to 5.25%).
- Loans from shareholders are estimated at Baht 2,200.80 million, to be equally provided by the two shareholders on a 50:50 basis, divided into Baht 1,100.40 million from NOBLE and Baht 1,100.40 million from U.
- Interest rate on loans from shareholders is estimated at 4.8% p.a.
- Equity financing is estimated to be Baht 300.00 million, of which Baht 150.00 million will be provided by U and Baht 150.00 million by NOBLE.



From the above assumptions, we have calculated net cash flow receivable from the shareholders' equity of the Company under the joint venture agreement or the benefits obtainable from the joint venture investment in KK for development of the residential condominium and community mall project with NOBLE, and have calculated the present value of cash flow obtained from the projection for a period of 93 months (July 2022 – March 2030), using cost of capital (Ke) of 11.01% per year as a discount rate. The calculation formula for Ke is as follows:

Calculation of Ke:

$$Ke = Rf + \beta(Rm - Rf)$$

Where:

Risk free rate (Rf)	Risk free rate of return on investment, derived from www.thaibma.or.th as at September 29, 2022, is equal to 4.06% per annum, based on bid yield on government bond with a maturity of 25 years, which is a period that could reflect investment condition in different time periods better than shorter-term data.
Beta (β)	This is a variance of SET return compared with closing price of the reference companies. We use the beta of 10 real estate companies (based on the weekly trading statistics from Bloomberg over the past three years up to September 29, 2022). The beta of these reference companies is adjusted to arrive at an unlevered beta (equal to an average of 0.477), which is then adjusted by the estimated interest-bearing debt to equity ratio of the whole project of KK, equal to 1.35 times, to obtain a levered beta of 0.99.
Rm	This is the average rate of return on the SET over the past 25 years, which is a period that could reflect investment condition in different time periods better than shorter-term data (source: SET data from October 1997 to September 2022), equal to 11.08% per year.



The present value of free cash flow to equity that the Company will receive in the proportion of 50% and other returns from July 2022 to March 2030 is shown in the below table:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Cash flow before tax	29.73	(322.13)	(267.23)	(224.02)	(469.41)	(269.79)	196.98	271.43	5.50	(96.17)
<u>Less</u> Corporate income tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<u>Add</u> Loans from financial institutions	8.58	122.50	170.89	170.89	300.11	300.11	177.62	129.23	212.92	169.84
<u>Add</u> Loans from shareholders	0.00	133.52	96.34	53.13	169.30	112.84	0.00	0.00	104.10	281.07
<u>Less</u> Repayment of loans from financial institutions	0.00	0.00	0.00	0.00	0.00	(143.16)	(362.22)	(379.64)	(355.92)	(343.56)
<u>Less</u> Repayment of loans from shareholders	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	38.31	(66.11)	0.00	0.00	(0.00)	(0.00)	12.37	21.02	(33.40)	11.19
Discount period	0.25	0.50	0.75	1.00	1.25	1.50	1.75	2.00	2.25	2.50
Discount rate	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%
Discount factor	0.97	0.95	0.92	0.90	0.88	0.85	0.83	0.81	0.79	0.77
PV of cash flow	37.32	(62.75)	0.00	0.00	(0.00)	(0.00)	10.31	17.06	(26.40)	8.61

(Unit: Baht million)

	2025				2026			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Cash flow before tax	394.65	310.78	21.43	(167.51)	152.20	84.78	39.55	16.36
<u>Less</u> Corporate income tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<u>Add</u> Loans from financial institutions	83.69	83.69	227.71	199.81	144.02	144.02	144.02	96.01
<u>Add</u> Loans from shareholders	0.00	0.00	0.00	170.61	0.00	0.00	0.00	0.00
<u>Less</u> Repayment of loans from financial institutions	(386.05)	(386.05)	(325.26)	(227.71)	(144.02)	(144.02)	(144.02)	(144.02)
<u>Less</u> Repayment of loans from shareholders	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(255.87)
Total	92.30	8.42	(76.12)	(24.80)	152.20	84.78	39.55	(287.52)
Discount period	2.75	3.00	3.25	3.50	3.75	4.00	4.25	4.50
Discount rate	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%
Discount factor	0.75	0.73	0.71	0.69	0.68	0.66	0.64	0.62
PV of cash flow	69.25	6.16	(54.21)	(17.20)	102.87	55.82	25.37	(179.67)



(Unit: Baht million)

	2027				2028			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Cash flow before tax	561.16	463.36	496.37	6.62	22.72	(1.49)	(1.49)	(1.57)
<u>Less</u> Corporate income tax	(14.84)	(16.47)	(18.24)	(6.14)	0.00	0.00	0.00	0.00
<u>Add</u> Loans from financial institutions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<u>Add</u> Loans from shareholders	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<u>Less</u> Repayment of loans from financial institutions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<u>Less</u> Repayment of loans from shareholders	(561.16)	(463.36)	(228.72)	0.00	0.00	0.00	0.00	0.00
Total	(14.84)	(16.47)	249.41	0.48	22.72	(1.49)	(1.49)	(1.57)
Discount period	4.75	5.00	5.25	5.50	5.75	6.00	6.25	6.50
Discount rate	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%
Discount factor	0.61	0.59	0.58	0.56	0.55	0.53	0.52	0.51
PV of cash flow	(9.03)	(9.77)	144.11	0.27	12.46	(0.80)	(0.78)	(0.80)

(Unit: Baht million)

	2029				2030	Total
	Q1	Q2	Q3	Q4	Q1	
Cash flow before tax	22.72	(1.49)	(1.49)	(1.57)	228.24	1,499.24
<u>Less</u> Corporate income tax	0.00	0.00	0.00	0.00	0.00	(55.69)
<u>Add</u> Loans from financial institutions	0.00	0.00	0.00	0.00	0.00	2,885.63
<u>Add</u> Loans from shareholders	0.00	0.00	0.00	0.00	0.00	1,120.92
<u>Less</u> Repayment of loans from financial institutions	0.00	0.00	0.00	0.00	0.00	(3,485.63)
<u>Less</u> Repayment of loans from shareholders	0.00	0.00	0.00	0.00	0.00	(1,509.11)
Total	22.72	(1.49)	(1.49)	(1.57)	228.24	455.36
Discount period	6.75	7.00	7.25	7.50	7.75	
Discount rate	11.01%	11.01%	11.01%	11.01%	11.01%	
Discount factor	0.49	0.48	0.47	0.46	0.44	
PV of cash flow	11.22	(0.72)	(0.70)	(0.72)	101.56	238.86



Details of the present value of monitoring and consulting service fee receivable by the Company are as follows:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Monitoring and consulting service fee	9.91	9.91	9.91	9.91	12.72	12.72	12.72	12.72	17.61	15.87
Discount period	0.25	0.50	0.75	1.00	1.25	1.50	1.75	2.00	2.25	2.50
Discount rate	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%
Discount factor	0.97	0.95	0.92	0.90	0.88	0.85	0.83	0.81	0.79	0.77
PV of cash flow	9.65	9.40	9.16	8.93	11.16	10.87	10.59	10.32	13.92	12.22

(Unit: Baht million)

	2025				2026			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Monitoring and consulting service fee	12.39	12.39	12.39	10.96	8.10	8.10	8.10	7.17
Discount period	2.75	3.00	3.25	3.50	3.75	4.00	4.25	4.50
Discount rate	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%
Discount factor	0.75	0.73	0.71	0.69	0.68	0.66	0.64	0.62
PV of cash flow	9.30	9.06	8.82	7.60	5.48	5.33	5.20	4.48

(Unit: Baht million)

	2027				2028			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Monitoring and consulting service fee	5.29	5.29	5.29	3.66	0.40	0.40	0.40	0.40
Discount period	4.75	5.00	5.25	5.50	5.75	6.00	6.25	6.50
Discount rate	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%	11.01%
Discount factor	0.61	0.59	0.58	0.56	0.55	0.53	0.52	0.51
PV of cash flow	3.22	3.14	3.06	2.06	0.22	0.21	0.21	0.20



(Unit: Baht million)

	2029				2030	Total
	Q1	Q2	Q3	Q4	Q1	
Monitoring and consulting service fee	0.40	0.40	0.40	0.40	0.40	226.75
Discount period	6.75	7.00	7.25	7.50	7.75	
Discount rate	11.01%	11.01%	11.01%	11.01%	11.01%	
Discount factor	0.49	0.48	0.47	0.46	0.44	
PV of cash flow	0.20	0.19	0.19	0.18	0.18	174.77

From the above table showing yearly cash flow projection, we have calculated the present value of free cash flow to equity receivable by the Company in the proportion of 50% and other returns as follows:

	Baht million
PV of cash flow	238.86
<u>Add:</u> Cash (as at June 30, 2022)	27.80
Equity value	266.66
Equity value receivable by the Company in the proportion of 50%	133.33
<u>Add:</u> PV of monitoring and consulting service fee receivable by the Company	174.77
Total equity value receivable by the Company in the proportion of 50% and other returns	308.10

From the valuation by the discounted cash flow approach, the equity value receivable by the Company in the proportion of 50% and other returns are appraised at Baht 308.10 million in the base case.

In addition, we have performed a sensitivity analysis on the valuation of the equity value receivable by the Company in the proportion of 50% and other returns so as to cover a range of impacts that are expected from changes in Ke by an increase/decrease of 2% from the base case, the outcomes of which are as follows:

Change of Ke	-2%	-1%	Base case 0.0%	+1%	+2%
Ke	9.01%	10.01%	11.01%	12.01%	13.01%
Equity value receivable by the Company in the proportion of 50% and other returns (Baht million)	329.87	318.69	308.10	298.16	288.72

From the above sensitivity analysis with changes to Ke, the equity value receivable by the Company in the proportion of 50% and other returns are appraised in a range of Baht 288.72 million – Baht 329.87



million, which is higher than the sale and purchase price of Baht 113.67 million by Baht 175.05 million – Baht 216.20 million or 154.00% – 190.20%.

Conclusion of opinion of the IFA

Table showing comparison of the fair value of the sale and purchase price of KK's shares according to the investment proportion by various valuation approaches:

Valuation approach	Appraised value according to investment proportion (Baht million)	Sale and purchase price (Baht million)	Appraised value being higher/(lower) than sale and purchase price	
			(Baht million)	(%)
1. Book Value Approach	65.14	113.67	(48.53)	(42.69)
2. Adjusted Book Value Approach	182.83	113.67	69.16	60.84
3. Market Comparable Approach				
(a) P/BV Ratio Approach	54.07 – 61.23	113.67	(59.60) – (52.44)	(52.43) – (46.13)
(b) P/E Ratio Approach	N/A	113.67	N/A	N/A
(c) EV/EBITDA Ratio Approach	N/A	113.67	N/A	N/A
4. Market Value Approach	N/A	113.67	N/A	N/A
5. Discounted Cash Flow Approach	288.72 – 329.87	113.67	175.05 – 216.20	154.00 – 190.20

There are different strengths and weaknesses of the above valuation approaches in identifying a fair value of the shares, as described below:

(1) The share valuation by the book value approach focuses on financial position at a given period of time and book value of assets, but does not reflect the true market value of assets and the future profitability.

(2) The adjusted book value approach could reflect the net asset value more accurately than the share valuation by the book value approach. This is because the appraised book value in (1) is adjusted by value of real estate projects under development to obtain a market value or fair value, and also adjusted by the restated items in KK's financial statements according to the financial due diligence report, and by commitments and contingent liabilities, etc., considering that KK has just commenced its project construction. This is one of the suitable methods for determining a fair value of KK's ordinary shares because it is based on a fair value of land and constructions according to the current progress rate at market price, which can best reflect general investors' expectation on the basis of the highest and best use of such assets at that time.

(3) The market comparable approach, comprising P/E ratio, P/BV ratio and EV/EBITDA ratio approaches, may not reflect the true value of KK due to the variation and difference in certain factors of the



Peer Group in terms of business operation policy, marketing plan, customer base, future business plan, financial structure, and profitability of each company.

(4) The market value approach can well reflect demand for and supply of shares traded on the stock exchange in different time periods. However, since KK's shares are not listed on the SET, we cannot appraise a fair value of KK's shares by this approach.

(5) The discounted cash flow approach normally focuses on future operation and profitability of the business by taking into account the present value of future net cash flow based on past operation, as well as the economic trend and future operation of the business. Therefore, this approach normally can reflect the true value of the business better than all other approaches. However, the valuation by this approach is under the assumption that KK has completed the construction and could sell its project as planned. Currently, KK has just commenced the construction. After completion of this transaction, the Company will become a major shareholder of KK and will assume not only financial burdens but also risks in project development until completion. Therefore, this approach is not suitable for determining the value of this transaction. Nonetheless, we have still prepared the cash flow projection to be a basis for the Company's shareholders to consider whether the investment is worthwhile and determine the return on investment in such project.

Based on the above reasons, we are of the opinion that the most suitable approach for valuing KK's shares is the adjusted book value (ABV) approach. A fair value of the investment in KK according to the investment proportion is appraised by the ABV approach at Baht 182.83 million, which is higher than the sale and purchase of Baht 113.67 million by Baht 69.16 million or 60.84%.

**Attachment 4B****Property Valuation of Khu Khot Station Alliance Co., Ltd.**

The Company has arranged for a fair value appraisal of Khu Khot Station Alliance Co., Ltd. with respect to its Nue Cross Khu Khot Station Project, which will feature 23 residential condominium buildings each with a height of up to eight floors with a total of 4,620 units, which have not yet been constructed. Construction in Phase 1 is expected to begin around November 2022 and be completed by January 2024. The project will also feature a four-storied community mall, the construction of which began in September 2022 and scheduled for full completion by December 2023. The properties to be appraised include one plot of land of 51 rai 2 ngan 97.7 square wah or equal to 20,697.7 square wah and a two-storied sale office building, of which the construction was fully completed and which will be linked to the community mall in the future. The Company hired Sims Property Consultants Co., Ltd. ("SIMS" or "Independent Valuer"), an independent valuer on the SEC's approved list, to conduct a fair value appraisal of such properties for public purpose according to the appraisal report No. 65-1-1371-GL-1 dated September 9, 2022.

SIMS used the direct comparison or market approach, which was deemed a suitable approach, to appraise the land of Nue Cross Khu Khot Station at a fair value of Baht 1,366.05 million, and the cost approach, which was deemed a suitable approach, to appraise the sale office building at a fair value of Baht 24.90 million. **The total fair value of the land and the sale office building is equal to Baht 1,390.95 million**, the details of which are as follows:

Appraised property	Appraisal approach	Fair value appraised by SIMS (Baht million)
Land	Direct comparison or market approach	1,366.05
Sale office building	Replacement cost approach	24.90
Total appraised fair value		1,390.95



Simulated photo of Nue Cross Khu Khot Station Project



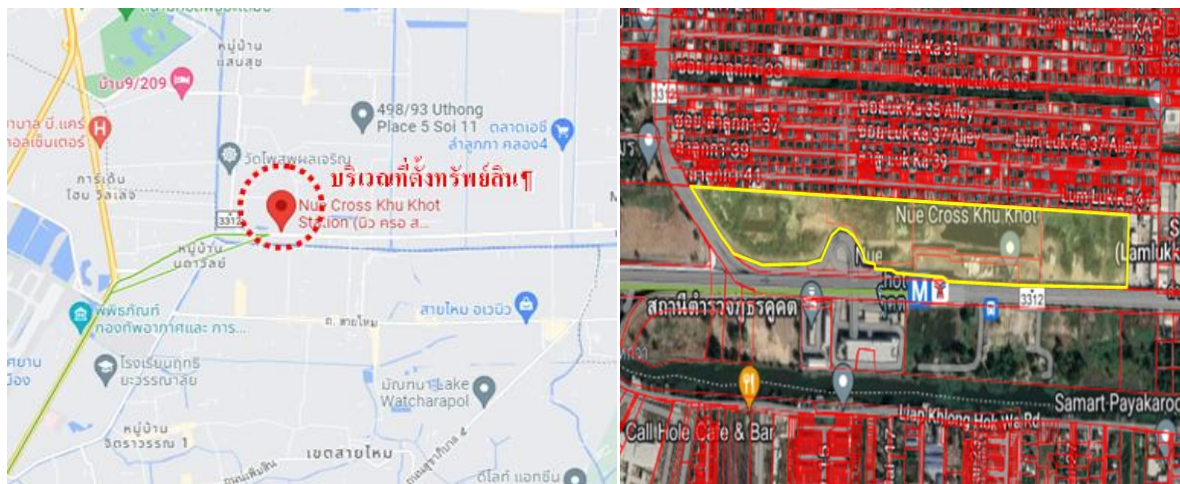
Source: Appraisal report by SIMS

Details of appraised property

Particulars	Details
Type of property	Land and construction in present condition
Location	Close to BTS Khu Khot Station, Lam Luk Ka Road, Lam Luk Ka Sub-district, Lam Luk Ka District, Pathum Thani Province
GPS	LAT: 13.932674 LON: 100.647862
Details of property	One plot of land (six contiguous parcels) under title deeds No. 10487 and 200914 – 200918 with a total area of 51 rai 2 ngan 97.7 square wah or equal to 20,697.7 square wah, with one construction item in present condition: 1) A two-storied office building <i>(being completely constructed)</i>
Owner	Khu Khot Station Alliance Co., Ltd.
Encumbrances	Unencumbered
Appraisal approach for land	Direct comparison or market approach
Appraisal approach for building	Replacement cost approach
Appraisal date	August 11, 2022
Appraised value	Land Baht 1,366,050,000 Building Baht 24,900,000 Total Baht 1,390,950,000



Location of vacant land in Nue Cross Khu Khot Station Project



Source: Appraisal report by SIMS

1. Details of land appraisal by the direct comparison or market approach

The Company hired SIMS to appraise the vacant land in Nue Cross Khu Khot Station Project on August 9, 2022, using the direct comparison or market approach, with a survey of other plots of land nearby for comparison. Factors taken into consideration were location, land condition, land use, land shape, and land size. Then, the land value was appraised by the Adjustment Grid Analysis.

There are six market data sets used for comparison and land appraisal, as follows:

— Comparable market data 1 – 3

Particulars	Comparable market data			
	Appraised property	Data 1	Data 2	Data 3
Type of property	Vacant land	Vacant land	Vacant land	Vacant land
Location	Lam Luk Ka Road, Lam Luk Ka Sub-district, Lam Luk Ka District, Pathum Thani Province	Lam Luk Ka Road, Khu Khot Sub-district, Lam Luk Ka District, Pathum Thani Province	Lam Luk Ka Road, Khu Khot Sub-district, Lam Luk Ka District, Pathum Thani Province	Soi Phahon Yothin 54/2, Phahon Yothin Road, Sai Mai Sub-district, Sai Mai District, Bangkok
Land area	51-2-97.7 rai (20,697.7 sqw)	11-1-50.0 rai (4,550.0 sqw)	15-0-00.0 rai (6,000.0 sqw)	11-1-23.7 rai (4,523.7 sqw)
Land shape	Rectangle	Rectangle	Rectangle	Polygon
Frontage	990.00 m.	100.00 m.	100.00 n.	100.00 m.
Land condition	Same as road level	0.50 m. below road level	Same as road level	Same as road level



Particulars	Comparable market data			
	Appraised property	Data 1	Data 2	Data 3
Public utilities	Electricity, water supply, telephone and drainage pipe	Electricity, water supply and telephone	Electricity, water supply and telephone	Electricity, water supply and telephone
Type of front road	Concrete, 24.00 m.	Concrete, 24.00 m.	Concrete, 24.00 m.	Concrete, 24.00 m.
Environment	Residential and commercial	Residential and commercial	Residential and commercial	Residential and commercial
Town plan	Yellow, low-density residential zone	Yellow, low-density residential zone	Yellow, low-density residential zone	Yellow, low-density residential zone
Best use	Residential	Residential	Residential	Residential
Offering price		Baht 115,000/sqw	Baht 120,000/sqw	Baht 80,000/sqw
Date obtaining data		August 2022	August 2022	August 2022

— Comparable market data 4 – 6

Particulars	Comparable market data		
	Data 4	Data 5	Data 6
Type of property	Vacant land	Vacant land	Vacant land
Location	Sema Fa Khram Road, Lam Luk Ka Road, Khu Khot Sub-district, Lam Luk Ka District, Pathum Thani Province	Lam Luk Ka Road, Khu Khot Sub-district, Lam Luk Ka District, Pathum Thani Province	Sawai Pracharat Road, off Lam Luk Ka Road, Lat Sawai Sub-district, Lam Luk Ka District, Pathum Thani Province
Land area	3,470.3 sqw	9,200.0 sqw	2,524.5 sqw
Land shape	Rectangle	Rectangle	Rectangle
Frontage	60.00 m.	20.00 m.	90.00 m.
Land condition	Same as road level	0.50 m. below road level	0.50 m. below road level
Public utilities	Electricity, water supply and telephone	Electricity, water supply and telephone	Electricity, water supply and telephone
Type of front road	Concrete, 8.00 m.	Concrete, 24.00 m.	Concrete, 18.00 m.
Environment	Residential and commercial	Residential and commercial	Residential and commercial
Town plan	Yellow, low-density residential zone	Orange, medium-density residential zone	Yellow, low-density residential zone
Best use	Residential	Residential	Residential
Offering price	Baht 80,000/sqw	Baht 50,000/sqw	Baht 60,000/sqw
Date obtaining data	August 2022	August 2022	August 2022



Land appraisal by Adjustment Grid Analysis:

Particulars	Appraised property	Data 1	Data 2	Data 3
Location	Lam Luk Ka Road	Lam Luk Ka Road	Lam Luk Ka Road	Soi Phahon Yothin 54/2
Environment	Residential/commercial	Residential/commercial	Residential/commercial	Residential/commercial
Area (rai-ngan-square wah)	51-2-97.7	11-1-50	15-0-0	11-1-23.7
Area (square wah)	20.697.7	4,550.0	6,000.0	4,523.7
Land shape	Rectangle	Rectangle	Rectangle	Polygon
Frontage (meter)	220.00	100.00	100.00	100.00
Land level (meter)	0.00	-0.50	0.00	0.00
Type of front road	Concrete, 24.00 m.	Concrete, 24.00 m.	Concrete, 24.00 m.	Concrete, 24.00 m.
Town plan	Medium-density residential zone (Orange)	Low-density residential zone (Yellow)	Low-density residential zone (Yellow)	Low-density residential zone (Yellow)
Best land use	Residential/commercial	Residential	Residential	Residential
Offering price (Baht/unit)		115,000	120,000	80,000
Bargain price/expected saleable price (Baht/unit)		90,000	95,000	65,000
Sale and purchase price (Baht/unit)		-	-	-
Adjusted sale and purchase period		0%	0%	0%
Price used in analysis (Baht/unit)		90,000	95,000	65,000
Location		0%	0%	0%
Environment - development		0%	0%	0%
Land size - liquidity		-25%	-25%	-25%
Land shape		0%	0%	5%
Frontage		0%	0%	0%
Land level		0.42%	0%	0%
Road passing in front		0%	0%	0%
Legal restrictions		5%	5%	5%
Best land use		0%	0%	0%
Sum of factors affecting property value		-19.58%	-20%	-15%
		-17,625	-19,000	9,750
Price after factor adjustment		72,375	76,000	55,250
Weighting on data credibility	100%	30.41%	28.91%	40.68%
Property value (Baht)	66,456	22,012	21,968	22,476
Value of appraised property (Baht/square wah)	66,000			



Remark: By the Adjustment Grid Analysis, SIMS selected Data 1-3 for comparison with the appraised property because of their similarities in terms of location, access, infrastructure, environment and best use. However, since the difference in location, environment and best use of the comparable data may affect the property value, SIMS already took into account the factors having effect on the property value. Data 4 – 6 were excluded from the analysis because their location and infrastructure are inferior to the appraised property.

From the appraisal of vacant land in Nue Cross Khu Khot Station Project with a total area of 51 rai 2 ngan 97.7 square wah or equal to 20,697.7 square wah, using the direct comparison or market approach, as shown in the above table, for analysis of market price data based on factors such as the land's physical features, shape, characteristics, size, best use, environment and location, compared with the appraised property, the value obtained was adjusted to an appraised value of Baht 66,000 per square wah (rounded off) or a total of Baht 1,366.05 million.

Photo showing the two-storied sale office building (completely constructed)



Source: Appraisal report by SIMS



2. Details of sale office building appraisal by the replacement cost approach

SIMS employed the replacement cost approach to appraise the sale office building, based on the material prices, labor cost, and assembling or construction technique as at present so as to obtain the replacement cost new. The value derived is the value in present condition of the building. Details of the appraisal are as follows:

General characteristics of the appraised construction:

	Details of construction
Construction	Two-storied sale office building
General details	
Location	Under land title deed No. 200916
Type of building	Two-storied reinforced concrete building
Usable area	Approx. 996.0 sqm
Construction works	100% completed
Construction standard	Good
Building material standard	Good
Building structure and decoration materials	
Structure	Reinforced concrete
Roof frame / roof	Reinforced concrete and steel frame/metal sheet roof with thermal insulation board
Floor	Reinforced concrete
Flooring materials	Granito tiles, ceramic tiles, polished concrete, and wooden floor
Wall	Brick wall, covered with stucco, partly painted and partly wood-decorated
Ceiling	Gypsum board, painted
Door	Glass door with aluminum frame, wood door and door frame, and PVC door
Window	Glass window with aluminum frame
Bathroom	Floor and wall covered with tiles
Sanitaryware	Wash basin counter, bathtub (some rooms), shower enclosure, pail flush toilet, mirror, etc.
Furniture & fixture	Clothes closet, kitchenette, TV stand, bed headboard, and ceiling
System works	Three lifts, electrical system, water heating/cooling system, telephone system, CCTVs, fire extinguishing system,



	Details of construction
	communication system, etc.
Building area division and utilization	
Divided into	Level 1: Retail shop, office, sale office, model room, and restroom
	Level 2: Office, retail shop, and storage room
Utilization	Partly used as retail shop and partly as sale office, which will be linked to the community mall building in the future

Analysis of property value for construction:

	Particulars	Details		RCN (Baht)			
		Construction area	Unit	Construction cost/unit	% construction	Construction value upon 100% completed	Value in present condition
1	Two-storied sale office building	24,900,000	sqm	25,000	100%	24,900,000	24,900,000
Total value of construction						24,900,000	24,900,000
(rounded off)						24,900,000	24,900,000

Remark: SIMS determined the percentage of construction based on the construction of the building in its present condition and in accordance with the general construction standard.

From the appraisal of building and construction by the replacement cost approach, **a fair value of the building was appraised at 24.90 Baht million.**

Opinion of the IFA on the property appraisal approaches

SIMS examined and considered various factors relating to the valuation such as appropriateness of use or development for further use, general market condition and limitations, specific features of the property, and legal rights before selecting the appraisal methods that suit the nature of such property, as follows:

- In our opinion, the direct comparison or market approach used for appraisal of the land in Nue Cross Khu Khot Station Project is an appropriate method for analysis and determination of price through comparison with market prices of properties which have characteristics similar to KK's properties. SIMS considered all details of the appraised properties and various factors that affect value of the appraised properties such as land area, location, transportation, environment, land use, land shape, physical condition, legal restrictions, development potential, and sufficiency of market price data in nearby areas for comparison. Then, weighting on credibility of the comparable data was carried out to determine the value of the appraised properties. The appraisal of land using the direct comparison or market approach is part of the market price



assessment process under professional practices adopted by independent appraisers and such approach is deemed suitable for comparison with the book value of real estate development cost shown on KK's internal financial statements as of June 30, 2022.

- As for the use of replacement cost approach for appraisal of the sale office building, we view that this method is appropriate since it is in line with the general approach for construction appraisal. SIMS used the construction cost estimates of the Valuers Association of Thailand as a basis for determining the construction cost per unit.

**Attachment 5A****Details of Share Valuation of Majestic Park Co., Ltd.**

The Company intends to purchase all ordinary shares in MJP that are held by U in the amount of 1,500,000 shares, representing 50% of MJP's total issued and paid-up shares, at a price of Baht 156.27 million. The IFA has appraised a fair value of the sale and purchase price of MJP's shares according to the investment proportion using various approaches in order to express our opinion on the appropriateness of such sale and purchase price, as follows:

- 1.1. Book Value Approach
- 1.2. Adjusted Book Value Approach
- 1.3. Market Comparable Approach
 - (1) Price to Book Value Ratio Approach
 - (2) Price to Earnings Ratio Approach
 - (3) EV/EBITDA Ratio Approach
- 1.4. Market Value Approach
- 1.5. Discounted Cash Flow Approach

Details of the appraisal of a fair value of the sale and purchase price of MJP's shares according to the investment proportion by each approach are as follows:

1.1. Book Value Approach

By this approach, the valuation is made from net book value of assets (total assets deducted by total liabilities) which will be equivalent to shareholders' equity or equal to MJP's book value, based on information from MJP's internal financial statements as at June 30, 2022. The outcome is as shown below:

Items as at June 30, 2022	Baht million
Issued and paid-up capital	300.00
Retained earnings (losses)	(182.29)
Legal reserve	-
Shareholders' equity of MJP	117.71
Fair value of the sale and purchase price of MJP's shares according to the investment proportion	58.86



By the book value approach, a fair value of the sale and purchase price of MJP's shares according to the investment proportion is appraised at Baht 58.86 million, which is (lower) than the sale and purchase price of Baht 156.27 million by Baht (97.41) million or (62.33)%.

The valuation by this approach reflects MJP's financial position as of June 30, 2022 only, but does not reflect current market value of its assets, nor its profitability in the future.

1.2. Adjusted Book Value Approach

Under this method, the valuation is made by adjusting the book value shown on MJP's internal financial statements as at June 30, 2022 for the items that materially affect value of assets and liabilities in order to reflect the net asset value that is as close as possible to the present value. The IFA has considered the significant items on such financial statements for the book value adjustment as follows:

(a) Adjustment to surplus (deficit) on revaluation of real estate development cost based on the property appraisal report by the Independent Valuer

According to its internal financial statements as at June 30, 2022, MJP recorded total real estate development cost of Baht 1,981.67 million. It was cost of development of Noble Create Project, which will feature six residential condominium buildings with a total of 1,250 units, the construction of which began in September 2022 and is expected to be completed by January 2025. The project will also feature 46 units of single detached houses, which have not yet been constructed. Construction is expected to begin around May 2023 and be completed by May 2025.

In the statement of financial position as at June 30, 2022, which is MJP's internal financial statement, real estate development cost was recorded at the actually incurred cost, taking no account of the salability and profitability of the residential condominium units and single detached houses in such project. Therefore, to identify a fair economic value of the project, the Company hired SIMS, an independent valuer on the SEC's approved list, to conduct a fair value appraisal of the residential condominium units and single detached houses for public purpose, according to the current development progress. SIMS prepared a property appraisal report, No. 65-1-1369-GL-1, on September 12, 2022, the details of which are as follows:

SIMS used the direct comparison or market approach to appraise four plots of land of Noble Create Project with a total area of 24 rai 2 ngan 51.0 square wah or equal to 9,851.0 square wah at a fair value of Baht 1,871.70 million, the details of which are as follows:



Appraised property	Appraisal approach	Amount (Baht million)
Fair value appraised by Independent Valuer		
Land	Direct comparison or market approach	1,871.70
Total appraised fair value		1,871.70
Book value of real estate development cost as at June 30, 2022		1,981.67
Surplus (deficit) on revaluation of real estate development cost		(109.97)

Remark * Shareholders can refer to a summary of the property appraisal report in Attachment 5B of this report.

Opinion of the IFA on the property appraisal approach

SIMS examined and considered various factors relating to the valuation such as appropriateness of use or development for further use, general market condition and limitations, specific features of the property, and legal rights before selecting the appraisal methods that suit the nature of such property, as follows:

- In our opinion, the direct comparison or market approach used for appraisal of the land of Noble Create Project is an appropriate method for analysis and determination of price through comparison with market prices of properties which have characteristics similar to MJP's property. SIMS considered all details of the appraised property and various factors that affect value of the appraised property such as land area, location, transportation, environment, land use, land shape, physical condition, legal restrictions, development potential, and sufficiency of market price data in nearby areas for comparison. Then, weighting on credibility of the comparable data was carried out to determine the value of the appraised property. The appraisal of land using the direct comparison or market approach is part of the market price assessment process under professional practices adopted by independent appraisers and such approach is deemed suitable for comparison with the book value of real estate development cost shown on MJP's internal financial statements as of June 30, 2022.

(b) Adjustment according to the Financial and Tax Due Diligence Report on September 30, 2022

(1) Adjustment to commissions for sales to Thai customers

As at June 30, 2022, MJP recorded commission for sales to Thai customers of Baht 0.37 million, which was classified as cost of obtaining sale and purchase contracts with customers and was recognized as expenses immediately when revenues from such contracts were obtained (date of ownership transfer). However, MJP recognized commission for sales of the said project as expense in the statement of income, resulting in a lowered amount of assets. Therefore, we have made an adjustment by incorporating such commission into the assets recognized from cost of obtaining contracts as at June 30, 2022.

*(2) Adjustment to depreciation of sales office*

As at June 30, 2022, MJP had a sales office completely constructed worth Baht 10.00 million, which was recorded under the 'real estate development cost' caption in the statement of financial position. No depreciation cost was charged to such sales office building, which was completely constructed and has already been utilized. However, since the sales office was completely built and has been used by MJP, it is deemed appropriate to categorize it as improvement of buildings and equipment in the statement of financial position with yearly depreciation charge, resulting in the assets being recorded in a higher amount. Therefore, we have calculated depreciation cost of the sales office for adjustment to its book value as at June 30, 2022 in the amount of Baht 0.33 million, using the straight-line method and a useful life of five years under the assumption that the sales office was completely built in May 2022, when Noble Create Project was launched, as we have not obtained information about the completion date of the sales office.

(3) Commitments and contingent liabilities

As at June 30, 2022, MJP had significant commitments such as service fees under the turnkey project development and management contract, management fees and project development until completion in a total amount of Baht 3,777.20 million. However, such contingent liabilities are incurred in the ordinary course of business of MJP; therefore, we have not made any adjustment to this item in the share value calculation under the adjusted book value approach.

From the above information, we have made adjustments to calculate a fair value of the sale and purchase price of MJP's shares according to the investment proportion by the adjusted book value approach as follows:

Items	Amount (Baht million)
Total assets (as at June 30, 2022)	2,106.93
Less: Total liabilities (as at June 30, 2022)	(1,989.22)
Net asset value before adjustment	117.71
<u>Adjusted items</u>	
(a) Add: Surplus (deficit) on revaluation of real estate development cost	(109.97)
(b) (1) Add: Adjustment to commissions for sales to Thai customers	0.37
(b) (2) Less: Adjustment to depreciation of sales office	(0.33)
Net asset value after adjustment	7.78
Fair value of the sale and purchase price of MJP's shares according to the investment proportion	3.89

Remark * Shareholders can refer to a summary of the property appraisal report in Attachment 5B of this report.



By the adjusted book value approach, a fair value of the sale and purchase price of MJP's shares according to the investment proportion is appraised at Baht 3.89 million, which is (lower) than the sale and purchase price of Baht 156.27 million by Baht (152.38) million or (97.51)%.

The valuation by this approach could reflect MJP's net asset value that is more updated than the share valuation by the book value approach. However, this approach takes no account of MJP's future performance and profitability, nor the overall economic and industrial trends.

1.3. Market Comparable Approach

By this approach, the valuation is made based on various market ratios, including (a) price to book value (P/BV) ratio, (b) price to earnings (P/E) ratio, and (c) enterprise value to EBITDA (EV/EBITDA) ratio, of 10 reference companies listed on the SET's Property Development Sector that generate income mainly from vertical property development business in the amount of not less than 50% of their total sales revenues and have an asset size of between Baht 10,000 million and Baht 50,000 million, or called the "Peer Group," the details of which are as follows:

	Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
SET-listed reference companies				
1	ANAN	Ananda Development Plc.	ANAN's main business is the development of 1) condominium projects located near mass transit stations in Bangkok and its peripheral areas, and 2) horizontal housing estate projects. In addition, it also operates other businesses through its subsidiaries, including condominium unit selling agent and management services for housing estates and condominiums.	41,435.12
2	ASW	Assetwise Plc.	ASW is a holding company which has subsidiaries operating core business of property development for sale, including condominium, single house, townhome and home office.	13,877.35
3	CGD	Country Group Development Plc.	CGD engages in real estate development business.	18,682.14



Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*	
4	LPN	L.P.N. Development Plc.	LPN is a developer of urban residential condominiums with affordable prices. The main target group is the middle to lower-middle income earners. Condominium projects are designed and developed under LPN Design concept which focuses on delivering product value to customers. It develops large-scale projects in order to achieve cost advantage and economy of scale. At the same time, an emphasis is put on achieving economy of speed from upstream to downstream stages in project development process. In terms of service value, the uniqueness of LPN lies in the “Livable Community” strategy, which makes a great impression and creates bond with customers and residents of “Lumpini” community.	24,333.89
5	MJD	Major Development Plc.	MJD engages in the property development for sale and hotel business, focusing on high-end condominiums with luxurious lifestyles.	15,866.76
6	NOBLE	Noble Development Plc.	NOBLE operates the business of real estate development for sale, construction service, rental and services.	22,445.37
7	NVD	Nirvana Daii Plc.	NVD's core businesses are classified into three categories as follows: (1) real estate development business under the name “NIRVANA,” which develops properties for sale such as single detached house, twin house, home office, townhouse, and condominium, with project location selected based on factors such as development potential, accessibility, and community, and the projects developed including 3-storey single detached houses under the brand “BEYOND,” 2-storey single detached houses under the brand “ICON,” home offices under the brand “@WORK,” townhouses under the brand “DEFINE,” and condominiums under the brand “BANYANTREE RESIDENCE RIVERSIDE BANGKOK;” (2) construction service; and (3) sales of construction materials such as instant fence and acting as distributor of aluminum doors and windows from Japanese manufacturers.	12,314.66



Opinion of the Independent Financial Advisor on the connected transactions

	Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
8	ORI	Origin Property Plc.	ORI operates property development business, including condominiums along sky train routes in Bangkok and its vicinities, and related services which are rental & re-sale and condominium project management services only for the projects developed by ORI.	41,014.45
9	SA	Siamese Asset Plc.	SA develops residential real estate for sales, including condominiums, housing estates, townhomes and home offices, and also offers juristic person management service for its projects.	15,032.56
10	SENA	Sena Development Plc.	SENA engages in residential real estate development business, consisting of single-detached houses, townhouses, commercial buildings, townhomes and condominiums; rental business such as apartments for rent, community malls and office buildings; golf course business; solar power business; juristic person management business; residential construction business; and real estate agent and brokerage business.	23,655.80

Source: www.set.or.th

Remark * As at September 30, 2022



(1) Price to Book Value Ratio Approach

Under the P/BV ratio approach, the valuation is made by taking book value shown on MJP's internal financial statements as at June 30, 2022, equal to Baht 117.71 million, multiplied by the average of P/BV ratio of the Peer Group prevailing in different time periods of one month, three months, six months, nine months and 12 months up to the cut-off date of September 29, 2022 (which was the last business day before the date the Board of Directors' Meeting No. 8/2022 on September 30, 2022 resolved to grant approval for the Company to propose the acquisition of MJP's shares from U for consideration of the shareholders' meeting).

Average P/BV ratio of the Peer Group:

Peer Group	Average of past 1 month	Average of past 3 months	Average of past 6 months	Average of past 9 months	Average of past 12 months
1 ANAN	0.37	0.37	0.35	0.37	0.38
2 ASW	1.35	1.33	1.36	1.42	1.45
3 CGD	0.88	0.87	0.89	0.95	0.99
4 LPN	0.57	0.56	0.57	0.58	0.59
5 MJD	0.27	0.27	0.28	0.29	0.30
6 NOBLE	1.21	1.16	1.18	1.26	1.32
7 NVD	0.63	0.64	0.67	0.72	0.75
8 ORI	1.63	1.59	1.64	1.82	1.92
9 SA	2.84	2.88	2.97	3.36	3.44
10 SENA	0.72	0.71	0.74	0.80	0.80
Average*	0.85	0.83	0.85	0.91	0.94

Source: www.setsmart.com

Remark * P/BV ratio of SA is excluded from the calculation because it is deemed the outlier.

Conclusion of the valuation of a fair value of the sale and purchase price of MJP's shares according to the investment proportion by the P/BV ratio approach

Period	Average P/BV ratio of Peer Group (time)	Book value (Baht million)	Fair value of MJP's shares (Baht million)	Fair value of the sale and purchase price of MJP's shares according to the investment proportion (Baht million)
Average of past 1 month	0.85	117.71	100.05	50.03
Average of past 3 months	0.83	117.71	97.70	48.85
Average of past 6 months	0.85	117.71	100.05	50.03
Average of past 9 months	0.91	117.71	107.12	53.56
Average of past 12 months	0.94	117.71	110.65	55.32



By the P/BV ratio approach, a fair value of the sale and purchase price of MJP's shares according to the investment proportion is appraised at Baht 48.85 million – Baht 55.32 million, which is (lower) than the sale and purchase price of Baht 156.27 million by Baht (107.42) million – Baht (100.95) million or (68.74)% – (64.60)%.

The valuation by this approach is based on MJP's book value, which reflects its performance and financial position at a given period of time, but does not reflect its future profitability.

(2) *Price to Earnings Ratio Approach*

By this method, the valuation is made from MJP's net profit for the previous 12 months, multiplied by the average P/E ratio of the Peer Group. However, MJP has operated at a deficit over the previous 12 months from July 1, 2021 to June 30, 2022. Thus, we cannot appraise a fair value of the sale and purchase price of MJP's shares according to the investment proportion by the P/E ratio approach.

(3) *EV/EBITDA Ratio Approach*

By this approach, the valuation is made from the average EV/EBITDA ratio of the Peer Group, multiplied by EBITDA of MJP, then deducted by interest-bearing debts and non-controlling interests (if any), and added by its cash and cash equivalents. However, MJP recorded negative EBITDA over the previous 12 months from July 1, 2021 to June 30, 2022. Thus, we cannot appraise a fair value of the sale and purchase price of MJP's shares according to the investment proportion by the EV/EBITDA ratio approach.

1.4. Market Value Approach

Under this approach, the valuation is made based on the weighted average market price (trading value/trading volume) of the company whose shares were traded on the SET over the previous periods. However, since MJP's shares are not listed on either the SET or the mai, there is no market price available. Thus, we cannot appraise a fair value of the sale and purchase price of MJP's shares according to the investment proportion by the market value approach.



1.5. Discounted Cash Flow Approach

By this approach, the valuation is made based on MJP's future profitability by calculating present value of net cash flow expected from its future operation under financial projection for a period of 42 months (July 1, 2022 – December 31, 2025) with the assumption that MJP continues operation on a going concern basis under the current economic condition and circumstances without any material change taking place during such period.

We have prepared the financial projection of MJP based on the information and assumptions obtained from the Company and the information received from interviews with the executives and staff concerned. The objective is to identify a fair value of the sale and purchase price of MJP's shares according to the investment proportion, and the appraised value may not be used as a reference price for any purposes other than the objective mentioned above. We have reviewed such information according to professional standards and deem that the information is adequate and reliable for use in the appraisal of a fair value of the sale and purchase price of MJP's shares according to the investment proportion.

However, if there is any material change from the established assumptions in the economic condition and other external factors that have an impact on the operation of MJP, as well as in its internal situation, the value appraised by this approach may not be used as a reference price.

The key assumptions used in the financial projection are as follows:

MJP has two projects under development, located on Pradit Manutham Road, Lat Phrao Sub-district, Lat Phrao District, Bangkok, on a total land area of 29 rai 1 ngan 86.4 square wah, as follows:

- (1) A residential condominium project (Noble Create) with 1,178 units on an area of 12 rai 1 ngan 50.0 square wah; and
- (2) A single detached house project, with 46 units on an area of 10 rai 3 ngan 51.8 square wah.

1. *Revenues from sales*

Condominium project

The project consists of six 24-33-storied condominium buildings offering a total of 1,178 units with a total saleable area of 37,300 square meters and a unit size of 22.9 – 53.4 square meters or an average size of 31.7 square meters/unit. The total project value is Baht 4,475 million, representing an average selling price of Baht 0.12 million/square meter.

Pre-sale was launched in May 2022. The ratio of Thai to foreign customers is projected at 90% and 10% of the total project value respectively. The project life is about four years, from the pre-sale in May 2022 to the expected date of completion of owner transfer in December 2025. The total area sold up to June 2022 accounts for 12% of the total saleable area, with the value according to the agreements of the units sold of



Baht 525.83 million. The projection of percentage of sales from July 2022 to the end of project life in December 2025 is as follows:

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Saleable area (%)	21.88%	9.80%	5.08%	5.09%	5.08%	5.08%	5.03%	5.10%	5.05%	5.22%

	2025			Total
	Q1	Q2	Q3	
Saleable area (%)	5.14%	4.96%	5.44%	87.96%

The average selling price of the project is forecast at Baht 120,000 per square meter, based on the operational plan, construction pattern and NOBLE's experience in project operation, as well as the market condition and competition in nearby areas.

- Terms of payment for the residential condominium units may vary with the promotion campaigns launched in each period, but can be divided into two main types under the project's policy as follows:

International customers:

- A payment of the reservation fee at 15% of the selling price, to be made on the reservation date;
- A one-off down payment at 15% of the selling price;
- A one-off payment of the remaining unpaid balance, to be made on the ownership transfer date.

Thai customers:

- A one-off payment of the reservation fee at 2% of the selling price, to be made on the reservation date;
- A down payment at 10% of the selling price, to be made in monthly installments until the expected month of completed construction;
- A one-off payment of the remaining unpaid balance, to be made on the ownership transfer date.



From the above assumptions, we have projected cash flow receivable from sales of the residential units on a quarterly basis as follows:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Agreement signing	59.62	21.16	4.52	4.75	4.60	4.36	4.40	4.96	8.44	4.59
Down payment	9.26	74.21	20.96	18.66	27.39	25.79	35.29	35.17	49.20	52.35
Ownership transfer	-	-	-	-	-	-	-	-	-	-
Total	68.87	95.37	25.48	23.40	31.99	30.15	39.70	40.13	57.64	56.94

(Unit: Baht million)

	2025				Total
	Q1	Q2	Q3	Q4	
Agreement signing	4.47	5.80	7.14	-	138.80
Down payment	49.38	38.46	29.26	17.32	482.70
Ownership transfer	1,523.48	1,557.56	377.43	382.84	3,841.31
Total	1,577.33	1,601.82	413.83	400.16	4,462.81

Single detached house project

The project will offer 46 units of single detached house with an average area of 69.69 square wah/unit. The total project value is Baht 2,228.66 million, representing an average value of Baht 45.14 million – Baht 65.67 million per unit. Pre-sale will be launched in Q1/2024 and ownership transfer is expected to be completed by December 2025.

The average selling price of the single detached house is projected as follows:

	No. of units (units)	Land			Building			Total project (Baht million)
		Area (sqw)	Average price/sqw (Baht/sqw)	Land value (Baht million)	Saleable area (sqm)	Average price/sqm (Baht/sqm)	Value of saleable area (Baht million)	
Single detached house	46	3,214.27	421,182.75	1,353.80	20,025.72	43,687.01	874.86	2,228.66



From the above table, the average land area per unit is estimated at 69.88 square wah and the average saleable area is 435.34 square meters/unit, representing an average selling price of Baht 48.45 million/unit. The average selling price is projected based on the operational plan, construction pattern and NOBLE's experience in project operation.

	No. of units (units)	Land area/unit (sqw/unit)	Land price/unit (Baht million/unit)	Saleable area/unit (sqm/unit)	Price of saleable area/unit (Baht million/unit)	Total price/unit (Baht million/unit)
Single detached house	46	69.88	29.43	435.34	19.02	48.45

- Terms of payment for the single detached house are as follows:

- A one-off payment of the reservation fee at 10% of the selling price, to be made on the reservation date;
- A one-off payment of the remaining unpaid balance, to be made on the ownership transfer date.

From the above assumptions, we have projected cash flow receivable from sales of the single detached house on a quarterly basis as follows:

(Unit: Baht million)

	2024				2025				Total
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
No. of units	3	9	8	6	6	6	6	2	46
Square wah	209.6	628.9	559.0	419.3	419.3	419.3	419.3	139.8	3,214.27
Agreement signing	40.63	42.14	28.09	28.50	29.33	29.90	12.14	-	210.73
Down payment	-	-	-	-	-	-	12.14	-	12.14
Ownership transfer	243.76	374.71	294.97	252.83	263.95	265.66	194.81	115.12	2,005.79
Total	284.38	416.84	323.06	281.33	293.28	295.56	219.09	115.12	2,228.66



2. *Turnkey construction and development fees*

Turnkey construction and development fees are the operating fees for the entire project construction works, which MJP has commissioned NOBLE to undertake. MJP shall pay such fees to NOBLE as set out in the Turnkey Construction and Development Service Agreement between them. The fees include turnkey construction and development costs, design and consultation fees, selling and marketing expenses, and commission fee, totalling Baht 3,315.91 million.

The assumptions for the turnkey construction and development fees are as follows:

- Turnkey construction and development costs and design and consultation fees
The turnkey construction and development costs, design and consultation fees, and others relating to the construction totalling Baht 3,059.77 million shall be paid to NOBLE based on the project's sale milestone as mentioned earlier.
 - Construction costs are comprised of costs of construction, infrastructure and landscape.
 - Design and consultation fees for construction supervision are estimated at Baht 163.50 million and sales office construction cost at Baht 60.00 million.
 - Contingency for changes in construction costs is estimated at 5% of construction costs, design and consultation fees, and sales office construction cost, based on NOBLE's experience in previous condominium construction and in line with the contingency estimation for changes in condominium costs in general.
- Selling and marketing expenses and commission fee
 - Selling and marketing expenses, comprising expenses on sales promotion, advertisement and public relations, are projected on a monthly basis according to the project's selling and marketing expense planning, or at about 2% of revenues from sales. Management expenses are estimated at 1.60% of revenues from sales. Such projection is made based on NOBLE's experience in previous project management and in line with the forecasting of marketing expenses of previous projects.
 - Commission fee for sales of residential condominium and single detached house projects varies with customer type and sales channel, projected at 1%-11% of the selling price of condominium and single detached house units sold in each month, and is payable on a monthly basis and in proportion to the number of condominium or single detached house units sold. Commission fee for sales to Thai customers will be lower than that to foreign customers.



From the above assumptions, we have projected cash flow payable for the turnkey construction and development costs on a quarterly basis as follows:

Condominium

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Turnkey construction and development costs	-	193.62	161.33	204.63	208.81	202.45	169.20	245.51	118.70	124.97
Design fee	-	100.85	4.48	4.48	4.48	4.48	4.48	12.47	4.77	4.77
Contingency	-	14.32	8.29	10.46	10.66	10.35	8.68	12.87	6.17	6.49
Selling and marketing expenses	47.14	17.23	7.63	7.31	6.89	7.14	7.13	13.43	7.43	7.59
Total	47.14	326.02	181.74	226.88	230.85	224.42	189.50	284.28	137.06	143.80

(Unit: Baht million)

	2025				Total
	Q1	Q2	Q3	Q4	
Turnkey construction and development costs	62.24	121.30	-	201.42	2,014.16
Design fee	12.21	6.26	-	12.53	176.28
Contingency	3.19	9.47	-	16.88	117.85
Selling and marketing expenses	7.16	15.90	9.14	28.17	189.27
Total	84.80	152.93	9.14	259.00	2,497.57

Single detached house

(Unit: Baht million)

	2024				2025				Total
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Turnkey construction and development costs	-	366.25	90.59	75.03	25.02	37.80	-	66.08	660.77
Design fee	-	22.43	3.31	3.53	1.93	3.19	-	3.82	55.79
Contingency	-	19.42	4.69	3.93	1.35	2.05	-	3.49	34.93
Selling and marketing expenses	-	12.30	9.81	8.55	7.37	10.16	8.53	10.14	66.86
Total	-	420.40	108.40	91.03	35.67	53.20	8.53	83.53	818.34



3. *Management fee and monitoring and consulting service fee under the joint venture agreement*

- Monitoring and consulting service fee that MJP agrees to pay to U under the Monitoring Consulting Service Agreement is equal to 2.5% of the project value, payable on a monthly basis from May 2022 to December 2025.
- Management fee that MJP agrees to pay to NOBLE under the Turnkey Construction and Development Service Agreement is equal to 4% of the project value, payable after U could achieve EIRR of 11%.

From the above assumptions, we have projected the management fee and monitoring and consulting service fee for the two projects under the joint venture agreement on a quarterly basis as follows:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Monitoring and consulting service fee	12.14	12.14	12.14	12.14	12.14	12.14	12.14	12.14	12.14	12.14
Project management fee	-	-	-	-	-	-	-	-	-	-
Total	12.14	12.14	12.14	12.14	12.14	12.14	12.14	12.14	12.14	12.14

(Unit: Baht million)

	2025				Total
	Q1	Q2	Q3	Q4	
Monitoring and consulting service fee	12.14	12.14	12.14	19.63	177.49
Project management fee	-	-	-	297.91	297.91
Total	12.14	12.14	12.14	317.54	475.40

4. *Selling and administrative expenses directly borne by JV partner*

The expenses relating to the project that JV partner must pay directly to the relevant counterparties include:

- Specific business tax of 3.3% of the selling price, payable on the ownership transfer date;
- Transfer fee of 1% of the selling price, payable on the ownership transfer date; and
- General administration expenses, comprising advisory and audit fees, legal fee, independent valuer's fee, initial juristic person expenses, maintenance fees for electricity and water meters, borrowing fee, and mortgage fee.



From the above assumptions, we have projected the selling and administrative expenses on a quarterly basis as follows:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Transfer fee	-	-	-	-	-	-	-	4.06	4.21	2.81
Specific business tax	-	-	-	-	-	-	-	13.41	13.91	9.27
General administration expenses	0.10	0.70	0.15	0.15	0.15	0.70	0.15	0.15	0.15	0.70
Total	0.10	0.70	0.15	0.15	0.15	0.70	0.15	17.62	18.27	12.78

(Unit: Baht million)

	2025				Total
	Q1	Q2	Q3	Q4	
Transfer fee	21.20	20.63	7.28	9.41	69.61
Specific business tax	69.97	68.09	24.02	31.04	229.70
General administration expenses	6.28	3.57	1.41	1.20	15.57
Total	97.45	92.29	32.71	41.65	314.87

5. Sources of funds

Funding for development of the two projects is expected from three main sources: loans from financial institutions, loans from shareholders, and equity financing, as follows:

Sources of funds	Amount (Baht million)	Proportion (%)	Interest rate (%)
Loans from financial institutions	2,721.16	61.19%	4.50
Loans from shareholders (U + Noble)	1,425.92	32.06%	4.80
Equity financing: U	150.00	3.37%	-
Equity financing: NOBLE	150.00	3.37%	-
Total sources of funds	4,447.08	100.00%	

- Long-term loans from financial institutions are estimated at Baht 2,721.16 million. Of this amount, Baht 925.00 million is loan for land purchase and Baht 1,796.16 million is loan for construction financing. The loan period is 2 years and 3 months or 27 months, and the principal repayment period is from May 2024 to June 2025.
- Interest rate on long-term loans from a local financial institution for project development is estimated to be MLR – 0.75% p.a., or equal to 4.50% p.a. (MLR as at June 30, 2022 is equal to 5.25%).



- Loans from shareholders are estimated at Baht 1,425.92 million, to be equally provided by the two shareholders on a 50:50 basis, divided into Baht 712.96 million from NOBLE and Baht 712.96 million from U. As at June 30, 2022, MJP already raised loans from shareholders of Baht 911.07 million and plans to repay such loans to the shareholders by August 2025.
- Interest rate on loans from shareholders is estimated at 4.8% p.a.
- Equity financing is estimated to be Baht 300.00 million, of which Baht 150.00 million will be provided by U and Baht 150.00 million by NOBLE.

From the above assumptions, we have calculated net cash flow receivable from the shareholders' equity of U under the joint venture agreement or the benefits obtainable from the joint venture investment in MJP for development of the residential condominium project with NOBLE, and have calculated the present value of cash flow obtained from the projection for a period of 42 months (July 1, 2022 – December 31, 2025), using cost of capital (Ke) of 11.63% per year as a discount rate. The calculation formula for Ke is as follows:

Calculation of Ke:

$$Ke = Rf + \beta(Rm - Rf)$$

Where:

Risk free rate (Rf)	Risk free rate of return on investment, derived from www.thaibma.or.th as at September 29, 2022, is equal to 4.06% per annum, based on bid yield on government bond with a maturity of 25 years, which is a period that could reflect investment condition in different time periods better than shorter-term data.
Beta (β)	This is a variance of SET return compared with closing price of the reference companies. We use the beta of 10 real estate companies (based on the weekly trading statistics from Bloomberg over the past three years up to September 29, 2022). The beta of these reference companies is adjusted to arrive at an unlevered beta (equal to an average of 0.477), which is then adjusted by the estimated interest-bearing debt to equity ratio of the whole project of MJP, equal to 1.58 times, to obtain a levered beta of 1.08.
Rm	This is the average rate of return on the SET over the past 25 years, which is a period that could reflect investment condition in different time periods better than shorter-term data (source: SET data from October 1997 to September 2022), equal to 11.08% per year.



The present value of free cash flow to equity that the Company will receive in the proportion of 50% and other returns during June 2022 – December 2025 is shown in the below table:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Cash flow before tax	33.60	(470.90)	(197.82)	(248.85)	(246.65)	(244.90)	(189.30)	(352.45)	149.25	28.60
<u>Less</u> Corporate income tax	-	-	-	-	-	-	-	-	-	-
<u>Add</u> Loans from financial institutions	-	169.42	141.16	200.41	220.63	262.17	254.32	234.77	147.18	115.76
<u>Add</u> Loans from shareholders	20.00	135.64	56.65	48.44	26.02	1.76	-	230.81	-	0.89
<u>Less</u> Repayment of loans from financial institutions	-	-	-	-	-	-	-	(189.59)	(294.97)	(131.10)
<u>Less</u> Repayment of loans from shareholders	-	-	-	-	-	-	-	-	-	-
Total	53.60	(165.85)	-	(0.00)	0.00	19.02	65.02	(76.46)	1.45	14.15
Discount period	0.25	0.50	0.75	1.00	1.25	1.50	1.75	2.00	2.25	2.50
Discount rate	11.63%	11.63%	11.63%	11.63%	11.63%	11.63%	11.63%	11.63%	11.63%	11.63%
Discount factor	0.9729	0.9465	0.9208	0.8958	0.8715	0.8478	0.8248	0.8025	0.7807	0.7595
PV of cash flow	52.14	(156.97)	-	(0.00)	0.00	16.13	53.63	(61.36)	1.14	10.75

(Unit: Baht million)

	2025				Total
	Q1	Q2	Q3	Q4	
Cash flow before tax	1,587.45	1,550.02	634.93	170.59	2,203.58
<u>Less</u> Corporate income tax	(15.46)	(15.52)	(3.85)	(3.91)	(38.74)
<u>Add</u> Loans from financial institutions	46.44	3.93	-	-	1,796.16
<u>Add</u> Loans from shareholders	-	-	-	-	520.21
<u>Less</u> Repayment of loans from financial institutions	(1,484.12)	(621.38)	-	-	(2,721.16)
<u>Less</u> Repayment of loans from shareholders	-	(1,105.51)	(320.40)	-	(1,425.92)
Total	134.31	(188.47)	310.68	166.68	334.13
Discount period	2.75	3.00	3.25	3.50	
Discount rate	11.63%	11.63%	11.63%	11.63%	
Discount factor	0.7389	0.7188	0.6993	0.6804	
PV of cash flow	99.24	(135.48)	217.27	113.40	209.89



(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Monitoring and consulting service fee	12.14	12.14	12.14	12.14	12.14	12.14	12.14	12.14	12.14	12.14
Discount period	0.25	0.50	0.75	1.00	1.25	1.50	1.75	2.00	2.25	2.50
Discount rate	11.63%	11.63%	11.63%	11.63%	11.63%	11.63%	11.63%	11.63%	11.63%	11.63%
Discount factor	0.9729	0.9465	0.9208	0.8958	0.8715	0.8478	0.8248	0.8025	0.7807	0.7595
PV of cash flow	11.81	11.49	11.18	10.88	10.58	10.30	10.02	9.74	9.48	9.22

(Unit: Baht million)

	2025				Total
	Q1	Q2	Q3	Q4	
Monitoring and consulting service fee	12.14	12.14	12.14	19.63	177.49
Discount period	2.75	3.00	3.25	3.50	
Discount rate	11.63%	11.63%	11.63%	11.63%	
Discount factor	0.7389	0.7188	0.6993	0.6804	
PV of cash flow	8.97	8.73	8.49	13.35	144.26

From the above table showing yearly cash flow projection, we have calculated the present value of net cash flow to equity receivable by the Company in the proportion of 50% and other returns as follows:

Particulars	Baht million
PV of cash flow	209.89
<u>Add:</u> Cash (as at June 30, 2022)	17.87
Equity value	227.75
Equity value receivable by the Company in the proportion of 50%	113.88
<u>Add:</u> PV of monitoring and consulting service fee receivable by the Company	144.26
Total equity value receivable by the Company in the proportion of 50% and other returns	258.13

From the valuation by the discounted cash flow approach, the equity value receivable by the Company is appraised at Baht 258.13 million in the base case.



In addition, we have performed a sensitivity analysis on the valuation of the equity value receivable by the Company in the proportion of 50% so as to cover a range of impacts that are expected from changes in Ke by an increase/decrease of 2% from the base case, the outcomes of which are as follows:

Change of Ke	-2%	-1%	Base case 0.0%	+1%	+2%
Ke	9.63%	10.63%	11.63%	12.63%	13.63%
Equity value receivable by the Company in the proportion of 50% and other returns (Baht million)	271.66	264.77	258.13	251.73	245.56

From the above sensitivity analysis with changes to Ke, the equity value receivable by the Company in the proportion of 50% and other returns are appraised in a range of Baht 245.56 million – Baht 271.66 million, which is higher than the sale and purchase price of Baht 156.27 million by Baht 89.29 million – Baht 115.39 million or 57.14% – 73.84%.

Conclusion of opinion of the IFA

Table showing comparison of the fair value of the sale and purchase price of MJP's shares according to the investment proportion by various valuation approaches:

Valuation approach	Appraised value according to investment proportion (Baht million)	Sale and purchase price (Baht million)	Appraised value being higher/(lower) than sale and purchase price	
			(Baht million)	(%)
1. Book Value Approach	58.86	156.27	(97.41)	(62.33)
2. Adjusted Book Value Approach	3.89	156.27	(152.38)	(97.51)
3. Market Comparable Approach				
(a) P/BV Ratio Approach	48.85 – 55.32	156.27	(107.42) – (100.95)	(68.74) – (64.60)
(b) P/E Ratio Approach	N/A	156.27	N/A	N/A
(c) EV/EBITDA Ratio Approach	N/A	156.27	N/A	N/A
4. Market Value Approach	N/A	156.27	N/A	N/A
5. Discounted Cash Flow Approach	245.56 – 271.66	156.27	89.29 – 115.39	57.14 – 73.84

There are different strengths and weaknesses of the above valuation approaches in identifying a fair value of the shares, as described below:

(1) The share valuation by the book value approach focuses on financial position at a given period of time and book value of assets, but does not reflect the true market value of assets and the future profitability.



(2) The adjusted book value approach could reflect the net asset value more accurately than the share valuation by the book value approach. This is because the appraised book value in (1) is adjusted by value of real estate projects under development to obtain a market value or fair value, and also adjusted by the restated items in MJP's financial statements according to the financial due diligence report, and by commitments and contingent liabilities, etc., considering that MJP has just commenced its project construction. This is one of the suitable methods for determining a fair value of MJP's ordinary shares because it is based on a fair value of land and constructions according to the current progress rate at market price, which can best reflect general investors' expectation on the basis of the highest and best use of such assets at that time.

(3) The market comparable approach, comprising P/E ratio, P/BV ratio and EV/EBITDA ratio approaches, may not reflect the true value of MJP due to the variation and difference in certain factors of the Peer Group in terms of business operation policy, marketing plan, customer base, future business plan, financial structure, and profitability of each company.

(4) The market value approach can well reflect demand for and supply of shares traded on the stock exchange in different time periods. However, since MJP's shares are not listed on the SET, we cannot appraise a fair value of MJP's shares by this approach.

(5) The discounted cash flow approach normally focuses on future operation and profitability of the business by taking into account the present value of future net cash flow based on past operation, as well as the economic trend and future operation of the business. Therefore, this approach normally can reflect the true value of the business better than all other approaches. However, the valuation by this approach is under the assumption that MJP has completed the construction and could sell its project as planned. Currently, MJP has just commenced the construction. After completion of this transaction, the Company will become a major shareholder of MJP and will assume not only financial burdens but also risks in project development until completion. Therefore, this approach is not suitable for determining the value of this transaction. Nonetheless, we have still prepared the cash flow projection to be a basis for the Company's shareholders to consider whether the investment is worthwhile and determine the return on investment in such project.

Based on the above reasons, we are of the opinion that the most suitable approach for valuing MJP's shares is the adjusted book value (ABV) approach. A fair value of the investment in MJP according to the investment proportion is appraised by the ABV approach at Baht 3.89 million, which is (lower) than the sale and purchase of Baht 156.27 million by Baht (152.38) million or (97.51)%.



Attachment 5B

Property Valuation of Majestic Park Co., Ltd.

The Company has arranged for a fair value appraisal of four plots of land with a total area of 24 rai 2 ngan 51.0 square wah or equal to 9,851.0 square wah of Majestic Park Co., Ltd., to be developed into Noble Create Project, which will feature six residential condominium buildings with a total of 1,250 units. Construction began in September 2022 and is expected to be completed by January 2025. The project will also feature 46 units of single detached houses, which have not yet been constructed. Construction is expected to begin around May 2023 and be completed by May 2025. The Company hired Sims Property Consultants Co., Ltd. ("SIMS" or "Independent Valuer"), an independent valuer on the SEC's approved list, conducted a fair value appraisal of such properties for public purpose according to the appraisal report No. 65-1-1369-GL-1 dated September 12, 2022.

SIMS used the direct comparison or market approach, which was deemed a suitable approach, to appraise the land at a fair value of Baht 1,871.70 million, the details of which are as follows:

Appraised property	Appraisal approach	Fair value appraised by SIMS (Baht million)
Land	Direct comparison or market approach	1,871.70
Total appraised fair value		1,871.70

Simulated photo of Noble Create Project



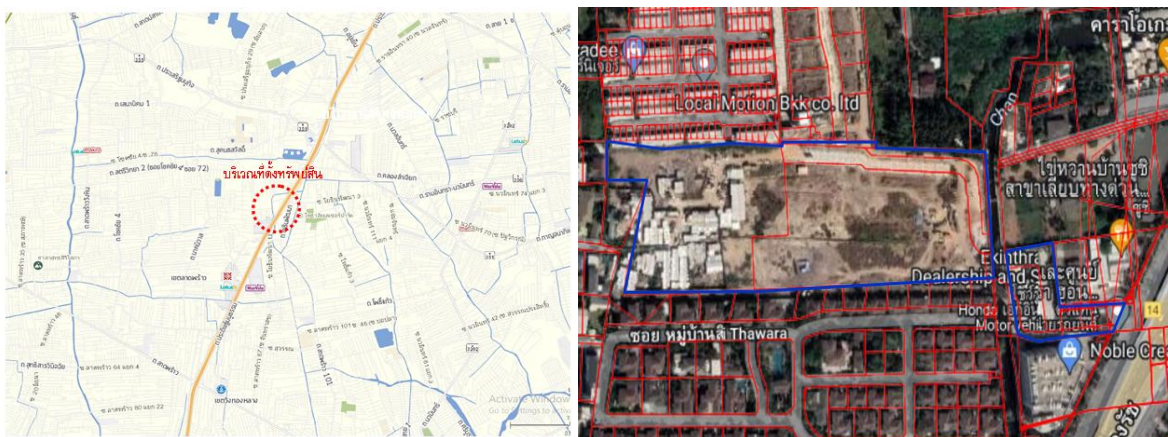
Source: www.noblehome.com

Details of appraised property

Particulars	Details
Type of property	Vacant land
Location	Pradit Manutham Road, Lat Phrao Sub-district, Lat Phrao District, Bangkok
GPS	LAT : 13.81460 LON : 100.62169
Details of property	10 plots of land under title deeds No. 20067-68, 20287, 20327, 23023-26, 23028 and 23031 with a total area of 29 rai 1 ngan 86.4 square wah or equal to 11,786.4 square wah, deducted by land under right of servitude (title deeds No. 20067-68, 20287, 20327, 23028 and 23031) of 4 rai 3 ngan 35.4 square wah or equal to 1,935.4 square wah, resulting in a net area for appraisal (title deeds No. 23023-26) of 24 rai 2 ngan 51.0 square wah or equal to 9,851.0 square wah, currently under development in the name "Noble Create"
Owner	<ul style="list-style-type: none">● Title deeds No. 23023 – 23026, owned by Majestic Park Co., Ltd.● Title deeds No. 20067 – 20068, 20287, 20327 – 23028 and 23031, owned by Future Domain Co., Ltd. and Majestic Park Co., Ltd.
Encumbrances	<ul style="list-style-type: none">● Title deeds No. 23023 – 23026, mortgaged with Bangkok Bank Plc.● Title deeds No. 20067 – 20068, 20287, 20327 – 23028 and 23031, being unencumbered
Right of servitude	Title deeds No. 20067 – 20068, 20287, 20327 – 23028 and 23031, being under right of servitude for passageway, electricity, water supply and other public utilities for other properties
Appraisal approach for land	Direct comparison or market approach
Appraisal date	August 8, 2022
Appraised value	Baht 1,871,700,000



Location of vacant land in Noble Curate Project



Source: Appraisal report by SIMS

Details of land appraisal by the direct comparison or market approach

The Company hired SIMS to appraise the vacant land in Noble Create Project on August 8, 2022, using the direct comparison or market approach, with a survey of other plots of land nearby for comparison. Factors taken into consideration were location, land condition, land use, land shape, and land size. Then, the land value was appraised by the Adjustment Grid Analysis.

There are eight market data sets used for comparison and land appraisal, as follows:

— Comparable market data 1 – 4

Particulars	Comparable market data				
	Appraised property	Data 1	Data 2	Data 3	Data 4
Type of property	Vacant land	Vacant land	Vacant land	Vacant land	Vacant land
Location	Pradit Manutham Road, Lat Phrao Sub-district, Lat Phrao District, Bangkok	Soi Pradit Manutham 25, Pradit Manutham Road, Lat Phrao Sub-district, Lat Phrao District, Bangkok	Soi Om Khum, off Soi Yothin Phatthana 3, Pradit Manutham Road, Khlong Chan Sub-district, Bang Kapi District, Bangkok	Prasert Manukit (Kaset-Nawamin) Road, Khlong Kum Sub-district, Bung Kum District, Bangkok	Prasert Manukit (Kaset-Nawamin) Road, Chorakhe Bua Sub-district, Lat Phrao District, Bangkok
Land area	24-2-51.0 rai (9,851.0 sqw)	30-0-00.0 rai (12,000.0 sqw)	6-0-78.0 rai (2,478.0 sqw)	20-0-00.0 rai (8,000.0 sqw)	16-0-99.2 rai (6,499.2 sqw)
Land shape	Polygon	Polygon	Polygon	Polygon	Polygon
Frontage	26.00 m.	45.00 m.	82.00 m.	107.00 m.	35.00 m.
Land condition	Same as road level	Same as road level	1.00 m. below road level	Same as road level	0.50 m. below road level
Public utilities	Electricity, water supply, telephone and drainage pipe	Electricity, water supply, telephone and drainage pipe	Electricity, water supply, telephone and drainage pipe	Electricity, water supply and telephone	Electricity, water supply and telephone



Particulars	Comparable market data				
	Appraised property	Data 1	Data 2	Data 3	Data 4
Type of front road	Concrete, 24.00 m.	Concrete, 10.00 m.	Asphalt, 6.00 m.	Concrete, 24.00 m.	Concrete, 24.00 m.
Environment	Residential and commercial	Residential and commercial	Residential	Residential and commercial	Residential and commercial
Town plan	Yellow, low-density residential zone	Yellow, low-density residential zone	Yellow, low-density residential zone	Yellow, low-density residential zone	Yellow, low-density residential zone
Best use	Residential	Residential	Residential	Residential	Residential
Offering price		Baht 220,000/sqw	Baht 150,000/sqw	Baht 200,000/sqw	Baht 250,000/sqw
Date obtaining data		August 2022	August 2022	August 2022	August 2022

– Comparable market data 5 – 8

Particulars	Comparable market data			
	Data 5	Data 6	Data 7	Data 8
Type of property	Vacant land	Vacant land	Vacant land	Vacant land
Location	Prasert Manukit (Kaset-Nawamin) Road, Nuan Chan Sub-district, Bung Kum District, Bangkok	Nuan Chan Road, Khlong Kum Sub-district, Bung Kum District, Bangkok	Khlong Lamchiak Road, Nawamin Sub-district, Bung Kum District, Bangkok	Lat Phrao Road, Wang Thonglang Sub-district, Wang Thonglang District, Bangkok
Land area	3-1-89.0 rai (1,389.0 sqw)	9-0-33.0 rai (3,663.0 sqw)	4-2-03.0 rai (1,803.0 sqw)	16-1-08.0 rai (6,508.0 sqw)
Land shape	Polygon	Similar to rectangle	Rectangle	Similar to rectangle
Frontage	67.00 m.	60.00 m.	60.00 m.	180.00 m.
Land condition	0.50 m. below road level	Same as road level	Same as road level	Same as road level
Public utilities	Electricity, water supply and telephone	Electricity, water supply and telephone	Electricity, water supply and telephone	Electricity, water supply and telephone
Type of front road	Concrete, 24.00 m.	Concrete, 10.00 m.	Concrete, 12.00 m.	Asphalt, 21.00 m.
Environment	Residential and commercial	Residential and commercial	Residential and commercial	Residential and commercial
Town plan	Yellow, low-density residential zone	Yellow, low-density residential zone	Yellow, low-density residential zone	Red, commercial zone
Best use	Residential	Residential	Residential	Residential
Offering price	Baht 380,000/sqw	Baht 140,000/sqw	Baht 250,000/sqw	Baht 380,000/sqw
Date obtaining data	August 2022	August 2022	August 2022	August 2022



Land appraisal by Adjustment Grid Analysis:

Particulars	Appraised property	Data 1	Data 3	Data 4
Location	Pradit Manutham Road	Soi Pradit Manutham 25	Prasert Manukit Road	Pradit Manutham Road
Environment	Residential and commercial	Residential and commercial	Residential and commercial	Residential and commercial
Area (rai-ngan-square wah)	24-2-51.0	30-0-00.0	20-0-00.0	16-0-99.2
Area (square wah)	9,851.0	12,000.0	8,000.0	6,499.2
Land shape	Polygon	Polygon	Polygon	Polygon
Frontage (meter)	26.00	45.00	107.00	35.00
Land level (meter)	0.00	0.00	0.00	-0.50
Type of front road	Concrete, 24.00 m.	Concrete, 10.00 m.	Concrete, 24.00 m.	Concrete, 24.00 m.
Town plan	Low-density residential zone (Yellow)	Low-density residential zone (Yellow)	Low-density residential zone (Yellow)	Low-density residential zone (Yellow)
Best land use	Residential	Residential	Residential	Residential
Offering price (Baht/unit)		220,000	200,000	250,000
Bargain price/expected saleable price (Baht/unit)		175,000	185,000	190,000
Sale and purchase price (Baht/unit)		-	-	-
Adjusted sale and purchase period		0%	0%	0%
Price used in analysis (Baht/unit)		175,000	185,000	190,000
Location		0%	5%	5%
Environment - development		0%	5%	5%
Land size - liquidity		3%	0%	-5%
Land shape		3%	0%	0%
Frontage		0%	-5%	0%
Land level		0%	0%	0.3%
Road passing in front		0%	0%	0%
Legal restrictions		0%	0%	0%
Best land use		0%	0%	0%
Sum of factors affecting property value		6%	5%	5.3%
Price after factor adjustment		185,500	194,250	200,063
Weighting on data credibility	100%	36.78%	32.07%	31.15%
Property value (Baht)	192,842	68,231	62,298	62,313
Value of appraised property (Baht/square wah)	190,000			

Remark: By the Adjustment Grid Analysis, SIMS selected Data 1, 3 and 4 for comparison with the appraised property because of their similarities in terms of land size, liquidity and best use. However, since the difference in location,



environment and best use of the comparable data may affect the property value, SIMS already took into account the factors having effect on the property value. Data 2 and 5-8 were excluded from the analysis because Data 2 and 5-7 are of a smaller size and their location and environment are inferior to the appraised property, while Data 8 has a better location than the appraised property.

From the appraisal of vacant land in Noble Create Project with a total area of 24 rai 2 ngan 51.0 square wah or equal to 9,851.0 square wah, using the direct comparison or market approach, as shown in the above table, for analysis of market price data based on factors such as the land's physical features, shape, characteristics, size, best use, environment and location, compared with the appraised property, the value obtained was adjusted to **an appraised value of Baht 190,000 per square wah (rounded off) or a total of Baht 1,871.70 million.**

Opinion of the IFA on the property appraisal approach

SIMS examined and considered various factors relating to the valuation such as appropriateness of use or development for further use, general market condition and limitations, specific features of the property, and legal rights before selecting the appraisal methods that suit the nature of such property, as follows:

- In our opinion, the direct comparison or market approach used for appraisal of the land of Noble Create Project is an appropriate method for analysis and determination of price through comparison with market prices of properties which have characteristics similar to MJP's property. SIMS considered all details of the appraised property and various factors that affect value of the appraised property such as land area, location, transportation, environment, land use, land shape, physical condition, legal restrictions, development potential, and sufficiency of market price data in nearby areas for comparison. Then, weighting on credibility of the comparable data was carried out to determine the value of the appraised property. The appraisal of land using the direct comparison or market approach is part of the market price assessment process under professional practices adopted by independent appraisers and such approach is deemed suitable for comparison with the book value of real estate development cost shown on MJP's internal financial statements as of June 30, 2022.

**Attachment 6A****Details of Share Valuation of Phraram 9 Alliance Co., Ltd.**

The Company intends to purchase all ordinary shares in R9A that are held by U in the amount of 3,840,000 shares, representing 50% of R9A's total issued and paid-up shares, at a price of Baht 6.75 million. The IFA has appraised a fair value of the sale and purchase price of R9A's shares according to the investment proportion using various approaches in order to express our opinion on the appropriateness of such sale and purchase price, as follows:

- 1.1. Book Value Approach
- 1.2. Adjusted Book Value Approach
- 1.3. Market Comparable Approach
 - (1) Price to Book Value Ratio Approach
 - (2) Price to Earnings Ratio Approach
 - (3) EV/EBITDA Ratio Approach
- 1.4. Market Value Approach
- 1.5. Discounted Cash Flow Approach

Details of the appraisal of a fair value of the sale and purchase price of R9A's shares according to the investment proportion by each approach are as follows:

1.1. Book Value Approach

By this approach, the valuation is made from net book value of assets (total assets deducted by total liabilities) which will be equivalent to shareholders' equity or equal to R9A's book value, based on information from R9A's internal financial statements as at June 30, 2022. The outcome is as shown below:

Items as at June 30, 2022	Baht million
Issued and paid-up capital	768.00
Retained earnings (losses)	(423.75)
Legal reserve	-
Shareholders' equity of R9A	344.25
Fair value of the sale and purchase price of R9A's shares according to the investment proportion	172.13



By the book value approach, a fair value of the sale and purchase price of R9A's shares according to the investment proportion is appraised at Baht 172.13 million, which is higher than the sale and purchase price of Baht 6.75 million by Baht 165.38 million or 2,450.07%.

The share valuation by this approach reflects R9A's financial position as of June 30, 2022 only, but does not reflect current market value of its assets, nor its profitability in the future.

1.2. Adjusted Book Value Approach

Under this method, the valuation is made by adjusting the book value shown on R9A's internal financial statements as at June 30, 2022 for the items that materially affect value of assets and liabilities in order to reflect the net asset value that is as close as possible to the present value. The IFA has considered the significant items on such financial statements for the book value adjustment as follows:

(a) Adjustment to surplus (deficit) on revaluation of real estate development cost based on the property appraisal report by the Independent Valuer

According to its internal financial statements as at June 30, 2022, R9A recorded total real estate development cost of Baht 1,956.05 million. It was cost of development of Nue District R9 Project, which will feature a residential condominium encompassing a 33-storied building (Tower R) and a 41-storied building (Tower 9), with a total of 1,441 residential units of five types, and one commercial unit. Currently, construction was completed by about 2% and is scheduled for full completion by March 2025.

In the statement of financial position as at June 30, 2022, which is R9A's internal financial statement, real estate development cost was recorded at the actually incurred cost, taking no account of the salability and profitability of the residential condominium units in such project. Therefore, to identify a fair economic value of the project, the Company hired SIMS, an independent valuer on the SEC's approved list, to conduct a fair value appraisal of the project for public purpose, according to the current development progress. SIMS prepared a property appraisal report, No. 65-1-1370-GL-1, on September 9, 2022, the details of which are as follows:

SIMS appraised the residential condominium project, consisting of a plot of land with a total area of 6 rai 90.8 square wah or equal to 2,490.8 square wah, together with a 33-storied building (Tower R) and a 41-storied building (Tower 9), with a total of 1,441 residential units of five types, and one commercial unit, the construction of which was currently completed by about 2%.

SIMS used the direct comparison or market approach to appraise the land at a fair value of Baht 1,992.60 million and the replacement cost approach to appraise the residential condominium, which is still under construction, at a fair value of Baht 47.11 million, making up a total fair value of the land and the residential condominium under construction of Baht 2,039.71 million, the details of which are as follows:



Appraised property	Appraisal approach	Amount (Baht million)
Fair value appraised by Independent Valuer		
Land	Direct comparison or market approach	1,992.60
Residential condominium under construction	Replacement cost approach	47.11
Total appraised fair value		2,039.71
Book value of real estate development cost as at June 30, 2022		1,956.05
Surplus (deficit) on revaluation of real estate development cost		83.66

Remark * Shareholders can refer to a summary of the property appraisal report in Attachment 6B of this report.

Opinion of the IFA on the property appraisal approaches

SIMS examined and considered various factors relating to the valuation such as appropriateness of use or development for further use, general market condition and limitations, specific features of the property, and legal rights before selecting the appraisal methods that suit the nature of such property, as follows:

- In our opinion, the direct comparison or market approach used for appraisal of the land of Nue District R9 Project is an appropriate method for analysis and determination of price through comparison with market prices of properties which have characteristics similar to R9A's property. SIMS considered all details of the appraised property and various factors that affect value of the appraised property such as land area, location, transportation, environment, land use, land shape, physical condition, legal restrictions, development potential, and sufficiency of market price data in nearby areas for comparison. Then, weighting on credibility of the comparable data was carried out to determine the value of the appraised property. The appraisal of land using the direct comparison or market approach is part of the market price assessment process under professional practices adopted by independent appraisers and such approach is deemed suitable for comparison with the book value of real estate development cost shown on R9A's internal financial statements as of June 30, 2022.
- As for the use of replacement cost approach for appraisal of the residential condominium project that is under development, we view that this method is appropriate since it is in line with the general approach for construction appraisal. SIMS used the construction cost estimates of the Valuers Association of Thailand as a basis for determining the construction cost per unit.

*(b) Adjustment according to the Financial and Tax Due Diligence Report on September 30, 2022**(1) Adjustment to commissions for sales to Thai customers*

As at June 30, 2022, R9A recorded assets recognized from cost of obtaining contracts of Baht 107.96 million, which was commissions for sales to foreign customers and was recognized as expenses when revenues from such contracts were obtained (date of ownership transfer). However, in 2022 (Jan-June), R9A recognized commissions for sales to Thai customers as expenses in the statement of income in the amount of Baht 2.45 million, resulting in a lowered amount of assets. Therefore, we have made an adjustment by incorporating such commissions for sales to Thai customers into the assets recognized from cost of obtaining contracts as at June 30, 2022.

(2) Commitments and contingent liabilities

As at June 30, 2022, R9A had significant commitments such as service fees under the turnkey project development and management contract, management fees and project development until completion in a total amount of Baht 3,042.60 million. However, such commitments and contingent liabilities are incurred in the ordinary course of business of R9A; therefore, we have not made any adjustment to this item in the share value calculation under the adjusted book value approach.

From the above information, we have made adjustments to calculate a fair value of the sale and purchase price of R9A's shares according to the investment proportion by the adjusted book value approach as follows:

Items	Amount (Baht million)
Total assets (as at June 30, 2022)	2,430.72
Less: Total liabilities (as at June 30, 2022)	(2,086.48)
Net asset value before adjustment	344.24
<u>Adjusted items</u>	
(a) Add: Surplus (deficit) on revaluation of real estate development cost	83.66
(b) (1) Add: Adjustment to commissions for sales to Thai customers	2.45
Net asset value after adjustment	430.35
Fair value of the sale and purchase price of R9A's shares according to the investment proportion	215.18

Remark * Shareholders can refer to a summary of the property appraisal report in Attachment 6B of this report.



By the adjusted book value approach, a fair value of the sale and purchase price of R9A's shares according to the investment proportion is appraised at Baht 215.18 million, which is higher than the sale and purchase price of Baht 6.75 million by Baht 208.43 million or 3,087.85%.

The valuation by this approach could reflect R9A's net asset value that is more updated than the share valuation by the book value approach. However, this approach takes no account of R9A's future performance and profitability, nor the overall economic and industrial trends.

1.3. Market Comparable Approach

By this approach, the valuation is made based on various market ratios, including (a) price to book value (P/BV) ratio, (b) price to earnings (P/E) ratio, and (c) enterprise value to EBITDA (EV/EBITDA) ratio, of 10 reference companies listed on the SET's Property Development Sector that generate income mainly from vertical property development business in the amount of not less than 50% of their total sales revenues and have an asset size of between Baht 10,000 million and Baht 50,000 million, or called the "Peer Group," the details of which are as follows:

	Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
SET-listed reference companies				
1	ANAN	Ananda Development Plc.	ANAN's main business is the development of 1) condominium projects located near mass transit stations in Bangkok and its peripheral areas, and 2) horizontal housing estate projects. In addition, it also operates other businesses through its subsidiaries, including condominium unit selling agent and management services for housing estates and condominiums.	41,435.12
2	ASW	Assetwise Plc.	ASW is a holding company which has subsidiaries operating core business of property development for sale, including condominium, single house, townhome and home office.	13,877.35
3	CGD	Country Group Development Plc.	CGD engages in real estate development business.	18,682.14



	Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
4	LPN	L.P.N. Development Plc.	LPN is a developer of urban residential condominiums with affordable prices. The main target group is the middle to lower-middle income earners. Condominium projects are designed and developed under LPN Design concept which focuses on delivering product value to customers. It develops large-scale projects in order to achieve cost advantage and economy of scale. At the same time, an emphasis is put on achieving economy of speed from upstream to downstream stages in project development process. In terms of service value, the uniqueness of LPN lies in the "Livable Community" strategy, which makes a great impression and creates bond with customers and residents of "Lumpini" community.	24,333.89
5	MJD	Major Development Plc.	MJD engages in the property development for sale and hotel business, focusing on high-end condominiums with luxurious lifestyles.	15,866.76
6	NOBLE	Noble Development Plc.	NOBLE operates the business of real estate development for sale, construction service, rental and services.	22,445.37
7	NVD	Nirvana Daii Plc.	NVD's core businesses are classified into three categories as follows: (1) real estate development business under the name "NIRVANA," which develops properties for sale such as single detached house, twin house, home office, townhouse, and condominium, with project location selected based on factors such as development potential, accessibility, and community, and the projects developed including 3-storey single detached houses under the brand "BEYOND," 2-storey single detached houses under the brand "ICON," home offices under the brand "@WORK," townhouses under the brand "DEFINE," and condominiums under the brand "BANYANTREE RESIDENCE RIVERSIDE BANGKOK;" (2) construction service; and (3) sales of construction materials such as instant fence and acting as distributor of aluminum doors and windows from Japanese manufacturers.	12,314.66



Opinion of the Independent Financial Advisor on the connected transactions

	Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
8	ORI	Origin Property Plc.	ORI operates property development business, including condominiums along sky train routes in Bangkok and its vicinities, and related services which are rental & re-sale and condominium project management services only for the projects developed by ORI.	41,014.45
9	SA	Siamese Asset Plc.	SA develops residential real estate for sales, including condominiums, housing estates, townhomes and home offices, and also offers juristic person management service for its projects.	15,032.56
10	SENA	Sena Development Plc.	SENA engages in residential real estate development business, consisting of single-detached houses, townhouses, commercial buildings, townhomes and condominiums; rental business such as apartments for rent, community malls and office buildings; golf course business; solar power business; juristic person management business; residential construction business; and real estate agent and brokerage business.	23,655.80

Source: www.set.or.th

Remark: * As at September 30, 2022

(1) *Price to Book Value Ratio Approach*

Under the P/BV ratio approach, the valuation is made by taking book value shown on R9A's internal financial statements as at June 30, 2022, equal to Baht 344.25 million, multiplied by the average of P/BV ratio of the Peer Group prevailing in different time periods of one month, three months, six months, nine months and 12 months up to the cut-off date of September 29, 2022 (which was the last business day before the date the Board of Directors' Meeting No. 8/2022 on September 30, 2022 resolved to grant approval for the Company to propose the acquisition of R9A's shares from U for consideration of the shareholders' meeting).

Average P/BV ratio of the Peer Group:

Peer Group	Average of past 1 month	Average of past 3 months	Average of past 6 months	Average of past 9 months	Average of past 12 months
1 ANAN	0.37	0.37	0.35	0.37	0.38
2 ASW	1.35	1.33	1.36	1.42	1.45
3 CGD	0.88	0.87	0.89	0.95	0.99
4 LPN	0.57	0.56	0.57	0.58	0.59
5 MJD	0.27	0.27	0.28	0.29	0.30
6 NOBLE	1.21	1.16	1.18	1.26	1.32
7 NVD	0.63	0.64	0.67	0.72	0.75
8 ORI	1.63	1.59	1.64	1.82	1.92
9 SA	2.84	2.88	2.97	3.36	3.44
10 SENA	0.72	0.71	0.74	0.80	0.80
Average*	0.85	0.83	0.85	0.91	0.94

Source: www.setsmart.com

Remark * P/BV ratio of SA is excluded from the calculation because it is deemed the outlier.

Conclusion of the valuation of a fair value of the sale and purchase price of R9A's shares according to the investment proportion by the P/BV ratio approach

Period	Average P/BV ratio of Peer Group (time)	Book value (Baht million)	Fair value of R9A's shares (Baht million)	Fair value of the sale and purchase price of R9A's shares according to the investment proportion (Baht million)
Average of past 1 month	0.85	344.25	292.61	146.31
Average of past 3 months	0.83	344.25	285.73	142.86
Average of past 6 months	0.85	344.25	292.61	146.31
Average of past 9 months	0.91	344.25	313.27	156.63
Average of past 12 months	0.94	344.25	323.60	161.80



By the P/BV ratio approach, a fair value of the sale and purchase price of R9A's shares according to the investment proportion is appraised at Baht 142.86 million – Baht 161.80 million, which is higher than the sale and purchase price of Baht 6.75 million by Baht 136.11 million – Baht 155.05 million or 2,016.44% – 2,297.04%.

The valuation by this approach is based on R9A's book value, which reflects its performance and financial position at a given period of time, but does not reflect its future profitability.

(2) Price to Earnings Ratio Approach

By this method, the valuation is made from R9A's net profit for the previous 12 months, multiplied by the average P/E ratio of the Peer Group. However, R9A has operated at a deficit over the previous 12 months from July 1, 2021 to June 30, 2022. Thus, we cannot appraise a fair value of the sale and purchase price of R9A's shares according to the investment proportion by the P/E ratio approach.

(3) EV/EBITDA Ratio Approach

By this approach, the valuation is made from the average EV/EBITDA ratio of the Peer Group, multiplied by EBITDA of R9A, then deducted by interest-bearing debts and non-controlling interests (if any), and added by its cash and cash equivalents. However, R9A recorded negative EBITDA over the previous 12 months from July 1, 2021 to June 30, 2022. Thus, we cannot appraise a fair value of the sale and purchase price of R9A's shares according to the investment proportion by the EV/EBITDA ratio approach.

1.4. Market Value Approach

Under this approach, the valuation is made based on the weighted average market price (trading value/trading volume) of the company whose shares were traded on the SET over the previous periods. However, since R9A's shares are not listed on either the SET or the mai, there is no market price available. Thus, we cannot appraise a fair value of the sale and purchase price of R9A's shares according to the investment proportion by the market value approach.

1.5. Discounted Cash Flow Approach

By this approach, the valuation is made based on R9A's future profitability by calculating present value of net cash flow expected from its future operation under financial projection for a period of 39 months (from July 1, 2022 to September 30, 2025) with the assumption that R9A continues operation on a going concern basis under the current economic condition and circumstances and there is no material change taking place during such period.



We have prepared the financial projection of R9A based on the information and assumptions obtained from the Company and the information received from interviews with the executives and staff concerned. The objective is to identify a fair value of R9A's shares according to the investment proportion and the appraised share value may not be used as a reference price for any purposes other than the objective mentioned above. We have reviewed such information according to professional standards and deem that the information is adequate and reliable for use in the appraisal of a fair value of R9A's shares according to the investment proportion.

However, if there is any material change from the established assumptions in the economic condition and other external factors that have an impact on the operation of R9A, as well as in the internal situation of R9A, the value appraised by this approach may not be used as a reference price.

The key assumptions used in the financial projection are as follows:

1. *Revenues from sales of residential condominium units*

Nue District R9 Project is located on Rama 9 Road, Huai Khwang Sub-district, Huai Khwang District, Bangkok, on a total land area of about 6 rai 90.8 square wah or equal to 2,490.8 square wah. It will feature a 33-storied residential condominium building (Tower R) and a 41-storied building (Tower 9), with a total of 1,441 residential units and one commercial unit and a total saleable area of 45,764 square meters. The residential unit size is in a range of 26 – 46 square meters, and the commercial unit size is 185 square meters. The total project value is Baht 6,153.62 million.

Pre-sale was launched in January 2022 and sales are expected to be closed in March 2025. The target groups are forecast to be Thai and foreign customers in a ratio of 60% and 40% of the total project value respectively. The project life is four years and 10 months or 58 months, from the start of project designing in December 2020 to the expected date of completion of owner transfer in September 2025. The total area sold up to June 2022 accounts for 55.55% of the total saleable area, with the value according to the agreements of the units sold of Baht 3,432.65 million. The projection from July 2022 to the end of project life is as follows:

Projection of cash flow receivable from sales of residential units from July 2022 to the end of project life in September 2025:

- Projection of percentage of the remaining saleable area of 45.45% of the total saleable area:

	2022		2023			
	Q3	Q4	Q1	Q2	Q3	Q4
% of sales	4.04%	4.04%	4.04%	4.04%	4.04%	4.04%



	2024				2025
	Q1	Q2	Q3	Q4	Q1
% of sales	4.04%	4.04%	4.04%	4.04%	4.05%

- The average selling price of the remaining residential units in the project is estimated at Baht 133,761 per square meter, based on the operational plan, construction pattern and NOBLE's experience in project operation, as well as the market condition and competition in nearby areas.
- Terms of payment for the residential condominium units are divided into two main types under the project's policy as follows:

International customers:

- A one-off payment of the reservation fee at about Baht 0.1 million, to be made on the reservation date;
- A down payment at 30% of the selling price; to be made in two monthly installments; and
- A one-off payment of the remaining unpaid balance, to be made on the ownership transfer date.

Thai customers:

- A one-off payment of the reservation fee at about Baht 0.1 million, to be made on the reservation date;
- A down payment at 15% of the selling price, to be made in monthly installments until the expected month of completed construction;
- A one-off payment of the remaining unpaid balance, to be made on the ownership transfer date.

From the above assumptions, we have projected cash flow receivable from sales of the residential units on a quarterly basis as follows:

Baht million	2022		2023			
	Q3	Q4	Q1	Q2	Q3	Q4
Reservation and down payment	78.95	48.06	49.71	51.57	53.70	56.18
Ownership transfer	-	-	-	-	-	-

Baht million	2024				2025		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Reservation and down payment	59.22	63.05	68.09	75.81	91.64	22.26	-
Ownership transfer	-	-	-	-	-	2,529.12	2,529.12



2. *Turnkey Construction and Development Fees*

Turnkey construction and development fees are the operating fees for the entire project construction works, which R9A has commissioned NOBLE to undertake. R9A shall pay such fees to NOBLE as set out in the Turnkey Construction and Development Service Agreement between them, based on the construction progress and/or the sale milestone. The fees include turnkey construction and development costs, design and consultation fees, selling and marketing expenses, and commission fee, totalling Baht 2,917.71 million, as follows:

- Project development costs of Baht 2,388.10 million, comprising

- Construction costs

Construction costs are estimated at Baht 2,187.64 million, with a total construction area of 85,648 square meters (or approximately Baht 25,500/square meter).

- Design and consultation fees for construction supervision are projected at 7.8% of construction costs.

- Sales office construction cost is estimated at Baht 30 million.

R9A already paid for the project development costs of Baht 148.74 million as at June 30, 2022, resulting in the remaining development costs payable from July 2022 onwards of Baht 2,239.36 million.

- Selling and marketing expenses and commission fee

- Selling and marketing expenses, comprising expenses on sales promotion, advertisement and public relations, are projected on a monthly basis according to the project's selling and marketing expense planning, or at about 2% of revenues from sales. Management expenses are estimated at 1.6% of revenues from sales. Such projection is made based on NOBLE's experience in previous project management and in line with the forecasting of marketing expenses of previous projects.

- Commission fee for sales of residential condominium units varies with customer type and sales channel, projected at 1% - 11% of the selling price of the units sold in each month, payable on a monthly basis and in proportion to the number of units sold. Commission fee for sales to Thai customers will be lower than that to foreign customers.



From the above assumptions, we have projected cash flow payable for the turnkey construction and development costs on a quarterly basis as follows:

Baht million	2022		2023			
	Q3	Q4	Q1	Q2	Q3	Q4
Project development costs	31.66	70.96	66.70	158.10	203.50	284.17
Commission fee	1,030.44	98.61	92.30	212.15	96.90	104.55
Marketing expenses	34.75	3.94	3.69	8.48	3.87	4.18
Management expenses	5.66	4.94	4.94	7.10	5.25	5.25

Baht million	2024				2025		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Project development costs	317.27	272.84	274.05	187.65	157.68	-	275.73
Commission fee	93.45	107.58	245.23	106.09	124.79	-	765.65
Marketing expenses	3.74	4.30	9.81	4.24	4.99	-	15.64
Management expenses	5.25	5.25	8.95	5.56	5.56	5.56	18.72

3. *Management fee and monitoring and consulting service fee under the joint venture agreement*

- Monitoring and consulting service fee that R9A agrees to pay to U under the Monitoring Consulting Service Agreement is equal to 2.5% of the project value, payable on a monthly basis from November 2020 to September 2025.
- Management fee that R9A agrees to pay to NOBLE under the Turnkey Construction and Development Service Agreement is equal to 4% of the project value, payable after U could achieve EIRR of 11%.
- Incentive fee is payable to NOBLE in the case where the total EIRR of U and NOBLE, calculated from the sum of net cash flow receivable by U and NOBLE throughout the period of their investment in R9A, reaches the level specified in the joint venture agreement, amounting to Baht 342.94 million and payable in the final month of the project life.



From the above assumptions, we have projected the management fee and monitoring and consulting service fee under the joint venture agreement on a quarterly basis as follows:

Baht million	2022		2023			
	Q3	Q4	Q1	Q2	Q3	Q4
Monitoring and consulting service fee	10.29	10.29	10.29	10.29	10.29	10.29
Project management fee	-	-	-	-	-	-
Incentive fee	-	-	-	-	-	-

Baht million	2024				2025		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Monitoring and consulting service fee	10.29	10.29	10.29	10.29	10.29	10.29	10.38
Project management fee	-	-	-	-	-	-	263.37
Incentive fee	-	-	-	-	-	-	342.94

4. *Selling and administrative expenses directly borne by JV partner*

The expenses relating to the project that JV partner must pay directly to the relevant counterparties include:

- Specific business tax of 3.3% of the selling price, payable on the ownership transfer date;
- Transfer fee of 1% of the selling price, payable on the ownership transfer date; and
- General administration expenses, comprising advisory and audit fees, legal fee, independent valuer's fee, initial juristic person expenses, maintenance fees for electricity and water meters, borrowing fee, and mortgage fee.

From the above assumptions, we have projected the selling and administrative expenses on a quarterly basis as follows:

Baht million	2022		2023			
	Q3	Q4	Q1	Q2	Q3	Q4
Specific business tax	-	-	-	-	-	-
Transfer fee	-	-	-	-	-	-
General administration expenses	0.15	0.90	0.15	0.15	0.15	0.90



Baht million	2024				2025		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Specific business tax	-	-	-	-	-	100.53	102.54
Transfer fee	-	-	-	-	-	30.46	31.07
General administration expenses	0.15	0.15	0.15	0.90	0.15	6.46	3.60

5. Sources of funds

Funding for project development of R9A is expected from three main sources: loans from financial institutions, loans from shareholders, and equity financing, as follows:

Sources of funds	Amount (Baht million)	Proportion of project cost (%)	Interest rate (%)
Loans from financial institutions	2,400	60.2	3.97
Loans from shareholders	820	20.6	4.80
Equity financing: U	384	9.6	-
Equity financing: NOBLE	384	9.6	-
Total sources of funds	3,988	100.00%	

- Long-term loans from financial institutions are estimated at Baht 2,400 million. Of this amount, Baht 1,085 million is loan for land purchase, which has been fully drawn down since September 2020, and about Baht 1,315 million is loan for construction financing, to be drawn down between August 2022 and March 2025. Principal repayment will be made in proportion to ownership transfer to customers.

Interest rate on long-term loans from a local financial institution for project development is estimated to be MLR – 2.0% p.a., or equal to 3.25% p.a. (MLR as at June 30, 2022 is equal to 5.25%).

- Loans from shareholders are estimated at Baht 820 million, to be equally provided by the two shareholders on a 50:50 basis, divided into Baht 410 million from NOBLE and Baht 410 million from U. As at June 30, 2022, R9A already raised loans from shareholders of Baht 443 million, resulting in an undrawn loan balance of Baht 377 million, which is expected be drawn down between April 2024 and March 2025. Interest rate on loans from shareholders is estimated at 4.8% p.a.
- Equity financing is estimated to be Baht 768 million, of which Baht 384 million will be provided by U and Baht 384 million by NOBLE.



From the above assumptions, we have calculated net cash flow to equity receivable by the Company under the joint venture agreement and other benefits obtainable from the joint venture investment in R9A for development of the residential condominium project with NOBLE, and have calculated the present value of cash flow obtained from the projection for a period of 39 months (July 1, 2022 – September 30, 2025), using cost of capital (Ke) of 12.47% per year as a discount rate. The calculation formula for Ke is as follows:

Calculation of Ke:

$$K_e = R_f + \beta(R_m - R_f)$$

Where:

Risk free rate (Rf)	Risk free rate of return on investment, derived from www.thaibma.or.th as at September 29, 2022, is equal to 4.06% per annum, based on bid yield on government bond with a maturity of 25 years, which is a period that could reflect investment condition in different time periods better than shorter-term data.
Beta (β)	This is a variance of SET return compared with closing price of the reference companies. We use the beta of 10 real estate companies (based on the weekly trading statistics from Bloomberg over the past three years up to September 29, 2022). The beta of these reference companies is adjusted to arrive at an unlevered beta, equal to an average of 0.477, which is then adjusted by the estimated interest-bearing debt to equity ratio of the whole project of R9A, equal to 1.51 times, to obtain a levered beta of 1.20.
Rm	This is the average rate of return on the SET over the past 25 years, which is a period that could reflect investment condition in different time periods better than shorter-term data (source: SET data from October 1997 to September 2022), equal to 11.08% per year.



The present value of free cash flow to equity that the Company will receive in the proportion of 50% and other returns on investment, from July 2022 to September 2025, is shown in the below table:

Baht million	2022		2023			
	Q3	Q4	Q1	Q2	Q3	Q4
Cash flow from operating activities	(106.60)	(52.83)	(45.29)	(153.76)	(179.05)	(259.06)
Cash flow from financing activities	28.46	22.22	37.64	92.50	142.46	200.94
Cash flow to equity	(78.14)	(30.60)	(7.65)	(61.26)	(36.59)	(58.12)
Discount period	0.25	0.50	0.75	1.00	1.25	1.50
Discount rate	12.47%	12.47%	12.47%	12.47%	12.47%	12.47%
Discount factor	0.97105	0.94294	0.91565	0.88914	0.86340	0.83841
PV of cash flow	(75.88)	(28.86)	(7.00)	(54.47)	(31.59)	(48.73)

Baht million	2024				2025		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Cash flow from operating activities	(286.82)	(240.53)	(259.69)	(143.44)	(99.51)	2,398.08	1,243.38
Cash flow from financing activities	230.04	235.86	231.88	148.79	86.81	(2,156.20)	(1,091.95)
Cash flow to equity	(56.78)	(4.67)	(27.81)	5.35	(12.70)	241.88	151.43
Discount period	1.75	2.00	2.25	2.50	2.75	3.00	3.25
Discount rate	12.47%	12.47%	12.47%	12.47%	12.47%	12.47%	12.47%
Discount factor	0.81414	0.79057	0.76769	0.74546	0.72388	0.70293	0.68258
PV of cash flow	(46.23)	(3.69)	(21.35)	3.99	(9.19)	170.02	103.36

From the above table showing yearly cash flow projection, we have calculated the present value of free cash flow to equity receivable by the Company in the proportion of 50% and other returns as follows:

	Baht million
PV of cash flow	(49.61)
<u>Add:</u> Cash (as at June 30, 2022)	182.55
Equity value	132.94
Equity value receivable by the Company in the proportion of 50%	66.47
<u>Add:</u> PV of monitoring and consulting service fee receivable by the Company	109.61
Total equity value receivable by the Company in the proportion of 50% and other returns	176.08



The present value of monitoring and consulting service fee obtainable by the Company under the joint venture agreement of Baht 109.61 million can be shown as follows:

Baht million	2022		2023			
	Q3	Q4	Q1	Q2	Q3	Q4
Monitoring and consulting service fee obtainable by the Company under the joint venture agreement	10.29	10.29	10.29	10.29	10.29	10.29
Discount factor	0.97105	0.94294	0.91565	0.88914	0.86340	0.83841
PV of monitoring and consulting service fee obtainable by the Company under the joint venture agreement	9.99	9.70	9.42	9.15	8.88	8.63

Baht million	2024				2025		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Monitoring and consulting service fee obtainable by the Company under the joint venture agreement	10.29	10.29	10.29	10.29	10.29	10.29	10.38
Discount factor	0.81414	0.79057	0.76769	0.74546	0.72388	0.70293	0.68258
PV of monitoring and consulting service fee	8.38	8.13	7.90	7.67	7.45	7.23	7.09

From the valuation by the discounted cash flow approach, the equity value receivable by the Company in the proportion of 50% and other returns are appraised at Baht 176.08 million in the base case.

In addition, we have performed a sensitivity analysis on the valuation of the equity value receivable by the Company in the proportion of 50% and other returns so as to cover a range of impacts that are expected from changes in K_e by an increase/decrease of 2% from the base case, the outcomes of which are as follows:

Change of K_e	-2%	-1%	Base case 0.0%	+1%	+2%
K_e	10.47%	11.47%	12.47%	13.47%	14.47%
Equity value of R9A on a pro rata basis and other returns (Baht million)	188.11	183.94	179.93	176.08	172.37

From the above sensitivity analysis with changes to K_e , the equity value receivable by the Company in the proportion of 50% and other returns are appraised in a range of Baht 172.37 million – Baht 188.11



million, which is higher than the sale and purchase price of Baht 6.75 million by Baht 165.62 million – Baht 181.36 million or 2,453.63% - 2,686.82%.

Conclusion of opinion of the IFA

Table showing comparison of the fair value of the sale and purchase price of R9A's shares according to the investment proportion by various valuation approaches:

Valuation approach	Appraised value according to investment proportion (Baht million)	Sale and purchase price (Baht million)	Appraised value being higher/(lower) than sale and purchase price	
			(Baht million)	(%)
1. Book Value Approach	172.13	6.75	165.38	165.38
2. Adjusted Book Value Approach	215.18	6.75	208.43	3,087.85
3. Market Comparable Approach				
(a) P/BV Ratio Approach	142.86 – 161.80	6.75	136.11 – 155.05	2,016.44 – 2,297.04
(b) P/E Ratio Approach	N/A	6.75	N/A	N/A
(c) EV/EBITDA Ratio Approach	N/A	6.75	N/A	N/A
4. Market Value Approach	N/A	6.75	N/A	N/A
5. Discounted Cash Flow Approach	172.37 – 188.11	6.75	165.62 – 181.36	2,453.62 – 2,686.82

There are different strengths and weaknesses of the above valuation approaches in identifying a fair value of the shares, as described below:

(1) The share valuation by the book value approach focuses on financial position at a given period of time and book value of assets, but does not reflect the true market value of assets and the future profitability.

(2) The adjusted book value approach could reflect the net asset value more accurately than the share valuation by the book value approach. This is because the appraised book value in (1) is adjusted by value of real estate projects under development to obtain a market value or fair value, and also adjusted by the restated items in R9A's financial statements according to the financial due diligence report, and by commitments and contingent liabilities, etc., considering that R9A has just commenced its project construction. This is one of the suitable methods for determining a fair value of R9A's ordinary shares because it is based on a fair value of land and constructions according to the current progress rate at market price, which can best reflect general investors' expectation on the basis of the highest and best use of such assets at that time.

(3) The market comparable approach, comprising P/E ratio, P/BV ratio and EV/EBITDA ratio approaches, may not reflect the true value of R9A due to the variation and difference in certain factors of the



Peer Group in terms of business operation policy, marketing plan, customer base, future business plan, financial structure, and profitability of each company.

(4) The market value approach can well reflect demand for and supply of shares traded on the stock exchange in different time periods. However, since R9A's shares are not listed on the SET, we cannot appraise a fair value of R9A's shares by this approach.

(5) The discounted cash flow approach normally focuses on future operation and profitability of the business by taking into account the present value of future net cash flow based on past operation, as well as the economic trend and future operation of the business. Therefore, this approach normally can reflect the true value of the business better than all other approaches. However, the valuation by this approach is under the assumption that R9A has completed the construction and could sell its project as planned. Currently, R9A has just commenced the construction. After completion of this transaction, the Company will become a major shareholder of R9A and will assume not only financial burdens but also risks in project development until completion. Therefore, this approach is not suitable for determining the value of this transaction. Nonetheless, we have still prepared the cash flow projection to be a basis for the Company's shareholders to consider whether the investment is worthwhile and determine the return on investment in such project.

Based on the above reasons, we are of the opinion that the most suitable approach for valuing R9A's shares is the adjusted book value (ABV) approach. A fair value of the investment in R9A according to the investment proportion is appraised by the ABV approach at Baht 215.18 million, which is higher than the sale and purchase of Baht 6.75 million by Baht 208.43 million or 3,087.85%.

**Attachment 6B****Property Valuation of Phraram 9 Alliance Co., Ltd.**

The Company has arranged for a fair value appraisal of Phraram 9 Alliance Co., Ltd. with respect to its Nue District R9 Project, consisting of a plot of land with a total area of 6 rai 90.8 square wah or equal to 2,490.8 square wah, together with a 33-storied residential condominium building (Tower R) and a 41-storied building (Tower 9), with a total of 1,441 residential units of five types, and one commercial unit, the construction of which was currently completed by about 2% and is scheduled for full completion by March 2025. The Company hired Sims Property Consultants Co., Ltd. ("SIMS" or "Independent Valuer"), an independent valuer on the SEC's approved list, to conduct a fair value appraisal of such properties for public purpose according to the appraisal report No. 65-1-1370-GL-1 dated September 9, 2022.

SIMS used the direct comparison or market approach, which was deemed a suitable approach, to appraise the land at a fair value of Baht 1,992.60 million, and the cost approach, which was deemed a suitable approach, to appraise the residential condominium buildings under construction at a fair value of Baht 47.11 million. The total fair value of the land and the residential condominium buildings under construction is equal to Baht 2,039.71 million, the details of which are as follows:

Appraised property	Appraisal approach	Fair value appraised by SIMS (Baht million)
Land	Direct comparison or market approach	1,992.60
Residential condominium buildings under construction	Replacement cost approach	47.11
Total appraised fair value		2,039.71



Simulated photo of Nue District R9 Project



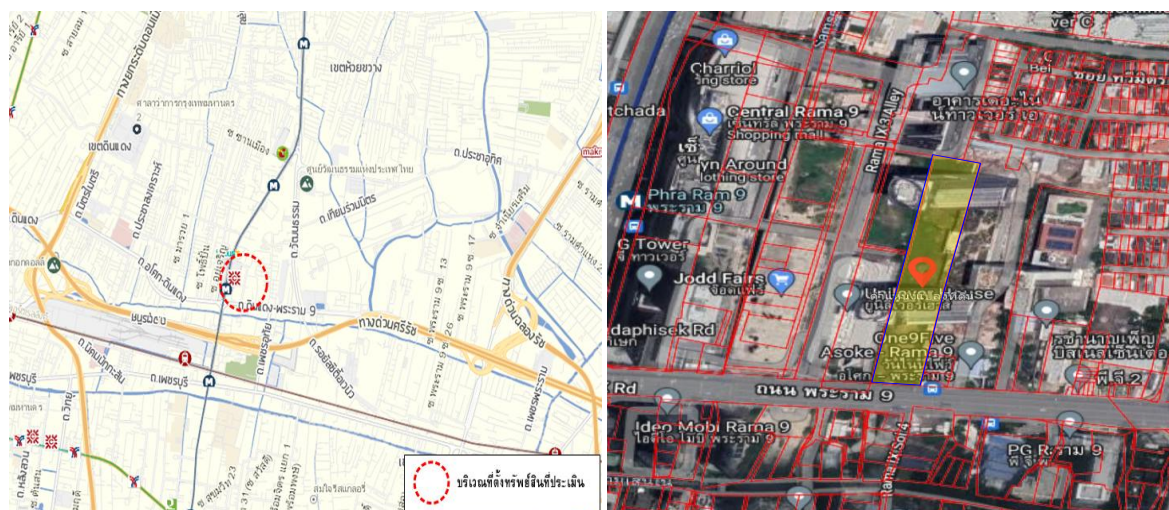
Source: www.noblehome.com

Details of appraised property

Particulars	Details						
Type of property	Land and constructions in present condition						
Location	Rama 9 Road, Huai Khwang Sub-district, Huai Khwang District, Bangkok						
GPS	LAT : 13.756084 LON : 100.567599						
Details of property	A plot of land (title deed No. 5958) with a total area of 6 rai 90.8 square wah or equal to 2,490.8 square wah, to be developed into a condominium project in the name "Nue District R9," consisting of a 33-storied residential condominium building (Tower R) and a 41-storied building (Tower 9), with a total of 1,441 residential units of five types, and one commercial unit, together with common facilities such as a swimming pool, a small garden, a gym, 591-car parking lots, etc. <i>(under construction, currently about 2% completed)</i>						
Owner	Phraram 9 Alliance Co., Ltd.						
Encumbrances	Mortgaged with Bangkok Bank Plc.						
Appraisal approach for land	Direct comparison or market approach						
Appraisal approach for building	Replacement cost approach						
Appraisal date	August 11, 2022						
Appraised value	<table> <tr> <td>Land</td><td>Baht 1,992,600,000</td></tr> <tr> <td>Buildings & constructions</td><td>Baht 47,110,000</td></tr> <tr> <td>Total</td><td>Baht 2,039,710,000</td></tr> </table>	Land	Baht 1,992,600,000	Buildings & constructions	Baht 47,110,000	Total	Baht 2,039,710,000
Land	Baht 1,992,600,000						
Buildings & constructions	Baht 47,110,000						
Total	Baht 2,039,710,000						



Location of vacant land in Nue District R9 Project



Source: Appraisal report by SIMS

1. Details of land appraisal by the direct comparison or market approach

The Company hired SIMS to appraise the vacant land in Nue District R9 Project on August 11, 2022, using the direct comparison or market approach, with a survey of other plots of land nearby for comparison. Factors taken into consideration were location, land condition, land use, land shape, and land size. Then, the land value was appraised by the Adjustment Grid Analysis.

There are eight market data sets used for comparison and land appraisal, as follows:

— Comparable market data 1 – 4

Particulars	Comparable market data				
	Appraised property	Data 1	Data 2	Data 3	Data 4
Type of property	Land with constructions in present condition	Vacant land	Vacant land	Vacant land	Vacant land
Location	Rama 9 Road, Huai Khwang Sub-district, Huai Khwang District, Bangkok	Rama 9 Road, Huai Khwang Sub-district, Huai Khwang District, Bangkok	Rama 9 Road, Bang Kapi Sub-district, Huai Khwang District, Bangkok	Ratchadaphisek Road, Din Daeng Sub-district, Huai Khwang District, Bangkok	Rama 9 Road, Din Daeng Sub-district, Huai Khwang District, Bangkok
Land area	6-0-90.8 rai (2,490.8 sqw)	1-1-42.0 rai (542.0 sqw)	5-1-92.0 rai (2,192.0 sqw)	2-0-92.0 rai (892.0 sqw)	43-0-00.0 rai (17,200.0 sqw)
Land shape	Similar to rectangle	Polygon	Similar to rectangle	Similar to trapezoid	Polygon
Frontage	42.00 m.	40.00 m.	67.00 m.	58.00 m. and 60.00 m.	160.00 m.
Land condition	Same as road level	Same as road level	Same as road level	Same as road level	Same as road level



Particulars	Comparable market data				
	Appraised property	Data 1	Data 2	Data 3	Data 4
Public utilities	Electricity, water supply, telephone and drainage pipe	Electricity, water supply and telephone	Electricity, water supply and telephone	Electricity, water supply and telephone	Electricity, water supply and telephone
Type of front road	Asphalt, 30.00 m.	Asphalt, 30.00 m.	Asphalt, 30.00 m.	Asphalt, 30.00 m.	Asphalt, 30.00 m.
Environment	Residential	Residential and commercial	Residential and commercial	Residential and commercial	Residential and commercial
Town plan	Brown, high-density residential zone	Brown, high-density residential zone	Orange, medium-density residential zone	Brown, high-density residential zone	Orange, medium-density residential zone
Best use	Residential and commercial	Residential	Residential	Residential	Residential
Offering price		Baht 700,000/sqw	Baht 1,10,000/sqw	Baht 855,650/sqw	Baht 650,000/sqw
Date obtaining data		August 2022	August 2022	August 2022	August 2022

— Comparable market data 5 – 8

Particulars	Comparable market data			
	Data 5	Data 6	Data 7	Data 8
Type of property	Vacant land	Vacant land	Vacant land	Vacant land
Location	Ratchadaphisek Road, Huai Khwang Sub-district, Huai Khwang District, Bangkok	Ratchadaphisek Road, Huai Khwang Sub-district, Huai Khwang District, Bangkok	Ratchadaphisek Road, Din Daeng Sub-district, Din Daeng District, Bangkok	Thiam Ruam Mit Road, Huai Khwang Sub-district, Huai Khwang District, Bangkok
Land area	19-0-00.0 rai (7,600.0 sqw)	2-3-42.0 rai (1,142.0 sqw)	7-0-06.0 rai (2,806.0 sqw)	27-0-84.0 rai (10,884.0 sqw)
Land shape	Polygon	Polygon	Polygon	Polygon
Frontage	90.00 m.	135.00 m.	40.00 m.	90.00 m.
Land condition	Same as road level	Same as road level	Same as road level	Same as road level
Public utilities	Electricity, water supply and telephone	Electricity, water supply and telephone	Electricity, water supply and telephone	Electricity, water supply and telephone
Type of front road	Concrete, 24.00 m.	Concrete, 24.00 m.	Concrete, 24.00 m.	Concrete, 18.00 m.
Environment	Residential and commercial	Residential and commercial	Residential and commercial	Residential and commercial
Town plan	Brown, high-density residential zone	Brown, high-density residential zone	Brown, high-density residential zone	Orange, medium-density residential zone
Best use	Residential	Residential	Residential	Residential
Offering price	Baht 1,300,000/sqw	Baht 1,400,000/sqw	Baht 1,000,000/sqw	Baht 650,000/sqw
Date obtaining data	August 2022	August 2022	August 2022	August 2022



Land appraisal by Adjustment Grid Analysis:

Particulars	Appraised property	Data 1	Data 2	Data 3
Location	Rama 9 Road	Rama 9 Road	Rama 9 Road	Rama 9 Road
Environment	Residential and commercial	Residential and commercial	Residential and commercial	Residential and commercial
Area (rai-ngan-square wah)	6-0-90.8	1-1-42.0	5-1-92.0	2-0-92.0
Area (square wah)	2,490.8	542.0	2,192.0	892.0
Land shape	Rectangle	Polygon	Similar to Rectangle	Trapezoid
Frontage (meter)	42.00	80.00	67.00	58.00 and 60.00
Land level (meter)	0.00	0.00	0.00	0.00
Type of front road	Asphalt, 30 m.	Asphalt, 30 m.	Asphalt, 30 m.	Asphalt, 30 m.
Town plan	High-density residential zone (Brown)	High-density residential zone (Brown)	Medium-density residential zone (Orange)	High-density residential zone (Brown)
Best land use	Residential	Residential	Residential	Residential
Offering price (Baht/unit)		700,000	1,100,000	-
Bargain price/expected saleable price (Baht/unit)		650,000	750,000	-
Sale and purchase price (Baht/unit)		-	-	Y2016, 855,650
Adjusted sale and purchase period		0%	0%	25%
Price used in analysis (Baht/unit)		650,000	750,000	1,069,563
Location		0%	0%	-15%
Environment - development		0%	0%	0%
Land size - liquidity		-5%	0%	-15%
Land shape		15%	0%	0%
Frontage		0%	0%	0%
Land level		0%	0%	0%
Road passing in front		0%	0%	0%
Legal restrictions		0%	5%	0%
Best land use		10%	5%	0%
Sum of factors affecting property value		20%	10%	-25%
Price after factor adjustment		780,000	825,000	802,172
Weighting on data credibility	100%	37.65%	38.56%	23.79%
Property value (Baht)	802,627	293,644	318,114	190,869
Value of appraised property (Baht/square wah)	800,000			

Remark: By the Adjustment Grid Analysis, SIMS selected Data 1-3 for comparison with the appraised property because of their similarities in terms of location, access, infrastructure, environment and best use. However, since the difference in location, environment and best use of the comparable data may affect the property value, SIMS



already took into account the factors having effect on the property value. Data 4 – 8 were excluded from the analysis because Data 4 is of a large size, Data 5 and 6 has location and environment that are superior to the appraised property, and Data 7 and 8 are of a large size, but have location and environment that are inferior to the appraised property, leading their best use to be inferior to the appraised property.

From the appraisal of vacant land in Nue District R9Project with a total area of 6 rai 90.8 square wah or equal to 2,490.8 square wah, using the direct comparison or market approach, as shown in the above table, for analysis of market price data based on factors such as the land's physical features, shape, characteristics, size, best use, environment and location, compared with the appraised property, the value obtained was adjusted to an appraised value of Baht 800,000 per square wah (rounded off) or a total of Baht 1,992.60 million.

Photo showing the 33-storied residential condominium building (Tower R) and 41-storied building (Tower 9),
(under construction, currently about 2% completed)



Source: Appraisal report by SIMS



2. Details of the appraisal of 33-storied residential condominium building (Tower R) and 41-storied building (Tower 9) by the replacement cost approach

SIMS employed the replacement cost approach to appraise the buildings, based on the material prices, labor cost, and assembling or construction technique as at present so as to obtain the replacement cost new. The value derived is the value in present condition of the buildings and constructions. Details of the appraisal are as follows:

General characteristics of the appraised constructions:

	Details of construction
Constructions	A 33-storied residential condominium building (Tower R) and 41-storied building (Tower 9)
General details	
Location	Under land title deed No. 5958
Type of building	33-storied and 41-storied reinforced concrete buildings
Building size	20.65 x 178.90 m.
Internal usable area	Approx. 85,648.00 sqm
Construction works	Construction underway, currently about 2% completed
Construction standard	Good
Building material standard	Good
Building structure and decoration materials	
Structure	Reinforced concrete
Roof frame / roof	Reinforced concrete / roof deck
Floor	Reinforced concrete
Flooring materials	Laminate, Granito tiles, and polished floor
Wall	Brick wall, covered with stucco, painted
Ceiling	Gypsum board, painted, galvanized steel structure
Door	HDF door, UPVC door, glass door with aluminum frame, hard wood door
Window	Glass window with aluminum frame
Bathroom	Floor and wall covered with tiles
Sanitaryware	Flush toilet, wash basin counter, shower head, and mirror with complete accessories
Furniture & fixture	Clothes closet, kitchenette, TV stand, bed headboard, and ceiling
System works	Six passenger lifts, two service lifts, electrical system, water



	Details of construction
	heating/cooling system, telephone system, CCTVs, fire extinguishing system, communication system, etc.
Building area division and utilization	
Tower R divided into	Level 1: Lobby, commercial unit, mail room, clothes pick-up room, dining room, and restroom, with 32-car parking lot
	Levels 2-6: 15 residential units/floor
	Level 7: Living room, laundry room, cinema, photo studio, dancing room, workshop room, and restroom
	Levels 8-32: 15 residential units/floor
	Level 33: Fitness room, swimming pool, recreation room, garden, restroom, roof deck and garden
Tower 9 divided into	Level 1: Lobby, mail room, clothes pick-up room, dining room, restroom, RMU room, main generator room, generator room, water pump room, garbage room, and 54-car parking lot
	Level 2: Driveway and 91-car parking space
	Levels 3-5: Driveway and 93-car parking space/floor
	Level 6: Driveway and 88-car parking space
	Level 7: Garden, Pilates room, yoga room, library, private study room, meeting room, spa room, games room, salon, and restroom
	Levels 8-40: 27 residential units/floor
	Level 41: Fitness room, swimming pool, recreation room, garden, restroom, and roof deck with garden
Utilization	Residential condominium

Analysis of property value for constructions:

	Particulars	Details		RCN (Baht)			
		Construction area	Unit	Construction cost/unit	% construction	Construction value upon 100% completed	Value in present condition
1	33-storied residential condominium building (Tower R) and 41-storied building (Tower 9)						
	- Internal usable area	85,648.00	sqm	27,500	2%	2,355,320	47,106,400
Total value of constructions						2,355,320	47,106,400
(rounded off)						2,355,320	47,110,000

Remark: SIMS determined the percentage of construction based on the construction of the building in its present condition and in accordance with the general construction standard.



From the appraisal of buildings and constructions by the replacement cost approach, **a fair value of the buildings was appraised at Baht 47.11 million.**

Opinion of the IFA on the property appraisal approaches

SIMS examined and considered various factors relating to the valuation such as appropriateness of use or development for further use, general market condition and limitations, specific features of the property, and legal rights before selecting the appraisal methods that suit the nature of such property, as follows:

- In our opinion, the direct comparison or market approach used for appraisal of the land in Nue District R9 Project is an appropriate method for analysis and determination of price through comparison with market prices of properties which have characteristics similar to R9A's property. SIMS considered all details of the appraised property and various factors that affect value of the appraised property such as land area, location, transportation, environment, land use, land shape, physical condition, legal restrictions, development potential, and sufficiency of market price data in nearby areas for comparison. Then, weighting on credibility of the comparable data was carried out to determine the value of the appraised property. The appraisal of land using the direct comparison or market approach is part of the market price assessment process under professional practices adopted by independent appraisers and such approach is deemed suitable for comparison with the book value of real estate development cost shown on R9A's internal financial statements as of June 30, 2022.

- As for the use of replacement cost approach for appraisal of the residential condominium that is under development, we view that this method is appropriate since it is in line with the general approach for construction appraisal. SIMS used the construction cost estimates of the Valuers Association of Thailand as a basis for determining the construction cost per unit.

**Attachment 7A****Details of Share Valuation of Ratburana Alliance Co., Ltd.**

The Company intends to purchase all ordinary shares in RBA that are held by UGH in the amount of 50,000 shares, representing 50% of RBA's total issued and paid-up shares, at a price of Baht 55.50 million. The IFA has appraised a fair value of the sale and purchase price of RBA's shares according to the investment proportion using various approaches in order to express our opinion on the appropriateness of such sale and purchase price, as follows:

- 1.1. Book Value Approach
- 1.2. Adjusted Book Value Approach
- 1.3. Market Comparable Approach
 - (1) Price to Book Value Ratio Approach
 - (2) Price to Earnings Ratio Approach
 - (3) EV/EBITDA Ratio Approach
- 1.4. Market Value Approach
- 1.5. Discounted Cash Flow Approach

Details of the appraisal of a fair value of the sale and purchase price of RBA's shares according to the investment proportion by each approach are as follows:

1.1. Book Value Approach

By this approach, the valuation is made from net book value of assets (total assets deducted by total liabilities) which will be equivalent to shareholders' equity or equal to RBA's book value, based on information from RBA's internal financial statements as at June 30, 2022. The outcome is as shown below:

Items as at June 30, 2022	Baht million
Issued and paid-up capital	10.00
Retained earnings (losses)	(202.51)
Legal reserve	-
Shareholders' equity of RBA	(192.51)
Fair value of the sale and purchase price of RBA's shares according to the investment proportion	(96.26)



By the book value approach, a fair value of the sale and purchase price of RBA's shares according to the investment proportion is appraised at Baht (96.26) million, which is (lower) than the sale and purchase price of Baht 55.50 million by Baht (151.76) million or (273.44)%.

The valuation by this approach reflects RBA's financial position as of June 30, 2022 only, but does not reflect current market value of its assets, nor its profitability in the future.

1.2. Adjusted Book Value Approach

Under this method, the valuation is made by adjusting the book value shown on RBA's internal financial statements as at June 30, 2022 for the items that materially affect value of assets and liabilities in order to reflect the net asset value that is as close as possible to the present value. The IFA has considered the significant items on such financial statements for the book value adjustment as follows:

(a) Adjustment to surplus (deficit) on revaluation of land awaiting development based on the property appraisal report by the Independent Valuer

According to its internal financial statements as at June 30, 2022, RBA recorded land awaiting development of Baht 616.56 million. It was cost of development of two projects: (1) Nue Riverest Ratburana, which will feature eight residential condominium buildings with a total of 1,521 units and have not yet been constructed, with construction expected to begin around April 2023 and scheduled for completion in November 2025; and (2) Noble Rivervilla, which will feature 53 units of single detached houses and have not yet been constructed, with construction expected to begin around November 2022 and scheduled for completion in June 2025.

In the statement of financial position as at June 30, 2022, which is RBA's internal financial statement, land awaiting development was recorded at the actually incurred cost, taking no account of the salability and profitability of the residential condominium units and single detached houses in the two projects mentioned above. Therefore, to identify a fair economic value of both projects, the Company hired SIMS, an independent valuer on the SEC's approved list, to conduct a fair value appraisal, for public purpose, of such residential condominium and single detached house projects, according to the current development progress. SIMS prepared an appraisal report, No. 65-1-1372-GL-1, on those properties on September 13, 2022, the details of which are as follows:

SIMS used the direct comparison or market approach to appraise the land of the residential condominium and single detached house projects, consisting of two plots of land with a total area of 27 rai 2 ngan 10 square wah or equal to 11,010.0 square wah, at a total fair value of Baht 825.75 million, the details of which are as follows:



Appraised property	Appraisal approach	Amount (Baht million)
Fair value appraised by Independent Valuer		
Land	Direct comparison or market approach	825.75
Total appraised fair value		825.75
Book value of real estate development cost as at June 30, 2022		616.56
Surplus (deficit) on revaluation of real estate development cost		209.19

Remark * Shareholders can refer to a summary of the property appraisal report in Attachment 7B of this report.

Opinion of the IFA on the property appraisal approach

SIMS examined and considered various factors relating to the valuation such as appropriateness of use or development for further use, general market condition and limitations, specific features of the property, and legal rights before selecting the appraisal methods that suit the nature of such property, as follows:

- In our opinion, the direct comparison or market approach used for appraisal of the land of Nue Riverest Ratburana and Noble Rivervilla Projects is an appropriate method for analysis and determination of price through comparison with market prices of properties which have characteristics similar to RBA's properties. SIMS considered all details of the appraised properties and various factors that affect value of the appraised properties such as land area, location, transportation, environment, land use, land shape, physical condition, legal restrictions, development potential, and sufficiency of market price data in nearby areas for comparison. Then, weighting on credibility of the comparable data was carried out to determine the value of the appraised properties. The appraisal of land using the direct comparison or market approach is part of the market price assessment process under professional practices adopted by independent appraisers and such approach is deemed suitable for comparison with the book value of real estate development cost shown on RBA's internal financial statements as of June 30, 2022.

(b) Adjustment according to the Financial and Tax Due Diligence Report on September 30, 2022

(1) Commitments and contingent liabilities

As at June 30, 2022, RBA had significant commitments such as service fees under the turnkey project development and management contract, management fees, project development until completion, and back office service fees in a total amount of Baht 4,115.23 million. However, such commitments and contingent liabilities are incurred in the ordinary course of business of RBA; therefore, we have not made any adjustment to this item in the share value calculation under the adjusted book value approach.



From the above information, we have made adjustments to calculate a fair value of the sale and purchase price of RBA's shares according to the investment proportion by the adjusted book value approach as follows:

Items	Amount (Baht million)
Total assets (as at June 30, 2022)	617.99
Less: Total liabilities (as at June 30, 2022)	(810.50)
Net asset value before adjustment	(192.51)
<u>Adjusted items</u>	
(a) Add: Surplus (deficit) on revaluation of land awaiting development	209.19
Net asset value after adjustment	16.68
Fair value of the sale and purchase price of RBA's shares according to the investment proportion	8.34

Remark * Shareholders can refer to a summary of the property appraisal report in Attachment 7B of this report.

By the adjusted book value approach, a fair value of the sale and purchase price of RBA's shares according to the investment proportion is appraised at Baht 8.34 million, which is (lower) than the sale and purchase price of Baht 55.50 million by Baht (47.16) million or (84.97)%.

The valuation by this approach could reflect RBA's net asset value that is more updated than the share valuation by the book value approach. However, this approach takes no account of RBA's future performance and profitability, nor the overall economic and industrial trends.



1.3. Market Comparable Approach

By this approach, the valuation is made based on various market ratios, including (a) price to book value (P/BV) ratio, (b) price to earnings (P/E) ratio, and (c) enterprise value to EBITDA (EV/EBITDA) ratio, of 10 reference companies listed on the SET's Property Development Sector that generate income mainly from vertical property development business in the amount of not less than 50% of their total sales revenues and have an asset size of between Baht 10,000 million and Baht 50,000 million, or called the "Peer Group," the details of which are as follows:

	Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
SET-listed reference companies				
1	ANAN	Ananda Development Plc.	ANAN's main business is the development of 1) condominium projects located near mass transit stations in Bangkok and its peripheral areas, and 2) horizontal housing estate projects. In addition, it also operates other businesses through its subsidiaries, including condominium unit selling agent and management services for housing estates and condominiums.	41,435.12
2	ASW	Assetwise Plc.	ASW is a holding company which has subsidiaries operating core business of property development for sale, including condominium, single house, townhome and home office.	13,877.35
3	CGD	Country Group Development Plc.	CGD engages in real estate development business.	18,682.14
4	LPN	L.P.N. Development Plc.	LPN is a developer of urban residential condominiums with affordable prices. The main target group is the middle to lower-middle income earners. Condominium projects are designed and developed under LPN Design concept which focuses on delivering product value to customers. It develops large-scale projects in order to achieve cost advantage and economy of scale. At the same time, an emphasis is put on achieving economy of speed from upstream to downstream stages in project development process. In terms of service value, the uniqueness of LPN lies in the "Livable Community" strategy, which makes a great impression and creates bond with customers and residents of "Lumpini" community.	24,333.89



	Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
5	MJD	Major Development Plc.	MJD engages in the property development for sale and hotel business, focusing on high-end condominiums with luxurious lifestyles.	15,866.76
6	NOBLE	Noble Development Plc.	NOBLE operates the business of real estate development for sale, construction service, rental and services.	22,445.37
7	NVD	Nirvana Daii Plc.	NVD's core businesses are classified into three categories as follows: (1) real estate development business under the name "NIRVANA," which develops properties for sale such as single detached house, twin house, home office, townhouse, and condominium, with project location selected based on factors such as development potential, accessibility, and community, and the projects developed including 3-storey single detached houses under the brand "BEYOND," 2-storey single detached houses under the brand "ICON," home offices under the brand "@WORK," townhouses under the brand "DEFINE," and condominiums under the brand "BANYANTREE RESIDENCE RIVERSIDE BANGKOK;" (2) construction service; and (3) sales of construction materials such as instant fence and acting as distributor of aluminum doors and windows from Japanese manufacturers.	12,314.66
8	ORI	Origin Property Plc.	ORI operates property development business, including condominiums along sky train routes in Bangkok and its vicinities, and related services which are rental & re-sale and condominium project management services only for the projects developed by ORI.	41,014.45
9	SA	Siamese Asset Plc.	SA develops residential real estate for sales, including condominiums, housing estates, townhomes and home offices, and also offers juristic person management service for its projects.	15,032.56



Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
10 SENA	Sena Development Plc.	SENA engages in residential real estate development business, consisting of single-detached houses, townhouses, commercial buildings, townhomes and condominiums; rental business such as apartments for rent, community malls and office buildings; golf course business; solar power business; juristic person management business; residential construction business; and real estate agent and brokerage business.	23,655.80

Source: www.set.or.th

Remark: * As at September 30, 2022

(1) Price to Book Value Ratio Approach

Under the P/BV ratio approach, the valuation is made by taking book value shown on RBA's internal financial statements as at June 30, 2022, equal to Baht (192.51) million, multiplied by the average of P/BV ratio of the Peer Group prevailing in different time periods of one month, three months, six months, nine months and 12 months up to the cut-off date of September 29, 2022 (which was the last business day before the date the Board of Directors' Meeting No. 8/2022 on September 30, 2022 resolved to grant approval for the Company to propose the acquisition of RBA's shares from UGH for consideration of the shareholders' meeting).

Average P/BV ratio of the Peer Group:

Peer Group	Average of past 1 month	Average of past 3 months	Average of past 6 months	Average of past 9 months	Average of past 12 months
1 ANAN	0.37	0.37	0.35	0.37	0.38
2 ASW	1.35	1.33	1.36	1.42	1.45
3 CGD	0.88	0.87	0.89	0.95	0.99
4 LPN	0.57	0.56	0.57	0.58	0.59
5 MJD	0.27	0.27	0.28	0.29	0.30
6 NOBLE	1.21	1.16	1.18	1.26	1.32
7 NVD	0.63	0.64	0.67	0.72	0.75
8 ORI	1.63	1.59	1.64	1.82	1.92
9 SA	2.84	2.88	2.97	3.36	3.44
10 SENA	0.72	0.71	0.74	0.80	0.80
Average*	0.85	0.83	0.85	0.91	0.94

Source: www.setsmart.com

Remark: * P/BV ratio of SA is excluded from the calculation because it is deemed the outlier.



Conclusion of the valuation of a fair value of the sale and purchase price of RBA's shares according to the investment proportion by the P/BV ratio approach

Period	Average P/BV ratio of Peer Group (time)	Book value (Baht million)	Fair value of RBA's shares (Baht million)	Fair value of the sale and purchase price of RBA's shares according to the investment proportion (Baht million)
Average of past 1 month	0.85	(192.51)	(163.63)	(81.82)
Average of past 3 months	0.83	(192.51)	(159.78)	(79.89)
Average of past 6 months	0.85	(192.51)	(163.63)	(81.82)
Average of past 9 months	0.91	(192.51)	(175.18)	(87.59)
Average of past 12 months	0.94	(192.51)	(180.96)	(90.48)

By the P/BV ratio approach, a fair value of the sale and purchase price of RBA's shares according to the investment proportion is appraised at Baht (79.89) million – Baht (90.48) million, which is (lower) than the sale and purchase price of Baht 55.50 million by Baht (135.39) million – Baht (145.98) million or (243.95)% – (263.03)%.

The valuation by this approach is based on RBA's book value, which reflects its performance and financial position at a given period of time, but does not reflect its future profitability.

(2) *Price to Earnings Ratio Approach*

By this method, the valuation is made from RBA's net profit for the previous 12 months, multiplied by the average P/E ratio of the Peer Group. However, RBA has operated at a deficit over the previous 12 months from July 1, 2021 to June 30, 2022. Thus, we cannot appraise a fair value of the sale and purchase price of RBA's shares according to the investment proportion by the P/E ratio approach.

(3) *EV/EBITDA Ratio Approach*

By this approach, the valuation is made from the average EV/EBITDA ratio of the Peer Group, multiplied by EBITDA of RBA, then deducted by interest-bearing debts and non-controlling interests (if any), and added by its cash and cash equivalents. However, RBA recorded negative EBITDA over the previous 12 months from July 1, 2021 to June 30, 2022. Thus, we cannot appraise a fair value of the sale and purchase price of RBA's shares according to the investment proportion by the EV/EBITDA ratio approach.



1.4. Market Value Approach

Under this approach, the valuation is made based on the weighted average market price (trading value/trading volume) of the company whose shares were traded on the SET over the previous periods. However, since RBA's shares are not listed on either the SET or the mai, there is no market price available. Thus, we cannot appraise a fair value of the sale and purchase price of RBA's shares according to the investment proportion by the market value approach.

1.5. Discounted Cash Flow Approach

By this approach, the valuation is made based on RBA's future profitability by calculating present value of net cash flow expected from its future operation under financial projection for a period of 47 months (July 1, 2022 – May 31, 2026) with the assumption that RBA continues operation on a going concern basis under the current economic condition and circumstances without any material change taking place during such period.

We have prepared the financial projection of RBA based on the information and assumptions obtained from the Company and the information received from interviews with the executives and staff concerned. The objective is to identify a fair value of the sale and purchase price of RBA's shares according to the investment proportion, and the appraised value may not be used as a reference price for any purposes other than the objective mentioned above. We have reviewed such information according to professional standards and deem that the information is adequate and reliable for use in the appraisal of a fair value of the sale and purchase price of RBA's shares according to the investment proportion.

However, if there is any material change from the established assumptions in the economic condition and other external factors that have an impact on the operation of RBA, as well as in its internal situation, the value appraised by this approach may not be used as a reference price.

The key assumptions used in the financial projection are as follows:

- (a) Revenues from sales of residential condominium and single detached house

Nue Riverest Ratburana Project is located on Rat Burana Road, Rat Burana Sub-district, Rat Burana District, Bangkok, on a land area of 27 rai 2 ngan 10.0 square wah or equal to 11,010 square wah, consisting of a residential condominium and single detached houses with a total project value of Baht 6,390.95 million.

- (1) Residential condominium project offering 1,521 units with a total value of Baht 4,508.81 million
- (2) Single detached house project offering 53 units with a total value of Baht 1,881.24 million

Condominium project

The project consists of eight condominium buildings offering a total of 1,521 residential units with a total saleable area of 47,966.05 square meters and a unit size of 22.0 – 105.75 square meters or an average size of 31.51 square meters/unit. The total project value is Baht 4,508.81 million. Pre-sale is expected to be launched in November 2022 and sales to be closed in November 2025. The ratio of Thai to foreign customers is projected at 65% and 35% of the total project value respectively. The project life is about three years and seven months, from the pre-sale in November 2022 to the expected date of completion of owner transfer in May 2026. The details are as follows:

The projection of cash flow receivable from sales of condominium units from November 2022 to the end of the project life in May 2026

- The projection of percentage of saleable area on a quarterly basis

	2022	2023				2024			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Saleable area (%)	18.49	18.49	5.00	5.04	5.30	5.16	5.15	5.24	5.47

	2025				Total
	Q1	Q2	Q3	Q4	
Saleable area (%)	6.24	6.07	8.14	6.21	100.00

The average selling price of the condominium is forecast at Baht 0.094 million per square meter, based on the operational plan, construction pattern and NOBLE's experience in project operation, as well as the market condition and competition in nearby areas.

- Terms of payment for the residential condominium units are divided into two main types under the project's policy as follows:

International customers:

- A one-off payment of the reservation fee at 15% of the selling price, to be made on the agreement signing date;
- A down payment at 15% of the selling price;
- A one-off payment of the remaining unpaid balance, to be made on the ownership transfer date.

Thai customers:

- A one-off payment of the reservation fee at 2% of the selling price, to be made on the agreement signing date;



- A down payment at 8% of the selling price, to be made in monthly installments until the expected month of completed construction;
- A one-off payment of the remaining unpaid balance, to be made on the ownership transfer date.

From the above assumptions, we have projected cash flow receivable from sales of the residential units on a quarterly basis as follows:

(Unit: Baht million)

Cash flow receivable	2022	2023				2024			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Agreement signing	14.60	15.08	4.28	4.50	4.85	4.51	4.74	21.09	34.82
Down payment	0.83	7.26	10.65	12.31	14.25	16.43	18.83	21.19	52.05
Ownership transfer	-	-	-	-	-	-	-	-	-
Total	15.43	22.34	14.93	16.81	19.10	20.94	23.57	42.28	86.87

(Unit: Baht million)

Cash flow receivable	2025				2026		Total
	Q1	Q2	Q3	Q4	Q1	Q2	
Agreement signing	43.92	46.57	67.28	55.69	-	-	321.93
Down payment	59.22	67.49	68.59	105.95	30.11	0.35	485.51
Ownership transfer	-	-	-	556.41	1,695.50	1,449.46	3,701.37
Total	103.14	114.06	135.87	718.05	1,725.61	1,449.81	4,508.81

Single detached house project

The project will offer 53 units of single detached house with a total saleable area of 35,027 square meters. The target group is expected to be totally Thai customers. The project life is two years and 11 months or 35 months, from the start of construction in November 2022 to the expected date of completion of owner transfer in September 2025. The total project value is Baht 1,881.24 million. The details are as follows:

The projected cash flow receivable from sales of the single detached houses from November 2022 to the end of the project life in September 2025 is as follows:

- Pre-sale will be launched from May 2023 onwards. Sales are expected to be closed in July 2025 and ownership transfer to be completed by September 2025. Houses will be sold in the form of completely built and ready for transfer. Thai and foreign customers will be in a ratio of 90% and 10% of the project value respectively.



- The average selling price of the single detached house project is estimated as follows:

	No. of units (units)	Land			Building			Total project (Baht million)
		Area (sqw)	Average price/sqw (Baht/sqw)	Land value (Baht million)	Saleable area (sqm)	Average price/sqm (Baht/sqm)	Value of saleable area (Baht million)	
Single detached house	53	3,649.12	248,700.00	907.54	24,815.97	39,236.89	973.70	1,881.24

From the above table, the average land area per unit is estimated at 68.85 square wah and the average saleable area is 468.23 square meters, representing an average selling price of Baht 35.50 million/unit. The average selling price is projected based on the operational plan, construction pattern and NOBLE's experience in project operation.

	No. of units (units)	Land area/unit (sqw/unit)	Land price/unit (Baht million/unit)	Saleable area/unit (sqm/unit)	Price of saleable area/unit (Baht million/unit)	Total price/unit (Baht million/unit)
Single detached house	53	68.85	17.12	468.23	18.37	35.50

- Terms of payment for the single detached house are as follows:
- A down payment at 10% of the selling price, to be made in two equal monthly installments;
 - A one-off payment of the remaining unpaid balance, to be made on the ownership transfer date.
- The project expects to obtain the ownership transfer payment in the month immediately after the month of complete down payment.



From the above assumptions, we have projected cash flow receivable from sales of the single detached house on a quarterly basis as follows:

(Unit: Baht million)

	2023			2024			
	Q2	Q3	Q4	Q1	Q2	Q3	Q4
No. of units (units)	4	6	6	6	6	6	6
Total saleable land (%)	7.07	9.79	10.18	14.26	11.31	11.14	15.09
Total saleable area (%)	7.21	9.48	10.15	14.11	12.21	11.86	14.55
Cash flow receivable:	1,789	2,353	2,518	3,503	3,030	2,943	3,611
- From down payment	9.99	18.44	18.44	25.92	22.44	20.93	25.81
- From transfer payment	-	179.52	152.57	212.30	213.87	188.01	202.36
Total	9.99	197.96	171.01	238.22	236.31	208.94	228.17

(Unit: Baht million)

	2025			Total
	Q1	Q2	Q3	
No. of units (units)	6	6	1	53
Total saleable land (%)	10.18	9.37	1.61	100.00
Total saleable area (%)	10.15	8.81	1.47	100.00
Cash flow receivable:	2,518	2,188	365	24,816
- From down payment	23.36	17.10	5.69	188.12
- From transfer payment	252.60	164.49	127.39	1,693.11
Total	275.96	181.60	133.08	1,881.24

(b) Turnkey construction and development fees

Turnkey construction and development fees are the operating fees for the entire project construction works, which RBA has commissioned NOBLE to undertake. RBA shall pay such fees to NOBLE as set out in the Turnkey Construction and Development Service Agreement between them. The fees include turnkey construction and development costs, design and consultation fees, selling and marketing expenses, and commission fee, totalling Baht 3,294.78 million for the condominium project and Baht 1,025.08 million for the single detached house project.

Condominium project

The assumptions for the turnkey construction and development fees are as follows:

- Turnkey construction and development costs and design and consultation fees
 - Construction costs, comprising costs of construction, infrastructure and landscape, are estimated at Baht 2,608.25 million, calculated from the total construction area of 110,250 square meters, multiplied by the average construction costs of Baht 23,658 per square meter. The estimation is based on NOBLE's experience in previous condominium construction and in line with the estimated construction costs per square meter of condominium projects in general. The construction period is 32 months, from April 2023 to November 2025.
 - Design and consultation fees are estimated at 5% of construction costs and sales office construction cost at Baht 49.00 million.
 - Contingency for changes in construction costs is estimated at 5% of construction costs, design and consultation fees, and sales office construction cost, based on NOBLE's experience in previous condominium construction and in line with the contingency estimation for changes in construction costs in general.
- Selling and marketing expenses and commission fee
 - Selling and marketing expenses, comprising expenses on sales promotion, advertisement and public relations, are projected on a monthly basis according to the project's selling and marketing expense planning, or at about 2% of revenues from sales. Management expenses are estimated at 1.61% of revenues from sales. Such projection is made based on NOBLE's experience in previous project management and in line with the forecasting of marketing expenses of previous projects.
 - Commission fee for sales of residential condominium units varies with customer type and sales channel, projected at 1%-11% of the selling price of the units sold in each month, and is payable on a monthly basis and in proportion to the number of units sold. Commission fee for sales to Thai customers will be lower than that to foreign customers.



From the above assumptions, we have projected cash flow payable for the turnkey construction and development costs of the condominium on a quarterly basis, as follows:

(Unit: Baht million)

	2023			2024			
	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Turnkey construction and development costs	295.37	106.38	130.11	145.92	143.41	302.03	207.06
Design and consultation fees and sales office costs	93.58	5.50	5.50	5.50	5.50	13.07	5.84
Contingency for changes in construction costs	18.45	5.59	6.78	7.57	7.45	15.69	10.64
Selling and marketing expenses and commission fee	99.13	15.74	16.67	15.78	16.38	25.96	17.13
Total cash flow used in construction and selling and marketing expenses	506.52	133.20	159.05	174.76	172.73	356.74	240.67

(Unit: Baht million)

	2025				2026		Total
	Q1	Q2	Q3	Q4	Q1	Q2	
Turnkey construction and development costs	223.77	342.26	112.58	240.16	59.03	300.18	2,608.25
Design and consultation fees and sales office costs	5.84	14.44	6.19	4.12	-	18.34	183.41
Contingency for changes in construction costs	11.48	17.77	5.94	11.44	2.95	15.72	137.47
Selling and marketing expenses and commission fee	20.48	36.09	30.80	27.37	4.54	39.59	365.65
Total cash flow used in construction and selling and marketing expenses	261.58	410.56	155.51	283.09	66.53	373.83	3,294.78

Single detached house project

The assumptions for the turnkey construction and development costs are as follows:

- Turnkey construction and development costs and design and consultation fees
 - Construction costs, comprising costs of construction, infrastructure and landscape, are estimated at Baht 803.56 million, calculated from the total construction area of 24,816 square meters, multiplied by the average construction costs of Baht 32,380.75 per square meter. The estimation is based on NOBLE's experience in previous condominium construction and in line



with the estimated construction costs per square meter of single detached house projects in general. The construction period is 32 months, from November 2022 to June 2025.

- Design and consultation fees for construction supervision are estimated at 5% of construction costs and sales office construction cost at Baht 29.00 million.
- Contingency for changes in construction costs is estimated at 5% of construction costs, design and consultation fees, and sales office construction cost, based on NOBLE's experience in previous condominium construction and in line with the contingency estimation for changes in single detached house construction costs in general.
- Selling and marketing expenses and commission fee
 - Selling and marketing expenses, comprising expenses on sales promotion, advertisement and public relations, are projected on a monthly basis according to the project's selling and marketing expense planning, or at about 2% of revenues from sales. Management expenses are estimated at 1.61% of revenues from sales. Such projection is made based on NOBLE's experience in previous project management and in line with the forecasting of marketing expenses of previous projects.
 - Commission fee for sales of single detached houses varies with customer type and sales channel, projected at 1%-11% of the selling price of the units sold in each month, and is payable on a monthly basis and in proportion to the number of units sold. Commission fee for sales to Thai customers will be lower than that to foreign customers.

From the above assumptions, we have projected cash flow payable for the turnkey construction and development costs of the single detached house on a quarterly basis, as follows:

(Unit: Baht million)

Single detached house	2023		2024			
	Q3	Q4	Q1	Q2	Q3	Q4
Turnkey construction and development costs	298.78	52.44	78.19	54.77	88.46	93.47
Design and consultation fees and sales office costs	43.65	1.53	4.64	1.63	4.95	5.15
Contingency for changes in construction costs	16.96	2.68	4.11	2.80	4.63	4.73
Selling and marketing expenses and commission fee	16.61	7.69	12.26	9.18	12.44	16.01
Total cash flow used in construction and selling and marketing expenses	376.00	64.34	99.19	68.38	110.48	119.36



(Unit: Baht million)

Single detached house	2025			Total
	Q1	Q2	Q3	
Turnkey construction and development costs	38.13	15.21	84.10	803.56
Design and consultation fees and sales office costs	1.83	1.83	7.25	72.45
Contingency for changes in construction costs	1.81	0.66	4.26	42.64
Selling and marketing expenses and commission fee	9.70	8.50	14.02	106.42
Total cash flow used in construction and selling and marketing expenses	51.48	26.21	109.63	1,025.08

- (c) Management fee and monitoring and consulting service fee under the joint venture agreement
- Monitoring and consulting service fee that RBA agrees to pay to U under the Monitoring Consulting Service Agreement is equal to 2.5% of the project value, payable on a monthly basis from November 2022 to May 2026.
 - Management fee that RBA agrees to pay to NOBLE under the Turnkey Construction and Development Service Agreement is equal to 4% of the project value, payable after U could achieve EIRR of 11%.

From the above assumptions, we have projected the management fee and monitoring and consulting service fee under the joint venture agreement on a quarterly basis as follows:

(Unit: Baht million)

	2022	2023				2024			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Project management fee	7.95	11.93	11.93	11.93	11.93	11.93	11.93	11.93	11.93
Monitoring and consulting service fee	-	-	-	-	-	-	-	-	-
Total cash flow payable for selling and administrative expenses	7.95	11.93	11.93	11.93	11.93	11.93	11.93	11.93	11.93

(Unit: Baht million)

	2025				2026		Total
	Q1	Q2	Q3	Q4	Q1	Q2	
Project management fee	11.93	11.93	11.93	11.93	11.93	7.95	170.93
Monitoring and consulting service fee	-	-	-	-	-	273.49	273.49
Total cash flow payable for selling and administrative expenses	11.93	11.93	11.93	11.93	11.93	281.44	444.43



(d) Project expenses directly borne by JV partner

The expenses relating to the project that JV partner must pay directly to the relevant counterparties include:

- Specific business tax of 3.3% of the selling price, payable on the ownership transfer date;
- Transfer fee of 1% of the selling price, payable on the ownership transfer date; and
- General administration expenses, comprising advisory and audit fees, legal fee, independent valuer's fee, initial juristic person expenses, maintenance fees for electricity and water meters, borrowing fee, and mortgage fee.

From the above assumptions, we have projected the selling and administrative expenses on a quarterly basis as follows:

(Unit: Baht million)

	2022	2023				2024			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Specific business tax	-	-	-	6.58	5.59	7.78	7.84	6.89	7.42
Transfer fee	-	-	-	1.99	1.70	2.36	2.38	2.09	2.25
General administration expenses	7.92	0.08	0.08	0.08	0.83	0.08	0.08	0.08	1.22
Total cash flow payable for selling and administrative expenses	7.92	0.08	0.08	8.65	8.11	10.22	10.29	9.06	10.89

(Unit: Baht million)

	2025				2026		Total
	Q1	Q2	Q3	Q4	Q1	Q2	
Specific business tax	9.26	6.03	4.67	20.40	62.17	66.22	210.87
Transfer fee	2.81	1.83	1.42	6.18	18.84	20.07	63.90
General administration expenses	0.34	0.22	0.48	3.31	5.80	1.49	22.05
Total cash flow payable for selling and administrative expenses	12.41	8.08	6.56	29.89	86.81	87.78	296.82



(e) Sources of funds

Funding for development of Nue Riverest Ratburana Project is expected from three main sources: loans from financial institutions, loans from shareholders, and equity financing, as follows:

Sources of funds	Amount (Baht million)	Proportion of project cost (%)	Interest rate (%)
Loans from financial institutions	2,606.51	64.31	4.50
Loans from shareholders	1,336.47	32.97	4.80
Equity financing: U-City	55.00	1.36	-
Equity financing: NOBLE	55.00	1.36	-
Total sources of funds	4,052.98	100.00	

- Long-term loans from financial institutions are estimated at Baht 2,606.51 million. Of this amount, Baht 588 million is loan for land purchase, which has been fully drawn down since November 2022, and about Baht 2,018.51 million is loan for construction financing, expected to be drawn down from April 2023 until completion of construction. Interest payment will be made on a monthly basis.
- Interest rate on long-term loans from a local financial institution for project development is estimated at 4.5% p.a.
- Loans from shareholders are estimated at Baht 1,336.47 million, to be equally provided by U and NOBLE on a 50:50 basis. As at June 30, 2022, RBA already raised loans from shareholders of Baht 771.80 million.
- Interest rate on loans from shareholders is estimated at 4.8% p.a.
- Equity financing is estimated to be Baht 110.00 million, of which Baht 55.00 million will be provided by U and Baht 55.00 million by NOBLE.

From the above assumptions, we have calculated net cash flow to equity receivable by the Company under the joint venture agreement and other benefits obtainable from the joint venture investment in RBA for development of the home office and commercial building project with NOBLE, and have calculated the present value of cash flow obtained from the projection for a period of 47 months (July 1, 2022 – May 31, 2026), using cost of capital (Ke) of 13.44% per year as a discount rate. The calculation formula for Ke is as follows:

*Calculation of Ke:*

$$K_e = R_f + \beta(R_m - R_f)$$

Where:

Risk free rate (Rf)	Risk free rate of return on investment, derived from www.thaibma.or.th as at September 29, 2022, is equal to 4.06% per annum, based on bid yield on government bond with a maturity of 25 years, which is a period that could reflect investment condition in different time periods better than shorter-term data.
Beta (β)	This is a variance of SET return compared with closing price of the reference companies. We use the beta of 10 real estate companies (based on the weekly trading statistics from Bloomberg over the past three years up to September 29, 2022). The beta of these reference companies is adjusted to arrive at an unlevered beta, equal to an average of 0.477, which is then adjusted by the estimated interest-bearing debt to equity ratio of the whole project of RBA, equal to 1.80 times, to obtain a levered beta of 1.34.
Rm	This is the average rate of return on the SET over the past 25 years, which is a period that could reflect investment condition in different time periods better than shorter-term data (source: SET data from October 1997 to September 2022), equal to 11.08% per year.



The present value of free cash flow to equity that the Company will receive in the proportion of 50% and other returns from July 2022 to May 2026 is shown in the below table:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Cash flow before tax	(9.29)	(49.63)	0.56	(506.06)	(331.78)	(71.65)	(56.00)	(23.04)	(258.12)	(90.99)
<u>Less</u> Corporate income tax	-	-	-	-	-	-	-	-	-	-
<u>Add</u> Loans from financial institutions	-	558.00	-	420.37	132.96	150.81	162.71	160.67	235.86	198.81
<u>Add</u> Loans from shareholders	8.99	3.12	-	-	257.41	39.51	58.42	28.72	168.49	-
<u>Less</u> Repayment of loans from financial institutions	-	-	-	-	(92.98)	(118.67)	(165.13)	(166.34)	(146.23)	(68.88)
<u>Less</u> Repayment of loans from shareholders	-	(491.98)	-	-	-	-	-	-	-	-
Total	(0.31)	19.51	0.56	(85.69)	(34.38)	-	(0.00)	-	(0.00)	38.94
Discount period	0.25	0.50	0.75	1.00	1.25	1.50	1.75	2.00	2.25	2.50
Discount rate	13.44%	13.44%	13.44%	13.44%	13.44%	13.44%	13.44%	13.44%	13.44%	13.44%
Discount factor	0.9690	0.9389	0.9097	0.8815	0.8541	0.8276	0.8019	0.7770	0.7529	0.7296
PV of cash flow	(0.30)	18.32	0.51	(75.54)	(29.36)	0.00	(0.00)	0.00	(0.00)	28.41

(Unit: Baht million)

	2025				2026		Total
	Q1	Q2	Q3	Q4	Q1	Q2	
Cash flow before tax	16.71	(188.04)	(43.27)	363.53	1,539.37	699.80	992.10
<u>Less</u> Corporate income tax	-	-	-	-	(16.69)	(36.04)	(52.73)
<u>Add</u> Loans from financial institutions	195.96	189.45	81.31	119.62	-	-	2,606.51
<u>Add</u> Loans from shareholders	-	-	-	-	-	-	564.67
<u>Less</u> Repayment of loans from financial institutions	(30.35)	(13.80)	(0.92)	(432.77)	(1,318.72)	(51.74)	(2,606.51)
<u>Less</u> Repayment of loans from shareholders	-	-	-	-	-	(844.48)	(1,336.47)
Total	182.31	(12.39)	37.12	50.39	203.96	(232.47)	167.57
Discount period	2.75	3.00	3.25	3.50	3.75	4.00	
Discount rate	13.44%	13.44%	13.44%	13.44%	13.44%	13.44%	
Discount factor	0.7069	0.6850	0.6637	0.6431	0.6231	0.6038	
PV of cash flow	128.88	(8.48)	24.64	32.41	127.10	(140.36)	106.21



Details of the present value of monitoring and consulting service fee receivable by the Company are as follows:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Monitoring and consulting service fee	-	7.95	11.93	11.93	11.93	11.93	11.93	11.93	11.93	11.93
Discount period	0.25	0.50	0.75	1.00	1.25	1.50	1.75	2.00	2.25	2.50
Discount rate	13.44%	13.44%	13.44%	13.44%	13.44%	13.44%	13.44%	13.44%	13.44%	13.44%
Discount factor	0.9690	0.9389	0.9097	0.8815	0.8541	0.8276	0.8019	0.7770	0.7529	0.7296
PV of cash flow	0.00	7.46	10.85	10.51	10.19	9.87	9.56	9.27	8.98	8.70

(Unit: Baht million)

	2025				2026		Total
	Q1	Q2	Q3	Q4	Q1	Q2	
Monitoring and consulting service fee	11.93	11.93	11.93	11.93	11.93	7.95	170.93
Discount period	2.75	3.00	3.25	3.50	3.75	4.00	
Discount rate	13.44%	13.44%	13.44%	13.44%	13.44%	13.44%	
Discount factor	0.7069	0.6850	0.6637	0.6431	0.6231	0.6038	
PV of cash flow	8.43	8.17	7.92	7.67	7.43	4.80	129.81

From the above table showing yearly cash flow projection, we have calculated the present value of free cash flow to equity receivable by the Company in the proportion of 50% and other returns as follows:

	Baht million
PV of cash flow	106.21
Add: Cash (as at June 30, 2022)	0.31
Equity value	106.52
Equity value receivable by the Company in the proportion of 50%	53.26
Add: PV of monitoring and consulting service fee receivable by the Company	129.81
Total equity value receivable by the Company for 50% and other returns	183.07

From the valuation by the discounted cash flow approach, the equity value receivable by the Company in the proportion of 50% and other returns are appraised at Baht 183.07 million in the base case.



In addition, we have performed a sensitivity analysis on the valuation of the equity value receivable by the Company in the proportion of 50% and other returns so as to cover a range of impacts that are expected from changes in K_e by an increase/decrease of 2% from the base case, the outcomes of which are as follows:

Change of K_e	-2%	-1%	Base case 0.0%	+1%	+2%
K_e	11.44%	12.44%	13.44%	14.44%	15.44%
Equity value receivable by the Company in the proportion of 50% and other returns (Baht million)	191.78	187.36	183.07	178.94	174.93

From the above sensitivity analysis with changes to K_e , the equity value receivable by the Company in the proportion of 50% and other returns are appraised in a range of Baht 174.93 million – Baht 191.78 million, which is higher than the sale and purchase price of Baht 55.50 million by Baht 119.43 million – Baht 136.28 million or 215.19% - 245.55%.

Conclusion of opinion of the IFA

Table showing comparison of the fair value of the sale and purchase price of RBA's shares according to the investment proportion by various valuation approaches:

Valuation approach	Appraised value according to investment proportion (Baht million)	Sale and purchase price (Baht million)	Appraised value being higher/(lower) than sale and purchase price	
			(Baht million)	(%)
1. Book Value Approach	(96.26)	55.50	(151.76)	(273.44)
2. Adjusted Book Value Approach	8.34	55.50	(47.16)	(84.97)
3. Market Comparable Approach				
(a) P/BV Ratio Approach	N/A	55.50	N/A	N/A
(b) P/E Ratio Approach	N/A	55.50	N/A	N/A
(c) EV/EBITDA Ratio Approach	N/A	55.50	N/A	N/A
4. Market Value Approach	N/A	55.50	N/A	N/A
5. Discounted Cash Flow Approach	174.93 – 191.78	55.50	119.43 – 136.28	215.19 – 245.55

There are different strengths and weaknesses of the above valuation approaches in identifying a fair value of the shares, as described below:

(1) The share valuation by the book value approach focuses on financial position at a given period of time and book value of assets, but does not reflect the true market value of assets and the future profitability.



(2) The adjusted book value approach could reflect the net asset value more accurately than the share valuation by the book value approach. This is because the appraised book value in (1) is adjusted by value of real estate projects under development to obtain a market value or fair value, and also adjusted by the restated items in RBA's financial statements according to the financial due diligence report, and by commitments and contingent liabilities, etc., considering that RBA has just commenced its project construction. This is one of the suitable methods for determining a fair value of RBA's ordinary shares because it is based on a fair value of land and constructions according to the current progress rate at market price, which can best reflect general investors' expectation on the basis of the highest and best use of such assets at that time.

(3) The market comparable approach, comprising P/E ratio, P/BV ratio and EV/EBITDA ratio approaches, may not reflect the true value of RBA due to the variation and difference in certain factors of the Peer Group in terms of business operation policy, marketing plan, customer base, future business plan, financial structure, and profitability of each company.

(4) The market value approach can well reflect demand for and supply of shares traded on the stock exchange in different time periods. However, since RBA's shares are not listed on the SET, we cannot appraise a fair value of RBA's shares by this approach.

(5) The discounted cash flow approach normally focuses on future operation and profitability of the business by taking into account the present value of future net cash flow based on past operation, as well as the economic trend and future operation of the business. Therefore, this approach normally can reflect the true value of the business better than all other approaches. However, the valuation by this approach is under the assumption that RBA has completed the construction and could sell its project as planned. Currently, RBA has just commenced the construction. After completion of this transaction, the Company will become a major shareholder of RBA and will assume not only financial burdens but also risks in project development until completion. Therefore, this approach is not suitable for determining the value of this transaction. Nonetheless, we have still prepared the cash flow projection to be a basis for the Company's shareholders to consider whether the investment is worthwhile and determine the return on investment in such project.

Based on the above reasons, we are of the opinion that the most suitable approach for valuing RBA's shares is the adjusted book value (ABV) approach. A fair value of the investment in RBA according to the investment proportion is appraised by the ABV approach at Baht 8.34 million, which is (lower) than the sale and purchase of Baht 55.50 million by Baht (47.16) million or (84.97)%.



Attachment 7B

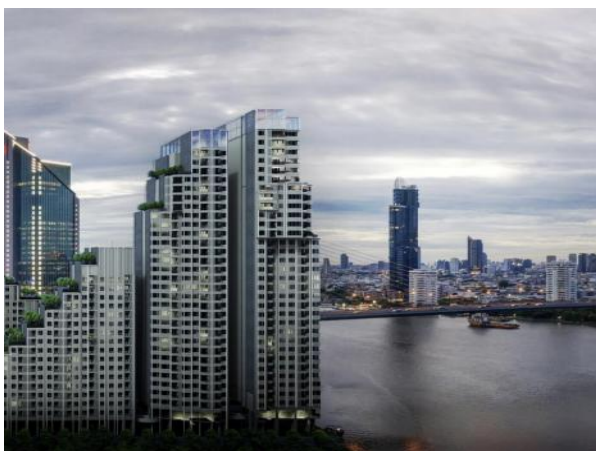
Property Valuation of Ratburana Alliance Co., Ltd.

The Company has arranged for a fair value appraisal of Ratburana Alliance Co., Ltd. with respect to its two land plots with a total area of 27 rai 2 ngan 10 square wah or equal to 11,010.0 square wah, to be developed into a property project in the name of Nue Riverest Ratburana. The project will feature eight residential condominium buildings with a total of 1,521 units, the construction of which has not yet begun and is expected to start around April 2023 and to complete in November 2025. The other project to be developed is Noble Rivervilla, featuring 53 units of single detached house, the construction of which has not yet begun and is expected to start around November 2022 and to complete in June 2025. The Company hired Sims Property Consultants Co., Ltd. ("SIMS" or "Independent Valuer"), an independent valuer on the SEC's approved list, to conduct a fair value appraisal of such properties for public purpose according to the appraisal report No. 65-1-1372-GL-1 dated September 13, 2022.

SIMS used the direct comparison or market approach, which was deemed a suitable approach, to appraise the land at a **fair value of Baht 825.75 million**, the details of which are as follows:

Appraised property	Appraisal approach	Fair value appraised by SIMS (Baht million)
Land	Direct comparison or market approach	825.75
Total appraised fair value		825.75

Simulated photo of Nue Riverest Ratburana Project



Simulated photo of Noble Rivervilla Project



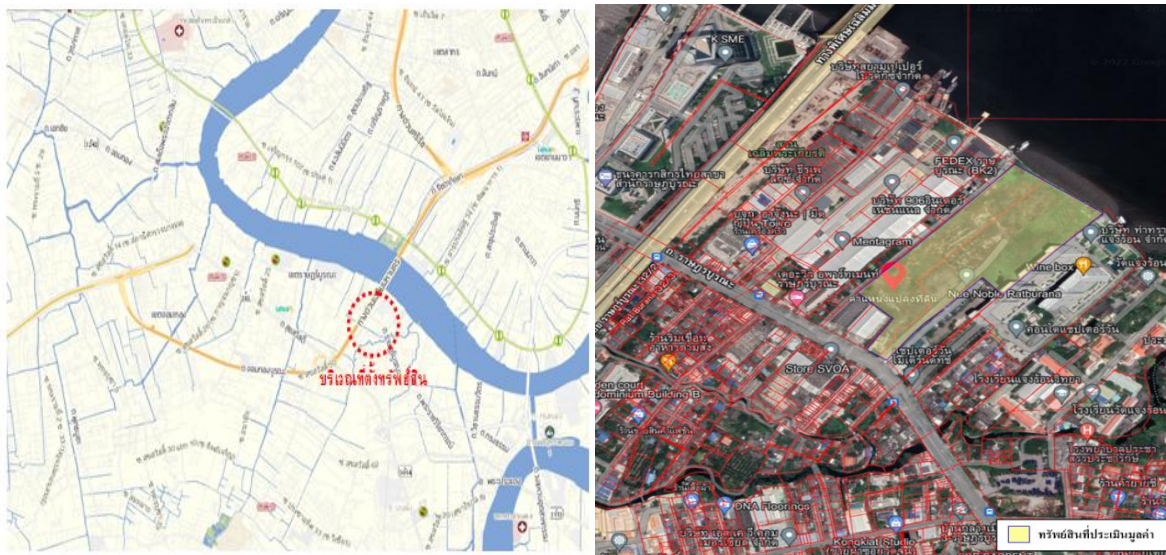
Source: Project information report of RBA



Details of appraised property

Particulars	Details
Type of property	Vacant land
Location	Rat Burana Road, Rat Burana Sub-district, Rat Burana District, Bangkok
GPS	LAT : 13.676895 LON : 100.517017
Details of property	Two plots of land (title deeds No. 1099 and 67248) with a total area of 27 rai 2 ngan 10.0 square wah or equal to 11,010.0 square wah, divided into land under title deed No. 1099 of 12 rai 1 ngan 13.6 square wah for development of “Nue Riverest Ratburana” and land under title deed No. 67248 of 15 rai 96.4 square wah for development of “Noble Rivervilla”
Owner	Ratburana Alliance Co., Ltd.
Encumbrances	Unencumbered
Appraisal approach	Direct comparison or market approach
Appraisal date	August 8, 2022
Appraised value	Baht 825,750,000

Location of vacant land in Nue Riverest Ratburana Project and Noble Rivervilla Project



Source: Appraisal report by SIMS



Details of land appraisal by the direct comparison or market approach

The Company hired SIMS to appraise the vacant land in Nue Riverest Ratburana Project and Noble Rivervilla Project on August 8, 2022, using the direct comparison or market approach, with a survey of other plots of land nearby for comparison. Factors taken into consideration were location, land condition, land use, land shape, and land size. Then, the land value was appraised by the Adjustment Grid Analysis.

There are six market data sets used for comparison and land appraisal, as follows:

– Comparable market data 1 – 4

Particulars	Comparable market data				
	Appraised property	Data 1	Data 2	Data 3	Data 4
Type of property	Vacant land	Vacant land	Vacant land	Vacant land	Vacant land
Location	Rat Burana Road, Rat Burana Sub-district, Rat Burana District, Bangkok	Rat Burana Road, Rat Burana Sub-district, Rat Burana District, Bangkok	Rat Burana Road, Rat Burana Sub-district, Rat Burana District, Bangkok	Rat Burana Road, Rat Burana Sub-district, Rat Burana District, Bangkok	Rat Burana Road, Rat Burana Sub-district, Rat Burana District, Bangkok
Land area	27-2-10.0 rai (11,010.0 sqw)	26-1-53.0 rai (10,553.0 sqw)	6-3-84.0 rai (2,784.0 sqw)	14-2-99.0 rai (5,899.0 sqw)	3-0-49.0 rai (1,249.0 sqw)
Land shape	Polygon	Similar to rectangle	Similar to rectangle	Similar to rectangle	Similar to rectangle
Frontage	37.00 m.	128.00 m.	30.00 m.	30.00 m.	26.00 m.
Land condition	Same as road level	Same as road level	Same as road level	Same as road level	Same as road level
Public utilities	Electricity, water supply, telephone and drainage pipe	Electricity, water supply and telephone	Electricity, water supply and telephone	Electricity, water supply and telephone	Electricity, water supply and telephone
Type of front road	Concrete, 18.00 m.	Concrete, 18.00 m.	Concrete, 18.00 m.	Concrete, 18.00 m.	Concrete, 18.00 m.
Environment	Residential and commercial	Residential and commercial	Residential and commercial	Residential and commercial	Residential and commercial
Town plan	Orange, medium-density residential zone	Orange, medium-density residential zone	Orange, medium-density residential zone	Orange, medium-density residential zone	Orange, medium-density residential zone
Best use	Residential	Residential	Residential	Residential	Residential
Offering price		Baht 180,000/sqw	Baht 300,000/sqw	Baht 290,000/sqw	Baht 220,000/sqw
Date obtaining data		August 2022	August 2022	August 2022	August 2022



— Comparable market data 5 – 6

Particulars	Comparable market data	
	Data 5	Data 6
Type of property	Vacant land	Vacant land
Location	Rat Burana Road, Rat Burana Sub- district, Rat Burana District, Bangkok	Rat Burana Road, Rat Burana Sub- district, Rat Burana District, Bangkok
Land area	5-2-0.0 rai (2,200.0 sqw)	24-3-71.0 rai (9,971.0 sqw)
Land shape	Similar to rectangle	Polygon
Frontage	88.00 m.	216.00 m.
Land condition	Same as road level	Same as road level
Public utilities	Electricity, water supply and telephone	Electricity, water supply and telephone
Type of front road	Concrete, 6.00 m.	Concrete, 18.00 m.
Environment	Residential and commercial	Residential and commercial
Town plan	Orange, medium- density residential zone	Orange, medium- density residential zone
Best use	Residential	Residential
Offering price	Baht 280,000/sqw	Baht 285,000/sqw
Date obtaining data	August 2022	August 2022



Land appraisal by Adjustment Grid Analysis:

Particulars	Appraised property	Data 1	Data 3	Data 6
Location	Rat Burana Road	Rat Burana Road	Rat Burana Road	Rat Burana Road
Environment	Residential and commercial	Residential and commercial	Residential and commercial	Residential and commercial
Area (rai-ngan-square wah)	27-2-10	26-1-53.0	14-2-99.0	24-3-71.0
Area (square wah)	11,010.0	10,553.0	5,899.0	9,971.0
Land shape	Polygon	Similar to rectangle	Similar to rectangle	Polygon
Frontage (meter)	37.00	128.00	30.00	216.00
Land level (meter)	0.00	0.00	0.00	0.00
Type of front road	Concrete, six lanes	Concrete, six lanes	Concrete, six lanes	Concrete, six lanes
Town plan	Medium-density residential zone (Orange)	Medium-density residential zone (Orange)	Medium-density residential zone (Orange)	Medium-density residential zone (Orange)
Best land use	Residential	Residential	Residential	Residential
Offering price (Baht/unit)		180,000	290,000	285,000
Bargain price/expected saleable price (Baht/unit)		130,000	200,000	180,000
Sale and purchase price (Baht/unit)		-	-	-
Adjusted sale and purchase period		0%	0%	0%
Price used in analysis (Baht/unit)		130,000	200,000	180,000
Location		0%	-10%	-10%
Environment - development		-	-15%	-15%
Land size - liquidity		-	-10%	0%
Land shape		-10%	-10%	0%
Frontage		-15%	0%	-15%
Land level		0%	0%	0%
Road passing in front		0%	0%	0%
Legal restrictions		-10%	-10%	-10%
Best land use		-8%	-8%	-8%
Sum of factors affecting property value		-43%	-63%	-58%
Price after factor adjustment		74,100	74,000	75,600
Weighting on data credibility	100%	44.97%	25.64%	29.39%
Property value (Baht)	74,515	33,320	18,975	22,221
Value of appraised property (Baht/square wah)	75,000			

Remark: By the Adjustment Grid Analysis, SIMS selected Data 1, 3 and 6 for comparison with the appraised property because of their similarities in terms of land size, liquidity and best use. However, since the difference in location, environment and best use of the comparable data may affect the property value, SIMS already took into account



the factors having effect on the property value. Data 2, 4 and 5 were excluded from the analysis because they are of a small size.

From the appraisal of vacant land in Nue Riverest Ratburana Project and Noble Rivervilla Project with the total area of 27 rai 2 ngan 10 square wah or equal to 11,010.0 square wah, using the direct comparison or market approach, as shown in the above table, for analysis of market price data based on factors such as the land's physical features, shape, characteristics, size, best use, environment and location, compared with the appraised property, the value obtained was adjusted to **an appraised value of Baht 75,000 per square wah (rounded off) or a total of Baht 825.75 million.**

Photo showing the general condition of Nue Riverest Ratburana Project and Noble Rivervilla Project



Source: Appraisal report by SIMS

Opinion of the IFA on the property appraisal approaches

SIMS examined and considered various factors relating to the valuation such as appropriateness of use or development for further use, general market condition and limitations, specific features of the property, and legal rights before selecting the appraisal methods that suit the nature of such property, as follows:

- In our opinion, the direct comparison or market approach used for appraisal of the land of Nue Riverest Ratburana and Noble Rivervilla Projects is an appropriate method for analysis and determination of price through comparison with market prices of properties which have characteristics similar to RBA's properties. SIMS considered all details of the appraised properties and various factors that affect value of the appraised properties such as land area, location, transportation, environment, land use, land shape, physical condition, legal restrictions, development potential, and sufficiency of market price data in nearby areas for comparison. Then, weighting on credibility of the comparable data was carried out to determine the value of the appraised properties. The appraisal of land using the direct comparison or market approach is part of the market price assessment process under professional practices adopted by independent appraisers and such



approach is deemed suitable for comparison with the book value of real estate development cost shown on RBA's internal financial statements as of June 30, 2022.

**Attachment 8A****Details of Share Valuation of Ratchada Alliance Co., Ltd.**

The Company intends to purchase all ordinary shares in RDA that are held by U in the amount of 250,000 shares, representing 50% of RDA's total issued and paid-up shares, at a price of Baht 24.10 million. The IFA has appraised a fair value of the sale and purchase price of RDA's shares according to the investment proportion using various approaches in order to express our opinion on the appropriateness of such sale and purchase price, as follows:

- 1.1. Book Value Approach
- 1.2. Adjusted Book Value Approach
- 1.3. Market Comparable Approach
 - (1) Price to Book Value Ratio Approach
 - (2) Price to Earnings Ratio Approach
 - (3) EV/EBITDA Ratio Approach
- 1.4. Market Value Approach
- 1.5. Discounted Cash Flow Approach

Details of the appraisal of a fair value of the sale and purchase price of RDA's shares according to the investment proportion by each approach are as follows:

1.1. Book Value Approach

By this approach, the valuation is made from net book value of assets (total assets deducted by total liabilities) which will be equivalent to shareholders' equity or equal to RDA's book value, based on information from RDA's internal financial statements as at June 30, 2022. The outcome is as shown below:

Items as at June 30, 2022	Baht million
Issued and paid-up capital	50.00
Retained earnings (losses)	(131.18)
Legal reserve	-
Shareholders' equity of RDA	(81.18)
Fair value of the sale and purchase price of RDA's shares according to the investment proportion	(40.59)



By the book value approach, a fair value of the sale and purchase price of RDA's shares according to the investment proportion is appraised at Baht (40.59) million, which is (lower) than the sale and purchase price of Baht 24.10 million by Baht (64.69) million or (268.42)%.

The valuation by this approach reflects RDA's financial position as of June 30, 2022 only, but does not reflect current market value of its assets, nor its profitability in the future.

1.2. Adjusted Book Value Approach

Under this method, the valuation is made by adjusting the book value shown on RDA's internal financial statements as at June 30, 2022 for the items that materially affect value of assets and liabilities in order to reflect the net asset value that is as close as possible to the present value. The IFA has considered the significant items on such financial statements for the book value adjustment as follows:

(a) Adjustment to surplus (deficit) on revaluation of real estate development cost based on the property appraisal report by the Independent Valuer

According to its internal financial statements as at June 30, 2022, RDA recorded total real estate development cost of Baht 662.22 million. It was cost of development of Nue Noble Ratchada-Latphrao Project, which will feature a 34-storied residential condominium with a total of 565 units in five types, the construction of which was currently completed by about 8% and is scheduled for full completion and delivery by February 2024.

In the statement of financial position as at June 30, 2022, which is RDA's internal financial statement, real estate development cost was recorded at the actually incurred cost, taking no account of the salability and profitability of the residential condominium units in such project. Therefore, to identify a fair economic value of the project, the Company hired SIMS, an independent valuer on the SEC's approved list, to conduct a fair value appraisal of the project for public purpose, according to the current development progress. SIMS prepared a property appraisal report, No. 65-1-1373-GL-1, on September 9, 2022, the details of which are as follows:

SIMS appraised the residential condominium project, consisting of a plot of land with a total area of 2 rai 95.6 square wah or equal to 895.6 square wah and a 34-storied residential condominium building with a total of 565 units, the construction of which was currently completed by about 8%.

SIMS used the direct comparison or market approach to appraise the land of Nue Noble Ratchada-Latphrao Project at a fair value of Baht 564.23 million, and the replacement cost approach to appraise the residential condominium building, which is still under construction, at a fair value of Baht 65.37 million, making up a total fair value of the land and the residential condominium building under construction of Baht 629.60 million, the details of which are as follows:



Appraised property	Appraisal approach	Amount (Baht million)
Fair value appraised by Independent Valuer		
Land	Direct comparison or market approach	564.23
Residential condominium building under construction	Replacement cost approach	65.37
Total appraised fair value		629.60
Book value of real estate development cost as at June 30, 2022		662.22
Surplus (deficit) on revaluation of real estate development cost		(32.62)

Remark * Shareholders can refer to a summary of the property appraisal report in Attachment 8B of this report.

Opinion of the IFA on the property appraisal approaches

SIMS examined and considered various factors relating to the valuation such as appropriateness of use or development for further use, general market condition and limitations, specific features of the property, and legal rights before selecting the appraisal methods that suit the nature of such property, as follows:

- In our opinion, the direct comparison or market approach used for appraisal of the land of Nue Noble Ratchada-Latphrao Project is an appropriate method for analysis and determination of price through comparison with market prices of properties which have characteristics similar to RDA's property. SIMS considered all details of the appraised property and various factors that affect value of the appraised property such as land area, location, transportation, environment, land use, land shape, physical condition, legal restrictions, development potential, and sufficiency of market price data in nearby areas for comparison. Then, weighting on credibility of the comparable data was carried out to determine the value of the appraised property. The appraisal of land using the direct comparison or market approach is part of the market price assessment process under professional practices adopted by independent appraisers and such approach is deemed suitable for comparison with the book value of real estate development cost shown on RDA's internal financial statements as of June 30, 2022.

- As for the use of replacement cost approach for appraisal of the residential condominium project that is under development, we view that this method is appropriate since it is in line with the general approach for construction appraisal. SIMS used the construction cost estimates of the Valuers Association of Thailand as a basis for determining the construction cost per unit.

(b) Adjustment according to the Financial and Tax Due Diligence Report on September 30, 2022(1) Adjustment to commissions for sales to Thai customers

As at June 30, 2022, RDA recorded assets recognized from cost of obtaining contracts of Baht 35.29 million, which was commissions for sales to foreign customers and was recognized as expenses when revenues from such contracts were obtained (date of ownership transfer). However, from 2020 to 2022 (Jan-June), RDA recognized commissions for sales to Thai customers as expenses in the statement of income in the amount of Baht 0.82 million, resulting in a lowered amount of assets. Therefore, we have made an adjustment by incorporating such commissions for sales to Thai customers into the assets recognized from cost of obtaining contracts as at June 30, 2022.

(2) Commitments and contingent liabilities

As at June 30, 2022, RDA had significant commitments such as service fees under the turnkey project development and management contract, management fees, project development until completion, and space rental fees and service fees in the condominium sales office's rented space in a total amount of Baht 896.60 million. However, such commitments and contingent liabilities are incurred in the ordinary course of business of RDA; therefore, we have not made any adjustment to this item in the share value calculation under the adjusted book value approach.

From the above information, we have made adjustments to calculate a fair value of the sale and purchase price of RDA's shares according to the investment proportion by the adjusted book value approach as follows:

Items	Amount (Baht million)
Total assets (as at June 30, 2022)	784.28
Less: Total liabilities (as at June 30, 2022)	(865.46)
Net asset value before adjustment	(81.18)
Adjusted items	
(a) Add: Surplus (deficit) on revaluation of real estate development cost	(32.62)
(b) (1) Add: Adjustment to commissions for sales to Thai customers	0.82
Net asset value after adjustment	(112.98)
Fair value of the sale and purchase price of RDA's shares according to the investment proportion	(56.49)

Remark * Shareholders can refer to a summary of the property appraisal report in Attachment 8B of this report.



By the adjusted book value approach, a fair value of the sale and purchase price of RDA's shares according to the investment proportion is appraised at Baht (56.49) million, which is (lower) than the sale and purchase price of Baht 24.10 million by Baht (80.59) million or (334.40)%.

The valuation by this approach could reflect RDA's net asset value that is more updated than the share valuation by the book value approach. However, this approach takes no account of RDA's future performance and profitability, nor the overall economic and industrial trends.

1.3. Market Comparable Approach

By this approach, the valuation is made based on various market ratios, including (a) price to book value (P/BV) ratio, (b) price to earnings (P/E) ratio, and (c) enterprise value to EBITDA (EV/EBITDA) ratio, of 10 reference companies listed on the SET's Property Development Sector that generate income mainly from vertical property development business in the amount of not less than 50% of their total sales revenues and have an asset size of between Baht 10,000 million and Baht 50,000 million, or called the "Peer Group," the details of which are as follows:

	Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
SET-listed reference companies				
1	ANAN	Ananda Development Plc.	ANAN's main business is the development of 1) condominium projects located near mass transit stations in Bangkok and its peripheral areas, and 2) horizontal housing estate projects. In addition, it also operates other businesses through its subsidiaries, including condominium unit selling agent and management services for housing estates and condominiums.	41,435.12
2	ASW	Assetwise Plc.	ASW is a holding company which has subsidiaries operating core business of property development for sale, including condominium, single house, townhome and home office.	13,877.35
3	CGD	Country Group Development Plc.	CGD engages in real estate development business.	18,682.14



	Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
4	LPN	L.P.N. Development Plc.	LPN is a developer of urban residential condominiums with affordable prices. The main target group is the middle to lower-middle income earners. Condominium projects are designed and developed under LPN Design concept which focuses on delivering product value to customers. It develops large-scale projects in order to achieve cost advantage and economy of scale. At the same time, an emphasis is put on achieving economy of speed from upstream to downstream stages in project development process. In terms of service value, the uniqueness of LPN lies in the "Livable Community" strategy, which makes a great impression and creates bond with customers and residents of "Lumpini" community.	24,333.89
5	MJD	Major Development Plc.	MJD engages in the property development for sale and hotel business, focusing on high-end condominiums with luxurious lifestyles.	15,866.76
6	NOBLE	Noble Development Plc.	NOBLE operates the business of real estate development for sale, construction service, rental and services.	22,445.37
7	NVD	Nirvana Daii Plc.	NVD's core businesses are classified into three categories as follows: (1) real estate development business under the name "NIRVANA," which develops properties for sale such as single detached house, twin house, home office, townhouse, and condominium, with project location selected based on factors such as development potential, accessibility, and community, and the projects developed including 3-storey single detached houses under the brand "BEYOND," 2-storey single detached houses under the brand "ICON," home offices under the brand "@WORK," townhouses under the brand "DEFINE," and condominiums under the brand "BANYANTREE RESIDENCE RIVERSIDE BANGKOK;" (2) construction service; and (3) sales of construction materials such as instant fence and acting as distributor of aluminum doors and windows from Japanese manufacturers.	12,314.66



Opinion of the Independent Financial Advisor on the connected transactions

	Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
8	ORI	Origin Property Plc.	ORI operates property development business, including condominiums along sky train routes in Bangkok and its vicinities, and related services which are rental & re-sale and condominium project management services only for the projects developed by ORI.	41,014.45
9	SA	Siamese Asset Plc.	SA develops residential real estate for sales, including condominiums, housing estates, townhomes and home offices, and also offers juristic person management service for its projects.	15,032.56
10	SENA	Sena Development Plc.	SENA engages in residential real estate development business, consisting of single-detached houses, townhouses, commercial buildings, townhomes and condominiums; rental business such as apartments for rent, community malls and office buildings; golf course business; solar power business; juristic person management business; residential construction business; and real estate agent and brokerage business.	23,655.80

Source: www.set.or.th

Remark: * As at September 30, 2022

(1) *Price to Book Value Ratio Approach*

Under the P/BV ratio approach, the valuation is made by taking book value shown on RDA's internal financial statements as at June 30, 2022, equal to Baht (81.18) million, multiplied by the average of P/BV ratio of the Peer Group prevailing in different time periods of one month, three months, six months, nine months and 12 months up to the cut-off date of September 29, 2022 (which was the last business day before the date the Board of Directors' Meeting No. 8/2022 on September 30, 2022 resolved to grant approval for the Company to propose the acquisition of RDA's shares from U for consideration of the shareholders' meeting).

Average P/BV ratio of the Peer Group:

Peer Group	Average of past 1 month	Average of past 3 months	Average of past 6 months	Average of past 9 months	Average of past 12 months
1 ANAN	0.37	0.37	0.35	0.37	0.38
2 ASW	1.35	1.33	1.36	1.42	1.45
3 CGD	0.88	0.87	0.89	0.95	0.99
4 LPN	0.57	0.56	0.57	0.58	0.59
5 MJD	0.27	0.27	0.28	0.29	0.30
6 NOBLE	1.21	1.16	1.18	1.26	1.32
7 NVD	0.63	0.64	0.67	0.72	0.75
8 ORI	1.63	1.59	1.64	1.82	1.92
9 SA	2.84	2.88	2.97	3.36	3.44
10 SENA	0.72	0.71	0.74	0.80	0.80
Average*	0.85	0.83	0.85	0.91	0.94

Source: www.setsmart.com

Remark * P/BV ratio of SA is excluded from the calculation because it is deemed the outlier.

Conclusion of the valuation of a fair value of the sale and purchase price of RDA's shares according to the investment proportion by the P/BV ratio approach

Period	Average P/BV ratio of Peer Group (time)	Book value (Baht million)	Fair value of RDA's shares (Baht million)	Fair value of the sale and purchase price of RDA's shares according to the investment proportion (Baht million)
Average of past 1 month	0.85	(81.18)	(69.00)	(34.50)
Average of past 3 months	0.83	(81.18)	(67.38)	(33.69)
Average of past 6 months	0.85	(81.18)	(69.00)	(34.50)
Average of past 9 months	0.91	(81.18)	(73.87)	(36.94)
Average of past 12 months	0.94	(81.18)	(76.31)	(38.15)



By the P/BV ratio approach, a fair value of the sale and purchase price of RDA's shares according to the investment proportion is appraised at Baht (33.69) million – Baht (38.15) million, which is (lower) than the sale and purchase price of Baht 24.10 million by Baht (57.79) million – Baht (62.25) million or (239.79)% - (258.30)%.

The valuation by this approach is based on RDA's book value, which reflects its performance and financial position at a given period of time, but does not reflect its future profitability.

(2) *Price to Earnings Ratio Approach*

By this method, the valuation is made from RDA's net profit for the previous 12 months, multiplied by the average P/E ratio of the Peer Group. However, RDA has operated at a deficit over the previous 12 months from July 1, 2021 to June 30, 2022. Thus, we cannot appraise a fair value of the sale and purchase price of RDA's shares according to the investment proportion by the P/E ratio approach.

(3) *EV/EBITDA Ratio Approach*

By this approach, the valuation is made from the average EV/EBITDA ratio of the Peer Group, multiplied by EBITDA of RDA, then deducted by interest-bearing debts and non-controlling interests (if any), and added by its cash and cash equivalents. However, RDA recorded negative EBITDA over the previous 12 months from July 1, 2021 to June 30, 2022. Thus, we cannot appraise a fair value of the sale and purchase price of RDA's shares according to the investment proportion by the EV/EBITDA ratio approach.

1.4. **Market Value Approach**

Under this approach, the valuation is made based on the weighted average market price (trading value/trading volume) of the company whose shares were traded on the SET over the previous periods. However, since RDA's shares are not listed on either the SET or the mai, there is no market price available. Thus, we cannot appraise a fair value of the sale and purchase price of RDA's shares according to the investment proportion by the market value approach.



1.5. Discounted Cash Flow Approach

By this approach, the valuation is made based on RDA's future profitability by calculating present value of net cash flow expected from its future operation under financial projection for a period of 25 months (July 1, 2022 – July 31, 2024) with the assumption that RDA continues operation on a going concern basis under the current economic condition and circumstances without any material change taking place during such period.

We have prepared the financial projection of RDA based on the information and assumptions obtained from the Company and the information received from interviews with the executives and staff concerned. The objective is to identify a fair value of the sale and purchase price of RDA's shares according to the investment proportion, and the appraised value may not be used as a reference price for any purposes other than the objective mentioned above. We have reviewed such information according to professional standards and deem that the information is adequate and reliable for use in the appraisal of a fair value of the sale and purchase price of RDA's shares according to the investment proportion.

However, if there is any material change from the established assumptions in the economic condition and other external factors that have an impact on the operation of RDA, as well as in its internal situation, the value appraised by this approach may not be used as a reference price.

The key assumptions used in the financial projection are as follows:

(a) *Revenues from sales of condominium units*

Nue Noble Ratchada-Latphrao Project is located in Chomphon Sub-district, Chatuchak District, Bangkok, on a total land area of about 2 rai 95.6 square wah or equal to 895.6 square wah. It will feature a residential condominium offering a total of 565 units with a total saleable area of 16,252 square meters. The unit size is in a range of 22.5 – 42.6 square meters or an average of 28.8 square meters/unit. The total project value is Baht 1,998.94 million.

Pre-sale was launched in July 2020 and sales are expected to be closed by February 2024. The ratio of Thai to foreign customers is projected at 51% and 49% of the total project value respectively. The project life is four years and one months or 49 months, from the pre-sale in July 2020 to the expected date of completion of owner transfer in July 2024. The total area sold up to June 2022 accounts for 60.75% of the total saleable area, with the value according to the agreements of the units sold of Baht 1,214.33 million. The projection for the period from July until the end of the project life is as follows:



The projection of cash flow receivable from sales of condominium units from July 2022 to the end of the project life in July 2024:

- The projection of percentage of the remaining saleable area of 39.25% of the total saleable area is as follows:

	2022		2023				2024			Total
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Saleable area (%)	3.36	6.66	6.37	6.37	6.37	6.37	3.75	-	-	39.25

- The average selling price of the condominium is forecast at Baht 0.12 million per square meter, based on the operational plan, construction pattern and NOBLE's experience in project operation, as well as the market condition and competition in nearby areas.
- Terms of payment for the residential condominium units can be divided into two main types under the project's policy as follows:

International customers:

- A one-off payment of the reservation fee in the amount of about Baht 0.1 million, to be made on the reservation date;
- A down payment at 30% of the selling price, to be made in two monthly installments;
- A one-off payment of the remaining unpaid balance, to be made on the ownership transfer date.

Thai customers:

- A one-off payment of the reservation fee in the amount of about Baht 0.1 million, to be made on the reservation date;
- A down payment at 15% of the selling price, to be made in monthly installments until the expected month of completed construction;
- A one-off payment of the remaining unpaid balance, to be made on the ownership transfer date.



From the above assumptions, we have projected cash flow receivable from sales of the residential units on a quarterly basis as follows:

(Unit: Baht million)

Cash flow receivable	2022		2023				2024			Total
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
- Agreement signing	0.19	2.22	3.60	3.60	3.60	3.60	2.12	-	-	18.93
- Down payment	12.76	21.80	52.32	45.96	41.95	39.97	36.71	-	-	251.47
- Ownership transfer	-	-	-	-	-	-	309.41	896.23	278.45	1,484.10
Total	12.95	24.02	55.92	49.56	45.55	43.57	348.23	896.23	278.45	1,754.50

(b) *Turnkey construction and development fees*

Turnkey construction and development fees are the operating fees for the entire project construction works, which RDA has commissioned NOBLE to undertake. RDA shall pay such fees to NOBLE as set out in the Turnkey Construction and Development Service Agreement between them. The fees include turnkey construction and development costs, design and consultation fees, selling and marketing expenses, and commission fee, totalling Baht 1,030.06 million.

The assumptions for the turnkey construction and development fees are as follows:

- Turnkey construction and development costs and design and consultation fees

The turnkey construction and development costs, design and consultation fees, and others relating to the construction amount to Baht 822.64 million. RDA already paid Baht 102.05 million for the construction as at June 30, 2022, resulting in the remaining construction costs payable as from July 2022 of Baht 720.59 million, which shall be paid to NOBLE based on the project's sale milestone as mentioned earlier.

- Construction costs are comprised of costs of construction, infrastructure and landscape, with the total construction area of 31,428 square meters and the average construction costs of Baht 22,898 per square meter. The estimation is based on NOBLE's experience in previous condominium construction and in line with the estimated construction costs per square meter of condominium projects in general. The construction period is 29 months, from May 2021 to February 2024.
- Design and consultation fees for construction supervision are estimated at 5% of construction costs and sales office construction cost at Baht 17.43 million.
- Contingency for changes in construction costs is estimated at 5% of construction costs, design and consultation fees, and sales office construction cost, based on NOBLE's experience in



previous condominium construction and in line with the contingency estimation for changes in condominium costs in general.

- Selling and marketing expenses and commission fee
 - Selling and marketing expenses, comprising expenses on sales promotion, advertisement and public relations, are projected on a monthly basis according to the project's selling and marketing expense planning, or at about 2% of revenues from sales. Management expenses are estimated at 1.61% of revenues from sales. Such projection is made based on NOBLE's experience in previous project management and in line with the forecasting of marketing expenses of previous projects.
 - Rental and service fees payable for the rented spaces of the condominium sales office are estimated at Baht 0.30 million/month for an expected renting period of almost four years. The said rental and service fees are assumed to remain constant for three years and, after that, to be revised up by 10% per year.
 - Commission fee for sales of residential condominium units varies with customer type and sales channel, projected at 1%-11% of the selling price of the units sold in each month, and is payable on a monthly basis and in proportion to the number of units sold. Commission fee for sales to Thai customers will be lower than that to foreign customers.

From the above assumptions, we have projected cash flow payable for the turnkey construction and development costs on a quarterly basis as follows:

(Unit: Baht million)

	2022		2023				2024			Total
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Turnkey construction and development costs	21.59	41.72	65.56	89.53	114.95	103.93	121.22	-	102.93	661.43
Design and consultation fees and sales office costs	0.94	4.32	4.49	1.50	4.73	-	-	-	8.81	24.79
Contingency for changes in construction costs	1.13	2.24	3.47	4.54	6.23	5.19	6.10	-	5.48	34.38
Selling and marketing expenses and commission fee	6.88	18.32	19.62	11.69	15.78	2.33	1.77	1.48	74.70	152.57
Total cash flow used in construction and selling and marketing expenses	30.53	66.60	93.14	107.26	141.69	111.45	129.09	1.48	191.92	873.16



(c) *Management fee and monitoring and consulting service fee under the joint venture agreement*

- Monitoring and consulting service fee that RDA agrees to pay to U under the Monitoring Consulting Service Agreement is equal to 2.5% of the project value, payable on a monthly basis from March 2020 to February 2024.
- Management fee that RDA agrees to pay to NOBLE under the Turnkey Construction and Development Service Agreement is equal to 4% of the project value, payable after U could achieve EIRR of 11%.
- Incentive fee is payable to NOBLE in the case where the total EIRR of U and NOBLE, calculated from the sum of net cash flow receivable by U and NOBLE throughout the period of their investment in RDA, reaches the level specified in the joint venture agreement, amounting to Baht 26.02 million, and is payable in the final month of the project.

From the above assumptions, we have projected the management fee and monitoring and consulting service fee under the joint venture agreement on a quarterly basis as follows:

(Unit: Baht million)

	2022		2023				2024			Total
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Monitoring and consulting service fee	3.34	3.34	3.34	3.34	3.34	3.34	1.74	-	-	21.77
Management fee	-	-	-	-	-	-	-	-	85.55	85.55
Incentive fee	-	-	-	-	-	-	-	-	26.02	26.02
Total cash flow payable for selling and administrative expenses	3.34	3.34	3.34	3.34	3.34	3.34	1.74	-	111.57	133.34

(d) *Selling and administrative expenses directly borne by JV partner*

The expenses relating to the project that JV partner must pay directly to the relevant counterparties include:

- Specific business tax of 3.3% of the selling price, payable on the ownership transfer date;
- Transfer fee of 1% of the selling price, payable on the ownership transfer date; and
- General administration expenses, comprising advisory and audit fees, legal fee, independent valuer's fee, initial juristic person expenses, maintenance fees for electricity and water meters, borrowing fee, and mortgage fee.



From the above assumptions, we have projected the selling and administrative expenses on a quarterly basis as follows:

(Unit: Baht million)

	2022		2023				2024			Total
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Specific business tax	-	-	-	-	-	-	12.11	40.18	13.68	65.97
Transfer fee	-	-	-	-	-	-	3.67	12.18	4.14	19.99
General administration expenses	0.11	0.15	0.58	0.58	1.04	2.83	2.31	-	2.45	10.05
Total cash flow payable for selling and administrative expenses	0.11	0.15	0.58	0.58	1.04	2.83	18.09	52.36	20.27	96.01

(e) Sources of funds

Funding for development of Nue Noble Ratchada-Latphrao Project is expected from three main sources: loans from financial institutions, loans from shareholders, and equity financing, as follows:

Sources of funds	Amount (Baht million)	Proportion of project cost (%)	Interest rate (%)
Loans from financial institutions	820.00	72.96%	3.97
Loans from shareholders	253.86	22.59%	4.80
Equity financing: U	25.00	2.22%	-
Equity financing: NOBLE	25.00	2.22%	-
Total sources of funds	1,123.86	100.00%	

- Long-term loans from financial institutions are estimated at Baht 820.00 million. Of this amount, Baht 360.00 million is loan for land purchase, which has been completely drawn down since September 2020, and about Baht 460.00 million is loan for construction financing, expected to be drawn down from August 2022 until completion of construction in January 2024. The loan period is three years and 10 months or 46 months. In Months 1-42, only interest payment will be made and in Months 43-46, principal repayment will be made together with interest payment.
- Interest rate on long-term loans from a local financial institution for project development is estimated to be MLR – 1.50% p.a., or equal to 3.97% p.a. (MLR as at June 30, 2022 is equal to 5.47%).
- Loans from shareholders are estimated at Baht 253.86 million, to be equally provided by the two shareholders on a 50:50 basis, divided into Baht 126.93 million from NOBLE and Baht



126.93 million from U. As at June 30, 2022, RDA already raised loans from shareholders of Baht 80.00 million and plans to repay such loans to the shareholders by June 2024.

- Interest rate on loans from shareholders is estimated at 4.8% p.a.
- Equity financing is estimated to be Baht 50.00 million, of which Baht 25.00 million will be provided by U and Baht 25.00 million by NOBLE.

From the above assumptions, we have calculated net cash flow to equity receivable by the Company under the joint venture agreement and other benefits obtainable from the joint venture investment in RDA for development of the residential condominium project with NOBLE, and have calculated the present value of cash flow obtained from the projection for a period of 25 months (July 1, 2022 – July 31, 2024), using cost of capital (Ke) of 14.64% per year as a discount rate. The calculation formula for Ke is as follows:

Calculation of Ke:

$$K_e = R_f + \beta(R_m - R_f)$$

Where:

Risk free rate (Rf)	Risk free rate of return on investment, derived from www.thaibma.or.th as at September 29, 2022, is equal to 4.06% per annum, based on bid yield on government bond with a maturity of 25 years, which is a period that could reflect investment condition in different time periods better than shorter-term data.
Beta (β)	This is a variance of SET return compared with closing price of the reference companies. We use the beta of 10 real estate companies (based on the weekly trading statistics from Bloomberg over the past three years up to September 29, 2022). The beta of these reference companies is adjusted to arrive at an unlevered beta, equal to an average of 0.477, which is then adjusted by the estimated interest-bearing debt to equity ratio of the whole project of RDA, equal to 2.70 times, to obtain a levered beta of 1.51.
Rm	This is the average rate of return on the SET over the past 25 years, which is a period that could reflect investment condition in different time periods better than shorter-term data (source: SET data from October 1997 to September 2022), equal to 11.08% per year.



The present value of free cash flow to equity that the Company will receive in the proportion of 50% and other returns during 2022 (Jul-Dec) – 2024 (Jan-Jul) is shown in the below table:

(Unit: Baht million)

	2022		2023				2024			Total
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Cash flow before tax	(24.51)	(51.83)	(47.26)	(68.40)	(108.25)	(82.96)	188.55	836.35	(53.14)	588.58
<u>Less</u> Corporate income tax	-	-	-	-	-	-	-	(20.17)	-	(20.17)
<u>Add</u> Loans from financial institutions	17.59	28.82	58.29	75.80	81.78	84.21	113.51	-	-	460.00
<u>Add</u> Loans from shareholders	-	-	0.43	20.91	56.13	16.38	-	-	-	93.86
<u>Less</u> Repayment of loans from financial institutions	-	-	-	-	-	-	(226.34)	(593.66)	-	(820.00)
<u>Less</u> Repayment of loans from shareholders	-	-	-	-	-	-	-	(253.86)	-	(253.86)
Total	(6.91)	(23.01)	11.47	28.32	29.67	17.63	75.73	(31.34)	(53.14)	48.41
Discount period	0.25	0.50	0.75	1.00	1.25	1.50	1.75	2.00	2.25	
Discount rate	11.29%	11.29%	11.29%	11.29%	11.29%	11.29%	11.29%	11.29%	11.29%	
Discount factor	0.9664	0.9340	0.9026	0.8723	0.8430	0.8147	0.7874	0.7609	0.7354	
PV of cash flow	(6.68)	(21.49)	10.35	24.70	25.01	14.37	59.62	(23.85)	(39.08)	42.95

Details of the present value of monitoring and consulting service fee receivable by the Company are as follows:

(Unit: Baht million)

	2022		2023				2024	Total
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
Monitoring and consulting service fee	3.34	3.34	3.34	3.34	3.34	3.34	1.74	48.41
Discount period	0.25	0.50	0.75	1.00	1.25	1.50	1.75	
Discount rate	14.64%	14.64%	14.64%	14.64%	14.64%	14.64%	14.64%	
Discount factor	0.9664	0.9340	0.9026	0.8723	0.8430	0.8147	0.7874	
PV of cash flow	3.23	3.12	3.01	2.91	2.81	2.72	1.37	42.95



From the above table showing yearly cash flow projection, we have calculated the present value of free cash flow to equity receivable by the Company in the proportion of 50% and other returns as follows:

	Baht million
PV of cash flow	42.95
Add: Cash (as at June 30, 2022)	45.15
Equity value	88.10
Equity value receivable by the Company in the proportion of 50%	44.05
Add: PV of monitoring and consulting service fee receivable by the Company	19.18
Total equity value receivable by the Company in the proportion of 50% and other returns	63.23

From the valuation by the discounted cash flow approach, the equity value receivable by the Company in the proportion of 50% and other returns are appraised at Baht 63.23 million in the base case.

In addition, we have performed a sensitivity analysis on the valuation of the equity value receivable by the Company in the proportion of 50% and other returns so as to cover a range of impacts that are expected from changes in Ke by an increase/decrease of 2% from the base case, the outcomes of which are as follows:

Change of Ke	-2%	-1%	Base case 0.0%	+1%	+2%
Ke	12.64%	13.64%	14.64%	15.64%	16.64%
Equity value receivable by the Company in the proportion of 50% and other returns (Baht million)	63.90	63.56	63.23	62.89	62.57

From the above sensitivity analysis with changes to Ke, the equity value receivable by the Company in the proportion of 50% and other returns are appraised in a range of Baht 62.57 million – Baht 63.90 million, which is higher than the sale and purchase price of Baht 24.10 million by Baht 38.47 million – Baht 39.80 million or 159.63% – 165.15%.

**Conclusion of opinion of the IFA**

Table showing comparison of the fair value of the sale and purchase price of RDA's shares according to the investment proportion by various valuation approaches:

Valuation approach	Appraised value according to investment proportion (Baht million)	Sale and purchase price (Baht million)	Appraised value being higher/(lower) than sale and purchase price	
			(Baht million)	(%)
1. Book Value Approach	(40.59)	24.10	(64.69)	(268.42)
2. Adjusted Book Value Approach	(56.49)	24.10	(80.59)	(334.40)
3. Market Comparable Approach				
(a) P/BV Ratio Approach	(33.69) – (38.15)	24.10	(57.79) – (62.25)	(239.79) – (258.30)
(b) P/E Ratio Approach	N/A	24.10	N/A	N/A
(c) EV/EBITDA Ratio Approach	N/A	24.10	N/A	N/A
4. Market Value Approach	N/A	24.10	N/A	N/A
5. Discounted Cash Flow Approach	62.57 – 63.90	24.10	38.47 – 39.80	159.63 – 165.15

There are different strengths and weaknesses of the above valuation approaches in identifying a fair value of the shares, as described below:

(1) The share valuation by the book value approach focuses on financial position at a given period of time and book value of assets, but does not reflect the true market value of assets and the future profitability.

(2) The adjusted book value approach could reflect the net asset value more accurately than the share valuation by the book value approach. This is because the appraised book value in (1) is adjusted by value of real estate projects under development to obtain a market value or fair value, and also adjusted by the restated items in RDA's financial statements according to the financial due diligence report, and by commitments and contingent liabilities, etc., considering that RDA has just commenced its project construction. This is one of the suitable methods for determining a fair value of RDA's ordinary shares because it is based on a fair value of land and constructions according to the current progress rate at market price, which can best reflect general investors' expectation on the basis of the highest and best use of such assets at that time.

(3) The market comparable approach, comprising P/E ratio, P/BV ratio and EV/EBITDA ratio approaches, may not reflect the true value of RDA due to the variation and difference in certain factors of the Peer Group in terms of business operation policy, marketing plan, customer base, future business plan, financial structure, and profitability of each company.



(4) The market value approach can well reflect demand for and supply of shares traded on the stock exchange in different time periods. However, since RDA's shares are not listed on the SET, we cannot appraise a fair value of RDA's shares by this approach.

(5) The discounted cash flow approach normally focuses on future operation and profitability of the business by taking into account the present value of future net cash flow based on past operation, as well as the economic trend and future operation of the business. Therefore, this approach normally can reflect the true value of the business better than all other approaches. However, the valuation by this approach is under the assumption that RDA has completed the construction and could sell its project as planned. Currently, RDA has just commenced the construction. After completion of this transaction, the Company will become a major shareholder of RDA and will assume not only financial burdens but also risks in project development until completion. Therefore, this approach is not suitable for determining the value of this transaction. Nonetheless, we have still prepared the cash flow projection to be a basis for the Company's shareholders to consider whether the investment is worthwhile and determine the return on investment in such project.

Based on the above reasons, we are of the opinion that the most suitable approach for valuing RDA's shares is the adjusted book value (ABV) approach. A fair value of the investment in RDA according to the investment proportion is appraised by the ABV approach at Baht (56.49) million, which is (lower) than the sale and purchase of Baht 24.10 million by Baht (80.59) million or (334.40)%.



Attachment 8B

Property Valuation of Ratchada Alliance Co., Ltd.

The Company has arranged for a fair value appraisal of Ratchada Alliance Co., Ltd. with respect to its Nue Noble Ratchada-Latphrao Project, consisting of a plot of land of 2 rai 95.6 square wah or equal to 895.6 square wah and a 34-storied residential condominium with a total of 565 units in five types, the construction of which was currently completed by about 8% and is scheduled for full completion and delivery by February 2024. The Company hired Sims Property Consultants Co., Ltd. ("SIMS" or "Independent Valuer"), an independent valuer on the SEC's approved list, to conduct a fair value appraisal of such properties for public purpose according to the appraisal report No. 65-1-1373-GL-1 dated September 9, 2022.

SIMS used the direct comparison or market approach, which was deemed a suitable approach, to appraise the land of Nue Noble Ratchada-Latphrao at a fair value of Baht 564.23 million, and the replacement cost approach, which was deemed a suitable approach, to appraise the residential condominium building under construction at a fair value of Baht 65.37 million. **The total fair value of the land and the residential condominium building under construction is equal to Baht 629.60 million**, the details of which are as follows:

Appraised property	Appraisal approach	Fair value appraised by SIMS (Baht million)
Land	Direct comparison or market approach	564.23
Residential condominium building under construction	Replacement cost approach	65.37
Total appraised fair value		629.60

Simulated photo of Nue Noble Ratchada-Latphrao Project



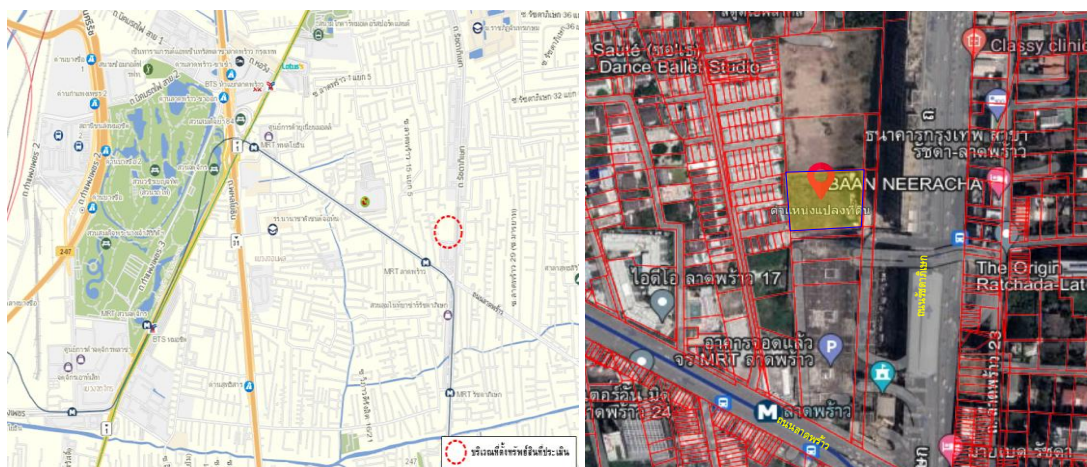
Source: www.noblehome.com



Details of appraised property

Particulars	Details						
Type of property	Land and construction in present condition						
Location	Ratchadaphisek Road, Chom Phon Sub-district, Chatuchak District, Bangkok						
GPS	LAT : 13.807947 LON : 100.574166						
Details of property	One plot of land (title deed No. 12841) with an area of 2 rai 95.6 square wah or equal to 895.6 square wah, to be developed into a condominium project in the name "Nue Noble Ratchada-Latphrao," featuring a 34-storied residential condominium with 565 units in five types, together with common facilities such as a swimming pool, a small garden, a gym, 210-car parking lots, etc. <i>(Under construction, currently about 8% completed)</i>						
Owner	Ratchada Alliance Co., Ltd.						
Encumbrances	Mortgaged with Kasikornbank Plc.						
Appraisal approach for land	Direct comparison or market approach						
Appraisal approach for building	Replacement cost approach						
Appraisal date	August 11, 2022						
Appraised value	<table> <tr> <td>Land</td><td>Baht 564,230,000</td></tr> <tr> <td>Building & constructions</td><td>Baht 65,370,000</td></tr> <tr> <td>Total</td><td>Baht 629,600,000</td></tr> </table>	Land	Baht 564,230,000	Building & constructions	Baht 65,370,000	Total	Baht 629,600,000
Land	Baht 564,230,000						
Building & constructions	Baht 65,370,000						
Total	Baht 629,600,000						

Location of vacant land in Nue Noble Ratchada-Latphrao Project



Source: Appraisal report by SIMS



1. Details of land appraisal by the direct comparison or market approach

The Company hired SIMS to appraise the vacant land in Nue Noble Ratchada-Latphrao Project on August 11, 2022, using the direct comparison or market approach, with a survey of other plots of land nearby for comparison. Factors taken into consideration were location, land condition, land use, land shape, and land size. Then, the land value was appraised by the Adjustment Grid Analysis.

There are six market data sets used for comparison and land appraisal, as follows:

– Comparable market data 1 – 3

Particulars	Comparable market data			
	Appraised property	Data 1	Data 2	Data 3
Type of property	Land with constructions in present condition	Vacant land	Vacant land	Vacant land
Location	Ratchadaphisek Road, Chom Phon Sub-district, Chatuchak District, Bangkok	Ratchadaphisek Road, Chan Kasem Sub-district, Chatuchak District, Bangkok	Ratchadaphisek Road, Chan Kasem Sub-district, Chatuchak District, Bangkok	Ratchadaphisek Road, Soi Rthadaphisek 42 Yaek 2, Chan Kasem Sub-district, Chatuchak District, Bangkok
Land area	2-0-95.6 rai (895.6 sqw)	0-3-81.0 rai (381.0 sqw)	10-3-09.6 rai (4,309.6 sqw)	1-0-15.0 rai (415.0 sqw)
Land shape	Similar to rectangle	Rectangle	Polygon	Polygon
Frontage	55.00 m.	46 m.	80 m.	5 m.
Land condition	Same as road level	Same as road level	Same as road level	Same as road level
Public utilities	Electricity, water supply, telephone and drainage pipe	Electricity, water supply and telephone	Electricity, water supply and telephone	Electricity, water supply and telephone
Type of front road	Concrete, 12.50 m.	Asphalt, 24.00 m.	Asphalt, 24.00 m.	Asphalt, 24.00 m.
Environment	Residential and commercial	Residential and commercial	Residential and commercial	Residential and commercial
Town plan	Brown, high-density residential zone	Brown, high-density residential zone	Orange, medium-density residential zone	Orange, medium-density residential zone
Best use	Residential	Residential	Residential	Residential
Offering price		Baht 650,000/sqw	Baht 650,000/sqw	Baht 600,000/sqw
Date obtaining data		August 2022	August 2022	August 2022



– Comparable market data 4 – 6

Particulars	Comparable market data		
	Data 4	Data 5	Data 6
Type of property	Vacant land	Vacant land	Vacant land
Location	Soi Ratchadaphisek 42, Ratchadaphisek Road, Chan Kasem Sub-district, Chatuchak District, Bangkok	Soi Ratchadaphisek 64/1, Ratchadaphisek Road, Lat Yao Sub-district, Chatuchak District, Bangkok	Lat Phrao Road, Chom Phon Sub-district, Chatuchak District, Bangkok
Land area	3-2-65.0 rai (1,465.0 sqw)	2-0-35.0 rai (835.0 sqw)	0-1-31.0 rai (131.0 sqw)
Land shape	Polygon	Rectangle	Polygon
Frontage	55 m.	60.00 m.	20 m.
Land condition	Same as road level	Same as road level	Same as road level
Public utilities	Electricity, water supply and telephone	Electricity, water supply and telephone	Electricity, water supply and telephone
Type of front road	Concrete, 8.00 m.	Asphalt, 8.00 m.	Concrete, 30.00 m.
Environment	Residential and commercial	Residential and commercial	Residential and commercial
Town plan	Orange, medium-density residential zone	Orange, medium-density residential zone	Brown, high-density residential zone
Best use	Residential	Residential	Residential
Offering price	Baht 550,000/sqw	Baht 700,000/sqw	Baht 550,000/sqw
Date obtaining data	August 2022	August 2022	August 2022



Land appraisal by Adjustment Grid Analysis:

Particulars	Appraised property	Data 1	Data 2	Data 3
Location	Ratchadaphisek Road	Ratchadaphisek Road	Ratchadaphisek Road	Ratchadaphisek Road
Environment	Residential and commercial	Residential and commercial	Residential and commercial	Residential and commercial
Area (rai-ngan-square wah)	2-0-95.6	0-3-81.0	10-3-09.6	1-0-15.0
Area (square wah)	895.6	381.0	4,309.6	415.0
Land shape	Similar to rectangle	Similar to rectangle	Polygon	Polygon
Frontage (meter)	55.00	46.00	80.00	5.00
Land level (meter)	0.00	0.00	0.00	0.00
Type of front road	Concrete, 12.50 m.	Asphalt, 24.00 m.	Asphalt, 24.00 m.	Asphalt, 24.00 m.
Town plan	High-density residential zone (Brown)	High-density residential zone (Brown)	Medium-density residential zone (Orange)	Medium-density residential zone (Orange)
Best land use	Residential	Residential	Residential	Residential
Offering price (Baht/unit)		650,000	650,000	600,000
Bargain price/expected saleable price (Baht/unit)		620,000	530,000	550,000
Sale and purchase price (Baht/unit)		-	-	-
Adjusted sale and purchase period		0%	0%	0%
Price used in analysis (Baht/unit)		620,000	530,000	550,000
Location		0%	0%	-5%
Environment - development		0%	0%	0%
Land size - liquidity		-5%	10%	-5%
Land shape		0%	5%	5%
Frontage		0%	0%	10%
Land level		0%	0%	0%
Road passing in front		-5%	-5%	0%
Legal restrictions		0%	5%	5%
Best land use		10%	5%	5%
Sum of factors affecting property value		0%	20%	15%
Price after factor adjustment		620,000	636,000	632,500
Weighting on data credibility	100%	32.45%	35.04%	32.51%
Property value (Baht)	629,670	201,178	222,843	205,649
Value of appraised property (Baht/square wah)	630,000			

Remark: By the Adjustment Grid Analysis, SIMS selected Data 1-3 for comparison with the appraised property because of their similarities in terms of location, access, infrastructure, environment and best use. However, since the



difference in location, environment and best use of the comparable data may affect the property value, SIMS already took into account the factors having effect on the property value. Data 4 and 5 have the location, infrastructure and environment that are inferior to the appraised property, and Data 6 is of a smaller size, thus leading its best use to be inferior to the appraised property.

From the appraisal of vacant land in Nue Noble Ratchada-Latphrao Project with a total area of 2 rai 95.6 square wah or equal to 895.6 square wah, using the direct comparison or market approach, as shown in the above table, for analysis of market price data based on factors such as the land's physical features, shape, characteristics, size, best use, environment and location, compared with the appraised property, the value obtained was adjusted to an appraised value of Baht 630,000 per square wah (rounded off) or a total of Baht 564.23 million.

Photo showing the 34-storied residential condominium building (under construction, about 8% completed)



Source: Appraisal report by SIMS



2. Details of the appraisal of the 34-storied residential condominium building by the replacement cost approach

SIMS employed the replacement cost approach to appraise the building, based on the material prices, labor cost, and assembling or construction technique as at present so as to obtain the replacement cost new. The value derived is the value in present condition of the building. Details of the appraisal are as follows:

General characteristics of the appraised construction:

	Details of construction
Construction	34-storied residential condominium building
General details	
Location	Under land title deed No. 12841
Type of building	34-storied reinforced concrete building
Building size	33.30 x 43.95 m.
Internal usable area	Approx. 31,428.00 sqm
Construction works	Under construction, about 8% completed
Building pattern	Standard
Construction standard	Good
Building material standard	Good
Building structure and decoration materials	
Structure	Reinforced concrete
Roof frame / roof	Reinforced concrete / roof deck
Floor	Reinforced concrete
Flooring materials	Laminate, Granito tiles, and polished floor
Wall	Brick wall, covered with stucco, painted
Ceiling	Gypsum board, painted, with galvanized steel structure
Door	HDF door, UPVC door, glass door with aluminum frame, and hard wood door
Window	Glass window with aluminum frame
Bathroom	Floor and wall covered with tiles
Sanitaryware	Flush toilet, wash basin counter, shower head, and mirror, with complete accessories
Furniture & fixture	Clothes closet, kitchenette, TV stand, bed headboard, and ceiling
System works	Three passenger lifts, one service lift, electrical system, water



	Details of construction
	heating/cooling system, telephone system, CCTVs, fire extinguishing system, communication system, etc.
Building area division and utilization	
Divided into	Level 1: Lobby, juristic person office, control room, pump room, generator room, electrical room, central garbage room, RML room, restroom, driveway and 39-car parking space
	Level 2: Driveway and 32-car parking space
	Levels 3-4: Driveway and 49-car parking space
	Level 5: Driveway, 41-car parking space, and surge tank room
	Level 6: Six residential units, central kitchen, fitness room, meeting room/library, salon, electrical room, games room, swimming pool, restroom, and green area
	Levels 7-33: 20 residential units/floor
	Level 34: 19 residential units
Utilization	Residential condominium

Analysis of property value for constructions:

	Particulars	Details		RCN (Baht)			
		Construction area	Unit	Construction cost/unit	% construction	Construction value upon 100% completed	Value in present condition
1	34-storied residential condominium building						
	- Internal usable area	3,1428.00	sqm	26,000	8%	817,128,000	65,370,240
Total value of constructions						817,128,000	65,370,240
(rounded off)						817,130,000	65,370,000

Remark: SIMS determined the percentage of construction based on the construction of the building in its present condition and in accordance with the general construction standard.

From the appraisal of buildings and constructions by the replacement cost approach, a fair value of the buildings was appraised at Baht 65.37 million.

Opinion of the IFA on the property appraisal approaches

SIMS examined and considered various factors relating to the valuation such as appropriateness of use or development for further use, general market condition and limitations, specific features of the property, and legal rights before selecting the appraisal methods that suit the nature of such property, as follows:

- In our opinion, the direct comparison or market approach used for appraisal of the land of Nue Noble Ratchada-Latphrao Project is an appropriate method for analysis and determination of price through comparison with market prices of properties which have characteristics similar to RDA's property. SIMS considered all details of the appraised property and various factors that affect value of the appraised property such as land area, location, transportation, environment, land use, land shape, physical condition, legal restrictions, development potential, and sufficiency of market price data in nearby areas for comparison. Then, weighting on credibility of the comparable data was carried out to determine the value of the appraised property. The appraisal of land using the direct comparison or market approach is part of the market price assessment process under professional practices adopted by independent appraisers and such approach is deemed suitable for comparison with the book value of real estate development cost shown on RDA's internal financial statements as of June 30, 2022.

- As for the use of replacement cost approach for appraisal of the residential condominium that is under development, we view that this method is appropriate since it is in line with the general approach for construction appraisal. SIMS used the construction cost estimates of the Valuers Association of Thailand as a basis for determining the construction cost per unit.

**Attachment 9A****Details of Share Valuation of Suksawat Alliance Co., Ltd.**

The Company intends to purchase all ordinary shares in SUK that are held by U in the amount of 250,000 shares, representing 50% of SUK's total issued and paid-up shares, at a price of Baht 27.00 million. The IFA has appraised a fair value of the sale and purchase price of SUK's shares according to the investment proportion using various approaches in order to express our opinion on the appropriateness of such sale and purchase price, as follows:

- 1.1. Book Value Approach
- 1.2. Adjusted Book Value Approach
- 1.3. Market Comparable Approach
 - (1) Price to Book Value Ratio Approach
 - (2) Price to Earnings Ratio Approach
 - (3) EV/EBITDA Ratio Approach
- 1.4. Market Value Approach
- 1.5. Discounted Cash Flow Approach

Since SUK was just incorporated on September 2, 2022, we have appraised a fair value of the sale and purchase price of SUK's shares according to the investment proportion by the aforementioned approaches based on information from SUK's internal financial statements prepared for the period from September 2, 2022 to September 20, 2022. Details of the appraisal of a fair value of the sale and purchase price of SUK's shares according to the investment proportion by each approach are as follows:



1.1. Book Value Approach

By this approach, the valuation is made from net book value of assets (total assets deducted by total liabilities) which will be equivalent to shareholders' equity or equal to SUK's book value, based on information from SUK's internal financial statements as at September 20, 2022. The outcome is as shown below:

Items as at September 20, 2022	Baht million
Issued and paid-up capital	50.00
Retained earnings (losses)	(5.09)
Legal reserve	-
Shareholders' equity of SUK	44.91
Fair value of the sale and purchase price of SUK's shares according to the investment proportion	22.46

By the book value approach, a fair value of the sale and purchase price of SUK's shares according to the investment proportion is appraised at Baht 22.46 million, which is (lower) than the sale and purchase price of Baht 27.00 million by Baht (4.54) million or (16.81)%.

The share valuation by this approach reflects SUK's financial position as of September 20, 2022 only, but does not reflect current market value of its assets, nor its profitability in the future.

1.2. Adjusted Book Value Approach

Under this method, the valuation is made by adjusting the book value shown on SUK's internal financial statements as at September 20, 2022 for the items that materially affect value of assets and liabilities in order to reflect the net asset value that is as close as possible to the present value. The IFA has considered the significant items on such financial statements for the book value adjustment as follows:

- (a) Adjustment to surplus (deficit) on revaluation of real estate development cost based on the property appraisal report by the Independent Valuer

According to its internal financial statements as at September 20, 2022, SUK recorded total real estate development cost of Baht 543.75 million. It was cost of development of Nue Hybe Suksawat Project, which will feature 33 units of four-storied shop house in two types and 123 units of four-storied home office in two types, making up a total of 156 units, the construction of which was currently about 1.65% completed and is scheduled for full completion around July 2025.

In the statement of financial position as at September 20, 2022, which is SUK's internal financial statement, real estate development cost was recorded at the actually incurred cost, taking no account of the salability and profitability of the shop house and home office in such project. Therefore, to identify a fair economic value of the project, the Company hired SIMS, an independent valuer on the SEC's approved list, to conduct a fair value appraisal of the said project for public purpose, according to the current development



progress. SIMS prepared a property appraisal report, No. 65-1-1374-GL-1, on September 13, 2022, the details of which are as follows:

SIMS appraised Nue Hybe Suksawat Project, consisting of seven plots of land with a total area of 16 rai 2 ngan 38.8 square wah or equal to 6,638.8 square wah and constructions, comprising two types of the four-storied shop house and two types of the four-storied home office, totaling 156 units, the construction of which was currently completed by about 1.65%.

SIMS used the direct comparison or market approach to appraise the land of Nue Hybe Suksawat Project at a fair value of Baht 597.49 million, and the replacement cost approach to appraise the shop house and home office, which are still under construction, at a fair value of Baht 7.46 million, making up a total fair value of the land and the shop house and home office under construction of Baht 604.95 million, the details of which are as follows:

Appraised property	Appraisal approach	Amount (Baht million)
Fair value appraised by Independent Valuer		
Land	Direct comparison or market approach	597.49
Shop house and home office under construction	Replacement cost approach	7.46
Total appraised fair value		604.95
Book value of real estate development cost as at September 20, 2022		543.75
Surplus (deficit) on revaluation of real estate development cost		61.20

Remark * Shareholders can refer to a summary of the property appraisal report in Attachment 9B of this report.

Opinion of the IFA on the property appraisal approaches

SIMS examined and considered various factors relating to the valuation such as appropriateness of use or development for further use, general market condition and limitations, specific features of the property, and legal rights before selecting the appraisal methods that suit the nature of such property, as follows:

- In our opinion, the direct comparison or market approach used for appraisal of the land of Nue Hybe Suksawat Project is an appropriate method for analysis and determination of price through comparison with market prices of properties which have characteristics similar to SUK's property. SIMS considered all details of the appraised property and various factors that affect value of the appraised property such as land area, location, transportation, environment, land use, land shape, physical condition, legal restrictions, development potential, and sufficiency of market price data in nearby areas for comparison. Then, weighting on credibility of the comparable data was carried out to determine the value of the appraised property. The appraisal of land using the direct comparison or market approach is part of the market price assessment process under professional practices adopted by independent appraisers and such approach is



deemed suitable for comparison with the book value of real estate development cost shown on SUK's internal financial statements as of September 20, 2022.

- As for the use of replacement cost approach for appraisal of the shop house and home office under development, we view that this method is appropriate since it is in line with the general approach for construction appraisal. SIMS used the construction cost estimates of the Valuers Association of Thailand as a basis for determining the construction cost per unit.

(b) *Commitments and contingent liabilities*

Since SUK was just incorporated on September 2, 2022, it does not have any commitments and contingent liabilities.

From the above information, we have made adjustments to calculate a fair value of the sale and purchase price of SUK's shares according to the investment proportion by the adjusted book value approach as follows:

Items	Amount (Baht million)
Total assets (as at September 20, 2022)	565.78
Less: Total liabilities (as at September 20, 2022)	(520.87)
Net asset value before adjustment	44.91
Adjusted items	
(a) Add: Surplus (deficit) on revaluation of real estate development cost	61.20
Net asset value after adjustment	106.11
Fair value of the sale and purchase price of SUK's shares according to the investment proportion	53.06

Remark * Shareholders can refer to a summary of the property appraisal report in Attachment 9B of this report.

By the adjusted book value approach, a fair value of the sale and purchase price of SUK's shares according to the investment proportion is appraised at Baht 53.06 million, which is higher than the sale and purchase price of Baht 27.00 million by Baht 26.06 million or 96.52%.

The valuation by this approach could reflect SUK's net asset value that is more updated than the share valuation by the book value approach. However, this approach takes no account of SUK's future performance and profitability, nor the overall economic and industrial trends.



1.3. Market Comparable Approach

By this approach, the valuation is made based on various market ratios, including (a) price to book value (P/BV) ratio, (b) price to earnings (P/E) ratio, and (c) enterprise value to EBITDA (EV/EBITDA) ratio, of 10 reference companies listed on the SET's Property Development Sector that generate income mainly from vertical property development business in the amount of not less than 50% of their total sales revenues and have an asset size of between Baht 10,000 million and Baht 50,000 million, or called the "Peer Group," the details of which are as follows:

	Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
SET-listed reference companies				
1	ANAN	Ananda Development Plc.	ANAN's main business is the development of 1) condominium projects located near mass transit stations in Bangkok and its peripheral areas, and 2) horizontal housing estate projects. In addition, it also operates other businesses through its subsidiaries, including condominium unit selling agent and management services for housing estates and condominiums.	41,435.12
2	ASW	Assetwise Plc.	ASW is a holding company which has subsidiaries operating core business of property development for sale, including condominium, single house, townhome and home office.	13,877.35
3	CGD	Country Group Development Plc.	CGD engages in real estate development business.	18,682.14
4	LPN	L.P.N. Development Plc.	LPN is a developer of urban residential condominiums with affordable prices. The main target group is the middle to lower-middle income earners. Condominium projects are designed and developed under LPN Design concept which focuses on delivering product value to customers. It develops large-scale projects in order to achieve cost advantage and economy of scale. At the same time, an emphasis is put on achieving economy of speed from upstream to downstream stages in project development process. In terms of service value, the uniqueness of LPN lies in the "Livable Community" strategy, which makes a great impression and creates bond with customers and residents of "Lumpini" community.	24,333.89



	Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
5	MJD	Major Development Plc.	MJD engages in the property development for sale and hotel business, focusing on high-end condominiums with luxurious lifestyles.	15,866.76
6	NOBLE	Noble Development Plc.	NOBLE operates the business of real estate development for sale, construction service, rental and services.	22,445.37
7	NVD	Nirvana Daii Plc.	NVD's core businesses are classified into three categories as follows: (1) real estate development business under the name "NIRVANA," which develops properties for sale such as single detached house, twin house, home office, townhouse, and condominium, with project location selected based on factors such as development potential, accessibility, and community, and the projects developed including 3-storey single detached houses under the brand "BEYOND," 2-storey single detached houses under the brand "ICON," home offices under the brand "@WORK," townhouses under the brand "DEFINE," and condominiums under the brand "BANYANTREE RESIDENCE RIVERSIDE BANGKOK;" (2) construction service; and (3) sales of construction materials such as instant fence and acting as distributor of aluminum doors and windows from Japanese manufacturers.	12,314.66
8	ORI	Origin Property Plc.	ORI operates property development business, including condominiums along sky train routes in Bangkok and its vicinities, and related services which are rental & re-sale and condominium project management services only for the projects developed by ORI.	41,014.45
9	SA	Siamese Asset Plc.	SA develops residential real estate for sales, including condominiums, housing estates, townhomes and home offices, and also offers juristic person management service for its projects.	15,032.56



Symbol	Company's name	Nature of business	Total assets as at Jun 30, 2022 (Baht million)*
10 SENA	Sena Development Plc.	SENA engages in residential real estate development business, consisting of single-detached houses, townhouses, commercial buildings, townhomes and condominiums; rental business such as apartments for rent, community malls and office buildings; golf course business; solar power business; juristic person management business; residential construction business; and real estate agent and brokerage business.	23,655.80

Source: www.set.or.th

Remark * As at September 30, 2022

(1) *Price to Book Value Ratio Approach*

Under the P/BV ratio approach, the valuation is made by taking book value shown on SUK's internal financial statements as at September 20, 2022, equal to Baht 44.91 million, multiplied by the average of P/BV ratio of the Peer Group prevailing in different time periods of one month, three months, six months, nine months and 12 months up to the cut-off date of September 29, 2022 (which was the last business day before the date the Board of Directors' Meeting No. 8/2022 on September 30, 2022 resolved to grant approval for the Company to propose the acquisition of SUK's shares from U for consideration of the shareholders' meeting).

Average P/BV ratio of the Peer Group:

Peer Group	Average of past 1 month	Average of past 3 months	Average of past 6 months	Average of past 9 months	Average of past 12 months
1 ANAN	0.37	0.37	0.35	0.37	0.38
2 ASW	1.35	1.33	1.36	1.42	1.45
3 CGD	0.88	0.87	0.89	0.95	0.99
4 LPN	0.57	0.56	0.57	0.58	0.59
5 MJD	0.27	0.27	0.28	0.29	0.30
6 NOBLE	1.21	1.16	1.18	1.26	1.32
7 NVD	0.63	0.64	0.67	0.72	0.75
8 ORI	1.63	1.59	1.64	1.82	1.92
9 SA	2.84	2.88	2.97	3.36	3.44
10 SENA	0.72	0.71	0.74	0.80	0.80
Average*	0.85	0.83	0.85	0.91	0.94

Source: www.setsmart.com

Remark * P/BV ratio of SA is excluded from the calculation because it is deemed the outlier.



Conclusion of the valuation of a fair value of the sale and purchase price of SUK's shares according to the investment proportion by the P/BV ratio approach

Period	Average P/BV ratio of Peer Group (time)	Book value (Baht million)	Fair value of SUK's shares (Baht million)	A fair value of the sale and purchase price of SUK's shares according to the investment proportion (Baht million)
Average of past 1 month	0.85	44.91	38.17	19.09
Average of past 3 months	0.83	44.91	37.28	18.64
Average of past 6 months	0.85	44.91	38.17	19.09
Average of past 9 months	0.91	44.91	40.87	20.44
Average of past 12 months	0.94	44.91	42.22	21.11

By the P/BV ratio approach, a fair value of the sale and purchase price of SUK's shares according to the investment proportion is appraised at Baht 18.64 million – Baht 21.11 million, which is (lower) than the sale and purchase price of Baht 27.00 million by Baht (8.36) million – Baht (5.89) million or (30.96)% – (21.81)%.

The valuation by this approach is based on SUK's book value, which reflects its performance and financial position at a given period of time, but does not reflect its future profitability.

(2) *Price to Earnings Ratio Approach*

By this method, the valuation is made from SUK's net profit for the previous 12 months, multiplied by the average P/E ratio of the Peer Group. However, since SUK was just established on September 2, 2022, there is no information on its performance over the previous 12 months nor sufficient information for use in the calculation of a fair value of the sale and purchase price of SUK's shares according to the investment proportion. Thus, we cannot appraise such fair value by the P/E ratio approach.

(3) *EV/EBITDA Ratio Approach*

By this approach, the valuation is made from the average EV/EBITDA ratio of the Peer Group, multiplied by EBITDA of SUK, then deducted by interest-bearing debts and non-controlling interests (if any), and added by its cash and cash equivalents. However, since SUK was just established on September 2, 2022, there is no information on its performance over the previous 12 months nor sufficient information for use in the calculation of a fair value of the sale and purchase price of SUK's shares according to the investment proportion. Thus, we cannot appraise such fair value by the EV/EBITDA ratio approach.



1.4. Market Value Approach

Under this approach, the valuation is made based on the weighted average market price (trading value/trading volume) of the company whose shares were traded on the SET over the previous periods. However, since SUK's shares are not listed on either the SET or the mai, there is no market price available. Thus, we cannot appraise a fair value of the sale and purchase price of SUK's shares according to the investment proportion by the market value approach.

1.5. Discounted Cash Flow Approach

By this approach, the valuation is made based on SUK's future profitability by calculating present value of net cash flow expected from its future operation under financial projection for a period of 40 months (July 1, 2022 – October 31, 2025) with the assumption that SUK continues operation on a going concern basis under the current economic condition and circumstances without any material change taking place during such period.

We have prepared the financial projection of SUK based on the information and assumptions obtained from the Company and the information received from interviews with the executives and staff concerned. The objective is to identify a fair value of the sale and purchase price of SUK's shares according to the investment proportion, and the appraised value may not be used as a reference price for any purposes other than the objective mentioned above. We have reviewed such information according to professional standards and deem that the information is adequate and reliable for use in the appraisal of a fair value of the sale and purchase price of SUK's shares according to the investment proportion.

However, if there is any material change from the established assumptions in the economic condition and other external factors that have an impact on the operation of SUK, as well as in its internal situation, the value appraised by this approach may not be used as a reference price.

The key assumptions used in the financial projection are as follows:

(a) *Revenues from sales of home office and shop house*

Nue Hybe Suksawat Project is located on Suk Sawat Road, Rat Burana Sub-district, on a total land area of about 16 rai 2 ngan 38.8 square wah or equal to 6,638.8 square wah. It will feature 123 units of home office and 33 units of shop house, making 156 units in total, with a total saleable area of 35,027 square meters. The target group is expected to be entirely Thai customers. The project life is three years and two months or 38 months, from the start of construction in September 2022 to the expected date of completion of owner transfer in October 2025. The total project value is Baht 1,601.06 million. The details are as follows:



The projection of cash flow receivable from sales of home office and shop house from January 2023 to the end of the project life in October 2025:

- Pre-sale will be launched from January 2023 onwards. Sales are expected to be closed in August 2025 and ownership transfer to be completed by October 2025. The home office and shop house will be sold in the form of completely built and ready for transfer. The target group is expected to be entirely Thai customers.
- The average selling price of the home office and shop house is estimated as follows:

	No. of units (units)	Land			Constructions			Total project (Baht million)
		Area (sqw)	Average price/sqw (Baht/sqw)	Land value (Baht million)	Saleable area (sqm)	Average price/sqm (Baht/sqm)	Value of saleable area (Baht million)	
Shop house	33	788.50	228,500	180.18	8,261	21,937.39	181.22	361.40
Home office	123	2,845.95	228,500	650.30	26,766	22,019.11	589.36	1,239.66
Total	156	3,634.45	228,500	830.48	35,027	21,999.83	770.58	1,601.06

From the above table, the average land area per unit of the home office and shop house is estimated at 23.30 square wah and the average saleable area is 224.53 square meters, representing an average selling price of Baht 10.26 million/unit.

The average selling price is projected based on the operational plan, construction pattern and NOBLE's experience in project operation. as well as market condition and competition in nearby areas.

- Terms of payment for the home office and shop house are divided into two main portions as follows:
 - A down payment at 10% of the selling price; to be made in two equal monthly installments; and
 - A one-off payment of the remaining unpaid balance, to be made on the ownership transfer date. The project expects to obtain the ownership transfer payment in the month immediately after the month of complete down payment.



From the above assumptions, we have projected cash flow receivable from sales of the home office and shop house on a quarterly basis as follows:

(Unit: Baht million)

	2023				2024			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total saleable land (%)	9.53	10.51	9.59	10.77	11.41	11.77	8.22	7.98
- Saleable land (SH)	9.53	10.51	1.66	-	-	-	-	-
- Saleable land (HO)	-	-	7.93	10.77	11.41	11.77	8.22	7.98
Total saleable area (%)	10.62	10.78	11.26	11.35	11.35	11.10	7.62	7.62
- Saleable area (SH)	10.62	10.78	2.18	-	-	-	-	-
- Saleable area (HO)	-	-	9.08	11.35	11.35	11.1	7.62	7.62
Cash flow receivable sales of home office and shop house								
Shop house (SH) (Baht million)	65.38	160.61	135.41	-	-	-	-	-
- Cash flow receivable from down payment	13.50	17.05	5.59	-	-	-	-	-
- Cash flow receivable from ownership transfer	51.88	143.56	129.81	-	-	-	-	-
Home office (HO) (Baht million)	-	-	30.68	173.60	179.47	183.04	162.69	124.55
- Cash flow receivable from down payment	-	-	11.09	17.38	18.26	18.15	13.77	12.56
- Cash flow receivable from ownership transfer	-	-	19.59	156.22	161.21	164.89	148.92	111.99
Total cash flow receivable from sales	65.38	160.61	166.09	173.60	179.47	183.04	162.69	124.55



(Unit: Baht million)

	2025				Total
	Q1	Q2	Q3	Q4	
Total saleable land (%)	8.46	8.15	3.61	-	100.00
- Saleable land (SH)	-	-	-	-	21.70
- Saleable land (HO)	8.46	8.15	3.61	-	78.30
Total saleable area (%)	7.62	7.63	3.05	-	100.00
- Saleable area (SH)	-	-	-	-	23.58
- Saleable area (HO)	7.62	7.63	3.05	-	76.42
Cash flow receivable sales of home office and shop house					
Shop house (SH) (Baht million)	-	-	-	-	361.40
- Cash flow receivable from down payment	-	-	-	-	36.14
- Cash flow receivable from ownership transfer	-	-	-	-	325.26
Home office (HO) (Baht million)	128.52	125.58	121.28	10.25	1,239.66
- Cash flow receivable from down payment	12.68	12.73	7.34	-	123.97
- Cash flow receivable from ownership transfer	115.83	112.85	113.95	10.25	1,115.70
Total cash flow receivable from sales	128.52	125.58	121.28	10.25	1,601.06

(b) Turnkey Construction and Development Fees

Turnkey construction and development fees are the operating fees for the entire project construction works, which SUK has commissioned NOBLE to undertake. SUK shall pay such fees to NOBLE as set out in the Turnkey Construction and Development Service Agreement between them. The fees include turnkey construction and development costs, design and consultation fees, selling and marketing expenses, and commission fee, totalling Baht 835.86 million.

The assumptions for the turnkey construction and development fees are as follows:

- Turnkey construction and development costs and design and consultation fees
 - Construction costs are estimated at Baht 671.73 million, calculated from the total construction area of 35,027 square meters, multiplied by the average construction costs of Baht 19,177 per square meter. The estimation is based on NOBLE's experience in previous home office and shop house construction and in line with the estimated construction costs per square meter of



home office and shop house projects in general. The construction period is 35 months, from September 2022 to July 2025.

- Design and consultation fees are estimated at 5% of construction costs and sales office construction cost at Baht 18.00 million.
 - Contingency for changes in construction costs is estimated at 5% of construction costs, design and consultation fees, and sales office construction cost, based on NOBLE's experience in previous home office and shop house construction and in line with the contingency estimation for changes in construction costs of home office and shop house projects in general.
- Selling and marketing expenses and commission fee

Selling and marketing expenses, comprising expenses on sales promotion, advertisement and public relations, are projected on a monthly basis according to the project's selling and marketing expense planning, or at about 2% of revenues from sales. Such projection is made based on NOBLE's experience in previous project management and in line with the forecasting of financial and marketing expenses of previous projects.

Commission fee for sales of home office and shop house varies with customer type and sales channel, projected at 1%-11% of the selling price of the units sold in each month, and is payable on a monthly basis and in proportion to the number of units sold. Commission fee for sales to Thai customers will be lower than that to foreign customers.

From the above assumptions, we have projected cash flow payable for the turnkey construction and development costs of the condominium on a quarterly basis, as follows:

(Unit: Baht million)

	2023				2024			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Turnkey construction and development costs	168.88	40.13	40.13	39.74	61.65	66.95	44.88	77.01
Design and consultation fees and sales office costs	19.77	2.69	2.69	2.69	4.72	5.08	3.04	5.62
Contingency for changes in construction costs	9.18	2.12	2.12	2.10	3.27	3.55	2.38	3.97
Selling and marketing expenses and commission fee	7.18	5.36	5.33	5.48	7.53	8.30	5.02	7.78
Total cash flow used in construction and selling and marketing expenses	205.01	50.29	50.26	50.01	77.18	83.89	55.32	94.38



(Unit: Baht million)

	2025				Total	
	Q1	Q2	Q3	Q4		
Turnkey construction and development costs	42.36	19.66	3.15	67.17	671.73	
Design and consultation fees and sales office costs	1.43	1.43	0.48	5.51	55.14	
Contingency for changes in construction costs	2.06	0.92	0.05	3.53	35.26	
Selling and marketing expenses and commission fee	5.29	5.22	3.26	7.98	73.73	
Total cash flow used in construction and selling and marketing expenses	51.14	27.24	6.94	84.19	835.86	

(c) *Management fee and monitoring and consulting service fee under the joint venture agreement*

- Monitoring and consulting service fee that SUK agrees to pay to U under the Monitoring Consulting Service Agreement is equal to 2.5% of the project value, payable on a monthly basis from September 2022 to October 2025.
- Management fee that SUK agrees to pay to NOBLE under the Turnkey Construction and Development Service Agreement is equal to 4% of the project value, payable after U could achieve EIRR of 11%.
- Incentive fee is payable to NOBLE in the case where the total EIRR of U and NOBLE, calculated from the sum of net cash flow receivable by U and NOBLE throughout the period of their investment in SUK, reaches the level specified in the joint venture agreement, amounting to Baht 34.99 million, and is payable in the final month of the project.



From the above assumptions, we have projected the management fee and monitoring and consulting service fee under the joint venture agreement on a quarterly basis as follows:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Monitoring and consulting service fee	1.13	3.38	3.38	3.38	3.38	3.38	3.38	3.38	3.38	3.38
Management fee	-	-	-	-	-	-	-	-	-	-
Incentive fee	-	-	-	-	-	-	-	-	-	-
Total cash flow payable for selling and administrative expenses	1.13	3.38	3.38	3.38	3.38	3.38	3.38	3.38	3.38	3.38

(Unit: Baht million)

	2025				Total
	Q1	Q2	Q3	Q4	
Monitoring and consulting service fee	3.38	3.38	3.38	1.13	42.83
Management fee	-	-	-	68.53	68.53
Incentive fee	-	-	-	34.99	34.98
Total cash flow payable for selling and administrative expenses	3.38	3.38	3.38	104.65	146.34

(d) *Expenses directly borne by JV partner*

The expenses relating to the project that JV partner must pay directly to the relevant counterparties include:

- Specific business tax of 3.3% of the selling price, payable on the ownership transfer date;
- Transfer fee of 1% of the selling price, payable on the ownership transfer date; and
- General administration expenses, comprising advisory and audit fees, legal fee, independent valuer's fee, initial juristic person expenses, maintenance fees for electricity and water meters, borrowing fee, and mortgage fee.



From the above assumptions, we have projected the selling and administrative expenses on a quarterly basis as follows:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Specific business tax	-	-	1.90	5.26	5.48	5.73	5.91	6.05	5.46	4.11
Transfer fee	-	-	0.58	1.60	1.66	1.74	1.79	1.83	1.65	1.24
General administration expenses	0.73	0.95	-	-	-	0.52	-	-	0.17	0.87
Total cash flow payable for selling and administrative expenses	0.73	0.95	2.48	6.86	7.14	7.98	7.70	7.88	7.28	6.22

(Unit: Baht million)

	2025				Total
	Q1	Q2	Q3	Q4	
Specific business tax	4.25	4.14	4.18	0.38	52.83
Transfer fee	1.29	1.25	1.27	0.11	16.01
General administration expenses	0.26	0.15	0.06	0.50	4.22
Total cash flow payable for selling and administrative expenses	5.80	5.55	5.51	0.99	73.07

(e) Sources of funds

Funding for development of Nue Hybe Suksawat Project is expected from three main sources: loans from financial institutions, loans from shareholders, and equity financing, as follows:

Sources of funds	Amount (Baht million)	Proportion of project cost (%)	Interest rate (%)
Loans from financial institutions	750.00	59.15	4.0
Loans from shareholders	467.97	36.91	4.8
Equity financing: U-City	25.00	1.97	-
Equity financing: NOBLE	25.00	1.97	-
Total sources of funds	1,267.97	100.00	

- Long-term loans from financial institutions are estimated at Baht 750.00 million. Of this amount, Baht 360.00 million is loan for land purchase, which has been completely drawn down since September 2022, and about Baht 390.00 million is loan for construction financing, expected to be drawn down from March 2023 until completion of construction. The loan period is not over four years. Interest payment will be made on a monthly basis,



and principal repayment will be made upon every release of the mortgaged land and home office and/or shop house at the rate of 70% of the sale and purchase price.

- Interest rate on long-term loans from a local financial institution for project development is estimated to be MLR – 2.125% p.a., or equal to 4.00% p.a. (MLR as at September 8, 2022 is equal to 6.125%).
- Loans from shareholders are estimated at Baht 467.97 million, to be equally provided by the two shareholders on a 50:50 basis, divided into Baht 233.98million from NOBLE and Baht 233.98 million from U. It is expected that loan repayment can be made to the shareholders from December 2024 onwards.
- Interest rate on loans from shareholders is estimated at 4.8% p.a.
- Equity financing is estimated to be Baht 50.00 million, of which Baht 25.00 million will be provided by U and Baht 25.00 million by NOBLE.

From the above assumptions, we have calculated net cash flow to equity receivable by the Company under the joint venture agreement and other benefits obtainable from the joint venture investment in SUK for development of the home office and shop house project with NOBLE, and have calculated the present value of cash flow obtained from the projection for a period of 40 months (July 1, 2022 – October 31, 2025), using cost of capital (Ke) of 11.29% per year as a discount rate. The calculation formula for Ke is as follows:

Calculation of Ke:

$$K_e = R_f + \beta(R_m - R_f)$$

Where:

Risk free rate (Rf) Risk free rate of return on investment, derived from www.thaibma.or.th as at September 29, 2022, is equal to 4.06% per annum, based on bid yield on government bond with a maturity of 25 years, which is a period that could reflect investment condition in different time periods better than shorter-term data.

Beta (β) This is a variance of SET return compared with closing price of the reference companies. We use the beta of 10 real estate companies (based on the weekly trading statistics from Bloomberg over the past three years up to September 29, 2022). The beta of these reference companies is adjusted to arrive at an unlevered beta, equal to an average of 0.477, which is then adjusted by the estimated interest-bearing debt to equity ratio of the whole project of RDA, equal to 1.45 times, to obtain a levered beta of 1.03.



Rm

This is the average rate of return on the SET over the past 25 years, which is a period that could reflect investment condition in different time periods better than shorter-term data (source: SET data from October 1997 to September 2022), equal to 11.08% per year.

The present value of free cash flow to equity that the Company will receive in the proportion of 50% and other returns from July 2022 to October 2025 is shown in the below table:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Cash flow before tax	(489.97)	(10.26)	(150.28)	94.05	100.08	107.79	87.63	85.22	94.86	18.93
<u>Less</u> Corporate income tax	-	-	-	-	(0.64)	(2.37)	(2.24)	(2.21)	(2.28)	(0.51)
<u>Add</u> Loans from financial institutions	360.00	-	152.90	37.05	37.05	36.69	36.69	36.69	36.69	16.22
<u>Add</u> Loans from shareholders	440.00	-	27.97	-	-	-	-	-	-	-
<u>Less</u> Repayment of loans from financial institutions	-	-	(40.35)	(111.66)	(116.20)	(121.50)	(125.38)	(128.25)	(78.20)	(28.46)
<u>Less</u> Repayment of loans from shareholders	(340.00)	-	-	-	-	-	-	-	-	(116.02)
Total	(29.97)	(10.26)	(9.77)	19.44	20.29	20.61	(3.30)	(8.54)	51.07	(109.83)
Discount period	0.25	0.50	0.75	1.00	1.25	1.50	1.75	2.00	2.25	2.50
Discount rate	11.29%	11.29%	11.29%	11.29%	11.29%	11.29%	11.29%	11.29%	11.29%	11.29%
Discount factor	0.9736	0.9479	0.9229	0.8986	0.8749	0.8518	0.8293	0.8074	0.7861	0.7654
PV of cash flow	(29.18)	(9.72)	(9.02)	17.47	17.75	17.56	(2.73)	(6.90)	40.15	(84.07)



(Unit: Baht million)

	2025				Total
	Q1	Q2	Q3	Q4	
Cash flow before tax	68.15	89.42	105.45	(179.57)	21.50
<u>Less</u> Corporate income tax	(1.08)	(1.02)	(1.46)	-	(13.81)
<u>Add</u> Loans from financial institutions	-	-	-	-	750.00
<u>Add</u> Loans from shareholders	-	-	-	-	467.97
<u>Less</u> Repayment of loans from financial institutions	-	-	-	-	(750.00)
<u>Less</u> Repayment of loans from shareholders	(11.94)	-	-	-	(467.97)
Total	55.12	88.40	103.99	(179.57)	7.69
Discount period	2.75	3.00	3.25	3.33	
Discount rate	11.29%	11.29%	11.29%	11.29%	
Discount factor	0.7452	0.7255	0.7064	0.7004	
PV of cash flow	41.07	64.14	73.46	(125.77)	4.22

Details of the present value of monitoring and consulting service fee receivable by the Company are as follows:

(Unit: Baht million)

	2022		2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Monitoring and consulting service fee	-	4.51	3.38	3.38	3.38	3.38	3.38	3.38	3.38	3.38
Discount period	0.25	0.50	0.75	1.00	1.25	1.50	1.75	2.00	2.25	2.50
Discount rate	11.29%	11.29%	11.29%	11.29%	11.29%	11.29%	11.29%	11.29%	11.29%	11.29%
Discount factor	0.9736	0.9479	0.9229	0.8986	0.8749	0.8518	0.8293	0.8074	0.7861	0.7654
PV of cash flow	0.00	4.27	3.12	3.04	2.96	2.88	2.80	2.73	2.66	2.59

(Unit: Baht million)

	2025				Total
	Q1	Q2	Q3	Q4	
Monitoring and consulting service fee	3.38	3.38	3.38	1.13	42.83
Discount period	2.75	3.00	3.25	3.33	
Discount rate	11.29%	11.29%	11.29%	11.29%	
Discount factor	0.7452	0.7255	0.7064	0.7004	
PV of cash flow	2.52	2.45	2.39	0.79	35.20



From the above table showing yearly cash flow projection, we have calculated the present value of free cash flow to equity receivable by the Company in the proportion of 50% and other returns as follows:

	Baht million
PV of cash flow	4.22
<u>Add:</u> PV of cash (as at June 30, 2022)	19.68
Equity value	23.89
Equity value receivable by the Company in the proportion of 50%	11.95
<u>Add:</u> PV of monitoring and consulting service fee receivable by the Company	35.20
Total equity value receivable by the Company in the proportion of 50% and other returns	47.15

From the valuation by the discounted cash flow approach, the equity value receivable by the Company in the proportion of 50% and other returns are appraised at Baht 47.51 million in the base case.

In addition, we have performed a sensitivity analysis on the valuation of the equity value receivable by the Company in the proportion of 50% and other returns so as to cover a range of impacts that are expected from changes in Ke by an increase/decrease of 2% from the base case, the outcomes of which are as follows:

Change of Ke	-2%	-1%	Base case 0.0%	+1%	+2%
Ke	9.29%	10.29%	11.29%	12.29%	13.29%
Equity value receivable by the Company in the proportion of 50% and other returns (Baht million)	48.65	47.89	47.15	46.42	45.71

From the above sensitivity analysis with changes to Ke, the equity value receivable by the Company in the proportion of 50% and other returns are appraised in a range of Baht 45.71 million – Baht 48.65 million, which is higher than the sale and purchase price of Baht 27.00 million by Baht 18.71 million – Baht 21.65 million or 69.30% – 80.19%.

**Conclusion of opinion of the IFA**

Table showing comparison of the fair value of the sale and purchase price of SUK's shares according to the investment proportion by various valuation approaches:

Valuation approach	Appraised value according to investment proportion (Baht million)	Sale and purchase price (Baht million)	Appraised value being higher/(lower) than sale and purchase price	
			(Baht million)	(%)
1. Book Value Approach	22.46	27.00	(4.54)	(16.81)
2. Adjusted Book Value Approach	53.06	27.00	26.06	96.52
3. Market Comparable Approach				
(a) P/BV Ratio Approach	18.64 – 21.11	27.00	(8.36) – (5.89)	(30.96) – (21.81)
(b) P/E Ratio Approach	N/A	27.00	N/A	N/A
(c) EV/EBITDA Ratio Approach	N/A	27.00	N/A	N/A
4. Market Value Approach	N/A	27.00	N/A	N/A
5. Discounted Cash Flow Approach	45.71 – 48.65	27.00	18.71 – 21.65	69.30 – 80.19

There are different strengths and weaknesses of the above valuation approaches in identifying a fair value of the shares, as described below:

(1) The share valuation by the book value approach focuses on financial position at a given period of time and book value of assets, but does not reflect the true market value of assets and the future profitability.

(2) The adjusted book value approach could reflect the net asset value more accurately than the share valuation by the book value approach. This is because the appraised book value in (1) is adjusted by value of real estate projects under development to obtain a market value or fair value, and also adjusted by the restated items in SUK's financial statements according to the financial due diligence report, and by commitments and contingent liabilities, etc., considering that SUK has just commenced its project construction. This is one of the suitable methods for determining a fair value of SUK's ordinary shares because it is based on a fair value of land and constructions according to the current progress rate at market price, which can best reflect general investors' expectation on the basis of the highest and best use of such assets at that time.

(3) The market comparable approach, comprising P/E ratio, P/BV ratio and EV/EBITDA ratio approaches, may not reflect the true value of SUK due to the variation and difference in certain factors of the Peer Group in terms of business operation policy, marketing plan, customer base, future business plan, financial structure, and profitability of each company.



(4) The market value approach can well reflect demand for and supply of shares traded on the stock exchange in different time periods. However, since SUK's shares are not listed on the SET, we cannot appraise a fair value of SUK's shares by this approach.

(5) The discounted cash flow approach normally focuses on future operation and profitability of the business by taking into account the present value of future net cash flow based on past operation, as well as the economic trend and future operation of the business. Therefore, this approach normally can reflect the true value of the business better than all other approaches. However, the valuation by this approach is under the assumption that SUK has completed the construction and could sell its project as planned. Currently, SUK has just commenced the construction. After completion of this transaction, the Company will become a major shareholder of SUK and will assume not only financial burdens but also risks in project development until completion. Therefore, this approach is not suitable for determining the value of this transaction. Nonetheless, we have still prepared the cash flow projection to be a basis for the Company's shareholders to consider whether the investment is worthwhile and determine the return on investment in such project.

Based on the above reasons, we are of the opinion that the most suitable approach for valuing SUK's shares is the adjusted book value (ABV) approach. A fair value of the investment in SUK according to the investment proportion is appraised by the ABV approach at Baht 53.06 million, which is higher than the sale and purchase of Baht 27.00 million by Baht 26.06 million or 96.52%.



Attachment 9B

Property Valuation of Suksawat Alliance Co., Ltd.

The Company has arranged for a fair value appraisal of Suksawat Alliance Co., Ltd. with respect to its Nue Hybe Suksawat Project, consisting of seven plots of land with a total area of 16 rai 2 ngan 38.8 square wah or equal to 6,638.8 square wah and constructions comprising 33 units of four-storied shop house (two types) and 123 units of four-storied home office (two types), making up a total of 156 units. Construction is still underway, about 1.65% completed, and scheduled for full completion in July 2025. The Company hired Sims Property Consultants Co., Ltd. ("SIMS" or "Independent Valuer"), an independent valuer on the SEC's approved list, to conduct a fair value appraisal of such properties for public purpose according to the appraisal report No. 65-1-1374-GL-1 dated September 13, 2022.

SIMS used the direct comparison or market approach, which was deemed a suitable approach, to appraise the land in Nue Hybe Suksawat Project at a fair value of Baht 597.49 million, and the cost approach, which was deemed a suitable approach, to appraise the shop house and home office buildings under construction at a fair value of Baht 7.46 million. **The total fair value of the land and the shop house and home office buildings under construction is equal to Baht 604.95 million**, the details of which are as follows:

Appraised property	Appraisal approach	Fair value appraised by SIMS (Baht million)
Land	Direct comparison or market approach	597.49
Shop house and home office buildings under construction	Replacement cost approach	7.46
Total appraised fair value		604.95

Simulated photo of Nue Hybe Suksawat Project



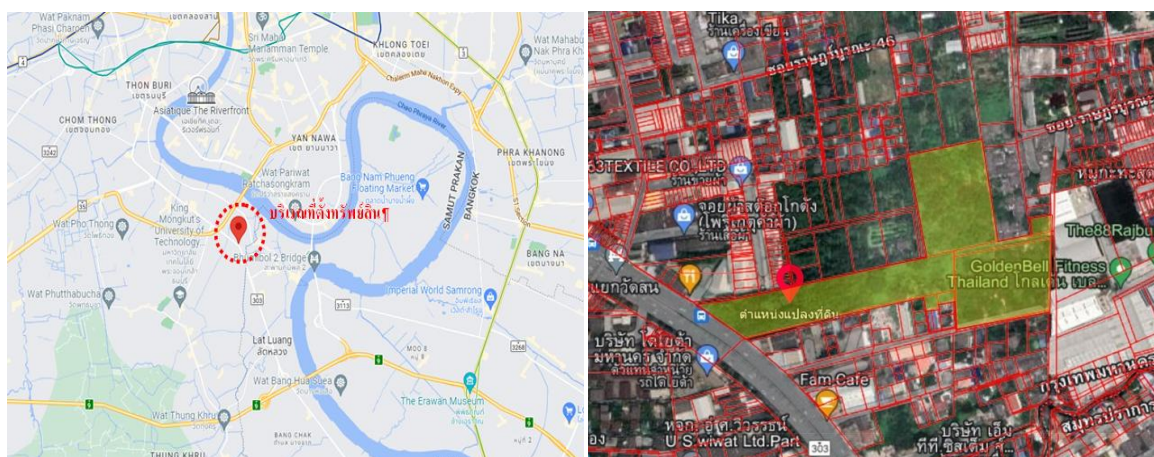
Source: Appraisal report by SIMS



Details of appraised property

Particulars	Details
Type of property	Land and constructions in present condition
Location	Rat Burana Sub-district, Rat Burana District, Bangkok
GPS	LAT : 13.668225 LON : 100.515100
Details of property	Seven plots of land under title deeds No. 573, 578, 579, 8116, 38320, 38321 and 63767 with a total area of 16 rai 2 ngan 38.8 square wah or equal to 6,638.8 square wah, together with four construction items in present condition as follows: (1) Shophouse, Type A1, 22 units (2) Shophouse, Type A2, 11 units (3) Home office, Type B1, 56 units (4) Home office, Type B2, 67 units <i>(Under construction, currently about 1.65% completed)</i>
Owner	Suksawat Alliance Co., Ltd.
Encumbrances	Unencumbered
Appraisal approach for land	Direct comparison or market approach
Appraisal approach for building	Replacement cost approach
Appraisal date	August 29, 2022
Appraised value	Land Baht 597,490,000 Buildings & constructions Baht 7,460,000 Total Baht 604,950,000

Location of vacant land in Nue Hybe Suksawat Project



Source: Appraisal report by SIMS



1. Details of land appraisal by the direct comparison or market approach

The Company hired SIMS to appraise the vacant land in Nue Hybe Suksawat Project on August 29, 2022, using the direct comparison or market approach, with a survey of other plots of land nearby for comparison. Factors taken into consideration were location, land condition, land use, land shape, and land size. Then, the land value was appraised by the Adjustment Grid Analysis.

There are six market data sets used for comparison and land appraisal, as follows:

— Comparable market data 1 – 4

Particulars	Comparable market data				
	Appraised property	Data 1	Data 2	Data 3	Data 4
Type of property	Land with constructions in present condition	Vacant land	Vacant land	Vacant land	Land with constructions
Location	Suk Sawat Road, Rat Burana Sub-district, Rat Burana District, Bangkok	Suk Sawat Road, Rat Burana Sub-district, Rat Burana District, Bangkok	Suk Sawat Road, Bang Pheung Sub-district, Phra Pradaeng District, Samut Prakan Province	Suk Sawat Road, Bang Pheung Sub-district, Phra Pradaeng District, Samut Prakan Province	Suk Sawat Road, Bang Pheung Sub-district, Phra Pradaeng District, Samut Prakan Province
Land area	16-2-38.8 rai (6,638.8 sqw)	4-3-00.0 rai (1,900.0 sqw)	2-2-13.1 rai (1,013.3 sqw)	6-2-64.0 rai (2,664 sqw)	1-0-27.9 rai (427.9 sqw)
Land shape	Polygon	Similar to rectangle	Polygon	Similar to rectangle	Rectangle
Frontage	60.00 m.	60.00 m.	18.00 m.	80.00 m.	36.00 m.
Land condition	Same as road level	Same as road level	Same as road level	Same as road level	Same as road level
Public utilities	Electricity, water supply, telephone and drainage pipe	Electricity, water supply and telephone	Electricity, water supply and telephone	Electricity, water supply and telephone	Electricity, water supply and telephone
Type of front road	Asphalt, 26.00 m.	Asphalt, 26.00 m.	Asphalt, 26.00 m.	Asphalt, 26.00 m.	Asphalt, 26.00 m.
Environment	Residential and commercial	Residential and commercial	Residential and commercial	Residential and commercial	Residential and commercial
Town plan	Orange, medium-density residential zone	Orange, medium-density residential zone	Red, commercial zone	Red, commercial zone	Orange, medium-density residential zone
Best use	Residential	Commercial	Commercial	Commercial	Commercial
Offering price		Baht 220,000/sqw	Baht 110,000/sqw	Baht 172,673/sqw	Baht 210,000/sqw
Date obtaining data		August 2022	August 2022	August 2022	August 2022



— Comparable market data 5 – 6

Particulars	Comparable market data	
	Data 5	Data 6
Type of property	Vacant land	Vacant land
Location	Suk Sawat Road, Rat Burana Sub-district, Rat Burana District, Bangkok	Suk Sawat Road, Rat Burana Sub-district, Rat Burana District, Bangkok
Land area	7-0-64.3 rai (2,864.3 sqw)	0-3-58.4 rai
Land shape	Polygon	Polygon
Frontage	50.00 m.	26.00 m.
Land condition	Same as road level	Same as road level
Public utilities	Electricity, water supply and telephone	Electricity, water supply and telephone
Type of front road	Asphalt, 26.00 m.	Asphalt, 26.00 m.
Environment	Residential and commercial	Residential and commercial
Town plan	Orange, medium-density residential zone	Orange, medium-density residential zone
Best use	Commercial	Commercial
Offering price	Baht 300,000/sqw	Baht 260,000/sqw
Date obtaining data	August 2022	August 2022



Land appraisal by Adjustment Grid Analysis:

Particulars	Appraised property	Data 1		Data 2		Data 3	
Location	Suk Sawat Road	Suk Sawat Road		Suk Sawat Road		Suk Sawat Road	
Environment	Residential/commercial	Residential/commercial		Residential/commercial		Residential/commercial	
Area (rai-ngan-square wah)	16-2-38.8	4-3-0		2-2-13.1		6-2-64	
Area (square wah)	6,638.8	1,900.0		1,013.1		2,664	
Land shape	Polygon	Similar to rectangle		Polygon		Similar to rectangle	
Frontage (meter)	63.00	60.00		18.00		80.00	
Land level (meter)	0.00	0.00		0.00		0.00	
Type of front road	Asphalt, 26.00 m.	Asphalt, 26.00 m.		Asphalt, 26.00 m.		Asphalt, 26.00 m.	
Town plan	Medium-density residential zone (Orange)	Medium-density residential zone (Orange)		Commercial (Red)		Commercial (Red)	
Best land use	Residential	Commercial		Commercial		Commercial	
Offering price (Baht/unit)		220,000		-		-	
Bargain price/expected saleable price (Baht/unit)		140,000		-		-	
Sale and purchase price (Baht/unit)		-	-	Y2018	110,000	Y2020	172,673
Adjusted sale and purchase period		0%	-	5%	5,500	0%	-
Price used in analysis (Baht/unit)		140,000		115,500		172,673	
Location		0%	-	0%	-	0%	-
Environment - development		0%	-	0%	-	-10%	-17,267
Land size - liquidity		-20%	-28,000	-25%	-28,875	-20%	-34,535
Land shape		-10%	-14,000	0%	-	-10%	-17,267
Frontage		0%	-	10%	11,550	0%	-
Land level		0%	-	0%	-	0%	-
Road passing in front		0%	-	0%	-	0%	-
Legal restrictions		0%	-	0%	-	0%	-
Best land use		-5%	-7,000	-5%	-5,775	-5%	-8,634
Sum of factors affecting property value		-35%	-49,000	-20%	-23,100	-45%	-77,703
Price after factor adjustment		91,000		92,400		94,970	
Weighting on data credibility	100%	34.20%		39.98%		25.82%	
Property value (Baht)	92,585	31,125		36,940		24,520	
Value of appraised property (Baht/square wah)	90,000						



Remark: By the Adjustment Grid Analysis, SIMS selected Data 1-3 for comparison with the appraised property because of their similarities in terms of location, access, environment and best use. However, since the difference in location, environment and best use of the comparable data may affect the property value, SIMS already took into account the factors having effect on the property value. Data 4 – 6 were excluded from the analysis because their location and environment are superior to the appraised property and Data 4 and 6 are of a smaller size than the appraised property.

From the appraisal of vacant land in Nue Hybe Suksawat Project with a total area of 16 rai 2 ngan 38.8 square wah or equal to 6,638.8 square wah, using the direct comparison or market approach, as shown in the above table, for analysis of market price data based on factors such as the land's physical features, shape, characteristics, size, best use, environment and location, compared with the appraised property, the value obtained was adjusted to an appraised value of Baht 90,000 per square wah (rounded off) or a total of Baht 597.49 million.

Photo showing the four-storied shophouse (2 types)
(under construction, currently about 1.65% completed)



Source: Appraisal report by SIMS



2. Details of the appraisal of model units of shophouse and home office by the replacement cost approach

SIMS employed the replacement cost approach, which was deemed a suitable method for building appraisal, to appraise the shophouse and home office, based on the material prices, labor cost, and assembling or construction technique as at present so as to obtain the replacement cost new. The value derived is the value in present condition of the buildings and constructions. Details of the appraisal are as follows:

General characteristics of the appraised constructions:

	Details of construction	
Construction	Four-storied shophouse (Type A1 and A2)	Four-storied home office (Type B1 and B2)
General details		
Type of building/no. of units	Four-storied reinforced concrete building, 33 units, comprising: Type A1, 22 units Type A2, 11 units	Four-storied reinforced concrete building, 123 units, comprising: Type B1, 56 units Type B2, 67 units
Size (width x length)	Type A1, approx. 8.00 x 7.00 m./unit Type A2, approx. 5.00 x 12.50 m./unit	Type B1, approx. 7.50 x 8.30 m./unit Type B2, approx. 5.50 x 8.00 m./unit
Usable area	Type A1, approx. 248.00 sqm Type A2, approx. 255.00 sqm	Type B1, approx. 265.00 sqm Type B2, approx. 178.00 sqm
Construction works	Under construction	Under construction
Construction standard	Moderate	Moderate
Building material standard	Moderate	Moderate
Building structure and decoration materials		
Structure	Reinforced concrete	Reinforced concrete
Roof frame / roof	Steel / metal sheet	Steel / metal sheet
Floor	Reinforced concrete	Reinforced concrete
Flooring materials	Ceramic tiles, Granito tiles, and laminate tiles	Ceramic tiles, Granito tiles, and laminate tiles
Wall	Brick wall, covered with stucco, painted	Brick wall, covered with stucco, painted
Ceiling	Gypsum board, neatly coated	Gypsum board, neatly coated
Door	Glass door with aluminum frame, PVC door and PVC frame	Glass door with aluminum frame, PVC door and PVC frame



	Details of construction	
Window	Glass window with aluminum frame	Glass window with aluminum frame
Bathroom	Floor and wall covered with ceramic tiles	Floor and wall covered with ceramic tiles
Sanitaryware	Flush toilet with rinsing spray, wash basin, and mirror	Flush toilet with rinsing spray, wash basin, and mirror
Building area division and utilization		
Levels 1-4, divided into	Hall, room and restroom	Hall, room and restroom

Analysis of property value for constructions:

	Particulars	Details		RCN (Baht)		
		Construction area	Unit	Construction cost/unit	% construction	Value upon 100% completed
1	Four-storied shophouse, Type A1 (21 units)					
	Usable area	248.00	sqm	12,000	0%	2,976,000
	Total construction value for Item 1 / unit	(rounded off)		(RCN~ 12,000/sqm)		2,976,000
	Total construction value for Item 1	21	units	=		62,496,000
2	Four-storied shophouse, Type A1 (1 model unit)					
	Usable area	248.00	sqm	17,000	0%	4,216,000
	Total construction value for Item 2 / unit	(rounded off)		(RCN~ 17,000/sqm)		4,216,000
	Total construction value for Item 2	1	unit	=		4,216,000
3	Four-storied shophouse, Type A2 (10 units)					
	Usable area	255.00	sqm	12,000	0%	3,060,000
	Total construction value for Item 3 / unit	(rounded off)		(RCN~ 12,000/sqm)		3,060,000
	Total construction value for Item 3	10	units	=		30,600,000
4	Four-storied shophouse, Type A2 (1 model unit)					
	Usable area	255.00	sqm	17,000	0%	4,335,000
	Total construction value for Item 4 / unit	(rounded off)		(RCN~ 17,000/sqm)		4,335,000
	Total construction value for Item 4	1	unit	=		4,335,000
5	Four-storied home office, Type B1 (55 units)					
	Usable area	265.00	sqm	13,000	0%	3,445,000
	Total construction value for Item 5 / unit	(rounded off)		(RCN~ 13,000/sqm)		3,445,000
	Total construction value for Item 5	55	units	=		189,475,000
6	Four-storied home office, Type B1 (1 model unit)					
	Usable area	265.00	sqm	18,000	0%	4,770,000
	Total construction value for Item 6 / unit	(rounded off)		(RCN~ 18,000/sqm)		4,770,000
	Total construction value for Item 6	1	unit	=		4,770,000



	Particulars	Details		RCN (Baht)		
		Construction area	Unit	Construction cost/unit	% construction	Value upon 100% completed
7	Four-storied home office, Type B2 (66 units)					
	Usable area	178.00	sqm	13,000	0%	2,314,000
	Total construction value for Item 7 / unit	(rounded off)		(RCN~ 13,000/sqm)		2,314,000
	Total construction value for Item 7	66	units	=		152,724,000
8	Four-storied home office, Type B3 (1 model unit)					
	Usable area	178.00	sqm	18,000	0%	3,204,000
	Total construction value for Item 8 / unit	(rounded off)		(RCN~ 18,000/sqm)		3,204,000
	Total construction value for Item 8	1	unit	=		3,204,000
Total construction value for Items 1 – 5, 156 units						451,820,000

Value of constructions in present condition:

	Details of constructions	Quantity (units)	Construction value upon 100% completed		Value of constructions in present condition
			Per unit	Total	
1	Four-storied shophouse, Type A1	21	2,976,000	62,496,000	7,463,808
2	Four-storied shophouse, Type A1 (model unit)	1	4,216,000	4,216,000	-
3	Four-storied shophouse, Type A2	10	3,060,000	30,600,000	-
4	Four-storied shophouse, Type A2 (model unit)	1	4,335,000	4,335,000	-
5	Four-storied home office, Type B1	55	3,445,000	189,475,000	-
6	Four-storied home office, Type B1 (model unit)	1	4,770,000	4,770,000	-
7	Four-storied home office, Type B2	66	2,314,000	152,724,000	-
8	Four-storied home office, Type B2 (model unit)	1	3,204,000	3,204,000	-
	Total value of construction	156		451,820,000	7,463,808
	(rounded off)			451,820,000	7,460,000



Current construction of shophouse:

	Saleable lot No.	Type	RCN (Baht)		
			Upon 100% completed	% construction works	Value in present condition
1	A1	Four-storied shophouse, Type A1	2,976,000	38.90%	1,157,664
2	A2	Four-storied shophouse, Type A1	2,976,000	38.90%	1,157,664
3	A3	Four-storied shophouse, Type A1	2,976,000	38.90%	1,157,664
4	A4	Four-storied shophouse, Type A1	2,976,000	38.90%	1,157,664
5	A5	Four-storied shophouse, Type A1	2,976,000	16.80%	499,968
6	A6	Four-storied shophouse, Type A1	2,976,000	16.80%	499,968
7	A7	Four-storied shophouse, Type A1	2,976,000	16.80%	499,968
8	A8	Four-storied shophouse, Type A1	2,976,000	16.80%	499,968
9	A9	Four-storied shophouse, Type A1	2,976,000	7.00%	208,320
10	A10	Four-storied shophouse, Type A1	2,976,000	7.00%	208,320
11	A11	Four-storied shophouse, Type A1	2,976,000	7.00%	208,320
12	A12	Four-storied shophouse, Type A1	2,976,000	7.00%	208,320
Value of construction in present condition			35,712,000		7,463,808
(rounded off)			35,710,000	21.00%	7,460,000
			451,820,000	1.65%	7,460,000

Remark: SIMS determined the percentage of construction based on the construction of each building in its present condition and in accordance with the general construction standard.

From the appraisal of model units of shophouse and home office under development by the replacement cost approach, a fair value of the buildings was appraised at Baht 7.46 million.

Opinion of the IFA on the property appraisal approaches

SIMS examined and considered various factors relating to the valuation such as appropriateness of use or development for further use, general market condition and limitations, specific features of the property, and legal rights before selecting the appraisal methods that suit the nature of such property, as follows:

- In our opinion, the direct comparison or market approach used for appraisal of the land of Nue Hybe Suksawat Project is an appropriate method for analysis and determination of price through comparison with market prices of properties which have characteristics similar to SUK's property. SIMS considered all details of the appraised property and various factors that affect value of the appraised property such as land area, location, transportation, environment, land use, land shape, physical condition, legal restrictions, development potential, and sufficiency of market price data in nearby areas for comparison.



Then, weighting on credibility of the comparable data was carried out to determine the value of the appraised property. The appraisal of land using the direct comparison or market approach is part of the market price assessment process under professional practices adopted by independent appraisers and such approach is deemed suitable for comparison with the book value of real estate development cost shown on SUK's internal financial statements as of June 30, 2022.

- As for the use of replacement cost approach for appraisal of the shop house and home office that are under development, we view that this method is appropriate since it is in line with the general approach for construction appraisal. SIMS used the construction cost estimates of the Valuers Association of Thailand as a basis for determining the construction cost per unit.

**Attachment 10****Summary of Terms and Conditions of Share Subscription Agreement**Share Subscription Agreement of Thanulux Plc.

Signing date	September 30, 2022
Contractual parties	<ol style="list-style-type: none">1. BTS Group Holdings Plc. as the Purchaser ("BTS")2. Thanulux Plc. as the Company ("TNL")
Transaction	The Purchaser agrees to subscribe for 87,237,766 newly issued shares in the Company, and the Company agrees to issue and allocate its new ordinary shares to the Purchaser.
Price and terms of payment	The parties hereto agree upon the subscription price for the newly issued shares of Baht 33.06 per share, totaling Baht 2,884,080,543.96. The Purchaser shall make a payment for the subscription price by way of money transfer to the Company's account, whereby the Company shall inform the Purchaser of the details of such account at least seven business days before the Closing Date, or by any other method as to be determined by the parties hereto.
Key conditions	<p><u>Conditions precedent for the Company</u></p> <ol style="list-style-type: none">1. The Company's representations must be true and correct as at the agreement date and on the Closing Date.2. The shareholders' meeting of the Company grants its approval for the following:<ol style="list-style-type: none">2.1 Issuance and allocation of new shares to the Purchaser by way of a private placement;2.2 Issuance and allocation of 92,309,898 new shares for rights offering to the existing shareholders at a ratio of 2.3 existing ordinary shares to 1 newly issued ordinary share at a price of Baht 33.06 per share;2.3 Amendment to the Company's Memorandum of Association to be consistent with the capital increase; and2.4 Execution of the share purchase agreement in seven joint venture companies.3. The Company must obtain approval from the SEC for the issuance and allocation of new shares to the Purchaser by way of a private placement.4. The Company must enter into the share purchase agreement with Saha Pathana Inter-Holding Plc. ("SPI") to purchase 90% of the total shares in



Oxygen Asset Co., Ltd. ("OA").

5. The Company must obtain all approvals and consent relating to the execution of and the compliance with this agreement.

Conditions precedent for the Purchaser

1. The Purchaser's representations must be true and correct as at the agreement date and on the Closing Date.
2. The Purchaser must obtain approval from the Board of Directors' meeting of the Purchaser for the subscription of newly issued shares and for all transactions under this agreement.
3. The Purchaser must obtain all necessary approvals from the authorities in order to enable all transactions under this agreement to be successfully executed.

Other conditions precedent

1. There must not be any material adverse change taking place.
2. All conditions precedent under the share purchase agreement of the seven Target Companies and the share purchase agreement of OA must be satisfied or waived.
3. The Company must submit the documents for additional information disclosure to the Purchaser within one month from the date of this agreement. If it is a crucial matter having material impact on the Company, the parties hereto shall mutually agree to entrust the Seller with the duty to indemnify for any damage that may arise.

Closing Date

After all conditions precedent have been satisfied and/or waived, the closing of the transaction shall occur on any date as to be agreed upon by the parties hereto, but not more than seven business days, or on any other date as to be extended.



Attachment 11

Summary of Terms and Conditions of Share Purchase Agreement of OA

Share Purchase Agreement of Oxygen Asset Co., Ltd.

Signing date	September 30, 2022
Contractual parties	<ol style="list-style-type: none"> 1. Saha Pathana Inter-Holding Plc. as the Seller ("SPI") 2. Thanulux Plc. as the Purchaser ("TNL")
Transaction	The Seller agrees to sell and the Purchaser agrees to buy ordinary shares in the proportion of 90% of the total number of issued and paid-up ordinary shares of Oxygen Asset Co., Ltd. ("OA" or "Target Company").
Sale and purchase price and payment	The parties hereto agree upon the sale and purchase price for the shares of Baht 835,702,843.50. The Purchaser shall make a payment for the sale and purchase price to the Seller on the Closing Date by way of electronic money transfer to the Seller's account, whereby the Seller shall inform the Purchaser of the details of such account at least five days before the Closing Date.
Key conditions	<p><u>Conditions precedent for the Seller</u></p> <ol style="list-style-type: none"> 1. All of the Seller's representations must be true and correct while giving the representations and on the Closing Date. 2. There must not be any material adverse effect or any legal action/proceedings that will result in the authority ceasing or prohibiting the share sale and purchase transaction. 3. The Seller must obtain all approvals from the authorities necessary for successful execution of all transactions under this agreement. 4. The Seller and the Target Company must obtain all consent, notices, waivers, and approvals specified in any agreements that are binding upon the Seller or the Target Company or upon the assets of the Seller or the Target Company in order to enable the Seller and the Target Company to successfully execute the transactions under this agreement. 5. The Seller must obtain approval from the Board of Directors' meeting and/or the shareholders' meeting of the Seller for the execution of and the compliance with this agreement and for the execution of the shareholders agreement of TNL. 6. The Seller must submit the documents for additional information disclosure to the Purchaser within one month from the date of this agreement. If it is a



crucial matter having material adverse impact on the Company, the parties hereto shall mutually agree to entrust the Seller with the duty to indemnify for any damage that may arise.

Conditions precedent for the Purchaser

1. All of the Purchaser's representations must be true and correct while giving the representations and on the Closing Date.
2. There must not be any legal action/proceedings that will result in the authority ceasing or prohibiting the share sale and purchase transaction.
3. The Purchaser must obtain all approvals from the authorities necessary for successful execution of all transactions under this agreement.
4. The Purchaser must obtain approval from the Board of Directors' meeting and/or the shareholders' meeting of the Purchaser for the execution of and the compliance with this agreement, including the rights offering of newly issued shares to the existing shareholders.

Closing Date

The parties hereto mutually agree that the Closing Date of the transaction shall be within three business days from the date on which all conditions precedent have been satisfied or waived, or on any other date as to be agreed upon between them, but not later than December 31, 2022.

**Attachment 12****Summary of Terms and Conditions of Share Purchase Agreement of Real Estate Companies**Share Purchase Agreement of Seven Joint Venture Companies

Signing date	September 30, 2022
Contractual parties	<ol style="list-style-type: none">1. U City Plc. as the Seller ("U"), whereby, in the case of Ratburana Alliance Co., Ltd. ("RBA"), U must arrange for U Global Hospitality Co., Ltd. ("UGH"), a wholly-owned subsidiary of U, to sell shares in RBA in the proportion of 50% of the total issued and paid-up shares of RBA2. Thanulux Plc. as the Purchaser ("TNL"), whereby TNL will transfer the rights and obligations under the agreement to TNL Alliance Co., Ltd. prior to the Closing Date
Transaction	<p>The Seller agrees to sell and the Purchaser agrees to buy ordinary shares in the proportion of 50% of the total number of issued and paid-up ordinary shares of seven companies as follows:</p> <ol style="list-style-type: none">1. Future Domain Co., Ltd. ("FD");2. Khu Khot Station Alliance Co., Ltd. ("KK");3. Majestic Park Co., Ltd. ("MJP");4. Phraram 9 Alliance Co., Ltd. ("R9A");5. Ratburana Alliance Co., Ltd. ("RBA");6. Ratchada Alliance Co., Ltd. ("RDA"); and7. Suksawat Alliance Co., Ltd. ("SUK"), <p>(collectively called "Target Companies").</p>
Sale and purchase price and payment	<p>The parties hereto agree upon the sale and purchase price for the shares of the Target Companies as follows:</p> <ol style="list-style-type: none">1. FD at Baht 148,634,200;2. KK at Baht 113,666,000;3. MJP at Baht 156,272,000;4. R9A at Baht 6,750,000;5. RBA at Baht 55,502,590;6. RDA at Baht 24,100,000; and7. SUK at Baht 27,000,000, <p>Making up a total of Baht 531,924,790.</p> <p>The Purchaser shall make a payment for the sale and purchase price to the Seller on the Closing Date by way of electronic money transfer to the Seller's account,</p>



whereby the Seller shall inform the Purchaser of the details of such account at least five days before the Closing Date.

Key conditions

Conditions precedent for the Seller

1. All of the Seller's representations must be true and correct in material respect while giving the representations and on the Closing Date.
2. There must not be any material adverse effect or any legal action/proceedings that will result in the authority ceasing or prohibiting the share sale and purchase transaction.
3. The Seller must obtain all approvals from the authorities necessary for successful execution of all transactions under this agreement.
4. The Seller and the Target Companies must obtain all consent, notices, waivers, and approvals specified in any agreements that are binding upon the Seller or the Target Companies or upon the assets of the Seller or the Target Companies, including the consent and approval from Noble Development Plc. ("**Noble**") and banks, in order to enable the Seller and the Target Companies to successfully execute the transactions under this agreement.
5. The Seller must obtain approval from the Board of Directors' meeting and/or the shareholders' meeting of the Seller for the execution of and the compliance with this agreement.
6. BTS Group Holdings Plc. ("**BTS**") must obtain approval from its Board of Directors' meeting and/or shareholders' meeting, as required by laws, for the execution of the share subscription agreement of Thanulux Plc. ("**TNL**"), including the subscription of newly issued shares of TNL that are allocation through a private placement.
7. BTS and TNL must execute the share subscription agreement of TNL and the subscription of newly issued shares of TNL. In this respect, BTS has completely executed these transactions.
8. Noble has acquired 50% of shares in RBA under the share purchase agreement with UGH.
9. Other conditions precedent as necessary and to be agreed upon between the parties hereto.



Conditions precedent for the Purchaser

1. All of the Purchaser's representations must be true and correct in material respect while giving the representations and on the Closing Date.
2. There must not be any legal action/proceedings that will result in the authority ceasing or prohibiting the share sale and purchase transaction.
3. The Purchaser must obtain all approvals from the authorities necessary for successful execution of all transactions under this agreement.
4. The Purchaser must obtain approval from the Board of Directors' meeting and/or the shareholders' meeting of the Purchaser for the execution of and the compliance with this agreement, including the execution of the share subscription agreement of TNL and the subscription for newly issued shares of TNL by BTS by way of a private placement and the rights offering of newly issued shares to the existing shareholders.
5. TNL issues its new shares for allocation to BTS by way of a private placement under the share subscription agreement of TNL.

Closing Date

The Closing Date of the transaction shall be within three business days from the date on which all conditions precedent have been satisfied or waived, or on any other date as to be agreed upon between the parties hereto, but not later than December 31, 2022.